AVVISO n.13193	29 Luglio 2011	SeDeX – LEV. CERTIFICATES

Mittente del comunicato	:	Borsa Italiana
Societa' oggetto dell'Avviso	:	BARCLAYS BANK PLC
Oggetto	:	Inizio negoziazione 'Leverage Certificates' 'BARCLAYS BANK PLC'

Testo del comunicato

Si veda allegato.

Disposizioni della Borsa

Strumenti finanziari:	**Mini Long Certificates su FTSE/MIB e DAX**
Emittente:	BARCLAYS BANK PLC

Rating Emittente:

Società di rating	Long term	Data report
Moody's	Aa3	19/05/2010
Standard & Poor's	AA-	29/01/2010
Fitch	AA-	29/10/2009

Oggetto:	**INIZIO NEGOZIAZIONI IN BORSA**
Data di inizio negoziazioni:	**01/08/2011**
Mercato di quotazione:	Borsa - Comparto SEDEX “Leverage Certificates”
Orari e modalità di negoziazione:	Negoziazione continua e l’orario stabilito dall’art. IA.5.1.5 delle Istruzioni
Operatore incaricato ad assolvere l’impegno di quotazione:	Barclays Bank PLC Member ID Specialist: MM7388

CARATTERISTICHE SALIENTI DEI TITOLI OGGETTO DI QUOTAZIONE

Mini Long Certificates su FTSE/MIB e DAX

Tipo di liquidazione:	monetaria
Modalità di esercizio:	europeo

DISPOSIZIONI DELLA BORSA ITALIANA

Dal giorno 01/08/2011, gli strumenti finanziari "Mini Long Certificates su FTSE/MIB e DAX" (vedasi scheda riepilogativa delle caratteristiche dei securitised derivatives) verranno inseriti nel Listino Ufficiale, sezione Securitised Derivatives.

Allegati:
- Scheda riepilogativa delle caratteristiche dei securitised derivatives;
- Estratto del prospetto di quotazione dei Securitised Derivatives

Num. Serie	Codice Isin	Local Market TIDM	TIDM	Short Name	Long Name	Sottostante	Tipologia	Strike	Data Scadenza	Parità	Quantità	Lotto Negoziazione	EMS	Prima Barriera
1	GB00B607R126	BA1070	X9HN	BA1070DAXML	BARDAXSLML6763,74AB6900E270716	DAX® (Total Return Index)	Bull	6763,74	27/07/16	0,001	2255000	1	4717	6900
2	GB00B625SX38	BA1069	X9HO	BA1069DAXML	BARDAXSLML6665,7AB6800E270716	DAX® (Total Return Index)	Bull	6665,7	27/07/16	0,001	2255000	1	4032	6800
3	GB00B4V3LP71	BA1068	X9HP	BA1068DAXML	BARDAXSLML6567,66AB6700E270716	DAX® (Total Return Index)	Bull	6567,66	27/07/16	0,001	2255000	1	3472	6700
4	GB00B41C3G99	BA1067	X9HQ	BA1067DAXML	BARDAXSLML6469,62AB6600E270716	DAX® (Total Return Index)	Bull	6469,62	27/07/16	0,001	2255000	1	3049	6600
7	GB00B44TCB53	BA1064	X9HR	BA1064FTMIBML	BARFTMIBSLML17646,09AB18000E270716	FTSE MIB Index	Bull	17646,09	27/07/16	0,0001	2255000	1	13889	18000
8	GB00B4KSJ593	BA1063	X9HS	BA1063FTMIBML	BARFTMIBSLML17155,9AB17500E270716	FTSE MIB Index	Bull	17155,9	27/07/16	0,0001	2255000	1	10870	17500
9	GB00B3ZYV604	BA1062	X9HT	BA1062FTMIBML	BARFTMIBSLML16665,7AB17000E270716	FTSE MIB Index	Bull	16665,7	27/07/16	0,0001	2255000	1	8929	17000

Final Terms

BARCLAYS BANK PLC

(Incorporated with limited liability in England and Wales)

BARCLAYS CAPITAL (CAYMAN) LIMITED

(Incorporated with limited liability in the Cayman Islands)

GLOBAL STRUCTURED SECURITIES PROGRAMME

for the issue of Securities

BARCLAYS BANK PLC

2,255,000 FTSE MIB Index Linked Mini Long Certificates

ISIN code: GB00B3ZYV604

under the Global Structured Securities Programme

Issue Price: EUR 0.28 per Security

This document constitutes the final terms of the Securities (the "**Final Terms**") described herein for the purposes of Article 5.4 of the Directive 2003/71/EC and is prepared in connection with the Global Structured Securities Programme established by Barclays Bank PLC (the "**Bank**") and Barclays Capital (Cayman) Limited ("**BCCL**") and is supplemental to and should be read in conjunction with the Base Prospectus dated 6 August 2010 as supplemented, amended, updated and/or restated from time to time, which constitutes a base prospectus (the "**Base Prospectus**") for the purpose of the Directive 2003/71/EC. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing during normal business hours at the registered office of the Issuer and the specified office of the Issue and Paying Agent and copies may be obtained from such office. Words and expressions defined in the Base Prospectus and not defined in this document shall bear the same meanings when used herein.

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not contain anything likely to affect the import of such information.

Investors should refer to the sections headed "Risk Factors" in the Base Prospectus for a discussion of certain matters that should be considered when making a decision to invest in the Securities.

Barclays Capital

Final Terms dated 27 July 2011

The distribution of this document and the offer of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession these Final Terms come are required by the Bank to inform themselves about and to observe any such restrictions. Details of selling restrictions for various jurisdictions are set out in ''Purchase and Sale'' in the Base Prospectus. In particular, the Securities have not been, and will not be, registered under the US Securities Act of 1933, as amended, and are subject to US tax law requirements. Trading in the Securities has not been approved by the US Commodity Futures Trading Commission under the US Commodity Exchange Act of 1936, as amended. Subject to certain exceptions, the Securities may not at any time be offered, sold or delivered in the United States or to US persons, nor may any US persons at any time trade or maintain a position in such Securities.

Part A
Terms and Conditions of the Securities

The Securities shall have the following terms and conditions, which shall complete, modify and/or amend the Base Conditions and/or any applicable Relevant Annex(es) set out in the Base Prospectus dated 6 August 2010.

Parties

Issuer:	Barclays Bank PLC
Guarantor:	N/A
Manager:	Barclays Bank PLC
Determination Agent:	Barclays Bank PLC
Issue and Paying Agent:	The Bank of New York Mellon
Stabilising Manager:	N/A
Registrar:	N/A
CREST Agent:	N/A
Paying Agents:	N/A
Transfer Agent:	N/A
Exchange Agent:	N/A
Additional Agents:	N/A

THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT) AND THE SECURITIES COMPRISE BEARER SECURITIES THAT ARE SUBJECT TO US TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("REGULATION S")). THESE FINAL TERMS HAVE BEEN PREPARED BY THE ISSUER FOR USE IN CONNECTION WITH THE OFFER AND SALE OF THE SECURITIES OUTSIDE THE UNITED STATES TO NON-US PERSONS IN RELIANCE ON REGULATION S AND FOR LISTING OF THE SECURITIES ON THE RELEVANT STOCK EXCHANGE, IF ANY, AS STATED HEREIN. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS AND SALES OF THE SECURITIES AND DISTRIBUTION OF THESE FINAL TERMS AND THE BASE PROSPECTUS AND THE SUPPLEMENTAL PROSPECTUS SEE "PURCHASE AND SALE" IN THE BASE PROSPECTUS.

1	(i)	Series:	GSC1249
	(ii)	Tranche:	1
2	Currency:		Euro (“**EUR**”) (the “**Issue Currency**”)
3	Number of Warrants or Exercisable Certificates being issued:		2,255,000 Securities
4	Calculation Amount per Security as at the Issue Date:		1 Certificate
5	Form:		
	(i)	Global/Definitive/ Uncertificated and dematerialised:	Global Bearer Securities: Permanent Global Security
	(ii)	NGN Form:	N/A
	(iii)	Held under the NSS:	N/A
	(iv)	CGN Form:	Applicable
	(v)	CDIs:	N/A
6	Trade Date:		27 July 2011
7	Issue Date:		27 July 2011
8	Issue Price:		EUR **0.28** per Security.
9	Relevant Stock Exchange[s]:		Italian Stock Exchange
10	The following Relevant Annex(es) shall apply to the Securities (*specify each applicable Relevant Annex*):		Equity Linked Annex Italian Securities Annex

Provisions relating to interest (if any) payable on the Securities

11	Interest:		N/A
12	Interest Amount:		N/A
13	Interest Rates:		
	(i)	Fixed Rate:	N/A
	(ii)	Floating Rate:	N/A
	(iii)	Variable Rate:	N/A
	(iv)	Zero Coupon:	N/A
14	Screen Rate Determination:		N/A
	(i)	Reference Rate:	N/A
	(ii)	Relevant Screen Page:	N/A
15	ISDA Determination:		N/A
16	Margin:		N/A

17	Minimum/Maximum Interest Rate:	N/A
18	Interest Commencement Date:	N/A
19	Interest Determination Date:	N/A
20	Interest Calculation Periods:	N/A
21	Interest Payment Dates:	N/A
22	Day Count Fraction:	N/A
23	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest, if different from those set out in the Base Conditions:	N/A

Provisions relating to Exercise

24	(i) Exercise Style:	European Style
	(ii) Multiple Exercise Securities	N/A
25	Call/Put Securities:	Other Exercise Securities
26	Units:	The Securities must be exercised in Units. Each Unit consists of 1 Security.
27	Exercise Price:	N/A
28	Exercise Date(s):	The Final Valuation Date
29	Potential Exercise Business Dates:	N/A
30	Exercise Period:	N/A
31	Expiration Date:	Exercise Date
32	(i) Automatic Exercise:	Applicable
	(ii) Renouncement Notice Cut-Off Date:	The Business Day immediately following the Exercise Date
	(iii) Renouncement Notice Cut-Off Time:	10 a.m. Milan Time
33	Minimum Number Exercise Requirement:	N/A
34	Maximum Daily Number:	N/A
35	Nominal Call Event:	N/A
	(i) Nominal Call Threshold Amount:	N/A
	(ii) Nominal Call Threshold Percentage:	N/A
36	Settlement Method:	Cash Settlement

37	Settlement Currency:		EUR
38	Settlement Number:		As defined in Condition 24 of the Base Conditions
39	Terms relating to Cash Settled Securities:		
	(i)	Exercise Cash Settlement Amount:	In respect of each Security, a cash amount determined by the Determination Agent as follows: Max (0, U_V – CFL_V) × Parity Where: "**Parity**" means in respect of each Security, 0.0001. **"U_V"** is the Valuation Price on the Final Valuation Date. **"CFL_V"** is the Current Financing Level (as set out in the Schedule) in respect of the Final Valuation Date. "**Valuation Price**" means the price of the Reference Asset calculated at the opening prices of the component financial instruments of the Reference Asset on the Final Valuation Date. "**Valuation Date**" and "**Valuation Time**" has the meaning set out in Paragraph 47. Further definitions are set out in the Schedule.
	(ii)	Exercise Cash Settlement Date:	The 10th Business Day following the Exercise Date, scheduled to be 10 August 2016
	(iii)	Early Cash Settlement Amount:	As defined in Condition 24 of the Base Conditions
	(iv)	Early Cancellation Date:	As defined in Condition 24 of the Base Conditions
40	Specified Early Cancellation Event:		Applicable. If, at any time on any day from, and including, the Issue Date, to and including the Final Valuation Date the Issuer determines in good faith and in a reasonable manner that the market price of the Reference Asset is equal to, or lower than, the prevailing Current Stop Loss Level (as further defined in the Schedule) (a "**Stop Loss Termination Event**" and the date of such occurrence, the "**Stop Loss Termination Event Date**"), the Issuer shall notify the Securityholder of the occurrence of the Stop Loss Termination Event and the Specified Early Cash Settlement Amount as soon as calculated and shall cancel all of the Securities (in whole only) on the Specified Early Cash Cancellation Date.

	(i) Automatic early cancellation:	Applicable with respect to a Stop Loss Termination Event.
	(ii) Cash Settled Securities:	Applicable
	(a) Specified Early Cash Settlement Amount:	In respect of each Security, a cash amount determined by the Determination Agent in good faith and in a reasonable manner on the relevant Valuation Date as follows: Max (0, SLTRP – CFL_T) × Parity Where: "**Parity**" means in respect of each Security, 0.0001. "**SLTRP**" is the Stop Loss Termination Reference Price. "**CFL_T**" is the Current Financing Level (as set out in the Schedule) in respect of the relevant Valuation Date. "**Stop Loss Termination Reference Price**" means, in respect of the relevant Valuation Date the lowest price of the Reference Asset on the Exchange on the Stop Loss Termination Event Date. Further definitions are set out in the Schedule.
	(b) Specified Early Cash Cancellation Date:	5th Business Day following the relevant Valuation Date
	(iii) Physically Delivered Securities:	N/A
	(iv) Specified Early Cancellation Notice Period:	The Issuer shall promptly notify the Securityholder of the occurrence of a Specified Early Redemption Event.
41	Call Option:	Applicable. The Issuer may cancel all Securities in whole in accordance with the below.
	(i) Cash Settled Securities:	
	(a) Issuer Call Optional Cash Settlement Amount:	In respect of each Security, a cash amount determined by the Determination Agent on the relevant Valuation Date as follows: Max (0, U_C– CFL_c) × Parity Where;

			''**Call Option Notice Date**'' means the Business Day on which the Issuer gives notice to the Securityholders. ''**Call Option Valuation Date**'' means the first Scheduled Trading Day falling 6 months following the Call Option Notice Date. ''**Parity**'' means in respect of each Security, 0.0001. ''$\mathbf{U_c}$'' is the Valuation Price on the Call Option Valuation Date. ''$\mathbf{CFL_c}$'' is the Current Financing Level (as set out in the Schedule) in respect of the Call Option Valuation Date. "**Valuation Price**" means the price of the Reference Asset calculated at the opening prices of the component financial instruments of the Reference Asset on the Call Option Valuation Date.
	(ii)	Optional Cash Settlement Date:	5th Business Day following the Call Option Valuation Date
	(iii)	Issuer Option Exercise Period:	On any Business Day, from and including the first Business Day falling 1 year following the Issue Date to but excluding the Business Day falling 6 months preceding the Final Valuation Date
	(iv)	Issuer Notice Period:	Not less than 6 months notice
42	Early Exercise Trigger Event:		N/A
43	Terms relating to Physically Delivered Securities:		N/A
44	Multiplier:		See the definition of Parity above
45	Additional Disruption Events in addition to those specified in Condition 24 of the Base Conditions and any applicable Relevant Annex:		
	(i)	Affected Jurisdiction Hedging Disruption:	N/A
	(ii)	Affected Jurisdiction Increased Cost of Hedging:	N/A
	(iii)	Affected Jurisdiction:	N/A
	(iv)	Other Additional Disruption Events:	N/A
	(v)	The following shall not	N/A

constitute Additional Disruption Events:

46 Share Linked Securities: N/A

47 Index Linked Securities: Applicable

(i) Index/Indices (each a "**Reference Asset**")

Index	FTSE MIB Index
Reference Asset Currency	EUR
Reuters Code (for identification purposes only)	.FTMIB
Bloomberg Ticker (for identification purposes only)	FTSEMIB
Index Sponsor	FTSE International Limited

(ii) Future Price Valuation: N/A

(iii) Exchange-traded Contract: N/A

(iv) Exchange(s):

(v) Related Exchange(s): All Exchanges

(vi) Exchange Rate: N/A

(vii) Weighting for each Reference Asset comprising the Basket of Reference Assets: N/A

(viii) Index Level of each Reference Asset: N/A

(ix) Valuation Date:

(i) In respect of the determination of the Exercise Cash Settlement Amount, the date scheduled to be 27 July 2016 (the "**Final Valuation Date**").

(ii) In respect of a Stop Loss Termination Event, the Valuation Date shall be, the Stop Loss Termination Event Date.

(iii) In respect of the determination of the Issuer Call Optional Cash Settlement Amount, the Call Option Valuation

	(x)	Averaging:	N/A
	(xi)	Valuation Time:	As per the Equity Linked Annex
	(xii)	Additional Disruption Event in respect of Index Linked Securities:	N/A
	(xiii)	FX Disruption Event:	N/A
	(xiv)	Other adjustments:	N/A
48	Inflation Linked Securities:		N/A
49	FX Linked Securities:		N/A
50	Credit Linked Securities:		N/A
51	Commodity Linked Securities:		N/A
52	Debt Components:		N/A
53	Interest Rate Components:		N/A
54	Additional terms and conditions relating to the Securities:		N/A

Additional provisions relating to Settlement

55	Minimum Settlement Amount	N/A
	Settlement in respect of APK Registered Securities, Dutch Securities, Italian Securities, Swedish Registered Securities, VPS Registered Securities or Spanish Securities:	N/A
56	Settlement in respect of Swedish Registered Securities:	N/A
57	Additional provisions relating to payment of Exercise Price:	N/A
58	Additional provisions relating to Taxes and Settlement Expenses:	N/A

Definitions

59	Definition of In-The-Money:	As defined in Condition 24 of the Base Conditions
60	Additional Business Centre(s):	London, Milan and TARGET

Selling restrictions and provisions relating to certification

61	Non-US Selling Restrictions:	Investors are bound by the selling restrictions of the relevant jurisdiction(s) in which the Securities are to be sold as set out in the Base Prospectus. In addition to those described in the Base Prospectus, no action has been made or will be taken by the Issuer that would permit a public offering of the Securities or possession or distribution of any offering material in relation to the Securities in any jurisdiction (save for Italy) where action for that purpose is required. Each purchaser or distributor of the Securities represents and agrees that it will not purchase, offer, sell, re-sell or deliver the Securities or, have in its possession or distribute, the Base Prospectus, any other offering material or any Final Terms, in any jurisdiction except in compliance with the applicable laws and regulations of such jurisdiction and in a manner that will not impose any obligation on the Issuer or Manager (as the case may be) and the Determination Agent.
62	Applicable TEFRA exemption:	N/A
63	Other:	N/A
General		
64	Business Day Convention:	Following
65	Relevant Clearing System[s]:	Euroclear Clearstream Monte Titoli
66	If syndicated, names [and addresses] of Managers [and underwriting commitments]:	N/A
67	Relevant securities codes:	ISIN: GB00B3ZYV604 Common Code: 064234331
68	Modifications to the Master Subscription Agreement and/or Master Agency Agreement:	N/A
69	Additional Conditions and/or modification to the Conditions of the Securities:	N/A

Part B
Other Information

1 LISTING AND ADMISSION TO TRADING

(i)	Listing	Application will be made by the Issuer (or on its behalf) to list the Securities on the Italian Stock Exchange. No assurance can be given that such application, if made, will be granted.
(ii)	Admission to trading:	Application will be made by the Issuer (or on its behalf) for the Securities to be admitted to trading on the electronic Securitised Derivatives Market (''SeDeX'') organised and managed by Borsa Italiana S.p.A.. No assurance can be given that such application, if made, will be granted.
(iii)	Estimate of total expenses related to admission to trading:	Up to a maximum of EUR 860 upfront

2 RATINGS

Ratings:	The Securities have not been individually rated.

3 NOTIFICATION

The Financial Services Authority of the United Kingdom has provided the *Commissione Nazionale per le Società e la Borsa* (CONSOB) with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.

4 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

Save as discussed in ''Purchase and Sale'', so far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the offer.

5 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i)	Reasons for the offer:	General funding
(ii)	Estimated net proceeds:	Up to EUR 631,400
(iii)	Estimated total expenses:	Up to a maximum of EUR 860 upfront

6 FIXED RATE SECURITIES ONLY - YIELD

Indication of yield:	N/A

7 Floating Rate Securities Only - Historic Interest Rates

N/A

8 Performance Of Reference Asset(S) Or Other Variable, Explanation Of Effect On Value Of Investment And Associated Risks And Other Information Concerning The Reference Asset(S) And/Or Other Underlying

Details of the historic performance of the Reference Asset can be obtained from various internationally recognised published or electronically available news sources, for example, Reuters: .FTMIB.

Investors should note that historical performance should not be taken as an indication of future performance of the Reference Asset. The Issuer makes no representation whatsoever, whether expressly or impliedly, as to the future performance of the Reference Asset. The Issuer does not intend to provide post-issuance information.

Investors should form their own views on the merits of an investment related to the Reference Asset based on their own investigation thereof.

The description below represents a summary only of some of the features of the investment product described in this Final Terms. It does not purport to be an exhaustive description.

The product is issued as Certificates in EUR and aims to provide exposure to the performance of the Reference Asset. An investor's exposure to the Reference Asset will be amplified (leveraged) because part of the investment in the Reference Asset will effectively be financed by the Issuer itself. Another effect of this Issuer financing is that the purchase price of the Certificates will always be less than a corresponding direct investment in the components of the Index. The Issuer will charge a variable financing cost for providing the financing. This financing cost will accrue daily and be deducted from the amount payable to investors on redemption of the Certificates.

The Certificates will cancel automatically if the value of the Reference Asset falls to, or below, a specified level.

The amount payable on settlement of the Certificates will be determined by reference to the value of the Reference Asset, the outstanding financed amount and the Parity and any dividends that have been paid shares that have comprised the Index during the life of the Certificates.

The maximum loss for an investor in respect of each Certificate is limited to the purchase price of the Certificate.

9 Performance Of Rate[S] Of Exchange And Explanation Of Effect On Value Of Investment

N/A

10 OPERATIONAL INFORMATION

Any clearing system(s) other than [*For US Warrants*: DTC,] Euroclear Bank S.A./N.V. and Clearstream Banking Société Anonyme (together with their addresses) and the relevant identification number(s):	Monte Titoli
Delivery:	Delivery against payment
Names and addresses of additional Paying Agents(s) (if any):	N/A
Intended to be held in a manner which would allow Eurosystem eligibility:	No

11 OFFER INFORMATION

N/A

12 FORM OF NOTICE FROM BENEFICIAL OWNER TO []

NOTICE FROM THE BENEFICIAL OWNER TO HIS/HER FINANCIAL INTERMEDIARY

(to be completed by the beneficial owner of the Securities for the valid renouncement of Automatic
Exercise of the Securities)

BARCLAYS BANK PLC

Index Linked Mini Long Certificates

ISIN: GB00B3ZYV604

(the "**Securities**")

To: []

Fax Number: []

Email: []
(the "Financial Intermediary")

We, the undersigned beneficial owner(s) of Securities, hereby communicate that we are renouncing the right to Automatic Exercise of the Securities specified below, in accordance with the Conditions of the Securities.

The undersigned understands that if this notice is not duly completed and delivered in order to enable the Securityholder to renounce automatic redemption of the Securities prior to the Renouncement Notice Cut-Off Time, or if this notice is determined to be incomplete or not in proper form [(in the determination of the Financial Intermediary)] it will be treated as null and void.

ISIN Code/Series number of the Securities: GB00B3ZYV604

Number of Italian Securities the subject of this notice: [ ]

Name of beneficial owner of the Securities

_____

Signature

Schedule

Definitions relating to the determination of the Exercise Cash Settlement Amount

Financing Level Currency	EUR
Current Financing Level	In respect of the Issue Date, the Initial Financing Level. In respect of any subsequent calendar day, an amount determined by the Issuer in good faith and in a reasonable manner equal to: $(CFL_R + FC_C - DIV_C)$ Where: **"CFL_R"** is the Current Financing Level in respect of the immediately preceding Reset Date. **"FC_C"** is the Funding Cost currently in respect of such calendar day. **"DIV_C"** is the Applicable Dividend Amount in respect of such calendar day. The Issuer shall make reasonable efforts to publish the applicable Current Financing Level on www.bmarkets.com The Current Financing Level will be published and forwarded to the relevant Exchanges, Clearing Systems and data vendors prior to 13:00 CET on the Borsa Italiana Business Day preceding the day when the Current Financing Level becomes effective. Where: "**Borsa Italiana Business Day**" means any Scheduled Trading Day on which Borsa Italiana is open for trading during its regular trading sessions, notwithstanding Borsa Italiana closing prior to its Scheduled Closing Time.
Initial Financing Level	EUR 16665.70
Reset Dates	Each calendar day. The first Reset Date shall be the Issue Date.
Funding Cost	In respect of any calendar day, an amount, determined by the Issuer in its discretion (exercised in good faith and in a reasonable manner) equal to: $FR_C \times CFL_R \times d/365$ Where: **"FR_C"** is the Funding Rate in respect of such calendar day. **"CFL_R"** is the Current Financing Level in respect of the immediately preceding Reset Date. **"d"** is the number of calendar days from, but excluding, the immediately preceding Reset Date to, and including, such calendar day.
Funding Rate	In respect of any calendar day, a rate equal to: $(R_R + CM)$ Where: **"CM"** is the Current Margin. "R_R " is the Rate in respect of the immediately preceding Borsa Italiana Business

	Day. Where: "**Borsa Italiana Business Day**" means any Scheduled Trading Day on which Borsa Italiana is open for trading during its regular trading sessions, notwithstanding Borsa Italiana closing prior to its Scheduled Closing Time.
Current Margin (CM)	3.00%
Rate	In respect of any Calculation Period, the Rate shall be determined by the Issuer by reference to the **one month** LIBOR rate, for deposits in the Reference Asset Currency in the inter-bank market, as published on Bloomberg page: BBAM. If such rate is unavailable, the Determination Agent may determine the Rate in good faith by reference to such other source as it deems appropriate.
Calculation Period	Each period from, and excluding, one Reset Date (or, in the case of the first period the Issue Date) to, and including, the immediately following Reset Date.
Applicable Dividend Amount	In respect of any calendar day, an amount in the Financing Level Currency determined by the Issuer in good faith and in a reasonable manner with reference to any cash dividends per share that has comprised the Index during the Calculation Period declared by the issuer of such share to holders of record of such share, where the date on which the shares have commenced trading ex-dividend occurs during the relevant Calculation Period. The Applicable Dividend Amount shall be determined as that amount which would be received by the Issuer in respect of such share if it were a holder of such share (net of any deductions, withholdings or other amounts required by any applicable law or regulation, including any applicable taxes, duties or charges of any kind whatsoever), regardless of whether the Issuer actually holds the shares or not, multiplied by the Dividend Participation.
Dividend Participation	100%

Definitions relating to the Specified Early Cancellation Event

Current Stop Loss Level	In respect of the Issue Date, the Initial Stop Loss Level. In respect of any subsequent calendar day, the Current Stop Loss Level shall be determined and reset on each calendar day by the Issuer, acting in its discretion (exercised in good faith and in a reasonable manner), and shall be set equal to: $(CFL_C + SLP_C)$ Where: **"CFL_C"** is the Current Financing Level in respect of such calendar day. "**SLP_C**" is the Current Stop Loss Premium in respect of such calendar day. The Current Stop Loss Level shall be rounded in accordance with the Stop Loss Rounding Convention. The Issuer shall make reasonable efforts to publish the applicable Current Stop Loss Level on www.bmarkets.com. The Current Stop Loss Level will be published and forwarded to the relevant Exchanges, Clearing Systems, data vendors prior to 13:00 CET Italian time on the Borsa Italiana Business Day preceding the day when the Current Stop Loss Level becomes effective. Where; "**Borsa Italiana Business Day**" means any Scheduled Trading Day on which Borsa Italiana is open for trading during its regular trading sessions, notwithstanding Borsa Italiana closing prior to its Scheduled Closing Time.
Initial Stop Loss Level	EUR 17000.00, determined as an amount in the Reference Asset Currency equal to the Initial Financing Level plus the Initial Stop Loss Premium, rounded in accordance with the Stop Loss Rounding Convention
Current Stop Loss Premium	In respect of the Issue Date, the Initial Stop Loss Premium. In respect of any subsequent calendar day, the Current Stop Loss Premium shall be an amount in the Financing Level Currency determined by the Issuer in good faith and in a reasonable manner equal to: $2.00\% \times CFL_C$ Where: **"CFL_C"** is the Current Financing Level in respect of such calendar day.
Initial Stop Loss Premium	$2.00\% \times FL_I$ Where: "FL_I" is the Initial Financing Level
Stop Loss Rounding Convention	Upwards to the nearest EUR 1.00

Index Disclaimer

The Securities are not in any way sponsored, endorsed, sold or promoted by FTSE International Limited (''FTSE''), the London Stock Exchange Plc (the ''Exchange''), The Financial Times Limited (''FT'') or Borsa Italiana SpA (''Borsa Italiana'') (collectively the ''Licensor Parties'') and none of the Licensor Parties make any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE MIB Index (the ''Index'') and/or the figure at which the said Index stands at any particular time on any particular day or otherwise. The Index is calculated by FTSE with the assistance of Borsa Italiana. None of the Licensor Parties shall be liable (whether in negligence or otherwise) to any person for any error in the Index and none of the Licensor Parties shall be under any obligation to advise any person of any error therein.

''FTSE®'' is a trade mark of the Exchange and the FT, ''MIB®'' is a trade mark of Borsa Italiana and both are used by FTSE under licence.

ITALIAN TAXATION

The following is a summary of current Italian law and practice relating to the taxation of the Certificates (the "Securities"). The statements herein regarding taxation are based on the laws in force in Italy as at the date of these Final Terms and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Securities and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules.

Prospective purchasers of the Securities are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Securities.

Italian taxation of Securities

Pursuant to Article 67 of Presidential Decree No. 917 of 22 December 1986 and Legislative Decree No. 461 of 21 November 1997, as subsequently amended, where the Italian resident Certificateholder is (i) an individual not engaged in an entrepreneurial activity to which the Certificates are connected, (ii) a non-commercial partnership pursuant to article 5 of TUIR (with the exception of general partnership, limited partnership and similar entities), (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, capital gains accrued under the sale or the exercise of the Certificates are subject to a 12.5% substitute tax (imposta sostitutiva). The recipient may opt for three different taxation criteria:

(1) Under the tax declaration regime (regime della dichiarazione), which is the default regime for taxation of capital gains realised by Italian resident individuals not engaged in an entrepreneurial activity to which the Certificates are connected, the imposta sostitutiva on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any offsettable capital loss, realised by the Italian resident individual holding the Certificates not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Certificates carried out during any given tax year. Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay imposta sostitutiva on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

(2) As an alternative to the tax declaration regime, Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity may elect to pay the imposta sostitutiva separately on capital gains realised on each sale or redemption of the Certificates (the "risparmio amministrato" regime provided for by Article 6 of the Legislative Decree No. 461 of 21 November 1997, as a subsequently amended, the "Decree No. 461"). Such separate taxation of capital gains is allowed subject to (i) the Certificates being deposited with Italian banks, SIMs or certain authorised financial intermediaries and (ii) an express valid election for the risparmio amministrato regime being punctually made in writing by the relevant Certificateholder. The depository is responsible for accounting for imposta sostitutiva in respect of capital gains realised on each sale or redemption of the Certificates (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Certificateholder or using funds provided by the Certificateholder for this purpose. Under the

risparmio amministrato regime, where a sale or redemption of the Certificates results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the risparmio amministrato regime, the Certificateholder is not required to declare the capital gains in the annual tax return.

(3) Any capital gains realised or accrued by Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Certificates, to an authorised intermediary and have validly opted for the so-called ''risparmio gestito'' regime (regime provided for by Article 7 of the Decree No. 461) will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 12.5 per cent. substitute tax, to be paid by the managing authorised intermediary. Under this risparmio gestito regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the risparmio gestito regime, the Certificateholder is not required to declare the capital gains realised in the annual tax return.

Where an Italian resident Securityholder is a company or similar commercial entity, or the Italian permanent establishment of a foreign commercial entity to which the Securities are effectively connected, capital gains arising from the Securities will not be subject to imposta sostitutiva, but must be included in the relevant Securityholder's income tax return and are therefore subject to Italian corporate tax (and, in certain circumstances, depending on the ''status'' of the Securityholder, also as a part of the net value of production for IRAP purposes).

Any capital gains realised by a Securityholder which is an open-ended or closed-ended investment fund (subject to the tax regime provide by Law No. 77 of 23 March 1983) or a SICAV will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 12.50 per cent. ad hoc substitute tax (the Collective Investment Fund Tax). As of 1 July 2011, the Collective Investment Fund Tax will be repealed and substituted by a substitute tax of 12.5% levied on proceeds distributed by the Fund or the SICAV or received by certain categories of unitholders upon redemption or disposal of the units.

Any capital gains realised by a Securityholder which is an Italian pension fund (subject to the regime provided by article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 11 per cent. ad hoc substitute tax.

Capital gains realised by non-Italian resident Securityholders are not subject to Italian taxation provided that the Securities (i) are transferred on regulated markets, or (ii) if not transferred on regulated markets, are held outside Italy.

The provisions of the applicable tax treaties against double taxation entered into by Italy apply if more favourable and all relevant conditions are met.

Atypical securities

In accordance with a different interpretation of current tax law, it is possible that Certificates would be considered as 'atypical' securities pursuant to Article 8 of Law Decree No. 512 of 30 September 1983 as implemented by Law No. 649 of 25 November 1983. In this event, payments relating to Certificates may be subject to an Italian withholding tax, levied at the rate of 27 per cent.

The 27 per cent. withholding tax mentioned above does not apply to payments made to a non-Italian resident holder of the Certificate and to an Italian resident holder of the Certificate which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership, or (iii) a commercial private or public institution.

The withholding is levied by the Italian intermediary appointed by the Issuer, intervening in the collection of the relevant income or in the negotiation or repurchasing of the Securities.

Inheritance and gift taxes

Pursuant to Law Decree No. 262 of 3 October 2006, (Decree No. 262), converted into Law No. 286 of 24 November 2006, the transfers of any valuable asset (including shares, bonds or other securities) as a result of death or donation are taxed as follows:

(i) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding EUR 1,000,000;

(ii) transfers in favour of relatives to the fourth degree and relatives-in-law to the third degree, are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding EUR 100,000; and

(iii) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

EU Savings Directive

Under EC Council Directive 2003/48/EC (''EU Savings Directive'') on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State, including Belgium from 1 January 2010, details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have agreed to adopt similar measures (a withholding system in the case of Switzerland).

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

Implementation in Italy of the EU Savings Directive

Italy has implemented the EU Savings Directive through Legislative Decree No. 84 of 18 April 2005 (''Decree No. 84''). Under Decree No. 84, subject to a number of important conditions being met, in the case of interest paid to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian qualified paying agents shall not apply the withholding tax and shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner.

Such information is transmitted by the Italian Tax Authorities to the competent foreign tax authorities of the State of residence of the beneficial owner.

Final Terms

BARCLAYS BANK PLC

(Incorporated with limited liability in England and Wales)

BARCLAYS CAPITAL (CAYMAN) LIMITED

(Incorporated with limited liability in the Cayman Islands)

GLOBAL STRUCTURED SECURITIES PROGRAMME

for the issue of Securities

BARCLAYS BANK PLC

2,255,000 FTSE MIB Index Linked Mini Long Certificates

ISIN code: GB00B4KSJ593

under the Global Structured Securities Programme

Issue Price: EUR 0.23 per Security

This document constitutes the final terms of the Securities (the "**Final Terms**") described herein for the purposes of Article 5.4 of the Directive 2003/71/EC and is prepared in connection with the Global Structured Securities Programme established by Barclays Bank PLC (the "**Bank**") and Barclays Capital (Cayman) Limited ("**BCCL**") and is supplemental to and should be read in conjunction with the Base Prospectus dated 6 August 2010 as supplemented, amended, updated and/or restated from time to time, which constitutes a base prospectus (the "**Base Prospectus**") for the purpose of the Directive 2003/71/EC. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing during normal business hours at the registered office of the Issuer and the specified office of the Issue and Paying Agent and copies may be obtained from such office. Words and expressions defined in the Base Prospectus and not defined in this document shall bear the same meanings when used herein.

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not contain anything likely to affect the import of such information.

Investors should refer to the sections headed "Risk Factors" in the Base Prospectus for a discussion of certain matters that should be considered when making a decision to invest in the Securities.

Barclays Capital

Final Terms dated 27 July 2011

The distribution of this document and the offer of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession these Final Terms come are required by the Bank to inform themselves about and to observe any such restrictions. Details of selling restrictions for various jurisdictions are set out in ''Purchase and Sale'' in the Base Prospectus. In particular, the Securities have not been, and will not be, registered under the US Securities Act of 1933, as amended, and are subject to US tax law requirements. Trading in the Securities has not been approved by the US Commodity Futures Trading Commission under the US Commodity Exchange Act of 1936, as amended. Subject to certain exceptions, the Securities may not at any time be offered, sold or delivered in the United States or to US persons, nor may any US persons at any time trade or maintain a position in such Securities.

Part A
Terms and Conditions of the Securities

The Securities shall have the following terms and conditions, which shall complete, modify and/or amend the Base Conditions and/or any applicable Relevant Annex(es) set out in the Base Prospectus dated 6 August 2010.

Parties

Issuer:	Barclays Bank PLC
Guarantor:	N/A
Manager:	Barclays Bank PLC
Determination Agent:	Barclays Bank PLC
Issue and Paying Agent:	The Bank of New York Mellon
Stabilising Manager:	N/A
Registrar:	N/A
CREST Agent:	N/A
Paying Agents:	N/A
Transfer Agent:	N/A
Exchange Agent:	N/A
Additional Agents:	N/A

THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT) AND THE SECURITIES COMPRISE BEARER SECURITIES THAT ARE SUBJECT TO US TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("REGULATION S")). THESE FINAL TERMS HAVE BEEN PREPARED BY THE ISSUER FOR USE IN CONNECTION WITH THE OFFER AND SALE OF THE SECURITIES OUTSIDE THE UNITED STATES TO NON-US PERSONS IN RELIANCE ON REGULATION S AND FOR LISTING OF THE SECURITIES ON THE RELEVANT STOCK EXCHANGE, IF ANY, AS STATED HEREIN. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS AND SALES OF THE SECURITIES AND DISTRIBUTION OF THESE FINAL TERMS AND THE BASE PROSPECTUS AND THE SUPPLEMENTAL PROSPECTUS SEE "PURCHASE AND SALE" IN THE BASE PROSPECTUS.

1	(i)	Series:	GSC1250
	(ii)	Tranche:	1
2	Currency:		Euro (“**EUR**”) (the “**Issue Currency**”)
3	Number of Warrants or Exercisable Certificates being issued:		2,255,000 Securities
4	Calculation Amount per Security as at the Issue Date:		1 Certificate
5	Form:		
	(i)	Global/Definitive/ Uncertificated and dematerialised:	Global Bearer Securities: Permanent Global Security
	(ii)	NGN Form:	N/A
	(iii)	Held under the NSS:	N/A
	(iv)	CGN Form:	Applicable
	(v)	CDIs:	N/A
6	Trade Date:		27 July 2011
7	Issue Date:		27 July 2011
8	Issue Price:		EUR **0.23** per Security.
9	Relevant Stock Exchange[s]:		Italian Stock Exchange
10	The following Relevant Annex(es) shall apply to the Securities (*specify each applicable Relevant Annex*):		Equity Linked Annex Italian Securities Annex

Provisions relating to interest (if any) payable on the Securities

11	Interest:		N/A
12	Interest Amount:		N/A
13	Interest Rates:		
	(i)	Fixed Rate:	N/A
	(ii)	Floating Rate:	N/A
	(iii)	Variable Rate:	N/A
	(iv)	Zero Coupon:	N/A
14	Screen Rate Determination:		N/A
	(i)	Reference Rate:	N/A
	(ii)	Relevant Screen Page:	N/A
15	ISDA Determination:		N/A
16	Margin:		N/A

17	Minimum/Maximum Interest Rate:	N/A
18	Interest Commencement Date:	N/A
19	Interest Determination Date:	N/A
20	Interest Calculation Periods:	N/A
21	Interest Payment Dates:	N/A
22	Day Count Fraction:	N/A
23	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest, if different from those set out in the Base Conditions:	N/A

Provisions relating to Exercise

24	(i) Exercise Style:	European Style
	(ii) Multiple Exercise Securities	N/A
25	Call/Put Securities:	Other Exercise Securities
26	Units:	The Securities must be exercised in Units. Each Unit consists of 1 Security.
27	Exercise Price:	N/A
28	Exercise Date(s):	The Final Valuation Date
29	Potential Exercise Business Dates:	N/A
30	Exercise Period:	N/A
31	Expiration Date:	Exercise Date
32	(i) Automatic Exercise:	Applicable
	(ii) Renouncement Notice Cut-Off Date:	The Business Day immediately following the Exercise Date
	(iii) Renouncement Notice Cut-Off Time:	10 a.m. Milan Time
33	Minimum Number Exercise Requirement:	N/A
34	Maximum Daily Number:	N/A
35	Nominal Call Event:	N/A
	(i) Nominal Call Threshold Amount:	N/A
	(ii) Nominal Call Threshold Percentage:	N/A
36	Settlement Method:	Cash Settlement

37	Settlement Currency:		EUR
38	Settlement Number:		As defined in Condition 24 of the Base Conditions
39	Terms relating to Cash Settled Securities:		
	(i)	Exercise Cash Settlement Amount:	In respect of each Security, a cash amount determined by the Determination Agent as follows: Max (0, U_V – CFL_V) × Parity Where: "**Parity**" means in respect of each Security, 0.0001. **"U_V"** is the Valuation Price on the Final Valuation Date. **"CFL_V"** is the Current Financing Level (as set out in the Schedule) in respect of the Final Valuation Date. "**Valuation Price**" means the price of the Reference Asset calculated at the opening prices of the component financial instruments of the Reference Asset on the Final Valuation Date. "**Valuation Date**" and "**Valuation Time**" has the meaning set out in Paragraph 47. Further definitions are set out in the Schedule.
	(ii)	Exercise Cash Settlement Date:	The 10th Business Day following the Exercise Date, scheduled to be 10 August 2016
	(iii)	Early Cash Settlement Amount:	As defined in Condition 24 of the Base Conditions
	(iv)	Early Cancellation Date:	As defined in Condition 24 of the Base Conditions
40	Specified Early Cancellation Event:		Applicable. If, at any time on any day from, and including, the Issue Date, to and including the Final Valuation Date the Issuer determines in good faith and in a reasonable manner that the market price of the Reference Asset is equal to, or lower than, the prevailing Current Stop Loss Level (as further defined in the Schedule) (a "**Stop Loss Termination Event**" and the date of such occurrence, the "**Stop Loss Termination Event Date**"), the Issuer shall notify the Securityholder of the occurrence of the Stop Loss Termination Event and the Specified Early Cash Settlement Amount as soon as calculated and shall cancel all of the Securities (in whole only) on the Specified Early Cash Cancellation Date.

	(i) Automatic early cancellation:	Applicable with respect to a Stop Loss Termination Event.
	(ii) Cash Settled Securities:	Applicable
	(a) Specified Early Cash Settlement Amount:	In respect of each Security, a cash amount determined by the Determination Agent in good faith and in a reasonable manner on the relevant Valuation Date as follows: Max (0, SLTRP – CFL_T) × Parity Where: "**Parity**" means in respect of each Security, 0.0001. "**SLTRP**" is the Stop Loss Termination Reference Price. "**CFL_T**" is the Current Financing Level (as set out in the Schedule) in respect of the relevant Valuation Date. "**Stop Loss Termination Reference Price**" means, in respect of the relevant Valuation Date the lowest price of the Reference Asset on the Exchange on the Stop Loss Termination Event Date. Further definitions are set out in the Schedule.
	(b) Specified Early Cash Cancellation Date:	5th Business Day following the relevant Valuation Date
	(iii) Physically Delivered Securities:	N/A
	(iv) Specified Early Cancellation Notice Period:	The Issuer shall promptly notify the Securityholder of the occurrence of a Specified Early Redemption Event.
41	Call Option:	Applicable. The Issuer may cancel all Securities in whole in accordance with the below.
	(i) Cash Settled Securities:	
	(a) Issuer Call Optional Cash Settlement Amount:	In respect of each Security, a cash amount determined by the Determination Agent on the relevant Valuation Date as follows: Max (0, U_C– CFL_c) × Parity Where;

			''**Call Option Notice Date**'' means the Business Day on which the Issuer gives notice to the Securityholders. ''**Call Option Valuation Date**'' means the first Scheduled Trading Day falling 6 months following the Call Option Notice Date. ''**Parity**'' means in respect of each Security, 0.0001. ''$\mathbf{U_c}$'' is the Valuation Price on the Call Option Valuation Date. ''$\mathbf{CFL_c}$'' is the Current Financing Level (as set out in the Schedule) in respect of the Call Option Valuation Date. "**Valuation Price**" means the price of the Reference Asset calculated at the opening prices of the component financial instruments of the Reference Asset on the Call Option Valuation Date.
	(ii)	Optional Cash Settlement Date:	5th Business Day following the Call Option Valuation Date
	(iii)	Issuer Option Exercise Period:	On any Business Day, from and including the first Business Day falling 1 year following the Issue Date to but excluding the Business Day falling 6 months preceding the Final Valuation Date
	(iv)	Issuer Notice Period:	Not less than 6 months notice
42	Early Exercise Trigger Event:		N/A
43	Terms relating to Physically Delivered Securities:		N/A
44	Multiplier:		See the definition of Parity above
45	Additional Disruption Events in addition to those specified in Condition 24 of the Base Conditions and any applicable Relevant Annex:		
	(i)	Affected Jurisdiction Hedging Disruption:	N/A
	(ii)	Affected Jurisdiction Increased Cost of Hedging:	N/A
	(iii)	Affected Jurisdiction:	N/A
	(iv)	Other Additional Disruption Events:	N/A
	(v)	The following shall not	N/A

constitute Additional Disruption Events:

46 Share Linked Securities: N/A

47 Index Linked Securities: Applicable

(i) Index/Indices (each a "**Reference Asset**")

Index	FTSE MIB Index
Reference Asset Currency	EUR
Reuters Code (for identification purposes only)	.FTMIB
Bloomberg Ticker (for identification purposes only)	FTSEMIB
Index Sponsor	FTSE International Limited

(ii) Future Price Valuation: N/A

(iii) Exchange-traded Contract: N/A

(iv) Exchange(s):

(v) Related Exchange(s): All Exchanges

(vi) Exchange Rate: N/A

(vii) Weighting for each Reference Asset comprising the Basket of Reference Assets: N/A

(viii) Index Level of each Reference Asset: N/A

(ix) Valuation Date:

(i) In respect of the determination of the Exercise Cash Settlement Amount, the date scheduled to be 27 July 2016 (the "**Final Valuation Date**").

(ii) In respect of a Stop Loss Termination Event, the Valuation Date shall be, the Stop Loss Termination Event Date.

(iii) In respect of the determination of the Issuer Call Optional Cash Settlement Amount, the Call Option Valuation

	(x)	Averaging:	N/A
	(xi)	Valuation Time:	As per the Equity Linked Annex
	(xii)	Additional Disruption Event in respect of Index Linked Securities:	N/A
	(xiii)	FX Disruption Event:	N/A
	(xiv)	Other adjustments:	N/A
48	Inflation Linked Securities:		N/A
49	FX Linked Securities:		N/A
50	Credit Linked Securities:		N/A
51	Commodity Linked Securities:		N/A
52	Debt Components:		N/A
53	Interest Rate Components:		N/A
54	Additional terms and conditions relating to the Securities:		N/A

Additional provisions relating to Settlement

55	Minimum Settlement Amount	N/A
	Settlement in respect of APK Registered Securities, Dutch Securities, Italian Securities, Swedish Registered Securities, VPS Registered Securities or Spanish Securities:	N/A
56	Settlement in respect of Swedish Registered Securities:	N/A
57	Additional provisions relating to payment of Exercise Price:	N/A
58	Additional provisions relating to Taxes and Settlement Expenses:	N/A

Definitions

59	Definition of In-The-Money:	As defined in Condition 24 of the Base Conditions
60	Additional Business Centre(s):	London, Milan and TARGET

Selling restrictions and provisions relating to certification

61	Non-US Selling Restrictions:	Investors are bound by the selling restrictions of the relevant jurisdiction(s) in which the Securities are to be sold as set out in the Base Prospectus. In addition to those described in the Base Prospectus, no action has been made or will be taken by the Issuer that would permit a public offering of the Securities or possession or distribution of any offering material in relation to the Securities in any jurisdiction (save for Italy) where action for that purpose is required. Each purchaser or distributor of the Securities represents and agrees that it will not purchase, offer, sell, re-sell or deliver the Securities or, have in its possession or distribute, the Base Prospectus, any other offering material or any Final Terms, in any jurisdiction except in compliance with the applicable laws and regulations of such jurisdiction and in a manner that will not impose any obligation on the Issuer or Manager (as the case may be) and the Determination Agent.
62	Applicable TEFRA exemption:	N/A
63	Other:	N/A
General		
64	Business Day Convention:	Following
65	Relevant Clearing System[s]:	Euroclear Clearstream Monte Titoli
66	If syndicated, names [and addresses] of Managers [and underwriting commitments]:	N/A
67	Relevant securities codes:	ISIN: GB00B4KSJ593 Common Code: 064234633
68	Modifications to the Master Subscription Agreement and/or Master Agency Agreement:	N/A
69	Additional Conditions and/or modification to the Conditions of the Securities:	N/A

Part B
Other Information

1 LISTING AND ADMISSION TO TRADING

(i)	Listing	Application will be made by the Issuer (or on its behalf) to list the Securities on the Italian Stock Exchange. No assurance can be given that such application, if made, will be granted.
(ii)	Admission to trading:	Application will be made by the Issuer (or on its behalf) for the Securities to be admitted to trading on the electronic Securitised Derivatives Market (''SeDeX'') organised and managed by Borsa Italiana S.p.A.. No assurance can be given that such application, if made, will be granted.
(iii)	Estimate of total expenses related to admission to trading:	Up to a maximum of EUR 860 upfront

2 RATINGS

Ratings:	The Securities have not been individually rated.

3 NOTIFICATION

The Financial Services Authority of the United Kingdom has provided the *Commissione Nazionale per le Società e la Borsa* (CONSOB) with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.

4 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

Save as discussed in ''Purchase and Sale'', so far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the offer.

5 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i)	Reasons for the offer:	General funding
(ii)	Estimated net proceeds:	Up to EUR 518,650
(iii)	Estimated total expenses:	Up to a maximum of EUR 860 upfront

6 FIXED RATE SECURITIES ONLY - YIELD

Indication of yield:	N/A

7 Floating Rate Securities Only - Historic Interest Rates

N/A

8 Performance Of Reference Asset(S) Or Other Variable, Explanation Of Effect On Value Of Investment And Associated Risks And Other Information Concerning The Reference Asset(S) And/Or Other Underlying

Details of the historic performance of the Reference Asset can be obtained from various internationally recognised published or electronically available news sources, for example, Reuters: .FTMIB.

Investors should note that historical performance should not be taken as an indication of future performance of the Reference Asset. The Issuer makes no representation whatsoever, whether expressly or impliedly, as to the future performance of the Reference Asset. The Issuer does not intend to provide post-issuance information.

Investors should form their own views on the merits of an investment related to the Reference Asset based on their own investigation thereof.

The description below represents a summary only of some of the features of the investment product described in this Final Terms. It does not purport to be an exhaustive description.

The product is issued as Certificates in EUR and aims to provide exposure to the performance of the Reference Asset. An investor's exposure to the Reference Asset will be amplified (leveraged) because part of the investment in the Reference Asset will effectively be financed by the Issuer itself. Another effect of this Issuer financing is that the purchase price of the Certificates will always be less than a corresponding direct investment in the components of the Index. The Issuer will charge a variable financing cost for providing the financing. This financing cost will accrue daily and be deducted from the amount payable to investors on redemption of the Certificates.

The Certificates will cancel automatically if the value of the Reference Asset falls to, or below, a specified level.

The amount payable on settlement of the Certificates will be determined by reference to the value of the Reference Asset, the outstanding financed amount and the Parity and any dividends that have been paid shares that have comprised the Index during the life of the Certificates.

The maximum loss for an investor in respect of each Certificate is limited to the purchase price of the Certificate.

9 Performance Of Rate[S] Of Exchange And Explanation Of Effect On Value Of Investment

N/A

10 OPERATIONAL INFORMATION

Any clearing system(s) other than [*For US Warrants*: DTC,] Euroclear Bank S.A./N.V. and Clearstream Banking Société Anonyme (together with their addresses) and the relevant identification number(s):	Monte Titoli
Delivery:	Delivery against payment
Names and addresses of additional Paying Agents(s) (if any):	N/A
Intended to be held in a manner which would allow Eurosystem eligibility:	No

11 OFFER INFORMATION

N/A

12 FORM OF NOTICE FROM BENEFICIAL OWNER TO []

NOTICE FROM THE BENEFICIAL OWNER TO HIS/HER FINANCIAL INTERMEDIARY

(to be completed by the beneficial owner of the Securities for the valid renouncement of Automatic
Exercise of the Securities)

BARCLAYS BANK PLC

Index Linked Mini Long Certificates

ISIN: GB00B4KSJ593

(the "**Securities**")

To: []

Fax Number: []

Email: []
(the "Financial Intermediary")

We, the undersigned beneficial owner(s) of Securities, hereby communicate that we are renouncing the right to Automatic Exercise of the Securities specified below, in accordance with the Conditions of the Securities.

The undersigned understands that if this notice is not duly completed and delivered in order to enable the Securityholder to renounce automatic redemption of the Securities prior to the Renouncement Notice Cut-Off Time, or if this notice is determined to be incomplete or not in proper form [(in the determination of the Financial Intermediary)] it will be treated as null and void.

ISIN Code/Series number of the Securities: GB00B4KSJ593

Number of Italian Securities the subject of this notice: [ ]

Name of beneficial owner of the Securities

_____

Signature

Schedule

Definitions relating to the determination of the Exercise Cash Settlement Amount

Financing Level Currency	EUR
Current Financing Level	In respect of the Issue Date, the Initial Financing Level. In respect of any subsequent calendar day, an amount determined by the Issuer in good faith and in a reasonable manner equal to: $(CFL_R + FC_C - DIV_C)$ Where: **"CFL_R"** is the Current Financing Level in respect of the immediately preceding Reset Date. **"FC_C"** is the Funding Cost currently in respect of such calendar day. **"DIV_C"** is the Applicable Dividend Amount in respect of such calendar day. The Issuer shall make reasonable efforts to publish the applicable Current Financing Level on www.bmarkets.com The Current Financing Level will be published and forwarded to the relevant Exchanges, Clearing Systems and data vendors prior to 13:00 CET on the Borsa Italiana Business Day preceding the day when the Current Financing Level becomes effective. Where: "**Borsa Italiana Business Day**" means any Scheduled Trading Day on which Borsa Italiana is open for trading during its regular trading sessions, notwithstanding Borsa Italiana closing prior to its Scheduled Closing Time.
Initial Financing Level	EUR 17155.90
Reset Dates	Each calendar day. The first Reset Date shall be the Issue Date.
Funding Cost	In respect of any calendar day, an amount, determined by the Issuer in its discretion (exercised in good faith and in a reasonable manner) equal to: $FR_C \times CFL_R \times d/365$ Where: **"FR_C"** is the Funding Rate in respect of such calendar day. **"CFL_R"** is the Current Financing Level in respect of the immediately preceding Reset Date. **"d"** is the number of calendar days from, but excluding, the immediately preceding Reset Date to, and including, such calendar day.
Funding Rate	In respect of any calendar day, a rate equal to: $(R_R + CM)$ Where: **"CM"** is the Current Margin. "R_R " is the Rate in respect of the immediately preceding Borsa Italiana Business

	Day. Where: "**Borsa Italiana Business Day**" means any Scheduled Trading Day on which Borsa Italiana is open for trading during its regular trading sessions, notwithstanding Borsa Italiana closing prior to its Scheduled Closing Time.
Current Margin (CM)	3.00%
Rate	In respect of any Calculation Period, the Rate shall be determined by the Issuer by reference to the **one month** LIBOR rate, for deposits in the Reference Asset Currency in the inter-bank market, as published on Bloomberg page: BBAM. If such rate is unavailable, the Determination Agent may determine the Rate in good faith by reference to such other source as it deems appropriate.
Calculation Period	Each period from, and excluding, one Reset Date (or, in the case of the first period the Issue Date) to, and including, the immediately following Reset Date.
Applicable Dividend Amount	In respect of any calendar day, an amount in the Financing Level Currency determined by the Issuer in good faith and in a reasonable manner with reference to any cash dividends per share that has comprised the Index during the Calculation Period declared by the issuer of such share to holders of record of such share, where the date on which the shares have commenced trading ex-dividend occurs during the relevant Calculation Period. The Applicable Dividend Amount shall be determined as that amount which would be received by the Issuer in respect of such share if it were a holder of such share (net of any deductions, withholdings or other amounts required by any applicable law or regulation, including any applicable taxes, duties or charges of any kind whatsoever), regardless of whether the Issuer actually holds the shares or not, multiplied by the Dividend Participation.
Dividend Participation	100%

Definitions relating to the Specified Early Cancellation Event

Current Stop Loss Level	In respect of the Issue Date, the Initial Stop Loss Level. In respect of any subsequent calendar day, the Current Stop Loss Level shall be determined and reset on each calendar day by the Issuer, acting in its discretion (exercised in good faith and in a reasonable manner), and shall be set equal to: $(CFL_C + SLP_C)$ Where: **"CFL_C"** is the Current Financing Level in respect of such calendar day. "**SLP_C**" is the Current Stop Loss Premium in respect of such calendar day. The Current Stop Loss Level shall be rounded in accordance with the Stop Loss Rounding Convention. The Issuer shall make reasonable efforts to publish the applicable Current Stop Loss Level on www.bmarkets.com. The Current Stop Loss Level will be published and forwarded to the relevant Exchanges, Clearing Systems, data vendors prior to 13:00 CET Italian time on the Borsa Italiana Business Day preceding the day when the Current Stop Loss Level becomes effective. Where; "**Borsa Italiana Business Day**" means any Scheduled Trading Day on which Borsa Italiana is open for trading during its regular trading sessions, notwithstanding Borsa Italiana closing prior to its Scheduled Closing Time.
Initial Stop Loss Level	EUR 17500.00, determined as an amount in the Reference Asset Currency equal to the Initial Financing Level plus the Initial Stop Loss Premium, rounded in accordance with the Stop Loss Rounding Convention
Current Stop Loss Premium	In respect of the Issue Date, the Initial Stop Loss Premium. In respect of any subsequent calendar day, the Current Stop Loss Premium shall be an amount in the Financing Level Currency determined by the Issuer in good faith and in a reasonable manner equal to: $2.00\% \times CFL_C$ Where: **"CFL_C"** is the Current Financing Level in respect of such calendar day.
Initial Stop Loss Premium	$2.00\% \times FL_I$ Where: "FL_I" is the Initial Financing Level
Stop Loss Rounding Convention	Upwards to the nearest EUR 1.00

Index Disclaimer

The Securities are not in any way sponsored, endorsed, sold or promoted by FTSE International Limited (''FTSE''), the London Stock Exchange Plc (the ''Exchange''), The Financial Times Limited (''FT'') or Borsa Italiana SpA (''Borsa Italiana'') (collectively the ''Licensor Parties'') and none of the Licensor Parties make any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE MIB Index (the ''Index'') and/or the figure at which the said Index stands at any particular time on any particular day or otherwise. The Index is calculated by FTSE with the assistance of Borsa Italiana. None of the Licensor Parties shall be liable (whether in negligence or otherwise) to any person for any error in the Index and none of the Licensor Parties shall be under any obligation to advise any person of any error therein.

''FTSE®'' is a trade mark of the Exchange and the FT, ''MIB®'' is a trade mark of Borsa Italiana and both are used by FTSE under licence.

ITALIAN TAXATION

The following is a summary of current Italian law and practice relating to the taxation of the Certificates (the "Securities"). The statements herein regarding taxation are based on the laws in force in Italy as at the date of these Final Terms and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Securities and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules.

Prospective purchasers of the Securities are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Securities.

Italian taxation of Securities

Pursuant to Article 67 of Presidential Decree No. 917 of 22 December 1986 and Legislative Decree No. 461 of 21 November 1997, as subsequently amended, where the Italian resident Certificateholder is (i) an individual not engaged in an entrepreneurial activity to which the Certificates are connected, (ii) a non-commercial partnership pursuant to article 5 of TUIR (with the exception of general partnership, limited partnership and similar entities), (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, capital gains accrued under the sale or the exercise of the Certificates are subject to a 12.5% substitute tax (imposta sostitutiva). The recipient may opt for three different taxation criteria:

(1) Under the tax declaration regime (regime della dichiarazione), which is the default regime for taxation of capital gains realised by Italian resident individuals not engaged in an entrepreneurial activity to which the Certificates are connected, the imposta sostitutiva on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any offsettable capital loss, realised by the Italian resident individual holding the Certificates not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Certificates carried out during any given tax year. Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay imposta sostitutiva on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

(2) As an alternative to the tax declaration regime, Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity may elect to pay the imposta sostitutiva separately on capital gains realised on each sale or redemption of the Certificates (the "risparmio amministrato" regime provided for by Article 6 of the Legislative Decree No. 461 of 21 November 1997, as a subsequently amended, the "Decree No. 461"). Such separate taxation of capital gains is allowed subject to (i) the Certificates being deposited with Italian banks, SIMs or certain authorised financial intermediaries and (ii) an express valid election for the risparmio amministrato regime being punctually made in writing by the relevant Certificateholder. The depository is responsible for accounting for imposta sostitutiva in respect of capital gains realised on each sale or redemption of the Certificates (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Certificateholder or using funds provided by the Certificateholder for this purpose. Under the

risparmio amministrato regime, where a sale or redemption of the Certificates results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the risparmio amministrato regime, the Certificateholder is not required to declare the capital gains in the annual tax return.

(3) Any capital gains realised or accrued by Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Certificates, to an authorised intermediary and have validly opted for the so-called ''risparmio gestito'' regime (regime provided for by Article 7 of the Decree No. 461) will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 12.5 per cent. substitute tax, to be paid by the managing authorised intermediary. Under this risparmio gestito regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the risparmio gestito regime, the Certificateholder is not required to declare the capital gains realised in the annual tax return.

Where an Italian resident Securityholder is a company or similar commercial entity, or the Italian permanent establishment of a foreign commercial entity to which the Securities are effectively connected, capital gains arising from the Securities will not be subject to imposta sostitutiva, but must be included in the relevant Securityholder's income tax return and are therefore subject to Italian corporate tax (and, in certain circumstances, depending on the ''status'' of the Securityholder, also as a part of the net value of production for IRAP purposes).

Any capital gains realised by a Securityholder which is an open-ended or closed-ended investment fund (subject to the tax regime provide by Law No. 77 of 23 March 1983) or a SICAV will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 12.50 per cent. ad hoc substitute tax (the Collective Investment Fund Tax). As of 1 July 2011, the Collective Investment Fund Tax will be repealed and substituted by a substitute tax of 12.5% levied on proceeds distributed by the Fund or the SICAV or received by certain categories of unitholders upon redemption or disposal of the units.

Any capital gains realised by a Securityholder which is an Italian pension fund (subject to the regime provided by article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 11 per cent. ad hoc substitute tax.

Capital gains realised by non-Italian resident Securityholders are not subject to Italian taxation provided that the Securities (i) are transferred on regulated markets, or (ii) if not transferred on regulated markets, are held outside Italy.

The provisions of the applicable tax treaties against double taxation entered into by Italy apply if more favourable and all relevant conditions are met.

Atypical securities

In accordance with a different interpretation of current tax law, it is possible that Certificates would be considered as 'atypical' securities pursuant to Article 8 of Law Decree No. 512 of 30 September 1983 as implemented by Law No. 649 of 25 November 1983. In this event, payments relating to Certificates may be subject to an Italian withholding tax, levied at the rate of 27 per cent.

The 27 per cent. withholding tax mentioned above does not apply to payments made to a non-Italian resident holder of the Certificate and to an Italian resident holder of the Certificate which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership, or (iii) a commercial private or public institution.

The withholding is levied by the Italian intermediary appointed by the Issuer, intervening in the collection of the relevant income or in the negotiation or repurchasing of the Securities.

Inheritance and gift taxes

Pursuant to Law Decree No. 262 of 3 October 2006, (Decree No. 262), converted into Law No. 286 of 24 November 2006, the transfers of any valuable asset (including shares, bonds or other securities) as a result of death or donation are taxed as follows:

(i) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding EUR 1,000,000;

(ii) transfers in favour of relatives to the fourth degree and relatives-in-law to the third degree, are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding EUR 100,000; and

(iii) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

EU Savings Directive

Under EC Council Directive 2003/48/EC (''EU Savings Directive'') on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State, including Belgium from 1 January 2010, details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have agreed to adopt similar measures (a withholding system in the case of Switzerland).

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

Implementation in Italy of the EU Savings Directive

Italy has implemented the EU Savings Directive through Legislative Decree No. 84 of 18 April 2005 (''Decree No. 84''). Under Decree No. 84, subject to a number of important conditions being met, in the case of interest paid to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian qualified paying agents shall not apply the withholding tax and shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner.

Such information is transmitted by the Italian Tax Authorities to the competent foreign tax authorities of the State of residence of the beneficial owner.

Final Terms

BARCLAYS BANK PLC

(Incorporated with limited liability in England and Wales)

BARCLAYS CAPITAL (CAYMAN) LIMITED

(Incorporated with limited liability in the Cayman Islands)

GLOBAL STRUCTURED SECURITIES PROGRAMME

for the issue of Securities

BARCLAYS BANK PLC

2,255,000 DAX® (Total Return Index) Linked Mini Long Certificates

ISIN code: GB00B4V3LP71

under the Global Structured Securities Programme

Issue Price: EUR 0.72 per Security

This document constitutes the final terms of the Securities (the "**Final Terms**") described herein for the purposes of Article 5.4 of the Directive 2003/71/EC and is prepared in connection with the Global Structured Securities Programme established by Barclays Bank PLC (the "**Bank**") and Barclays Capital (Cayman) Limited ("**BCCL**") and is supplemental to and should be read in conjunction with the Base Prospectus dated 6 August 2010 as supplemented, amended, updated and/or restated from time to time, which constitutes a base prospectus (the "**Base Prospectus**") for the purpose of the Directive 2003/71/EC. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing during normal business hours at the registered office of the Issuer and the specified office of the Issue and Paying Agent and copies may be obtained from such office. Words and expressions defined in the Base Prospectus and not defined in this document shall bear the same meanings when used herein.

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not contain anything likely to affect the import of such information.

Investors should refer to the sections headed "Risk Factors" in the Base Prospectus for a discussion of certain matters that should be considered when making a decision to invest in the Securities.

Barclays Capital

Final Terms dated 27 July 2011

The distribution of this document and the offer of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession these Final Terms come are required by the Bank to inform themselves about and to observe any such restrictions. Details of selling restrictions for various jurisdictions are set out in ''Purchase and Sale'' in the Base Prospectus. In particular, the Securities have not been, and will not be, registered under the US Securities Act of 1933, as amended, and are subject to US tax law requirements. Trading in the Securities has not been approved by the US Commodity Futures Trading Commission under the US Commodity Exchange Act of 1936, as amended. Subject to certain exceptions, the Securities may not at any time be offered, sold or delivered in the United States or to US persons, nor may any US persons at any time trade or maintain a position in such Securities.

Part A
Terms and Conditions of the Securities

The Securities shall have the following terms and conditions, which shall complete, modify and/or amend the Base Conditions and/or any applicable Relevant Annex(es) set out in the Base Prospectus dated 6 August 2010.

Parties

Issuer:	Barclays Bank PLC
Guarantor:	N/A
Manager:	Barclays Bank PLC
Determination Agent:	Barclays Bank PLC
Issue and Paying Agent:	The Bank of New York Mellon
Stabilising Manager:	N/A
Registrar:	N/A
CREST Agent:	N/A
Paying Agents:	N/A
Transfer Agent:	N/A
Exchange Agent:	N/A
Additional Agents:	N/A

THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT) AND THE SECURITIES COMPRISE BEARER SECURITIES THAT ARE SUBJECT TO US TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("REGULATION S")). THESE FINAL TERMS HAVE BEEN PREPARED BY THE ISSUER FOR USE IN CONNECTION WITH THE OFFER AND SALE OF THE SECURITIES OUTSIDE THE UNITED STATES TO NON-US PERSONS IN RELIANCE ON REGULATION S AND FOR LISTING OF THE SECURITIES ON THE RELEVANT STOCK EXCHANGE, IF ANY, AS STATED HEREIN. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS AND SALES OF THE SECURITIES AND DISTRIBUTION OF THESE FINAL TERMS AND THE BASE PROSPECTUS AND THE SUPPLEMENTAL PROSPECTUS SEE "PURCHASE AND SALE" IN THE BASE PROSPECTUS.

1	(i)	Series:	GSC1255
	(ii)	Tranche:	1
2	Currency:		Euro (“**EUR**”) (the “**Issue Currency**”)
3	Number of Warrants or Exercisable Certificates being issued:		2,255,000 Securities
4	Calculation Amount per Security as at the Issue Date:		1 Certificate
5	Form:		
	(i)	Global/Definitive/ Uncertificated and dematerialised:	Global Bearer Securities: Permanent Global Security
	(ii)	NGN Form:	N/A
	(iii)	Held under the NSS:	N/A
	(iv)	CGN Form:	Applicable
	(v)	CDIs:	N/A
6	Trade Date:		27 July 2011
7	Issue Date:		27 July 2011
8	Issue Price:		EUR **0.72** per Security.
9	Relevant Stock Exchange[s]:		Italian Stock Exchange
10	The following Relevant Annex(es) shall apply to the Securities (*specify each applicable Relevant Annex*):		Equity Linked Annex Italian Securities Annex

Provisions relating to interest (if any) payable on the Securities

11	Interest:		N/A
12	Interest Amount:		N/A
13	Interest Rates:		
	(i)	Fixed Rate:	N/A
	(ii)	Floating Rate:	N/A
	(iii)	Variable Rate:	N/A
	(iv)	Zero Coupon:	N/A
14	Screen Rate Determination:		N/A
	(i)	Reference Rate:	N/A
	(ii)	Relevant Screen Page:	N/A
15	ISDA Determination:		N/A
16	Margin:		N/A

17	Minimum/Maximum Interest Rate:	N/A
18	Interest Commencement Date:	N/A
19	Interest Determination Date:	N/A
20	Interest Calculation Periods:	N/A
21	Interest Payment Dates:	N/A
22	Day Count Fraction:	N/A
23	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest, if different from those set out in the Base Conditions:	N/A

Provisions relating to Exercise

24	(i) Exercise Style:	European Style
	(ii) Multiple Exercise Securities	N/A
25	Call/Put Securities:	Other Exercise Securities
26	Units:	The Securities must be exercised in Units. Each Unit consists of 1 Security.
27	Exercise Price:	N/A
28	Exercise Date(s):	The Final Valuation Date
29	Potential Exercise Business Dates:	N/A
30	Exercise Period:	N/A
31	Expiration Date:	Exercise Date
32	(i) Automatic Exercise:	Applicable
	(ii) Renouncement Notice Cut-Off Date:	The Business Day immediately following the Exercise Date
	(iii) Renouncement Notice Cut-Off Time:	10 a.m. Milan Time
33	Minimum Number Exercise Requirement:	N/A
34	Maximum Daily Number:	N/A
35	Nominal Call Event:	N/A
	(i) Nominal Call Threshold Amount:	N/A
	(ii) Nominal Call Threshold Percentage:	N/A
36	Settlement Method:	Cash Settlement

37	Settlement Currency:		EUR
38	Settlement Number:		As defined in Condition 24 of the Base Conditions
39	Terms relating to Cash Settled Securities:		
	(i)	Exercise Cash Settlement Amount:	In respect of each Security, a cash amount determined by the Determination Agent as follows: Max (0, U_V – CFL_V) × Parity Where: "**Parity**" means in respect of each Security, 0.001. **"U_V"** is the Valuation Price on the Final Valuation Date. **"CFL_V"** is the Current Financing Level (as set out in the Schedule) in respect of the Final Valuation Date. "**Valuation Price**" means in respect of a Valuation Date and any relevant Scheduled Trading Day, the price of the Reference Asset at the Valuation Time on such day, as determined by the Determination Agent in good faith and in a reasonable manner. "**Valuation Date**" and "**Valuation Time**" has the meaning set out in Paragraph 47. Further definitions are set out in the Schedule.
	(ii)	Exercise Cash Settlement Date:	The 10th Business Day following the Exercise Date, scheduled to be 10 August 2016
	(iii)	Early Cash Settlement Amount:	As defined in Condition 24 of the Base Conditions
	(iv)	Early Cancellation Date:	As defined in Condition 24 of the Base Conditions
40	Specified Early Cancellation Event:		Applicable. If, at any time on any day from, and including, the Issue Date, to and including the Final Valuation Date the Issuer determines in good faith and in a reasonable manner that the market price of the Reference Asset is equal to, or lower than, the prevailing Current Stop Loss Level (as further defined in the Schedule) (a "**Stop Loss Termination Event**" and the date of such occurrence, the "**Stop Loss Termination Event Date**"), the Issuer shall notify the Securityholder of the occurrence of the Stop Loss Termination Event and the Specified Early Cash Settlement Amount as soon as calculated and shall cancel all of the Securities (in whole only) on

		the Specified Early Cash Cancellation Date.
	(i) Automatic early cancellation:	Applicable with respect to a Stop Loss Termination Event.
	(ii) Cash Settled Securities:	Applicable
	(a) Specified Early Cash Settlement Amount:	In respect of each Security, a cash amount determined by the Determination Agent in good faith and in a reasonable manner on the relevant Valuation Date as follows: Max (0, SLTRP – CFL_T) × Parity Where: "**Parity**" means in respect of each Security, 0.001. "**SLTRP**" is the Stop Loss Termination Reference Price. "**CFL_T**" is the Current Financing Level (as set out in the Schedule) in respect of the relevant Valuation Date. "**Stop Loss Termination Reference Price**" means, in respect of the relevant Valuation Date the lowest price of the Reference Asset on the Exchange on the Stop Loss Termination Event Date. Further definitions are set out in the Schedule.
	(b) Specified Early Cash Cancellation Date:	5th Business Day following the relevant Valuation Date
	(iii) Physically Delivered Securities:	N/A
	(iv) Specified Early Cancellation Notice Period:	The Issuer shall promptly notify the Securityholder of the occurrence of a Specified Early Redemption Event.
41	Call Option:	Applicable. The Issuer may cancel all Securities in whole in accordance with the below.
	(i) Cash Settled Securities:	
	(a) Issuer Call Optional Cash Settlement Amount:	In respect of each Security, a cash amount determined by the Determination Agent on the relevant Valuation Date as follows: Max (0, U_C– CFL_c) × Parity

			Where; "**Call Option Notice Date**" means the Business Day on which the Issuer gives notice to the Securityholders. "**Call Option Valuation Date**" means the first Scheduled Trading Day falling 6 months following the Call Option Notice Date. "**Parity**" means in respect of each Security, 0.001. "U_c" is the Valuation Price on the Call Option Valuation Date. "CFL_c" is the Current Financing Level (as set out in the Schedule) in respect of the Call Option Valuation Date. "**Valuation Price**" means in respect of a Valuation Date and any relevant Scheduled Trading Day, the price of the Reference Asset at the Valuation Time on such day, as determined by the Determination Agent in good faith and in a reasonable manner.
	(ii)	Optional Cash Settlement Date:	5th Business Day following the Call Option Valuation Date
	(iii)	Issuer Option Exercise Period:	On any Business Day, from and including the first Business Day falling 1 year following the Issue Date to but excluding the Business Day falling 6 months preceding the Final Valuation Date
	(iv)	Issuer Notice Period:	Not less than 6 months notice
42	Early Exercise Trigger Event:		N/A
43	Terms relating to Physically Delivered Securities:		N/A
44	Multiplier:		See the definition of Parity above
45	Additional Disruption Events in addition to those specified in Condition 24 of the Base Conditions and any applicable Relevant Annex:		
	(i)	Affected Jurisdiction Hedging Disruption:	N/A
	(ii)	Affected Jurisdiction Increased Cost of Hedging:	N/A
	(iii)	Affected Jurisdiction:	N/A
	(iv)	Other Additional Disruption	N/A

		Events:	
	(v)	The following shall not constitute Additional Disruption Events:	N/A
46	Share Linked Securities:		N/A
47	Index Linked Securities:		Applicable

	(i)	Index/Indices (each a "**Reference Asset**")	

Index	DAX® (Total Return Index)
Reference Asset Currency	EUR
Reuters Code (for identification purposes only)	.GDAXI
Bloomberg Ticker (for identification purposes only)	DAX
Index Sponsor	Deutsche Börse

	(ii)	Future Price Valuation:	N/A
	(iii)	Exchange-traded Contract:	N/A
	(iv)	Exchange(s):	
	(v)	Related Exchange(s):	All Exchanges
	(vi)	Exchange Rate:	N/A
	(vii)	Weighting for each Reference Asset comprising the Basket of Reference Assets:	N/A
	(viii)	Index Level of each Reference Asset:	N/A
	(ix)	Valuation Date:	(i) In respect of the determination of the Exercise Cash Settlement Amount, the date scheduled to be 27 July 2016 (the "**Final Valuation Date**"). (ii) In respect of a Stop Loss Termination Event, the Valuation Date shall be, the Stop Loss Termination Event Date. (iii) In respect of the determination of the

			Issuer Call Optional Cash Settlement Amount, the Call Option Valuation Date.
	(x)	Averaging:	N/A
	(xi)	Valuation Time:	As per the Equity Linked Annex
	(xii)	Additional Disruption Event in respect of Index Linked Securities:	N/A
	(xiii)	FX Disruption Event:	N/A
	(xiv)	Other adjustments:	N/A
48	Inflation Linked Securities:		N/A
49	FX Linked Securities:		N/A
50	Credit Linked Securities:		N/A
51	Commodity Linked Securities:		N/A
52	Debt Components:		N/A
53	Interest Rate Components:		N/A
54	Additional terms and conditions relating to the Securities:		N/A
Additional provisions relating to Settlement			
55	Minimum Settlement Amount		N/A
	Settlement in respect of APK Registered Securities, Dutch Securities, Italian Securities, Swedish Registered Securities, VPS Registered Securities or Spanish Securities:		N/A
56	Settlement in respect of Swedish Registered Securities:		N/A
57	Additional provisions relating to payment of Exercise Price:		N/A
58	Additional provisions relating to Taxes and Settlement Expenses:		N/A
Definitions			
59	Definition of In-The-Money:		As defined in Condition 24 of the Base Conditions

60	Additional Business Centre(s):	London, Milan and TARGET

Selling restrictions and provisions relating to certification

61	Non-US Selling Restrictions:	Investors are bound by the selling restrictions of the relevant jurisdiction(s) in which the Securities are to be sold as set out in the Base Prospectus. In addition to those described in the Base Prospectus, no action has been made or will be taken by the Issuer that would permit a public offering of the Securities or possession or distribution of any offering material in relation to the Securities in any jurisdiction (save for Italy) where action for that purpose is required. Each purchaser or distributor of the Securities represents and agrees that it will not purchase, offer, sell, re-sell or deliver the Securities or, have in its possession or distribute, the Base Prospectus, any other offering material or any Final Terms, in any jurisdiction except in compliance with the applicable laws and regulations of such jurisdiction and in a manner that will not impose any obligation on the Issuer or Manager (as the case may be) and the Determination Agent.
62	Applicable TEFRA exemption:	N/A
63	Other:	N/A

General

64	Business Day Convention:	Following
65	Relevant Clearing System[s]:	Euroclear Clearstream Monte Titoli
66	If syndicated, names [and addresses] of Managers [and underwriting commitments]:	N/A
67	Relevant securities codes:	ISIN: GB00B4V3LP71 Common Code: 064235621
68	Modifications to the Master Subscription Agreement and/or Master Agency Agreement:	N/A
69	Additional Conditions and/or modification to the Conditions of the Securities:	N/A

Part B
Other Information

1 LISTING AND ADMISSION TO TRADING

(i)	Listing	Application will be made by the Issuer (or on its behalf) to list the Securities on the Italian Stock Exchange. No assurance can be given that such application, if made, will be granted.
(ii)	Admission to trading:	Application will be made by the Issuer (or on its behalf) for the Securities to be admitted to trading on the electronic Securitised Derivatives Market (''SeDeX'') organised and managed by Borsa Italiana S.p.A.. No assurance can be given that such application, if made, will be granted.
(iii)	Estimate of total expenses related to admission to trading:	Up to a maximum of EUR 860 upfront

2 RATINGS

Ratings:	The Securities have not been individually rated.

3 NOTIFICATION

The Financial Services Authority of the United Kingdom has provided the *Commissione Nazionale per le Società e la Borsa* (CONSOB) with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.

4 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

Save as discussed in ''Purchase and Sale'', so far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the offer.

5 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i)	Reasons for the offer:	General funding
(ii)	Estimated net proceeds:	Up to EUR 1,623,600
(iii)	Estimated total expenses:	Up to a maximum of EUR 860 upfront

6 FIXED RATE SECURITIES ONLY - YIELD

Indication of yield:	N/A

7 Floating Rate Securities Only - Historic Interest Rates

N/A

8 Performance Of Reference Asset(S) Or Other Variable, Explanation Of Effect On Value Of Investment And Associated Risks And Other Information Concerning The Reference Asset(S) And/Or Other Underlying

Details of the historic performance of the Reference Asset can be obtained from various internationally recognised published or electronically available news sources, for example, Reuters: .GDAXI.

Investors should note that historical performance should not be taken as an indication of future performance of the Reference Asset. The Issuer makes no representation whatsoever, whether expressly or impliedly, as to the future performance of the Reference Asset. The Issuer does not intend to provide post-issuance information.

Investors should form their own views on the merits of an investment related to the Reference Asset based on their own investigation thereof.

The description below represents a summary only of some of the features of the investment product described in this Final Terms. It does not purport to be an exhaustive description.

The product is issued as Certificates in EUR and aims to provide exposure to the performance of the Reference Asset. An investor's exposure to the Reference Asset will be amplified (leveraged) because part of the investment in the Reference Asset will effectively be financed by the Issuer itself. Another effect of this Issuer financing is that the purchase price of the Certificates will always be less than a corresponding direct investment in the components of the Index. The Issuer will charge a variable financing cost for providing the financing. This financing cost will accrue daily and be deducted from the amount payable to investors on redemption of the Certificates.

The Certificates will cancel automatically if the value of the Reference Asset falls to, or below, a specified level.

The amount payable on settlement of the Certificates will be determined by reference to the value of the Reference Asset, the outstanding financed amount and the Parity.

The maximum loss for an investor in respect of each Certificate is limited to the purchase price of the Certificate.

9 Performance Of Rate[S] Of Exchange And Explanation Of Effect On Value Of Investment

N/A

10 Operational Information

Any clearing system(s) other than [*For US Warrants*: DTC,] Euroclear Bank S.A./N.V. and	Monte Titoli

Clearstream Banking Société Anonyme (together with their addresses) and the relevant identification number(s):	
Delivery:	Delivery against payment
Names and addresses of additional Paying Agents(s) (if any):	N/A
Intended to be held in a manner which would allow Eurosystem eligibility:	No

11 OFFER INFORMATION

N/A

12 FORM OF NOTICE FROM BENEFICIAL OWNER TO []

NOTICE FROM THE BENEFICIAL OWNER TO HIS/HER FINANCIAL INTERMEDIARY

(to be completed by the beneficial owner of the Securities for the valid renouncement of Automatic Exercise of the Securities)

BARCLAYS BANK PLC

Index Linked Mini Long Certificates

ISIN: GB00B4V3LP71

(the "**Securities**")

To: []

Fax Number: []

Email: []

(the "Financial Intermediary")

We, the undersigned beneficial owner(s) of Securities, hereby communicate that we are renouncing the right to Automatic Exercise of the Securities specified below, in accordance with the Conditions of the Securities.

The undersigned understands that if this notice is not duly completed and delivered in order to enable the Securityholder to renounce automatic redemption of the Securities prior to the Renouncement Notice Cut-Off Time, or if this notice is determined to be incomplete or not in proper form [(in the determination of the Financial Intermediary)] it will be treated as null and void.

ISIN Code/Series number of the Securities: GB00B4V3LP71

Number of Italian Securities the subject of this notice: [ ]

Name of beneficial owner of the Securities

_____

Signature

Schedule

Definitions relating to the determination of the Exercise Cash Settlement Amount

Financing Level Currency	EUR
Current Financing Level	In respect of the Issue Date, the Initial Financing Level. In respect of any subsequent calendar day, an amount determined by the Issuer in good faith and in a reasonable manner equal to: $(CFL_R + FC_C)$ Where: **"CFL_R"** is the Current Financing Level in respect of the immediately preceding Reset Date. **"FC_C"** is the Funding Cost currently in respect of such calendar day. The Issuer shall make reasonable efforts to publish the applicable Current Financing Level on www.bmarkets.com The Current Financing Level will be published and forwarded to the relevant Exchanges, Clearing Systems and data vendors prior to 13:00 CET on the Borsa Italiana Business Day preceding the day when the Current Financing Level becomes effective. Where: "**Borsa Italiana Business Day**" means any Scheduled Trading Day on which Borsa Italiana is open for trading during its regular trading sessions, notwithstanding Borsa Italiana closing prior to its Scheduled Closing Time.
Initial Financing Level	EUR 6567.66
Reset Dates	Each calendar day. The first Reset Date shall be the Issue Date.
Funding Cost	In respect of any calendar day, an amount, determined by the Issuer in its discretion (exercised in good faith and in a reasonable manner) equal to: $FR_C \times CFL_R \times d/365$ Where: **"FR_C"** is the Funding Rate in respect of such calendar day. **"CFL_R"** is the Current Financing Level in respect of the immediately preceding Reset Date. **"d"** is the number of calendar days from, but excluding, the immediately preceding Reset Date to, and including, such calendar day.
Funding Rate	In respect of any calendar day, a rate equal to: $(R_R + CM)$ Where: **"CM"** is the Current Margin. "R_R " is the Rate in respect of the immediately preceding Borsa Italiana Business Day. Where:

	''**Borsa Italiana Business Day**'' means any Scheduled Trading Day on which Borsa Italiana is open for trading during its regular trading sessions, notwithstanding Borsa Italiana closing prior to its Scheduled Closing Time.
Current Margin (CM)	3.00%
Rate	In respect of any Calculation Period, the Rate shall be determined by the Issuer by reference to the **one month** LIBOR rate, for deposits in the Reference Asset Currency in the inter-bank market, as published on Bloomberg page: BBAM. If such rate is unavailable, the Determination Agent may determine the Rate in good faith by reference to such other source as it deems appropriate.
Calculation Period	Each period from, and excluding, one Reset Date (or, in the case of the first period the Issue Date) to, and including, the immediately following Reset Date.

Definitions relating to the Specified Early Cancellation Event

Current Stop Loss Level	In respect of the Issue Date, the Initial Stop Loss Level. In respect of any subsequent calendar day, the Current Stop Loss Level shall be determined and reset on each calendar day by the Issuer, acting in its discretion (exercised in good faith and in a reasonable manner), and shall be set equal to: $(CFL_C + SLP_C)$ Where: **"CFL_C"** is the Current Financing Level in respect of such calendar day. "**SLP_C**" is the Current Stop Loss Premium in respect of such calendar day. The Current Stop Loss Level shall be rounded in accordance with the Stop Loss Rounding Convention. The Issuer shall make reasonable efforts to publish the applicable Current Stop Loss Level on www.bmarkets.com. The Current Stop Loss Level will be published and forwarded to the relevant Exchanges, Clearing Systems, data vendors prior to 13:00 CET Italian time on the Borsa Italiana Business Day preceding the day when the Current Stop Loss Level becomes effective. Where; "**Borsa Italiana Business Day**" means any Scheduled Trading Day on which Borsa Italiana is open for trading during its regular trading sessions, notwithstanding Borsa Italiana closing prior to its Scheduled Closing Time.
Initial Stop Loss Level	EUR 6700.00, determined as an amount in the Reference Asset Currency equal to the Initial Financing Level plus the Initial Stop Loss Premium, rounded in accordance with the Stop Loss Rounding Convention
Current Stop Loss Premium	In respect of the Issue Date, the Initial Stop Loss Premium. In respect of any subsequent calendar day, the Current Stop Loss Premium shall be an amount in the Financing Level Currency determined by the Issuer in good faith and in a reasonable manner equal to: $2.00\% \times CFL_C$ Where: **"CFL_C"** is the Current Financing Level in respect of such calendar day.
Initial Stop Loss Premium	$2.00\% \times FL_I$ Where: "FL_I" is the Initial Financing Level
Stop Loss Rounding Convention	Upwards to the nearest EUR 10.00

Index Disclaimer

The DAX® was developed and is real-time calculated and published by Wiener Börse AG. The full name of the Index and its abbreviation are protected by copyright law as trademarks. The DAX® index description, rules and composition are available online on www.wienerboerse.at - the index portal of Wiener Börse AG. The Issuer and Wiener Börse AG do not accept any liability for the accuracy and completeness of the information published on the web site. A non-exclusive authorisation to use the DAX® in conjunction with financial products by Issuer was granted upon the conclusion of a license agreement with Wiener Börse AG.

ITALIAN TAXATION

The following is a summary of current Italian law and practice relating to the taxation of the Certificates (the "Securities"). The statements herein regarding taxation are based on the laws in force in Italy as at the date of these Final Terms and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Securities and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules.

Prospective purchasers of the Securities are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Securities.

Italian taxation of Securities

Pursuant to Article 67 of Presidential Decree No. 917 of 22 December 1986 and Legislative Decree No. 461 of 21 November 1997, as subsequently amended, where the Italian resident Certificateholder is (i) an individual not engaged in an entrepreneurial activity to which the Certificates are connected, (ii) a non-commercial partnership pursuant to article 5 of TUIR (with the exception of general partnership, limited partnership and similar entities), (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, capital gains accrued under the sale or the exercise of the Certificates are subject to a 12.5% substitute tax (imposta sostitutiva). The recipient may opt for three different taxation criteria:

(1) Under the tax declaration regime (regime della dichiarazione), which is the default regime for taxation of capital gains realised by Italian resident individuals not engaged in an entrepreneurial activity to which the Certificates are connected, the imposta sostitutiva on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any offsettable capital loss, realised by the Italian resident individual holding the Certificates not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Certificates carried out during any given tax year. Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay imposta sostitutiva on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

(2) As an alternative to the tax declaration regime, Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity may elect to pay the imposta sostitutiva separately on capital gains realised on each sale or redemption of the Certificates (the "risparmio amministrato" regime provided for by Article 6 of the Legislative Decree No. 461 of 21 November 1997, as a subsequently amended, the "Decree No. 461"). Such separate taxation of capital gains is allowed subject to (i) the Certificates being deposited with Italian banks, SIMs or certain authorised financial intermediaries and (ii) an express valid election for the risparmio amministrato regime being punctually made in writing by the relevant Certificateholder. The depository is responsible for accounting for imposta sostitutiva in respect of capital gains realised on each sale or redemption of the Certificates (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Certificateholder or using funds provided by the Certificateholder for this purpose. Under the

risparmio amministrato regime, where a sale or redemption of the Certificates results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the risparmio amministrato regime, the Certificateholder is not required to declare the capital gains in the annual tax return.

(3) Any capital gains realised or accrued by Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Certificates, to an authorised intermediary and have validly opted for the so-called ''risparmio gestito'' regime (regime provided for by Article 7 of the Decree No. 461) will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 12.5 per cent. substitute tax, to be paid by the managing authorised intermediary. Under this risparmio gestito regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the risparmio gestito regime, the Certificateholder is not required to declare the capital gains realised in the annual tax return.

Where an Italian resident Securityholder is a company or similar commercial entity, or the Italian permanent establishment of a foreign commercial entity to which the Securities are effectively connected, capital gains arising from the Securities will not be subject to imposta sostitutiva, but must be included in the relevant Securityholder's income tax return and are therefore subject to Italian corporate tax (and, in certain circumstances, depending on the ''status'' of the Securityholder, also as a part of the net value of production for IRAP purposes).

Any capital gains realised by a Securityholder which is an open-ended or closed-ended investment fund (subject to the tax regime provide by Law No. 77 of 23 March 1983) or a SICAV will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 12.50 per cent. ad hoc substitute tax (the Collective Investment Fund Tax). As of 1 July 2011, the Collective Investment Fund Tax will be repealed and substituted by a substitute tax of 12.5% levied on proceeds distributed by the Fund or the SICAV or received by certain categories of unitholders upon redemption or disposal of the units.

Any capital gains realised by a Securityholder which is an Italian pension fund (subject to the regime provided by article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 11 per cent. ad hoc substitute tax.

Capital gains realised by non-Italian resident Securityholders are not subject to Italian taxation provided that the Securities (i) are transferred on regulated markets, or (ii) if not transferred on regulated markets, are held outside Italy.

The provisions of the applicable tax treaties against double taxation entered into by Italy apply if more favourable and all relevant conditions are met.

Atypical securities

In accordance with a different interpretation of current tax law, it is possible that Certificates would be considered as 'atypical' securities pursuant to Article 8 of Law Decree No. 512 of 30 September 1983 as implemented by Law No. 649 of 25 November 1983. In this event, payments relating to Certificates may be subject to an Italian withholding tax, levied at the rate of 27 per cent.

The 27 per cent. withholding tax mentioned above does not apply to payments made to a non-Italian resident holder of the Certificate and to an Italian resident holder of the Certificate which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership, or (iii) a commercial private or public institution.

The withholding is levied by the Italian intermediary appointed by the Issuer, intervening in the collection of the relevant income or in the negotiation or repurchasing of the Securities.

Inheritance and gift taxes

Pursuant to Law Decree No. 262 of 3 October 2006, (Decree No. 262), converted into Law No. 286 of 24 November 2006, the transfers of any valuable asset (including shares, bonds or other securities) as a result of death or donation are taxed as follows:

(i) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding EUR 1,000,000;

(ii) transfers in favour of relatives to the fourth degree and relatives-in-law to the third degree, are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding EUR 100,000; and

(iii) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

EU Savings Directive

Under EC Council Directive 2003/48/EC (''EU Savings Directive'') on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State, including Belgium from 1 January 2010, details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have agreed to adopt similar measures (a withholding system in the case of Switzerland).

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

Implementation in Italy of the EU Savings Directive

Italy has implemented the EU Savings Directive through Legislative Decree No. 84 of 18 April 2005 (''Decree No. 84''). Under Decree No. 84, subject to a number of important conditions being met, in the case of interest paid to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian qualified paying agents shall not apply the withholding tax and shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner.

Such information is transmitted by the Italian Tax Authorities to the competent foreign tax authorities of the State of residence of the beneficial owner.

Final Terms

BARCLAYS BANK PLC

(Incorporated with limited liability in England and Wales)

BARCLAYS CAPITAL (CAYMAN) LIMITED

(Incorporated with limited liability in the Cayman Islands)

GLOBAL STRUCTURED SECURITIES PROGRAMME

for the issue of Securities

BARCLAYS BANK PLC

2,255,000 DAX® (Total Return Index) Linked Mini Long Certificates

ISIN code: GB00B41C3G99

under the Global Structured Securities Programme

Issue Price: EUR 0.82 per Security

This document constitutes the final terms of the Securities (the "**Final Terms**") described herein for the purposes of Article 5.4 of the Directive 2003/71/EC and is prepared in connection with the Global Structured Securities Programme established by Barclays Bank PLC (the "**Bank**") and Barclays Capital (Cayman) Limited ("**BCCL**") and is supplemental to and should be read in conjunction with the Base Prospectus dated 6 August 2010 as supplemented, amended, updated and/or restated from time to time, which constitutes a base prospectus (the "**Base Prospectus**") for the purpose of the Directive 2003/71/EC. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing during normal business hours at the registered office of the Issuer and the specified office of the Issue and Paying Agent and copies may be obtained from such office. Words and expressions defined in the Base Prospectus and not defined in this document shall bear the same meanings when used herein.

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not contain anything likely to affect the import of such information.

Investors should refer to the sections headed "Risk Factors" in the Base Prospectus for a discussion of certain matters that should be considered when making a decision to invest in the Securities.

Barclays Capital

Final Terms dated 27 July 2011

The distribution of this document and the offer of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession these Final Terms come are required by the Bank to inform themselves about and to observe any such restrictions. Details of selling restrictions for various jurisdictions are set out in ''Purchase and Sale'' in the Base Prospectus. In particular, the Securities have not been, and will not be, registered under the US Securities Act of 1933, as amended, and are subject to US tax law requirements. Trading in the Securities has not been approved by the US Commodity Futures Trading Commission under the US Commodity Exchange Act of 1936, as amended. Subject to certain exceptions, the Securities may not at any time be offered, sold or delivered in the United States or to US persons, nor may any US persons at any time trade or maintain a position in such Securities.

Part A
Terms and Conditions of the Securities

The Securities shall have the following terms and conditions, which shall complete, modify and/or amend the Base Conditions and/or any applicable Relevant Annex(es) set out in the Base Prospectus dated 6 August 2010.

Parties

Issuer:	Barclays Bank PLC
Guarantor:	N/A
Manager:	Barclays Bank PLC
Determination Agent:	Barclays Bank PLC
Issue and Paying Agent:	The Bank of New York Mellon
Stabilising Manager:	N/A
Registrar:	N/A
CREST Agent:	N/A
Paying Agents:	N/A
Transfer Agent:	N/A
Exchange Agent:	N/A
Additional Agents:	N/A

THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT) AND THE SECURITIES COMPRISE BEARER SECURITIES THAT ARE SUBJECT TO US TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("REGULATION S")). THESE FINAL TERMS HAVE BEEN PREPARED BY THE ISSUER FOR USE IN CONNECTION WITH THE OFFER AND SALE OF THE SECURITIES OUTSIDE THE UNITED STATES TO NON-US PERSONS IN RELIANCE ON REGULATION S AND FOR LISTING OF THE SECURITIES ON THE RELEVANT STOCK EXCHANGE, IF ANY, AS STATED HEREIN. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS AND SALES OF THE SECURITIES AND DISTRIBUTION OF THESE FINAL TERMS AND THE BASE PROSPECTUS AND THE SUPPLEMENTAL PROSPECTUS SEE "PURCHASE AND SALE" IN THE BASE PROSPECTUS.

1	(i)	Series:	GSC1254
	(ii)	Tranche:	1
2	Currency:		Euro (“**EUR**”) (the “**Issue Currency**”)
3	Number of Warrants or Exercisable Certificates being issued:		2,255,000 Securities
4	Calculation Amount per Security as at the Issue Date:		1 Certificate
5	Form:		
	(i)	Global/Definitive/ Uncertificated and dematerialised:	Global Bearer Securities: Permanent Global Security
	(ii)	NGN Form:	N/A
	(iii)	Held under the NSS:	N/A
	(iv)	CGN Form:	Applicable
	(v)	CDIs:	N/A
6	Trade Date:		27 July 2011
7	Issue Date:		27 July 2011
8	Issue Price:		EUR **0.82** per Security.
9	Relevant Stock Exchange[s]:		Italian Stock Exchange
10	The following Relevant Annex(es) shall apply to the Securities (*specify each applicable Relevant Annex*):		Equity Linked Annex Italian Securities Annex

Provisions relating to interest (if any) payable on the Securities

11	Interest:		N/A
12	Interest Amount:		N/A
13	Interest Rates:		
	(i)	Fixed Rate:	N/A
	(ii)	Floating Rate:	N/A
	(iii)	Variable Rate:	N/A
	(iv)	Zero Coupon:	N/A
14	Screen Rate Determination:		N/A
	(i)	Reference Rate:	N/A
	(ii)	Relevant Screen Page:	N/A
15	ISDA Determination:		N/A
16	Margin:		N/A

17	Minimum/Maximum Interest Rate:	N/A
18	Interest Commencement Date:	N/A
19	Interest Determination Date:	N/A
20	Interest Calculation Periods:	N/A
21	Interest Payment Dates:	N/A
22	Day Count Fraction:	N/A
23	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest, if different from those set out in the Base Conditions:	N/A

Provisions relating to Exercise

24	(i) Exercise Style:	European Style
	(ii) Multiple Exercise Securities	N/A
25	Call/Put Securities:	Other Exercise Securities
26	Units:	The Securities must be exercised in Units. Each Unit consists of 1 Security.
27	Exercise Price:	N/A
28	Exercise Date(s):	The Final Valuation Date
29	Potential Exercise Business Dates:	N/A
30	Exercise Period:	N/A
31	Expiration Date:	Exercise Date
32	(i) Automatic Exercise:	Applicable
	(ii) Renouncement Notice Cut-Off Date:	The Business Day immediately following the Exercise Date
	(iii) Renouncement Notice Cut-Off Time:	10 a.m. Milan Time
33	Minimum Number Exercise Requirement:	N/A
34	Maximum Daily Number:	N/A
35	Nominal Call Event:	N/A
	(i) Nominal Call Threshold Amount:	N/A
	(ii) Nominal Call Threshold Percentage:	N/A
36	Settlement Method:	Cash Settlement

37	Settlement Currency:		EUR
38	Settlement Number:		As defined in Condition 24 of the Base Conditions
39	Terms relating to Cash Settled Securities:		
	(i)	Exercise Cash Settlement Amount:	In respect of each Security, a cash amount determined by the Determination Agent as follows: Max (0, U_V – CFL_V) × Parity Where: "**Parity**" means in respect of each Security, 0.001. **"U_V"** is the Valuation Price on the Final Valuation Date. **"CFL_V"** is the Current Financing Level (as set out in the Schedule) in respect of the Final Valuation Date. "**Valuation Price**" means in respect of a Valuation Date and any relevant Scheduled Trading Day, the price of the Reference Asset at the Valuation Time on such day, as determined by the Determination Agent in good faith and in a reasonable manner. "**Valuation Date**" and "**Valuation Time**" has the meaning set out in Paragraph 47. Further definitions are set out in the Schedule.
	(ii)	Exercise Cash Settlement Date:	The 10th Business Day following the Exercise Date, scheduled to be 10 August 2016
	(iii)	Early Cash Settlement Amount:	As defined in Condition 24 of the Base Conditions
	(iv)	Early Cancellation Date:	As defined in Condition 24 of the Base Conditions
40	Specified Early Cancellation Event:		Applicable. If, at any time on any day from, and including, the Issue Date, to and including the Final Valuation Date the Issuer determines in good faith and in a reasonable manner that the market price of the Reference Asset is equal to, or lower than, the prevailing Current Stop Loss Level (as further defined in the Schedule) (a "**Stop Loss Termination Event**" and the date of such occurrence, the "**Stop Loss Termination Event Date**"), the Issuer shall notify the Securityholder of the occurrence of the Stop Loss Termination Event and the Specified Early Cash Settlement Amount as soon as calculated and shall cancel all of the Securities (in whole only) on

		the Specified Early Cash Cancellation Date.
	(i) Automatic early cancellation:	Applicable with respect to a Stop Loss Termination Event.
	(ii) Cash Settled Securities:	Applicable
	(a) Specified Early Cash Settlement Amount:	In respect of each Security, a cash amount determined by the Determination Agent in good faith and in a reasonable manner on the relevant Valuation Date as follows: Max (0, SLTRP – CFL_T) × Parity Where: "**Parity**" means in respect of each Security, 0.001. "**SLTRP**" is the Stop Loss Termination Reference Price. "**CFL_T**" is the Current Financing Level (as set out in the Schedule) in respect of the relevant Valuation Date. "**Stop Loss Termination Reference Price**" means, in respect of the relevant Valuation Date the lowest price of the Reference Asset on the Exchange on the Stop Loss Termination Event Date. Further definitions are set out in the Schedule.
	(b) Specified Early Cash Cancellation Date:	5th Business Day following the relevant Valuation Date
	(iii) Physically Delivered Securities:	N/A
	(iv) Specified Early Cancellation Notice Period:	The Issuer shall promptly notify the Securityholder of the occurrence of a Specified Early Redemption Event.
41	Call Option:	Applicable. The Issuer may cancel all Securities in whole in accordance with the below.
	(i) Cash Settled Securities:	
	(a) Issuer Call Optional Cash Settlement Amount:	In respect of each Security, a cash amount determined by the Determination Agent on the relevant Valuation Date as follows: Max (0, U_C– CFL_c) × Parity

			Where; "**Call Option Notice Date**" means the Business Day on which the Issuer gives notice to the Securityholders. "**Call Option Valuation Date**" means the first Scheduled Trading Day falling 6 months following the Call Option Notice Date. "**Parity**" means in respect of each Security, 0.001. "U_c" is the Valuation Price on the Call Option Valuation Date. "CFL_c" is the Current Financing Level (as set out in the Schedule) in respect of the Call Option Valuation Date. "**Valuation Price**" means in respect of a Valuation Date and any relevant Scheduled Trading Day, the price of the Reference Asset at the Valuation Time on such day, as determined by the Determination Agent in good faith and in a reasonable manner.
	(ii)	Optional Cash Settlement Date:	5th Business Day following the Call Option Valuation Date
	(iii)	Issuer Option Exercise Period:	On any Business Day, from and including the first Business Day falling 1 year following the Issue Date to but excluding the Business Day falling 6 months preceding the Final Valuation Date
	(iv)	Issuer Notice Period:	Not less than 6 months notice
42	Early Exercise Trigger Event:		N/A
43	Terms relating to Physically Delivered Securities:		N/A
44	Multiplier:		See the definition of Parity above
45	Additional Disruption Events in addition to those specified in Condition 24 of the Base Conditions and any applicable Relevant Annex:		
	(i)	Affected Jurisdiction Hedging Disruption:	N/A
	(ii)	Affected Jurisdiction Increased Cost of Hedging:	N/A
	(iii)	Affected Jurisdiction:	N/A
	(iv)	Other Additional Disruption	N/A

		Events:	
	(v)	The following shall not constitute Additional Disruption Events:	N/A
46	Share Linked Securities:		N/A
47	Index Linked Securities:		Applicable

	(i)	Index/Indices (each a "**Reference Asset**")	

Index	DAX® (Total Return Index)
Reference Asset Currency	EUR
Reuters Code (for identification purposes only)	.GDAXI
Bloomberg Ticker (for identification purposes only)	DAX
Index Sponsor	Deutsche Börse

	(ii)	Future Price Valuation:	N/A
	(iii)	Exchange-traded Contract:	N/A
	(iv)	Exchange(s):	
	(v)	Related Exchange(s):	All Exchanges
	(vi)	Exchange Rate:	N/A
	(vii)	Weighting for each Reference Asset comprising the Basket of Reference Assets:	N/A
	(viii)	Index Level of each Reference Asset:	N/A
	(ix)	Valuation Date:	(i) In respect of the determination of the Exercise Cash Settlement Amount, the date scheduled to be 27 July 2016 (the "**Final Valuation Date**"). (ii) In respect of a Stop Loss Termination Event, the Valuation Date shall be, the Stop Loss Termination Event Date. (iii) In respect of the determination of the

			Issuer Call Optional Cash Settlement Amount, the Call Option Valuation Date.
	(x)	Averaging:	N/A
	(xi)	Valuation Time:	As per the Equity Linked Annex
	(xii)	Additional Disruption Event in respect of Index Linked Securities:	N/A
	(xiii)	FX Disruption Event:	N/A
	(xiv)	Other adjustments:	N/A
48	Inflation Linked Securities:		N/A
49	FX Linked Securities:		N/A
50	Credit Linked Securities:		N/A
51	Commodity Linked Securities:		N/A
52	Debt Components:		N/A
53	Interest Rate Components:		N/A
54	Additional terms and conditions relating to the Securities:		N/A
Additional provisions relating to Settlement			
55	Minimum Settlement Amount		N/A
	Settlement in respect of APK Registered Securities, Dutch Securities, Italian Securities, Swedish Registered Securities, VPS Registered Securities or Spanish Securities:		N/A
56	Settlement in respect of Swedish Registered Securities:		N/A
57	Additional provisions relating to payment of Exercise Price:		N/A
58	Additional provisions relating to Taxes and Settlement Expenses:		N/A
Definitions			
59	Definition of In-The-Money:		As defined in Condition 24 of the Base Conditions

60	Additional Business Centre(s):	London, Milan and TARGET

Selling restrictions and provisions relating to certification

61	Non-US Selling Restrictions:	Investors are bound by the selling restrictions of the relevant jurisdiction(s) in which the Securities are to be sold as set out in the Base Prospectus. In addition to those described in the Base Prospectus, no action has been made or will be taken by the Issuer that would permit a public offering of the Securities or possession or distribution of any offering material in relation to the Securities in any jurisdiction (save for Italy) where action for that purpose is required. Each purchaser or distributor of the Securities represents and agrees that it will not purchase, offer, sell, re-sell or deliver the Securities or, have in its possession or distribute, the Base Prospectus, any other offering material or any Final Terms, in any jurisdiction except in compliance with the applicable laws and regulations of such jurisdiction and in a manner that will not impose any obligation on the Issuer or Manager (as the case may be) and the Determination Agent.
62	Applicable TEFRA exemption:	N/A
63	Other:	N/A

General

64	Business Day Convention:	Following
65	Relevant Clearing System[s]:	Euroclear Clearstream Monte Titoli
66	If syndicated, names [and addresses] of Managers [and underwriting commitments]:	N/A
67	Relevant securities codes:	ISIN: GB00B41C3G99 Common Code: 064235516
68	Modifications to the Master Subscription Agreement and/or Master Agency Agreement:	N/A
69	Additional Conditions and/or modification to the Conditions of the Securities:	N/A

Part B
Other Information

1 LISTING AND ADMISSION TO TRADING

(i)	Listing	Application will be made by the Issuer (or on its behalf) to list the Securities on the Italian Stock Exchange. No assurance can be given that such application, if made, will be granted.
(ii)	Admission to trading:	Application will be made by the Issuer (or on its behalf) for the Securities to be admitted to trading on the electronic Securitised Derivatives Market (''SeDeX'') organised and managed by Borsa Italiana S.p.A.. No assurance can be given that such application, if made, will be granted.
(iii)	Estimate of total expenses related to admission to trading:	Up to a maximum of EUR 860 upfront

2 RATINGS

Ratings:	The Securities have not been individually rated.

3 NOTIFICATION

The Financial Services Authority of the United Kingdom has provided the *Commissione Nazionale per le Società e la Borsa* (CONSOB) with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.

4 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

Save as discussed in ''Purchase and Sale'', so far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the offer.

5 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i)	Reasons for the offer:	General funding
(ii)	Estimated net proceeds:	Up to EUR 1,849,100
(iii)	Estimated total expenses:	Up to a maximum of EUR 860 upfront

6 FIXED RATE SECURITIES ONLY - YIELD

Indication of yield:	N/A

7 Floating Rate Securities Only - Historic Interest Rates

N/A

8 Performance Of Reference Asset(S) Or Other Variable, Explanation Of Effect On Value Of Investment And Associated Risks And Other Information Concerning The Reference Asset(S) And/Or Other Underlying

Details of the historic performance of the Reference Asset can be obtained from various internationally recognised published or electronically available news sources, for example, Reuters: .GDAXI.

Investors should note that historical performance should not be taken as an indication of future performance of the Reference Asset. The Issuer makes no representation whatsoever, whether expressly or impliedly, as to the future performance of the Reference Asset. The Issuer does not intend to provide post-issuance information.

Investors should form their own views on the merits of an investment related to the Reference Asset based on their own investigation thereof.

The description below represents a summary only of some of the features of the investment product described in this Final Terms. It does not purport to be an exhaustive description.

The product is issued as Certificates in EUR and aims to provide exposure to the performance of the Reference Asset. An investor's exposure to the Reference Asset will be amplified (leveraged) because part of the investment in the Reference Asset will effectively be financed by the Issuer itself. Another effect of this Issuer financing is that the purchase price of the Certificates will always be less than a corresponding direct investment in the components of the Index. The Issuer will charge a variable financing cost for providing the financing. This financing cost will accrue daily and be deducted from the amount payable to investors on redemption of the Certificates.

The Certificates will cancel automatically if the value of the Reference Asset falls to, or below, a specified level.

The amount payable on settlement of the Certificates will be determined by reference to the value of the Reference Asset, the outstanding financed amount and the Parity.

The maximum loss for an investor in respect of each Certificate is limited to the purchase price of the Certificate.

9 Performance Of Rate[S] Of Exchange And Explanation Of Effect On Value Of Investment

N/A

10 Operational Information

Any clearing system(s) other than [*For US Warrants*: DTC,] Euroclear Bank S.A./N.V. and	Monte Titoli

Clearstream Banking Société Anonyme (together with their addresses) and the relevant identification number(s):	
Delivery:	Delivery against payment
Names and addresses of additional Paying Agents(s) (if any):	N/A
Intended to be held in a manner which would allow Eurosystem eligibility:	No

11 OFFER INFORMATION

N/A

12 FORM OF NOTICE FROM BENEFICIAL OWNER TO []

NOTICE FROM THE BENEFICIAL OWNER TO HIS/HER FINANCIAL INTERMEDIARY

(to be completed by the beneficial owner of the Securities for the valid renouncement of Automatic Exercise of the Securities)

BARCLAYS BANK PLC

Index Linked Mini Long Certificates

ISIN: GB00B41C3G99

(the "**Securities**")

To: []

Fax Number: []

Email: []

(the "Financial Intermediary")

We, the undersigned beneficial owner(s) of Securities, hereby communicate that we are renouncing the right to Automatic Exercise of the Securities specified below, in accordance with the Conditions of the Securities.

The undersigned understands that if this notice is not duly completed and delivered in order to enable the Securityholder to renounce automatic redemption of the Securities prior to the Renouncement Notice Cut-Off Time, or if this notice is determined to be incomplete or not in proper form [(in the determination of the Financial Intermediary)] it will be treated as null and void.

ISIN Code/Series number of the Securities: GB00B41C3G99

Number of Italian Securities the subject of this notice: [ ]

Name of beneficial owner of the Securities

_____

Signature

Schedule

Definitions relating to the determination of the Exercise Cash Settlement Amount

Financing Level Currency	EUR
Current Financing Level	In respect of the Issue Date, the Initial Financing Level. In respect of any subsequent calendar day, an amount determined by the Issuer in good faith and in a reasonable manner equal to: $(CFL_R + FC_C)$ Where: **"CFL_R"** is the Current Financing Level in respect of the immediately preceding Reset Date. **"FC_C"** is the Funding Cost currently in respect of such calendar day. The Issuer shall make reasonable efforts to publish the applicable Current Financing Level on www.bmarkets.com The Current Financing Level will be published and forwarded to the relevant Exchanges, Clearing Systems and data vendors prior to 13:00 CET on the Borsa Italiana Business Day preceding the day when the Current Financing Level becomes effective. Where: "**Borsa Italiana Business Day**" means any Scheduled Trading Day on which Borsa Italiana is open for trading during its regular trading sessions, notwithstanding Borsa Italiana closing prior to its Scheduled Closing Time.
Initial Financing Level	EUR 6469.62
Reset Dates	Each calendar day. The first Reset Date shall be the Issue Date.
Funding Cost	In respect of any calendar day, an amount, determined by the Issuer in its discretion (exercised in good faith and in a reasonable manner) equal to: $FR_C \times CFL_R \times d/365$ Where: **"FR_C"** is the Funding Rate in respect of such calendar day. **"CFL_R"** is the Current Financing Level in respect of the immediately preceding Reset Date. **"d"** is the number of calendar days from, but excluding, the immediately preceding Reset Date to, and including, such calendar day.
Funding Rate	In respect of any calendar day, a rate equal to: $(R_R + CM)$ Where: **"CM"** is the Current Margin. "R_R " is the Rate in respect of the immediately preceding Borsa Italiana Business Day. Where:

	''**Borsa Italiana Business Day**'' means any Scheduled Trading Day on which Borsa Italiana is open for trading during its regular trading sessions, notwithstanding Borsa Italiana closing prior to its Scheduled Closing Time.
Current Margin (CM)	3.00%
Rate	In respect of any Calculation Period, the Rate shall be determined by the Issuer by reference to the **one month** LIBOR rate, for deposits in the Reference Asset Currency in the inter-bank market, as published on Bloomberg page: BBAM. If such rate is unavailable, the Determination Agent may determine the Rate in good faith by reference to such other source as it deems appropriate.
Calculation Period	Each period from, and excluding, one Reset Date (or, in the case of the first period the Issue Date) to, and including, the immediately following Reset Date.

Definitions relating to the Specified Early Cancellation Event

Current Stop Loss Level	In respect of the Issue Date, the Initial Stop Loss Level. In respect of any subsequent calendar day, the Current Stop Loss Level shall be determined and reset on each calendar day by the Issuer, acting in its discretion (exercised in good faith and in a reasonable manner), and shall be set equal to: $(CFL_C + SLP_C)$ Where: **"CFL_C"** is the Current Financing Level in respect of such calendar day. "**SLP_C**" is the Current Stop Loss Premium in respect of such calendar day. The Current Stop Loss Level shall be rounded in accordance with the Stop Loss Rounding Convention. The Issuer shall make reasonable efforts to publish the applicable Current Stop Loss Level on www.bmarkets.com. The Current Stop Loss Level will be published and forwarded to the relevant Exchanges, Clearing Systems, data vendors prior to 13:00 CET Italian time on the Borsa Italiana Business Day preceding the day when the Current Stop Loss Level becomes effective. Where; "**Borsa Italiana Business Day**" means any Scheduled Trading Day on which Borsa Italiana is open for trading during its regular trading sessions, notwithstanding Borsa Italiana closing prior to its Scheduled Closing Time.
Initial Stop Loss Level	EUR 6600.00, determined as an amount in the Reference Asset Currency equal to the Initial Financing Level plus the Initial Stop Loss Premium, rounded in accordance with the Stop Loss Rounding Convention
Current Stop Loss Premium	In respect of the Issue Date, the Initial Stop Loss Premium. In respect of any subsequent calendar day, the Current Stop Loss Premium shall be an amount in the Financing Level Currency determined by the Issuer in good faith and in a reasonable manner equal to: $2.00\% \times CFL_C$ Where: **"CFL_C"** is the Current Financing Level in respect of such calendar day.
Initial Stop Loss Premium	$2.00\% \times FL_I$ Where: "FL_I" is the Initial Financing Level
Stop Loss Rounding Convention	Upwards to the nearest EUR 10.00

Index Disclaimer

The DAX® was developed and is real-time calculated and published by Wiener Börse AG. The full name of the Index and its abbreviation are protected by copyright law as trademarks. The DAX® index description, rules and composition are available online on www.wienerboerse.at - the index portal of Wiener Börse AG. The Issuer and Wiener Börse AG do not accept any liability for the accuracy and completeness of the information published on the web site. A non-exclusive authorisation to use the DAX® in conjunction with financial products by Issuer was granted upon the conclusion of a license agreement with Wiener Börse AG.

ITALIAN TAXATION

The following is a summary of current Italian law and practice relating to the taxation of the Certificates (the "Securities"). The statements herein regarding taxation are based on the laws in force in Italy as at the date of these Final Terms and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Securities and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules.

Prospective purchasers of the Securities are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Securities.

Italian taxation of Securities

Pursuant to Article 67 of Presidential Decree No. 917 of 22 December 1986 and Legislative Decree No. 461 of 21 November 1997, as subsequently amended, where the Italian resident Certificateholder is (i) an individual not engaged in an entrepreneurial activity to which the Certificates are connected, (ii) a non-commercial partnership pursuant to article 5 of TUIR (with the exception of general partnership, limited partnership and similar entities), (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, capital gains accrued under the sale or the exercise of the Certificates are subject to a 12.5% substitute tax (imposta sostitutiva). The recipient may opt for three different taxation criteria:

(1) Under the tax declaration regime (regime della dichiarazione), which is the default regime for taxation of capital gains realised by Italian resident individuals not engaged in an entrepreneurial activity to which the Certificates are connected, the imposta sostitutiva on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any offsettable capital loss, realised by the Italian resident individual holding the Certificates not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Certificates carried out during any given tax year. Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay imposta sostitutiva on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

(2) As an alternative to the tax declaration regime, Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity may elect to pay the imposta sostitutiva separately on capital gains realised on each sale or redemption of the Certificates (the "risparmio amministrato" regime provided for by Article 6 of the Legislative Decree No. 461 of 21 November 1997, as a subsequently amended, the "Decree No. 461"). Such separate taxation of capital gains is allowed subject to (i) the Certificates being deposited with Italian banks, SIMs or certain authorised financial intermediaries and (ii) an express valid election for the risparmio amministrato regime being punctually made in writing by the relevant Certificateholder. The depository is responsible for accounting for imposta sostitutiva in respect of capital gains realised on each sale or redemption of the Certificates (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Certificateholder or using funds provided by the Certificateholder for this purpose. Under the

risparmio amministrato regime, where a sale or redemption of the Certificates results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the risparmio amministrato regime, the Certificateholder is not required to declare the capital gains in the annual tax return.

(3) Any capital gains realised or accrued by Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Certificates, to an authorised intermediary and have validly opted for the so-called ''risparmio gestito'' regime (regime provided for by Article 7 of the Decree No. 461) will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 12.5 per cent. substitute tax, to be paid by the managing authorised intermediary. Under this risparmio gestito regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the risparmio gestito regime, the Certificateholder is not required to declare the capital gains realised in the annual tax return.

Where an Italian resident Securityholder is a company or similar commercial entity, or the Italian permanent establishment of a foreign commercial entity to which the Securities are effectively connected, capital gains arising from the Securities will not be subject to imposta sostitutiva, but must be included in the relevant Securityholder's income tax return and are therefore subject to Italian corporate tax (and, in certain circumstances, depending on the ''status'' of the Securityholder, also as a part of the net value of production for IRAP purposes).

Any capital gains realised by a Securityholder which is an open-ended or closed-ended investment fund (subject to the tax regime provide by Law No. 77 of 23 March 1983) or a SICAV will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 12.50 per cent. ad hoc substitute tax (the Collective Investment Fund Tax). As of 1 July 2011, the Collective Investment Fund Tax will be repealed and substituted by a substitute tax of 12.5% levied on proceeds distributed by the Fund or the SICAV or received by certain categories of unitholders upon redemption or disposal of the units.

Any capital gains realised by a Securityholder which is an Italian pension fund (subject to the regime provided by article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 11 per cent. ad hoc substitute tax.

Capital gains realised by non-Italian resident Securityholders are not subject to Italian taxation provided that the Securities (i) are transferred on regulated markets, or (ii) if not transferred on regulated markets, are held outside Italy.

The provisions of the applicable tax treaties against double taxation entered into by Italy apply if more favourable and all relevant conditions are met.

Atypical securities

In accordance with a different interpretation of current tax law, it is possible that Certificates would be considered as 'atypical' securities pursuant to Article 8 of Law Decree No. 512 of 30 September 1983 as implemented by Law No. 649 of 25 November 1983. In this event, payments relating to Certificates may be subject to an Italian withholding tax, levied at the rate of 27 per cent.

The 27 per cent. withholding tax mentioned above does not apply to payments made to a non-Italian resident holder of the Certificate and to an Italian resident holder of the Certificate which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership, or (iii) a commercial private or public institution.

The withholding is levied by the Italian intermediary appointed by the Issuer, intervening in the collection of the relevant income or in the negotiation or repurchasing of the Securities.

Inheritance and gift taxes

Pursuant to Law Decree No. 262 of 3 October 2006, (Decree No. 262), converted into Law No. 286 of 24 November 2006, the transfers of any valuable asset (including shares, bonds or other securities) as a result of death or donation are taxed as follows:

(i) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding EUR 1,000,000;

(ii) transfers in favour of relatives to the fourth degree and relatives-in-law to the third degree, are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding EUR 100,000; and

(iii) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

EU Savings Directive

Under EC Council Directive 2003/48/EC (''EU Savings Directive'') on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State, including Belgium from 1 January 2010, details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have agreed to adopt similar measures (a withholding system in the case of Switzerland).

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

Implementation in Italy of the EU Savings Directive

Italy has implemented the EU Savings Directive through Legislative Decree No. 84 of 18 April 2005 (''Decree No. 84''). Under Decree No. 84, subject to a number of important conditions being met, in the case of interest paid to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian qualified paying agents shall not apply the withholding tax and shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner.

Such information is transmitted by the Italian Tax Authorities to the competent foreign tax authorities of the State of residence of the beneficial owner.

Final Terms

BARCLAYS BANK PLC

(Incorporated with limited liability in England and Wales)

BARCLAYS CAPITAL (CAYMAN) LIMITED

(Incorporated with limited liability in the Cayman Islands)

GLOBAL STRUCTURED SECURITIES PROGRAMME

for the issue of Securities

BARCLAYS BANK PLC

2,255,000 FTSE MIB Index Linked Mini Long Certificates

ISIN code: GB00B44TCB53

under the Global Structured Securities Programme

Issue Price: EUR 0.18 per Security

This document constitutes the final terms of the Securities (the "**Final Terms**") described herein for the purposes of Article 5.4 of the Directive 2003/71/EC and is prepared in connection with the Global Structured Securities Programme established by Barclays Bank PLC (the "**Bank**") and Barclays Capital (Cayman) Limited ("**BCCL**") and is supplemental to and should be read in conjunction with the Base Prospectus dated 6 August 2010 as supplemented, amended, updated and/or restated from time to time, which constitutes a base prospectus (the "**Base Prospectus**") for the purpose of the Directive 2003/71/EC. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing during normal business hours at the registered office of the Issuer and the specified office of the Issue and Paying Agent and copies may be obtained from such office. Words and expressions defined in the Base Prospectus and not defined in this document shall bear the same meanings when used herein.

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not contain anything likely to affect the import of such information.

Investors should refer to the sections headed "Risk Factors" in the Base Prospectus for a discussion of certain matters that should be considered when making a decision to invest in the Securities.

Barclays Capital

Final Terms dated 27 July 2011

The distribution of this document and the offer of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession these Final Terms come are required by the Bank to inform themselves about and to observe any such restrictions. Details of selling restrictions for various jurisdictions are set out in ''Purchase and Sale'' in the Base Prospectus. In particular, the Securities have not been, and will not be, registered under the US Securities Act of 1933, as amended, and are subject to US tax law requirements. Trading in the Securities has not been approved by the US Commodity Futures Trading Commission under the US Commodity Exchange Act of 1936, as amended. Subject to certain exceptions, the Securities may not at any time be offered, sold or delivered in the United States or to US persons, nor may any US persons at any time trade or maintain a position in such Securities.

Part A
Terms and Conditions of the Securities

The Securities shall have the following terms and conditions, which shall complete, modify and/or amend the Base Conditions and/or any applicable Relevant Annex(es) set out in the Base Prospectus dated 6 August 2010.

Parties

Issuer:	Barclays Bank PLC
Guarantor:	N/A
Manager:	Barclays Bank PLC
Determination Agent:	Barclays Bank PLC
Issue and Paying Agent:	The Bank of New York Mellon
Stabilising Manager:	N/A
Registrar:	N/A
CREST Agent:	N/A
Paying Agents:	N/A
Transfer Agent:	N/A
Exchange Agent:	N/A
Additional Agents:	N/A

THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT) AND THE SECURITIES COMPRISE BEARER SECURITIES THAT ARE SUBJECT TO US TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("REGULATION S")). THESE FINAL TERMS HAVE BEEN PREPARED BY THE ISSUER FOR USE IN CONNECTION WITH THE OFFER AND SALE OF THE SECURITIES OUTSIDE THE UNITED STATES TO NON-US PERSONS IN RELIANCE ON REGULATION S AND FOR LISTING OF THE SECURITIES ON THE RELEVANT STOCK EXCHANGE, IF ANY, AS STATED HEREIN. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS AND SALES OF THE SECURITIES AND DISTRIBUTION OF THESE FINAL TERMS AND THE BASE PROSPECTUS AND THE SUPPLEMENTAL PROSPECTUS SEE "PURCHASE AND SALE" IN THE BASE PROSPECTUS.

1	(i)	Series:	GSC1251
	(ii)	Tranche:	1
2	Currency:		Euro (“**EUR**”) (the “**Issue Currency**”)
3	Number of Warrants or Exercisable Certificates being issued:		2,255,000 Securities
4	Calculation Amount per Security as at the Issue Date:		1 Certificate
5	Form:		
	(i)	Global/Definitive/ Uncertificated and dematerialised:	Global Bearer Securities: Permanent Global Security
	(ii)	NGN Form:	N/A
	(iii)	Held under the NSS:	N/A
	(iv)	CGN Form:	Applicable
	(v)	CDIs:	N/A
6	Trade Date:		27 July 2011
7	Issue Date:		27 July 2011
8	Issue Price:		EUR **0.18** per Security.
9	Relevant Stock Exchange[s]:		Italian Stock Exchange
10	The following Relevant Annex(es) shall apply to the Securities (*specify each applicable Relevant Annex*):		Equity Linked Annex Italian Securities Annex

Provisions relating to interest (if any) payable on the Securities

11	Interest:		N/A
12	Interest Amount:		N/A
13	Interest Rates:		
	(i)	Fixed Rate:	N/A
	(ii)	Floating Rate:	N/A
	(iii)	Variable Rate:	N/A
	(iv)	Zero Coupon:	N/A
14	Screen Rate Determination:		N/A
	(i)	Reference Rate:	N/A
	(ii)	Relevant Screen Page:	N/A
15	ISDA Determination:		N/A
16	Margin:		N/A

17	Minimum/Maximum Interest Rate:	N/A
18	Interest Commencement Date:	N/A
19	Interest Determination Date:	N/A
20	Interest Calculation Periods:	N/A
21	Interest Payment Dates:	N/A
22	Day Count Fraction:	N/A
23	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest, if different from those set out in the Base Conditions:	N/A

Provisions relating to Exercise

24	(i) Exercise Style:	European Style
	(ii) Multiple Exercise Securities	N/A
25	Call/Put Securities:	Other Exercise Securities
26	Units:	The Securities must be exercised in Units. Each Unit consists of 1 Security.
27	Exercise Price:	N/A
28	Exercise Date(s):	The Final Valuation Date
29	Potential Exercise Business Dates:	N/A
30	Exercise Period:	N/A
31	Expiration Date:	Exercise Date
32	(i) Automatic Exercise:	Applicable
	(ii) Renouncement Notice Cut-Off Date:	The Business Day immediately following the Exercise Date
	(iii) Renouncement Notice Cut-Off Time:	10 a.m. Milan Time
33	Minimum Number Exercise Requirement:	N/A
34	Maximum Daily Number:	N/A
35	Nominal Call Event:	N/A
	(i) Nominal Call Threshold Amount:	N/A
	(ii) Nominal Call Threshold Percentage:	N/A
36	Settlement Method:	Cash Settlement

37	Settlement Currency:		EUR
38	Settlement Number:		As defined in Condition 24 of the Base Conditions
39	Terms relating to Cash Settled Securities:		
	(i)	Exercise Cash Settlement Amount:	In respect of each Security, a cash amount determined by the Determination Agent as follows: Max (0, U_V – CFL_V) × Parity Where: "**Parity**" means in respect of each Security, 0.0001. **"U_V"** is the Valuation Price on the Final Valuation Date. **"CFL_V"** is the Current Financing Level (as set out in the Schedule) in respect of the Final Valuation Date. "**Valuation Price**" means the price of the Reference Asset calculated at the opening prices of the component financial instruments of the Reference Asset on the Final Valuation Date. "**Valuation Date**" and "**Valuation Time**" has the meaning set out in Paragraph 47. Further definitions are set out in the Schedule.
	(ii)	Exercise Cash Settlement Date:	The 10th Business Day following the Exercise Date, scheduled to be 10 August 2016
	(iii)	Early Cash Settlement Amount:	As defined in Condition 24 of the Base Conditions
	(iv)	Early Cancellation Date:	As defined in Condition 24 of the Base Conditions
40	Specified Early Cancellation Event:		Applicable. If, at any time on any day from, and including, the Issue Date, to and including the Final Valuation Date the Issuer determines in good faith and in a reasonable manner that the market price of the Reference Asset is equal to, or lower than, the prevailing Current Stop Loss Level (as further defined in the Schedule) (a "**Stop Loss Termination Event**" and the date of such occurrence, the "**Stop Loss Termination Event Date**"), the Issuer shall notify the Securityholder of the occurrence of the Stop Loss Termination Event and the Specified Early Cash Settlement Amount as soon as calculated and shall cancel all of the Securities (in whole only) on the Specified Early Cash Cancellation Date.

	(i) Automatic early cancellation:	Applicable with respect to a Stop Loss Termination Event.
	(ii) Cash Settled Securities:	Applicable
	(a) Specified Early Cash Settlement Amount:	In respect of each Security, a cash amount determined by the Determination Agent in good faith and in a reasonable manner on the relevant Valuation Date as follows: Max (0, SLTRP – CFL_T) × Parity Where: "**Parity**" means in respect of each Security, 0.0001. "**SLTRP**" is the Stop Loss Termination Reference Price. "**CFL_T**" is the Current Financing Level (as set out in the Schedule) in respect of the relevant Valuation Date. "**Stop Loss Termination Reference Price**" means, in respect of the relevant Valuation Date the lowest price of the Reference Asset on the Exchange on the Stop Loss Termination Event Date. Further definitions are set out in the Schedule.
	(b) Specified Early Cash Cancellation Date:	5th Business Day following the relevant Valuation Date
	(iii) Physically Delivered Securities:	N/A
	(iv) Specified Early Cancellation Notice Period:	The Issuer shall promptly notify the Securityholder of the occurrence of a Specified Early Redemption Event.
41	Call Option:	Applicable. The Issuer may cancel all Securities in whole in accordance with the below.
	(i) Cash Settled Securities:	
	(a) Issuer Call Optional Cash Settlement Amount:	In respect of each Security, a cash amount determined by the Determination Agent on the relevant Valuation Date as follows: Max (0, U_C– CFL_c) × Parity Where;

			''**Call Option Notice Date**'' means the Business Day on which the Issuer gives notice to the Securityholders. ''**Call Option Valuation Date**'' means the first Scheduled Trading Day falling 6 months following the Call Option Notice Date. ''**Parity**'' means in respect of each Security, 0.0001. ''$\mathbf{U_c}$'' is the Valuation Price on the Call Option Valuation Date. ''$\mathbf{CFL_c}$'' is the Current Financing Level (as set out in the Schedule) in respect of the Call Option Valuation Date. "**Valuation Price**" means the price of the Reference Asset calculated at the opening prices of the component financial instruments of the Reference Asset on the Call Option Valuation Date.
	(ii)	Optional Cash Settlement Date:	5th Business Day following the Call Option Valuation Date
	(iii)	Issuer Option Exercise Period:	On any Business Day, from and including the first Business Day falling 1 year following the Issue Date to but excluding the Business Day falling 6 months preceding the Final Valuation Date
	(iv)	Issuer Notice Period:	Not less than 6 months notice
42	Early Exercise Trigger Event:		N/A
43	Terms relating to Physically Delivered Securities:		N/A
44	Multiplier:		See the definition of Parity above
45	Additional Disruption Events in addition to those specified in Condition 24 of the Base Conditions and any applicable Relevant Annex:		
	(i)	Affected Jurisdiction Hedging Disruption:	N/A
	(ii)	Affected Jurisdiction Increased Cost of Hedging:	N/A
	(iii)	Affected Jurisdiction:	N/A
	(iv)	Other Additional Disruption Events:	N/A
	(v)	The following shall not	N/A

constitute Additional Disruption Events:

46 Share Linked Securities: N/A

47 Index Linked Securities: Applicable

(i) Index/Indices (each a "**Reference Asset**")

Index	FTSE MIB Index
Reference Asset Currency	EUR
Reuters Code (for identification purposes only)	.FTMIB
Bloomberg Ticker (for identification purposes only)	FTSEMIB
Index Sponsor	FTSE International Limited

(ii) Future Price Valuation: N/A

(iii) Exchange-traded Contract: N/A

(iv) Exchange(s):

(v) Related Exchange(s): All Exchanges

(vi) Exchange Rate: N/A

(vii) Weighting for each Reference Asset comprising the Basket of Reference Assets: N/A

(viii) Index Level of each Reference Asset: N/A

(ix) Valuation Date:

(i) In respect of the determination of the Exercise Cash Settlement Amount, the date scheduled to be 27 July 2016 (the "**Final Valuation Date**").

(ii) In respect of a Stop Loss Termination Event, the Valuation Date shall be, the Stop Loss Termination Event Date.

(iii) In respect of the determination of the Issuer Call Optional Cash Settlement Amount, the Call Option Valuation

	(x)	Averaging:	N/A
	(xi)	Valuation Time:	As per the Equity Linked Annex
	(xii)	Additional Disruption Event in respect of Index Linked Securities:	N/A
	(xiii)	FX Disruption Event:	N/A
	(xiv)	Other adjustments:	N/A
48	Inflation Linked Securities:		N/A
49	FX Linked Securities:		N/A
50	Credit Linked Securities:		N/A
51	Commodity Linked Securities:		N/A
52	Debt Components:		N/A
53	Interest Rate Components:		N/A
54	Additional terms and conditions relating to the Securities:		N/A

Additional provisions relating to Settlement

55	Minimum Settlement Amount	N/A
	Settlement in respect of APK Registered Securities, Dutch Securities, Italian Securities, Swedish Registered Securities, VPS Registered Securities or Spanish Securities:	N/A
56	Settlement in respect of Swedish Registered Securities:	N/A
57	Additional provisions relating to payment of Exercise Price:	N/A
58	Additional provisions relating to Taxes and Settlement Expenses:	N/A

Definitions

59	Definition of In-The-Money:	As defined in Condition 24 of the Base Conditions
60	Additional Business Centre(s):	London, Milan and TARGET

Selling restrictions and provisions relating to certification

61	Non-US Selling Restrictions:	Investors are bound by the selling restrictions of the relevant jurisdiction(s) in which the Securities are to be sold as set out in the Base Prospectus. In addition to those described in the Base Prospectus, no action has been made or will be taken by the Issuer that would permit a public offering of the Securities or possession or distribution of any offering material in relation to the Securities in any jurisdiction (save for Italy) where action for that purpose is required. Each purchaser or distributor of the Securities represents and agrees that it will not purchase, offer, sell, re-sell or deliver the Securities or, have in its possession or distribute, the Base Prospectus, any other offering material or any Final Terms, in any jurisdiction except in compliance with the applicable laws and regulations of such jurisdiction and in a manner that will not impose any obligation on the Issuer or Manager (as the case may be) and the Determination Agent.
62	Applicable TEFRA exemption:	N/A
63	Other:	N/A
General		
64	Business Day Convention:	Following
65	Relevant Clearing System[s]:	Euroclear Clearstream Monte Titoli
66	If syndicated, names [and addresses] of Managers [and underwriting commitments]:	N/A
67	Relevant securities codes:	ISIN: GB00B44TCB53 Common Code: 064234781
68	Modifications to the Master Subscription Agreement and/or Master Agency Agreement:	N/A
69	Additional Conditions and/or modification to the Conditions of the Securities:	N/A

Part B
Other Information

1 LISTING AND ADMISSION TO TRADING

(i)	Listing	Application will be made by the Issuer (or on its behalf) to list the Securities on the Italian Stock Exchange. No assurance can be given that such application, if made, will be granted.
(ii)	Admission to trading:	Application will be made by the Issuer (or on its behalf) for the Securities to be admitted to trading on the electronic Securitised Derivatives Market (''SeDeX'') organised and managed by Borsa Italiana S.p.A.. No assurance can be given that such application, if made, will be granted.
(iii)	Estimate of total expenses related to admission to trading:	Up to a maximum of EUR 860 upfront

2 RATINGS

Ratings:	The Securities have not been individually rated.

3 NOTIFICATION

The Financial Services Authority of the United Kingdom has provided the *Commissione Nazionale per le Società e la Borsa* (CONSOB) with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.

4 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

Save as discussed in ''Purchase and Sale'', so far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the offer.

5 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i)	Reasons for the offer:	General funding
(ii)	Estimated net proceeds:	Up to EUR 405,900
(iii)	Estimated total expenses:	Up to a maximum of EUR 860 upfront

6 FIXED RATE SECURITIES ONLY - YIELD

Indication of yield:	N/A

7 Floating Rate Securities Only - Historic Interest Rates

N/A

8 Performance Of Reference Asset(S) Or Other Variable, Explanation Of Effect On Value Of Investment And Associated Risks And Other Information Concerning The Reference Asset(S) And/Or Other Underlying

Details of the historic performance of the Reference Asset can be obtained from various internationally recognised published or electronically available news sources, for example, Reuters: .FTMIB.

Investors should note that historical performance should not be taken as an indication of future performance of the Reference Asset. The Issuer makes no representation whatsoever, whether expressly or impliedly, as to the future performance of the Reference Asset. The Issuer does not intend to provide post-issuance information.

Investors should form their own views on the merits of an investment related to the Reference Asset based on their own investigation thereof.

The description below represents a summary only of some of the features of the investment product described in this Final Terms. It does not purport to be an exhaustive description.

The product is issued as Certificates in EUR and aims to provide exposure to the performance of the Reference Asset. An investor's exposure to the Reference Asset will be amplified (leveraged) because part of the investment in the Reference Asset will effectively be financed by the Issuer itself. Another effect of this Issuer financing is that the purchase price of the Certificates will always be less than a corresponding direct investment in the components of the Index. The Issuer will charge a variable financing cost for providing the financing. This financing cost will accrue daily and be deducted from the amount payable to investors on redemption of the Certificates.

The Certificates will cancel automatically if the value of the Reference Asset falls to, or below, a specified level.

The amount payable on settlement of the Certificates will be determined by reference to the value of the Reference Asset, the outstanding financed amount and the Parity and any dividends that have been paid shares that have comprised the Index during the life of the Certificates.

The maximum loss for an investor in respect of each Certificate is limited to the purchase price of the Certificate.

9 Performance Of Rate[S] Of Exchange And Explanation Of Effect On Value Of Investment

N/A

10 OPERATIONAL INFORMATION

Any clearing system(s) other than [*For US Warrants*: DTC,] Euroclear Bank S.A./N.V. and Clearstream Banking Société Anonyme (together with their addresses) and the relevant identification number(s):	Monte Titoli
Delivery:	Delivery against payment
Names and addresses of additional Paying Agents(s) (if any):	N/A
Intended to be held in a manner which would allow Eurosystem eligibility:	No

11 OFFER INFORMATION

N/A

12 FORM OF NOTICE FROM BENEFICIAL OWNER TO []

NOTICE FROM THE BENEFICIAL OWNER TO HIS/HER FINANCIAL INTERMEDIARY

(to be completed by the beneficial owner of the Securities for the valid renouncement of Automatic Exercise of the Securities)

BARCLAYS BANK PLC

Index Linked Mini Long Certificates

ISIN: GB00B44TCB53

(the "**Securities**")

To: []

Fax Number: []

Email: []

(the "Financial Intermediary")

We, the undersigned beneficial owner(s) of Securities, hereby communicate that we are renouncing the right to Automatic Exercise of the Securities specified below, in accordance with the Conditions of the Securities.

The undersigned understands that if this notice is not duly completed and delivered in order to enable the Securityholder to renounce automatic redemption of the Securities prior to the Renouncement Notice Cut-Off Time, or if this notice is determined to be incomplete or not in proper form [(in the determination of the Financial Intermediary)] it will be treated as null and void.

ISIN Code/Series number of the Securities: GB00B44TCB53

Number of Italian Securities the subject of this notice: [ ]

Name of beneficial owner of the Securities

_____

Signature

Schedule

Definitions relating to the determination of the Exercise Cash Settlement Amount

Financing Level Currency	EUR
Current Financing Level	In respect of the Issue Date, the Initial Financing Level. In respect of any subsequent calendar day, an amount determined by the Issuer in good faith and in a reasonable manner equal to: $(CFL_R + FC_C - DIV_C)$ Where: **"CFL_R"** is the Current Financing Level in respect of the immediately preceding Reset Date. **"FC_C"** is the Funding Cost currently in respect of such calendar day. **"DIV_C"** is the Applicable Dividend Amount in respect of such calendar day. The Issuer shall make reasonable efforts to publish the applicable Current Financing Level on www.bmarkets.com The Current Financing Level will be published and forwarded to the relevant Exchanges, Clearing Systems and data vendors prior to 13:00 CET on the Borsa Italiana Business Day preceding the day when the Current Financing Level becomes effective. Where: "**Borsa Italiana Business Day**" means any Scheduled Trading Day on which Borsa Italiana is open for trading during its regular trading sessions, notwithstanding Borsa Italiana closing prior to its Scheduled Closing Time.
Initial Financing Level	EUR 17646.09
Reset Dates	Each calendar day. The first Reset Date shall be the Issue Date.
Funding Cost	In respect of any calendar day, an amount, determined by the Issuer in its discretion (exercised in good faith and in a reasonable manner) equal to: $FR_C \times CFL_R \times d/365$ Where: **"FR_C"** is the Funding Rate in respect of such calendar day. **"CFL_R"** is the Current Financing Level in respect of the immediately preceding Reset Date. **"d"** is the number of calendar days from, but excluding, the immediately preceding Reset Date to, and including, such calendar day.
Funding Rate	In respect of any calendar day, a rate equal to: $(R_R + CM)$ Where: **"CM"** is the Current Margin. "R_R " is the Rate in respect of the immediately preceding Borsa Italiana Business

	Day. Where: "**Borsa Italiana Business Day**" means any Scheduled Trading Day on which Borsa Italiana is open for trading during its regular trading sessions, notwithstanding Borsa Italiana closing prior to its Scheduled Closing Time.
Current Margin (CM)	3.00%
Rate	In respect of any Calculation Period, the Rate shall be determined by the Issuer by reference to the **one month** LIBOR rate, for deposits in the Reference Asset Currency in the inter-bank market, as published on Bloomberg page: BBAM. If such rate is unavailable, the Determination Agent may determine the Rate in good faith by reference to such other source as it deems appropriate.
Calculation Period	Each period from, and excluding, one Reset Date (or, in the case of the first period the Issue Date) to, and including, the immediately following Reset Date.
Applicable Dividend Amount	In respect of any calendar day, an amount in the Financing Level Currency determined by the Issuer in good faith and in a reasonable manner with reference to any cash dividends per share that has comprised the Index during the Calculation Period declared by the issuer of such share to holders of record of such share, where the date on which the shares have commenced trading ex-dividend occurs during the relevant Calculation Period. The Applicable Dividend Amount shall be determined as that amount which would be received by the Issuer in respect of such share if it were a holder of such share (net of any deductions, withholdings or other amounts required by any applicable law or regulation, including any applicable taxes, duties or charges of any kind whatsoever), regardless of whether the Issuer actually holds the shares or not, multiplied by the Dividend Participation.
Dividend Participation	100%

Definitions relating to the Specified Early Cancellation Event

Current Stop Loss Level	In respect of the Issue Date, the Initial Stop Loss Level. In respect of any subsequent calendar day, the Current Stop Loss Level shall be determined and reset on each calendar day by the Issuer, acting in its discretion (exercised in good faith and in a reasonable manner), and shall be set equal to: $(CFL_C + SLP_C)$ Where: **"CFL_C"** is the Current Financing Level in respect of such calendar day. "**SLP_C**" is the Current Stop Loss Premium in respect of such calendar day. The Current Stop Loss Level shall be rounded in accordance with the Stop Loss Rounding Convention. The Issuer shall make reasonable efforts to publish the applicable Current Stop Loss Level on www.bmarkets.com. The Current Stop Loss Level will be published and forwarded to the relevant Exchanges, Clearing Systems, data vendors prior to 13:00 CET Italian time on the Borsa Italiana Business Day preceding the day when the Current Stop Loss Level becomes effective. Where; "**Borsa Italiana Business Day**" means any Scheduled Trading Day on which Borsa Italiana is open for trading during its regular trading sessions, notwithstanding Borsa Italiana closing prior to its Scheduled Closing Time.
Initial Stop Loss Level	EUR 18000.00, determined as an amount in the Reference Asset Currency equal to the Initial Financing Level plus the Initial Stop Loss Premium, rounded in accordance with the Stop Loss Rounding Convention
Current Stop Loss Premium	In respect of the Issue Date, the Initial Stop Loss Premium. In respect of any subsequent calendar day, the Current Stop Loss Premium shall be an amount in the Financing Level Currency determined by the Issuer in good faith and in a reasonable manner equal to: $2.00\% \times CFL_C$ Where: **"CFL_C"** is the Current Financing Level in respect of such calendar day.
Initial Stop Loss Premium	$2.00\% \times FL_I$ Where: "FL_I" is the Initial Financing Level
Stop Loss Rounding Convention	Upwards to the nearest EUR 1.00

Index Disclaimer

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ITALIAN TAXATION

The following is a summary of current Italian law and practice relating to the taxation of the Certificates (the "Securities"). The statements herein regarding taxation are based on the laws in force in Italy as at the date of these Final Terms and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Securities and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules.

Prospective purchasers of the Securities are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Securities.

Italian taxation of Securities

Pursuant to Article 67 of Presidential Decree No. 917 of 22 December 1986 and Legislative Decree No. 461 of 21 November 1997, as subsequently amended, where the Italian resident Certificateholder is (i) an individual not engaged in an entrepreneurial activity to which the Certificates are connected, (ii) a non-commercial partnership pursuant to article 5 of TUIR (with the exception of general partnership, limited partnership and similar entities), (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, capital gains accrued under the sale or the exercise of the Certificates are subject to a 12.5% substitute tax (imposta sostitutiva). The recipient may opt for three different taxation criteria:

(1) Under the tax declaration regime (regime della dichiarazione), which is the default regime for taxation of capital gains realised by Italian resident individuals not engaged in an entrepreneurial activity to which the Certificates are connected, the imposta sostitutiva on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any offsettable capital loss, realised by the Italian resident individual holding the Certificates not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Certificates carried out during any given tax year. Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay imposta sostitutiva on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

(2) As an alternative to the tax declaration regime, Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity may elect to pay the imposta sostitutiva separately on capital gains realised on each sale or redemption of the Certificates (the "risparmio amministrato" regime provided for by Article 6 of the Legislative Decree No. 461 of 21 November 1997, as a subsequently amended, the "Decree No. 461"). Such separate taxation of capital gains is allowed subject to (i) the Certificates being deposited with Italian banks, SIMs or certain authorised financial intermediaries and (ii) an express valid election for the risparmio amministrato regime being punctually made in writing by the relevant Certificateholder. The depository is responsible for accounting for imposta sostitutiva in respect of capital gains realised on each sale or redemption of the Certificates (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Certificateholder or using funds provided by the Certificateholder for this purpose. Under the

risparmio amministrato regime, where a sale or redemption of the Certificates results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the risparmio amministrato regime, the Certificateholder is not required to declare the capital gains in the annual tax return.

(3) Any capital gains realised or accrued by Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Certificates, to an authorised intermediary and have validly opted for the so-called ''risparmio gestito'' regime (regime provided for by Article 7 of the Decree No. 461) will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 12.5 per cent. substitute tax, to be paid by the managing authorised intermediary. Under this risparmio gestito regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the risparmio gestito regime, the Certificateholder is not required to declare the capital gains realised in the annual tax return.

Where an Italian resident Securityholder is a company or similar commercial entity, or the Italian permanent establishment of a foreign commercial entity to which the Securities are effectively connected, capital gains arising from the Securities will not be subject to imposta sostitutiva, but must be included in the relevant Securityholder's income tax return and are therefore subject to Italian corporate tax (and, in certain circumstances, depending on the ''status'' of the Securityholder, also as a part of the net value of production for IRAP purposes).

Any capital gains realised by a Securityholder which is an open-ended or closed-ended investment fund (subject to the tax regime provide by Law No. 77 of 23 March 1983) or a SICAV will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 12.50 per cent. ad hoc substitute tax (the Collective Investment Fund Tax). As of 1 July 2011, the Collective Investment Fund Tax will be repealed and substituted by a substitute tax of 12.5% levied on proceeds distributed by the Fund or the SICAV or received by certain categories of unitholders upon redemption or disposal of the units.

Any capital gains realised by a Securityholder which is an Italian pension fund (subject to the regime provided by article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 11 per cent. ad hoc substitute tax.

Capital gains realised by non-Italian resident Securityholders are not subject to Italian taxation provided that the Securities (i) are transferred on regulated markets, or (ii) if not transferred on regulated markets, are held outside Italy.

The provisions of the applicable tax treaties against double taxation entered into by Italy apply if more favourable and all relevant conditions are met.

Atypical securities

In accordance with a different interpretation of current tax law, it is possible that Certificates would be considered as 'atypical' securities pursuant to Article 8 of Law Decree No. 512 of 30 September 1983 as implemented by Law No. 649 of 25 November 1983. In this event, payments relating to Certificates may be subject to an Italian withholding tax, levied at the rate of 27 per cent.

The 27 per cent. withholding tax mentioned above does not apply to payments made to a non-Italian resident holder of the Certificate and to an Italian resident holder of the Certificate which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership, or (iii) a commercial private or public institution.

The withholding is levied by the Italian intermediary appointed by the Issuer, intervening in the collection of the relevant income or in the negotiation or repurchasing of the Securities.

Inheritance and gift taxes

Pursuant to Law Decree No. 262 of 3 October 2006, (Decree No. 262), converted into Law No. 286 of 24 November 2006, the transfers of any valuable asset (including shares, bonds or other securities) as a result of death or donation are taxed as follows:

(i) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding EUR 1,000,000;

(ii) transfers in favour of relatives to the fourth degree and relatives-in-law to the third degree, are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding EUR 100,000; and

(iii) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

EU Savings Directive

Under EC Council Directive 2003/48/EC (''EU Savings Directive'') on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State, including Belgium from 1 January 2010, details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have agreed to adopt similar measures (a withholding system in the case of Switzerland).

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

Implementation in Italy of the EU Savings Directive

Italy has implemented the EU Savings Directive through Legislative Decree No. 84 of 18 April 2005 (''Decree No. 84''). Under Decree No. 84, subject to a number of important conditions being met, in the case of interest paid to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian qualified paying agents shall not apply the withholding tax and shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner.

Such information is transmitted by the Italian Tax Authorities to the competent foreign tax authorities of the State of residence of the beneficial owner.

Final Terms

BARCLAYS BANK PLC

(Incorporated with limited liability in England and Wales)

BARCLAYS CAPITAL (CAYMAN) LIMITED

(Incorporated with limited liability in the Cayman Islands)

GLOBAL STRUCTURED SECURITIES PROGRAMME

for the issue of Securities

BARCLAYS BANK PLC

2,255,000 DAX® (Total Return Index) Linked Mini Long Certificates

ISIN code: GB00B607R126

under the Global Structured Securities Programme

Issue Price: EUR 0.53 per Security

This document constitutes the final terms of the Securities (the "**Final Terms**") described herein for the purposes of Article 5.4 of the Directive 2003/71/EC and is prepared in connection with the Global Structured Securities Programme established by Barclays Bank PLC (the "**Bank**") and Barclays Capital (Cayman) Limited ("**BCCL**") and is supplemental to and should be read in conjunction with the Base Prospectus dated 6 August 2010 as supplemented, amended, updated and/or restated from time to time, which constitutes a base prospectus (the "**Base Prospectus**") for the purpose of the Directive 2003/71/EC. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing during normal business hours at the registered office of the Issuer and the specified office of the Issue and Paying Agent and copies may be obtained from such office. Words and expressions defined in the Base Prospectus and not defined in this document shall bear the same meanings when used herein.

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not contain anything likely to affect the import of such information.

Investors should refer to the sections headed "Risk Factors" in the Base Prospectus for a discussion of certain matters that should be considered when making a decision to invest in the Securities.

Barclays Capital

Final Terms dated 27 July 2011

The distribution of this document and the offer of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession these Final Terms come are required by the Bank to inform themselves about and to observe any such restrictions. Details of selling restrictions for various jurisdictions are set out in ''Purchase and Sale'' in the Base Prospectus. In particular, the Securities have not been, and will not be, registered under the US Securities Act of 1933, as amended, and are subject to US tax law requirements. Trading in the Securities has not been approved by the US Commodity Futures Trading Commission under the US Commodity Exchange Act of 1936, as amended. Subject to certain exceptions, the Securities may not at any time be offered, sold or delivered in the United States or to US persons, nor may any US persons at any time trade or maintain a position in such Securities.

Part A
Terms and Conditions of the Securities

The Securities shall have the following terms and conditions, which shall complete, modify and/or amend the Base Conditions and/or any applicable Relevant Annex(es) set out in the Base Prospectus dated 6 August 2010.

Parties

Issuer:	Barclays Bank PLC
Guarantor:	N/A
Manager:	Barclays Bank PLC
Determination Agent:	Barclays Bank PLC
Issue and Paying Agent:	The Bank of New York Mellon
Stabilising Manager:	N/A
Registrar:	N/A
CREST Agent:	N/A
Paying Agents:	N/A
Transfer Agent:	N/A
Exchange Agent:	N/A
Additional Agents:	N/A

THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT) AND THE SECURITIES COMPRISE BEARER SECURITIES THAT ARE SUBJECT TO US TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("REGULATION S")). THESE FINAL TERMS HAVE BEEN PREPARED BY THE ISSUER FOR USE IN CONNECTION WITH THE OFFER AND SALE OF THE SECURITIES OUTSIDE THE UNITED STATES TO NON-US PERSONS IN RELIANCE ON REGULATION S AND FOR LISTING OF THE SECURITIES ON THE RELEVANT STOCK EXCHANGE, IF ANY, AS STATED HEREIN. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS AND SALES OF THE SECURITIES AND DISTRIBUTION OF THESE FINAL TERMS AND THE BASE PROSPECTUS AND THE SUPPLEMENTAL PROSPECTUS SEE "PURCHASE AND SALE" IN THE BASE PROSPECTUS.

1	(i)	Series:	GSC1257
	(ii)	Tranche:	1
2	Currency:		Euro (“**EUR**”) (the “**Issue Currency**”)
3	Number of Warrants or Exercisable Certificates being issued:		2,255,000 Securities
4	Calculation Amount per Security as at the Issue Date:		1 Certificate
5	Form:		
	(i)	Global/Definitive/ Uncertificated and dematerialised:	Global Bearer Securities: Permanent Global Security
	(ii)	NGN Form:	N/A
	(iii)	Held under the NSS:	N/A
	(iv)	CGN Form:	Applicable
	(v)	CDIs:	N/A
6	Trade Date:		27 July 2011
7	Issue Date:		27 July 2011
8	Issue Price:		EUR **0.53** per Security.
9	Relevant Stock Exchange[s]:		Italian Stock Exchange
10	The following Relevant Annex(es) shall apply to the Securities (*specify each applicable Relevant Annex*):		Equity Linked Annex Italian Securities Annex

Provisions relating to interest (if any) payable on the Securities

11	Interest:		N/A
12	Interest Amount:		N/A
13	Interest Rates:		
	(i)	Fixed Rate:	N/A
	(ii)	Floating Rate:	N/A
	(iii)	Variable Rate:	N/A
	(iv)	Zero Coupon:	N/A
14	Screen Rate Determination:		N/A
	(i)	Reference Rate:	N/A
	(ii)	Relevant Screen Page:	N/A
15	ISDA Determination:		N/A
16	Margin:		N/A

17	Minimum/Maximum Interest Rate:	N/A
18	Interest Commencement Date:	N/A
19	Interest Determination Date:	N/A
20	Interest Calculation Periods:	N/A
21	Interest Payment Dates:	N/A
22	Day Count Fraction:	N/A
23	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest, if different from those set out in the Base Conditions:	N/A

Provisions relating to Exercise

24	(i) Exercise Style:	European Style
	(ii) Multiple Exercise Securities	N/A
25	Call/Put Securities:	Other Exercise Securities
26	Units:	The Securities must be exercised in Units. Each Unit consists of 1 Security.
27	Exercise Price:	N/A
28	Exercise Date(s):	The Final Valuation Date
29	Potential Exercise Business Dates:	N/A
30	Exercise Period:	N/A
31	Expiration Date:	Exercise Date
32	(i) Automatic Exercise:	Applicable
	(ii) Renouncement Notice Cut-Off Date:	The Business Day immediately following the Exercise Date
	(iii) Renouncement Notice Cut-Off Time:	10 a.m. Milan Time
33	Minimum Number Exercise Requirement:	N/A
34	Maximum Daily Number:	N/A
35	Nominal Call Event:	N/A
	(i) Nominal Call Threshold Amount:	N/A
	(ii) Nominal Call Threshold Percentage:	N/A
36	Settlement Method:	Cash Settlement

37	Settlement Currency:		EUR
38	Settlement Number:		As defined in Condition 24 of the Base Conditions
39	Terms relating to Cash Settled Securities:		
	(i)	Exercise Cash Settlement Amount:	In respect of each Security, a cash amount determined by the Determination Agent as follows: Max (0, U_V – CFL_V) × Parity Where: "**Parity**" means in respect of each Security, 0.001. **"U_V"** is the Valuation Price on the Final Valuation Date. **"CFL_V"** is the Current Financing Level (as set out in the Schedule) in respect of the Final Valuation Date. "**Valuation Price**" means in respect of a Valuation Date and any relevant Scheduled Trading Day, the price of the Reference Asset at the Valuation Time on such day, as determined by the Determination Agent in good faith and in a reasonable manner. "**Valuation Date**" and "**Valuation Time**" has the meaning set out in Paragraph 47. Further definitions are set out in the Schedule.
	(ii)	Exercise Cash Settlement Date:	The 10th Business Day following the Exercise Date, scheduled to be 10 August 2016
	(iii)	Early Cash Settlement Amount:	As defined in Condition 24 of the Base Conditions
	(iv)	Early Cancellation Date:	As defined in Condition 24 of the Base Conditions
40	Specified Early Cancellation Event:		Applicable. If, at any time on any day from, and including, the Issue Date, to and including the Final Valuation Date the Issuer determines in good faith and in a reasonable manner that the market price of the Reference Asset is equal to, or lower than, the prevailing Current Stop Loss Level (as further defined in the Schedule) (a "**Stop Loss Termination Event**" and the date of such occurrence, the "**Stop Loss Termination Event Date**"), the Issuer shall notify the Securityholder of the occurrence of the Stop Loss Termination Event and the Specified Early Cash Settlement Amount as soon as calculated and shall cancel all of the Securities (in whole only) on

		the Specified Early Cash Cancellation Date.
	(i) Automatic early cancellation:	Applicable with respect to a Stop Loss Termination Event.
	(ii) Cash Settled Securities:	Applicable
	(a) Specified Early Cash Settlement Amount:	In respect of each Security, a cash amount determined by the Determination Agent in good faith and in a reasonable manner on the relevant Valuation Date as follows: Max (0, SLTRP – CFL_T) × Parity Where: "**Parity**" means in respect of each Security, 0.001. "**SLTRP**" is the Stop Loss Termination Reference Price. "**CFL_T**" is the Current Financing Level (as set out in the Schedule) in respect of the relevant Valuation Date. "**Stop Loss Termination Reference Price**" means, in respect of the relevant Valuation Date the lowest price of the Reference Asset on the Exchange on the Stop Loss Termination Event Date. Further definitions are set out in the Schedule.
	(b) Specified Early Cash Cancellation Date:	5th Business Day following the relevant Valuation Date
	(iii) Physically Delivered Securities:	N/A
	(iv) Specified Early Cancellation Notice Period:	The Issuer shall promptly notify the Securityholder of the occurrence of a Specified Early Redemption Event.
41	Call Option:	Applicable. The Issuer may cancel all Securities in whole in accordance with the below.
	(i) Cash Settled Securities:	
	(a) Issuer Call Optional Cash Settlement Amount:	In respect of each Security, a cash amount determined by the Determination Agent on the relevant Valuation Date as follows: Max (0, U_C– CFL_c) × Parity

			Where; "**Call Option Notice Date**" means the Business Day on which the Issuer gives notice to the Securityholders. "**Call Option Valuation Date**" means the first Scheduled Trading Day falling 6 months following the Call Option Notice Date. "**Parity**" means in respect of each Security, 0.001. "U_c" is the Valuation Price on the Call Option Valuation Date. "CFL_c" is the Current Financing Level (as set out in the Schedule) in respect of the Call Option Valuation Date. "**Valuation Price**" means in respect of a Valuation Date and any relevant Scheduled Trading Day, the price of the Reference Asset at the Valuation Time on such day, as determined by the Determination Agent in good faith and in a reasonable manner.
	(ii)	Optional Cash Settlement Date:	5th Business Day following the Call Option Valuation Date
	(iii)	Issuer Option Exercise Period:	On any Business Day, from and including the first Business Day falling 1 year following the Issue Date to but excluding the Business Day falling 6 months preceding the Final Valuation Date
	(iv)	Issuer Notice Period:	Not less than 6 months notice
42	Early Exercise Trigger Event:		N/A
43	Terms relating to Physically Delivered Securities:		N/A
44	Multiplier:		See the definition of Parity above
45	Additional Disruption Events in addition to those specified in Condition 24 of the Base Conditions and any applicable Relevant Annex:		
	(i)	Affected Jurisdiction Hedging Disruption:	N/A
	(ii)	Affected Jurisdiction Increased Cost of Hedging:	N/A
	(iii)	Affected Jurisdiction:	N/A
	(iv)	Other Additional Disruption	N/A

		Events:	
	(v)	The following shall not constitute Additional Disruption Events:	N/A
46	Share Linked Securities:		N/A
47	Index Linked Securities:		Applicable

	(i)	Index/Indices (each a "**Reference Asset**")	

Index	DAX® (Total Return Index)
Reference Asset Currency	EUR
Reuters Code (for identification purposes only)	.GDAXI
Bloomberg Ticker (for identification purposes only)	DAX
Index Sponsor	Deutsche Börse

	(ii)	Future Price Valuation:	N/A
	(iii)	Exchange-traded Contract:	N/A
	(iv)	Exchange(s):	
	(v)	Related Exchange(s):	All Exchanges
	(vi)	Exchange Rate:	N/A
	(vii)	Weighting for each Reference Asset comprising the Basket of Reference Assets:	N/A
	(viii)	Index Level of each Reference Asset:	N/A
	(ix)	Valuation Date:	(i) In respect of the determination of the Exercise Cash Settlement Amount, the date scheduled to be 27 July 2016 (the "**Final Valuation Date**"). (ii) In respect of a Stop Loss Termination Event, the Valuation Date shall be, the Stop Loss Termination Event Date. (iii) In respect of the determination of the

			Issuer Call Optional Cash Settlement Amount, the Call Option Valuation Date.
	(x)	Averaging:	N/A
	(xi)	Valuation Time:	As per the Equity Linked Annex
	(xii)	Additional Disruption Event in respect of Index Linked Securities:	N/A
	(xiii)	FX Disruption Event:	N/A
	(xiv)	Other adjustments:	N/A
48	Inflation Linked Securities:		N/A
49	FX Linked Securities:		N/A
50	Credit Linked Securities:		N/A
51	Commodity Linked Securities:		N/A
52	Debt Components:		N/A
53	Interest Rate Components:		N/A
54	Additional terms and conditions relating to the Securities:		N/A
Additional provisions relating to Settlement			
55	Minimum Settlement Amount		N/A
	Settlement in respect of APK Registered Securities, Dutch Securities, Italian Securities, Swedish Registered Securities, VPS Registered Securities or Spanish Securities:		N/A
56	Settlement in respect of Swedish Registered Securities:		N/A
57	Additional provisions relating to payment of Exercise Price:		N/A
58	Additional provisions relating to Taxes and Settlement Expenses:		N/A
Definitions			
59	Definition of In-The-Money:		As defined in Condition 24 of the Base Conditions

60	Additional Business Centre(s):	London, Milan and TARGET

Selling restrictions and provisions relating to certification

61	Non-US Selling Restrictions:	Investors are bound by the selling restrictions of the relevant jurisdiction(s) in which the Securities are to be sold as set out in the Base Prospectus. In addition to those described in the Base Prospectus, no action has been made or will be taken by the Issuer that would permit a public offering of the Securities or possession or distribution of any offering material in relation to the Securities in any jurisdiction (save for Italy) where action for that purpose is required. Each purchaser or distributor of the Securities represents and agrees that it will not purchase, offer, sell, re-sell or deliver the Securities or, have in its possession or distribute, the Base Prospectus, any other offering material or any Final Terms, in any jurisdiction except in compliance with the applicable laws and regulations of such jurisdiction and in a manner that will not impose any obligation on the Issuer or Manager (as the case may be) and the Determination Agent.
62	Applicable TEFRA exemption:	N/A
63	Other:	N/A

General

64	Business Day Convention:	Following
65	Relevant Clearing System[s]:	Euroclear Clearstream Monte Titoli
66	If syndicated, names [and addresses] of Managers [and underwriting commitments]:	N/A
67	Relevant securities codes:	ISIN: GB00B607R126 Common Code: 064235656
68	Modifications to the Master Subscription Agreement and/or Master Agency Agreement:	N/A
69	Additional Conditions and/or modification to the Conditions of the Securities:	N/A

Part B
Other Information

1 LISTING AND ADMISSION TO TRADING

(i)	Listing	Application will be made by the Issuer (or on its behalf) to list the Securities on the Italian Stock Exchange. No assurance can be given that such application, if made, will be granted.
(ii)	Admission to trading:	Application will be made by the Issuer (or on its behalf) for the Securities to be admitted to trading on the electronic Securitised Derivatives Market (''SeDeX'') organised and managed by Borsa Italiana S.p.A.. No assurance can be given that such application, if made, will be granted.
(iii)	Estimate of total expenses related to admission to trading:	Up to a maximum of EUR 860 upfront

2 RATINGS

Ratings:	The Securities have not been individually rated.

3 NOTIFICATION

The Financial Services Authority of the United Kingdom has provided the *Commissione Nazionale per le Società e la Borsa* (CONSOB) with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.

4 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

Save as discussed in ''Purchase and Sale'', so far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the offer.

5 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i)	Reasons for the offer:	General funding
(ii)	Estimated net proceeds:	Up to EUR 1,195,150
(iii)	Estimated total expenses:	Up to a maximum of EUR 860 upfront

6 FIXED RATE SECURITIES ONLY - YIELD

Indication of yield:	N/A

7 Floating Rate Securities Only - Historic Interest Rates

N/A

8 Performance Of Reference Asset(S) Or Other Variable, Explanation Of Effect On Value Of Investment And Associated Risks And Other Information Concerning The Reference Asset(S) And/Or Other Underlying

Details of the historic performance of the Reference Asset can be obtained from various internationally recognised published or electronically available news sources, for example, Reuters: .GDAXI.

Investors should note that historical performance should not be taken as an indication of future performance of the Reference Asset. The Issuer makes no representation whatsoever, whether expressly or impliedly, as to the future performance of the Reference Asset. The Issuer does not intend to provide post-issuance information.

Investors should form their own views on the merits of an investment related to the Reference Asset based on their own investigation thereof.

The description below represents a summary only of some of the features of the investment product described in this Final Terms. It does not purport to be an exhaustive description.

The product is issued as Certificates in EUR and aims to provide exposure to the performance of the Reference Asset. An investor's exposure to the Reference Asset will be amplified (leveraged) because part of the investment in the Reference Asset will effectively be financed by the Issuer itself. Another effect of this Issuer financing is that the purchase price of the Certificates will always be less than a corresponding direct investment in the components of the Index. The Issuer will charge a variable financing cost for providing the financing. This financing cost will accrue daily and be deducted from the amount payable to investors on redemption of the Certificates.

The Certificates will cancel automatically if the value of the Reference Asset falls to, or below, a specified level.

The amount payable on settlement of the Certificates will be determined by reference to the value of the Reference Asset, the outstanding financed amount and the Parity.

The maximum loss for an investor in respect of each Certificate is limited to the purchase price of the Certificate.

9 Performance Of Rate[S] Of Exchange And Explanation Of Effect On Value Of Investment

N/A

10 Operational Information

Any clearing system(s) other than [*For US Warrants*: DTC,] Euroclear Bank S.A./N.V. and	Monte Titoli

Clearstream Banking Société Anonyme (together with their addresses) and the relevant identification number(s):	
Delivery:	Delivery against payment
Names and addresses of additional Paying Agents(s) (if any):	N/A
Intended to be held in a manner which would allow Eurosystem eligibility:	No

11 OFFER INFORMATION

N/A

12 FORM OF NOTICE FROM BENEFICIAL OWNER TO []

NOTICE FROM THE BENEFICIAL OWNER TO HIS/HER FINANCIAL INTERMEDIARY

(to be completed by the beneficial owner of the Securities for the valid renouncement of Automatic Exercise of the Securities)

BARCLAYS BANK PLC

Index Linked Mini Long Certificates

ISIN: GB00B607R126

(the "**Securities**")

To: []

Fax Number: []

Email: []

(the "Financial Intermediary")

We, the undersigned beneficial owner(s) of Securities, hereby communicate that we are renouncing the right to Automatic Exercise of the Securities specified below, in accordance with the Conditions of the Securities.

The undersigned understands that if this notice is not duly completed and delivered in order to enable the Securityholder to renounce automatic redemption of the Securities prior to the Renouncement Notice Cut-Off Time, or if this notice is determined to be incomplete or not in proper form [(in the determination of the Financial Intermediary)] it will be treated as null and void.

ISIN Code/Series number of the Securities: GB00B607R126

Number of Italian Securities the subject of this notice: [ ]

Name of beneficial owner of the Securities

_____

Signature

Schedule

Definitions relating to the determination of the Exercise Cash Settlement Amount

Financing Level Currency	EUR
Current Financing Level	In respect of the Issue Date, the Initial Financing Level. In respect of any subsequent calendar day, an amount determined by the Issuer in good faith and in a reasonable manner equal to: $(CFL_R + FC_C)$ Where: **"CFL_R"** is the Current Financing Level in respect of the immediately preceding Reset Date. **"FC_C"** is the Funding Cost currently in respect of such calendar day. The Issuer shall make reasonable efforts to publish the applicable Current Financing Level on www.bmarkets.com The Current Financing Level will be published and forwarded to the relevant Exchanges, Clearing Systems and data vendors prior to 13:00 CET on the Borsa Italiana Business Day preceding the day when the Current Financing Level becomes effective. Where: "**Borsa Italiana Business Day**" means any Scheduled Trading Day on which Borsa Italiana is open for trading during its regular trading sessions, notwithstanding Borsa Italiana closing prior to its Scheduled Closing Time.
Initial Financing Level	EUR 6763.74
Reset Dates	Each calendar day. The first Reset Date shall be the Issue Date.
Funding Cost	In respect of any calendar day, an amount, determined by the Issuer in its discretion (exercised in good faith and in a reasonable manner) equal to: $FR_C \times CFL_R \times d/365$ Where: **"FR_C"** is the Funding Rate in respect of such calendar day. **"CFL_R"** is the Current Financing Level in respect of the immediately preceding Reset Date. **"d"** is the number of calendar days from, but excluding, the immediately preceding Reset Date to, and including, such calendar day.
Funding Rate	In respect of any calendar day, a rate equal to: $(R_R + CM)$ Where: **"CM"** is the Current Margin. "R_R " is the Rate in respect of the immediately preceding Borsa Italiana Business Day. Where:

	''**Borsa Italiana Business Day**'' means any Scheduled Trading Day on which Borsa Italiana is open for trading during its regular trading sessions, notwithstanding Borsa Italiana closing prior to its Scheduled Closing Time.
Current Margin (CM)	3.00%
Rate	In respect of any Calculation Period, the Rate shall be determined by the Issuer by reference to the **one month** LIBOR rate, for deposits in the Reference Asset Currency in the inter-bank market, as published on Bloomberg page: BBAM. If such rate is unavailable, the Determination Agent may determine the Rate in good faith by reference to such other source as it deems appropriate.
Calculation Period	Each period from, and excluding, one Reset Date (or, in the case of the first period the Issue Date) to, and including, the immediately following Reset Date.

Definitions relating to the Specified Early Cancellation Event

Current Stop Loss Level	In respect of the Issue Date, the Initial Stop Loss Level. In respect of any subsequent calendar day, the Current Stop Loss Level shall be determined and reset on each calendar day by the Issuer, acting in its discretion (exercised in good faith and in a reasonable manner), and shall be set equal to: $(CFL_C + SLP_C)$ Where: **"CFL_C"** is the Current Financing Level in respect of such calendar day. **"SLP_C"** is the Current Stop Loss Premium in respect of such calendar day. The Current Stop Loss Level shall be rounded in accordance with the Stop Loss Rounding Convention. The Issuer shall make reasonable efforts to publish the applicable Current Stop Loss Level on www.bmarkets.com. The Current Stop Loss Level will be published and forwarded to the relevant Exchanges, Clearing Systems, data vendors prior to 13:00 CET Italian time on the Borsa Italiana Business Day preceding the day when the Current Stop Loss Level becomes effective. Where; "**Borsa Italiana Business Day**" means any Scheduled Trading Day on which Borsa Italiana is open for trading during its regular trading sessions, notwithstanding Borsa Italiana closing prior to its Scheduled Closing Time.
Initial Stop Loss Level	EUR 6900.00, determined as an amount in the Reference Asset Currency equal to the Initial Financing Level plus the Initial Stop Loss Premium, rounded in accordance with the Stop Loss Rounding Convention
Current Stop Loss Premium	In respect of the Issue Date, the Initial Stop Loss Premium. In respect of any subsequent calendar day, the Current Stop Loss Premium shall be an amount in the Financing Level Currency determined by the Issuer in good faith and in a reasonable manner equal to: $2.00\% \times CFL_C$ Where: **"CFL_C"** is the Current Financing Level in respect of such calendar day.
Initial Stop Loss Premium	$2.00\% \times FL_I$ Where: "FL_I" is the Initial Financing Level
Stop Loss Rounding Convention	Upwards to the nearest EUR 10.00

Index Disclaimer

The DAX® was developed and is real-time calculated and published by Wiener Börse AG. The full name of the Index and its abbreviation are protected by copyright law as trademarks. The DAX® index description, rules and composition are available online on www.wienerboerse.at - the index portal of Wiener Börse AG. The Issuer and Wiener Börse AG do not accept any liability for the accuracy and completeness of the information published on the web site. A non-exclusive authorisation to use the DAX® in conjunction with financial products by Issuer was granted upon the conclusion of a license agreement with Wiener Börse AG.

ITALIAN TAXATION

The following is a summary of current Italian law and practice relating to the taxation of the Certificates (the "Securities"). The statements herein regarding taxation are based on the laws in force in Italy as at the date of these Final Terms and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Securities and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules.

Prospective purchasers of the Securities are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Securities.

Italian taxation of Securities

Pursuant to Article 67 of Presidential Decree No. 917 of 22 December 1986 and Legislative Decree No. 461 of 21 November 1997, as subsequently amended, where the Italian resident Certificateholder is (i) an individual not engaged in an entrepreneurial activity to which the Certificates are connected, (ii) a non-commercial partnership pursuant to article 5 of TUIR (with the exception of general partnership, limited partnership and similar entities), (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, capital gains accrued under the sale or the exercise of the Certificates are subject to a 12.5% substitute tax (imposta sostitutiva). The recipient may opt for three different taxation criteria:

(1) Under the tax declaration regime (regime della dichiarazione), which is the default regime for taxation of capital gains realised by Italian resident individuals not engaged in an entrepreneurial activity to which the Certificates are connected, the imposta sostitutiva on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any offsettable capital loss, realised by the Italian resident individual holding the Certificates not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Certificates carried out during any given tax year. Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay imposta sostitutiva on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

(2) As an alternative to the tax declaration regime, Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity may elect to pay the imposta sostitutiva separately on capital gains realised on each sale or redemption of the Certificates (the "risparmio amministrato" regime provided for by Article 6 of the Legislative Decree No. 461 of 21 November 1997, as a subsequently amended, the "Decree No. 461"). Such separate taxation of capital gains is allowed subject to (i) the Certificates being deposited with Italian banks, SIMs or certain authorised financial intermediaries and (ii) an express valid election for the risparmio amministrato regime being punctually made in writing by the relevant Certificateholder. The depository is responsible for accounting for imposta sostitutiva in respect of capital gains realised on each sale or redemption of the Certificates (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Certificateholder or using funds provided by the Certificateholder for this purpose. Under the

risparmio amministrato regime, where a sale or redemption of the Certificates results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the risparmio amministrato regime, the Certificateholder is not required to declare the capital gains in the annual tax return.

(3) Any capital gains realised or accrued by Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Certificates, to an authorised intermediary and have validly opted for the so-called ''risparmio gestito'' regime (regime provided for by Article 7 of the Decree No. 461) will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 12.5 per cent. substitute tax, to be paid by the managing authorised intermediary. Under this risparmio gestito regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the risparmio gestito regime, the Certificateholder is not required to declare the capital gains realised in the annual tax return.

Where an Italian resident Securityholder is a company or similar commercial entity, or the Italian permanent establishment of a foreign commercial entity to which the Securities are effectively connected, capital gains arising from the Securities will not be subject to imposta sostitutiva, but must be included in the relevant Securityholder's income tax return and are therefore subject to Italian corporate tax (and, in certain circumstances, depending on the ''status'' of the Securityholder, also as a part of the net value of production for IRAP purposes).

Any capital gains realised by a Securityholder which is an open-ended or closed-ended investment fund (subject to the tax regime provide by Law No. 77 of 23 March 1983) or a SICAV will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 12.50 per cent. ad hoc substitute tax (the Collective Investment Fund Tax). As of 1 July 2011, the Collective Investment Fund Tax will be repealed and substituted by a substitute tax of 12.5% levied on proceeds distributed by the Fund or the SICAV or received by certain categories of unitholders upon redemption or disposal of the units.

Any capital gains realised by a Securityholder which is an Italian pension fund (subject to the regime provided by article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 11 per cent. ad hoc substitute tax.

Capital gains realised by non-Italian resident Securityholders are not subject to Italian taxation provided that the Securities (i) are transferred on regulated markets, or (ii) if not transferred on regulated markets, are held outside Italy.

The provisions of the applicable tax treaties against double taxation entered into by Italy apply if more favourable and all relevant conditions are met.

Atypical securities

In accordance with a different interpretation of current tax law, it is possible that Certificates would be considered as 'atypical' securities pursuant to Article 8 of Law Decree No. 512 of 30 September 1983 as implemented by Law No. 649 of 25 November 1983. In this event, payments relating to Certificates may be subject to an Italian withholding tax, levied at the rate of 27 per cent.

The 27 per cent. withholding tax mentioned above does not apply to payments made to a non-Italian resident holder of the Certificate and to an Italian resident holder of the Certificate which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership, or (iii) a commercial private or public institution.

The withholding is levied by the Italian intermediary appointed by the Issuer, intervening in the collection of the relevant income or in the negotiation or repurchasing of the Securities.

Inheritance and gift taxes

Pursuant to Law Decree No. 262 of 3 October 2006, (Decree No. 262), converted into Law No. 286 of 24 November 2006, the transfers of any valuable asset (including shares, bonds or other securities) as a result of death or donation are taxed as follows:

(i) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding EUR 1,000,000;

(ii) transfers in favour of relatives to the fourth degree and relatives-in-law to the third degree, are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding EUR 100,000; and

(iii) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

EU Savings Directive

Under EC Council Directive 2003/48/EC (''EU Savings Directive'') on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State, including Belgium from 1 January 2010, details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have agreed to adopt similar measures (a withholding system in the case of Switzerland).

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

Implementation in Italy of the EU Savings Directive

Italy has implemented the EU Savings Directive through Legislative Decree No. 84 of 18 April 2005 (''Decree No. 84''). Under Decree No. 84, subject to a number of important conditions being met, in the case of interest paid to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian qualified paying agents shall not apply the withholding tax and shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner.

Such information is transmitted by the Italian Tax Authorities to the competent foreign tax authorities of the State of residence of the beneficial owner.

Final Terms

BARCLAYS BANK PLC

(Incorporated with limited liability in England and Wales)

BARCLAYS CAPITAL (CAYMAN) LIMITED

(Incorporated with limited liability in the Cayman Islands)

GLOBAL STRUCTURED SECURITIES PROGRAMME

for the issue of Securities

BARCLAYS BANK PLC

2,255,000 DAX® (Total Return Index) Linked Mini Long Certificates

ISIN code: GB00B625SX38

under the Global Structured Securities Programme

Issue Price: EUR 0.62 per Security

This document constitutes the final terms of the Securities (the "**Final Terms**") described herein for the purposes of Article 5.4 of the Directive 2003/71/EC and is prepared in connection with the Global Structured Securities Programme established by Barclays Bank PLC (the "**Bank**") and Barclays Capital (Cayman) Limited ("**BCCL**") and is supplemental to and should be read in conjunction with the Base Prospectus dated 6 August 2010 as supplemented, amended, updated and/or restated from time to time, which constitutes a base prospectus (the "**Base Prospectus**") for the purpose of the Directive 2003/71/EC. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing during normal business hours at the registered office of the Issuer and the specified office of the Issue and Paying Agent and copies may be obtained from such office. Words and expressions defined in the Base Prospectus and not defined in this document shall bear the same meanings when used herein.

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not contain anything likely to affect the import of such information.

Investors should refer to the sections headed "Risk Factors" in the Base Prospectus for a discussion of certain matters that should be considered when making a decision to invest in the Securities.

Barclays Capital

Final Terms dated 27 July 2011

The distribution of this document and the offer of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession these Final Terms come are required by the Bank to inform themselves about and to observe any such restrictions. Details of selling restrictions for various jurisdictions are set out in ''Purchase and Sale'' in the Base Prospectus. In particular, the Securities have not been, and will not be, registered under the US Securities Act of 1933, as amended, and are subject to US tax law requirements. Trading in the Securities has not been approved by the US Commodity Futures Trading Commission under the US Commodity Exchange Act of 1936, as amended. Subject to certain exceptions, the Securities may not at any time be offered, sold or delivered in the United States or to US persons, nor may any US persons at any time trade or maintain a position in such Securities.

Part A
Terms and Conditions of the Securities

The Securities shall have the following terms and conditions, which shall complete, modify and/or amend the Base Conditions and/or any applicable Relevant Annex(es) set out in the Base Prospectus dated 6 August 2010.

Parties

Issuer:	Barclays Bank PLC
Guarantor:	N/A
Manager:	Barclays Bank PLC
Determination Agent:	Barclays Bank PLC
Issue and Paying Agent:	The Bank of New York Mellon
Stabilising Manager:	N/A
Registrar:	N/A
CREST Agent:	N/A
Paying Agents:	N/A
Transfer Agent:	N/A
Exchange Agent:	N/A
Additional Agents:	N/A

THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT) AND THE SECURITIES COMPRISE BEARER SECURITIES THAT ARE SUBJECT TO US TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("REGULATION S")). THESE FINAL TERMS HAVE BEEN PREPARED BY THE ISSUER FOR USE IN CONNECTION WITH THE OFFER AND SALE OF THE SECURITIES OUTSIDE THE UNITED STATES TO NON-US PERSONS IN RELIANCE ON REGULATION S AND FOR LISTING OF THE SECURITIES ON THE RELEVANT STOCK EXCHANGE, IF ANY, AS STATED HEREIN. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS AND SALES OF THE SECURITIES AND DISTRIBUTION OF THESE FINAL TERMS AND THE BASE PROSPECTUS AND THE SUPPLEMENTAL PROSPECTUS SEE "PURCHASE AND SALE" IN THE BASE PROSPECTUS.

1	(i)	Series:	GSC1256
	(ii)	Tranche:	1
2	Currency:		Euro (“**EUR**”) (the “**Issue Currency**”)
3	Number of Warrants or Exercisable Certificates being issued:		2,255,000 Securities
4	Calculation Amount per Security as at the Issue Date:		1 Certificate
5	Form:		
	(i)	Global/Definitive/ Uncertificated and dematerialised:	Global Bearer Securities: Permanent Global Security
	(ii)	NGN Form:	N/A
	(iii)	Held under the NSS:	N/A
	(iv)	CGN Form:	Applicable
	(v)	CDIs:	N/A
6	Trade Date:		27 July 2011
7	Issue Date:		27 July 2011
8	Issue Price:		EUR **0.62** per Security.
9	Relevant Stock Exchange[s]:		Italian Stock Exchange
10	The following Relevant Annex(es) shall apply to the Securities (*specify each applicable Relevant Annex*):		Equity Linked Annex Italian Securities Annex

Provisions relating to interest (if any) payable on the Securities

11	Interest:		N/A
12	Interest Amount:		N/A
13	Interest Rates:		
	(i)	Fixed Rate:	N/A
	(ii)	Floating Rate:	N/A
	(iii)	Variable Rate:	N/A
	(iv)	Zero Coupon:	N/A
14	Screen Rate Determination:		N/A
	(i)	Reference Rate:	N/A
	(ii)	Relevant Screen Page:	N/A
15	ISDA Determination:		N/A
16	Margin:		N/A

17	Minimum/Maximum Interest Rate:	N/A
18	Interest Commencement Date:	N/A
19	Interest Determination Date:	N/A
20	Interest Calculation Periods:	N/A
21	Interest Payment Dates:	N/A
22	Day Count Fraction:	N/A
23	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest, if different from those set out in the Base Conditions:	N/A

Provisions relating to Exercise

24	(i) Exercise Style:	European Style
	(ii) Multiple Exercise Securities	N/A
25	Call/Put Securities:	Other Exercise Securities
26	Units:	The Securities must be exercised in Units. Each Unit consists of 1 Security.
27	Exercise Price:	N/A
28	Exercise Date(s):	The Final Valuation Date
29	Potential Exercise Business Dates:	N/A
30	Exercise Period:	N/A
31	Expiration Date:	Exercise Date
32	(i) Automatic Exercise:	Applicable
	(ii) Renouncement Notice Cut-Off Date:	The Business Day immediately following the Exercise Date
	(iii) Renouncement Notice Cut-Off Time:	10 a.m. Milan Time
33	Minimum Number Exercise Requirement:	N/A
34	Maximum Daily Number:	N/A
35	Nominal Call Event:	N/A
	(i) Nominal Call Threshold Amount:	N/A
	(ii) Nominal Call Threshold Percentage:	N/A
36	Settlement Method:	Cash Settlement

37	Settlement Currency:		EUR
38	Settlement Number:		As defined in Condition 24 of the Base Conditions
39	Terms relating to Cash Settled Securities:		
	(i)	Exercise Cash Settlement Amount:	In respect of each Security, a cash amount determined by the Determination Agent as follows: Max (0, U_V – CFL_V) × Parity Where: "**Parity**" means in respect of each Security, 0.001. **"U_V"** is the Valuation Price on the Final Valuation Date. **"CFL_V"** is the Current Financing Level (as set out in the Schedule) in respect of the Final Valuation Date. "**Valuation Price**" means in respect of a Valuation Date and any relevant Scheduled Trading Day, the price of the Reference Asset at the Valuation Time on such day, as determined by the Determination Agent in good faith and in a reasonable manner. "**Valuation Date**" and "**Valuation Time**" has the meaning set out in Paragraph 47. Further definitions are set out in the Schedule.
	(ii)	Exercise Cash Settlement Date:	The 10th Business Day following the Exercise Date, scheduled to be 10 August 2016
	(iii)	Early Cash Settlement Amount:	As defined in Condition 24 of the Base Conditions
	(iv)	Early Cancellation Date:	As defined in Condition 24 of the Base Conditions
40	Specified Early Cancellation Event:		Applicable. If, at any time on any day from, and including, the Issue Date, to and including the Final Valuation Date the Issuer determines in good faith and in a reasonable manner that the market price of the Reference Asset is equal to, or lower than, the prevailing Current Stop Loss Level (as further defined in the Schedule) (a "**Stop Loss Termination Event**" and the date of such occurrence, the "**Stop Loss Termination Event Date**"), the Issuer shall notify the Securityholder of the occurrence of the Stop Loss Termination Event and the Specified Early Cash Settlement Amount as soon as calculated and shall cancel all of the Securities (in whole only) on

		the Specified Early Cash Cancellation Date.
	(i) Automatic early cancellation:	Applicable with respect to a Stop Loss Termination Event.
	(ii) Cash Settled Securities:	Applicable
	(a) Specified Early Cash Settlement Amount:	In respect of each Security, a cash amount determined by the Determination Agent in good faith and in a reasonable manner on the relevant Valuation Date as follows: Max (0, SLTRP – CFL_T) × Parity Where: "**Parity**" means in respect of each Security, 0.001. "**SLTRP**" is the Stop Loss Termination Reference Price. "**CFL_T**" is the Current Financing Level (as set out in the Schedule) in respect of the relevant Valuation Date. "**Stop Loss Termination Reference Price**" means, in respect of the relevant Valuation Date the lowest price of the Reference Asset on the Exchange on the Stop Loss Termination Event Date. Further definitions are set out in the Schedule.
	(b) Specified Early Cash Cancellation Date:	5th Business Day following the relevant Valuation Date
	(iii) Physically Delivered Securities:	N/A
	(iv) Specified Early Cancellation Notice Period:	The Issuer shall promptly notify the Securityholder of the occurrence of a Specified Early Redemption Event.
41	Call Option:	Applicable. The Issuer may cancel all Securities in whole in accordance with the below.
	(i) Cash Settled Securities:	
	(a) Issuer Call Optional Cash Settlement Amount:	In respect of each Security, a cash amount determined by the Determination Agent on the relevant Valuation Date as follows: Max (0, U_C– CFL_c) × Parity

			Where; "**Call Option Notice Date**" means the Business Day on which the Issuer gives notice to the Securityholders. "**Call Option Valuation Date**" means the first Scheduled Trading Day falling 6 months following the Call Option Notice Date. "**Parity**" means in respect of each Security, 0.001. "U_c" is the Valuation Price on the Call Option Valuation Date. "CFL_c" is the Current Financing Level (as set out in the Schedule) in respect of the Call Option Valuation Date. "**Valuation Price**" means in respect of a Valuation Date and any relevant Scheduled Trading Day, the price of the Reference Asset at the Valuation Time on such day, as determined by the Determination Agent in good faith and in a reasonable manner.
	(ii)	Optional Cash Settlement Date:	5th Business Day following the Call Option Valuation Date
	(iii)	Issuer Option Exercise Period:	On any Business Day, from and including the first Business Day falling 1 year following the Issue Date to but excluding the Business Day falling 6 months preceding the Final Valuation Date
	(iv)	Issuer Notice Period:	Not less than 6 months notice
42	Early Exercise Trigger Event:		N/A
43	Terms relating to Physically Delivered Securities:		N/A
44	Multiplier:		See the definition of Parity above
45	Additional Disruption Events in addition to those specified in Condition 24 of the Base Conditions and any applicable Relevant Annex:		
	(i)	Affected Jurisdiction Hedging Disruption:	N/A
	(ii)	Affected Jurisdiction Increased Cost of Hedging:	N/A
	(iii)	Affected Jurisdiction:	N/A
	(iv)	Other Additional Disruption	N/A

		Events:	
	(v)	The following shall not constitute Additional Disruption Events:	N/A
46	Share Linked Securities:		N/A
47	Index Linked Securities:		Applicable

	(i)	Index/Indices (each a "**Reference Asset**")	

Index	DAX® (Total Return Index)
Reference Asset Currency	EUR
Reuters Code (for identification purposes only)	.GDAXI
Bloomberg Ticker (for identification purposes only)	DAX
Index Sponsor	Deutsche Börse

	(ii)	Future Price Valuation:	N/A
	(iii)	Exchange-traded Contract:	N/A
	(iv)	Exchange(s):	
	(v)	Related Exchange(s):	All Exchanges
	(vi)	Exchange Rate:	N/A
	(vii)	Weighting for each Reference Asset comprising the Basket of Reference Assets:	N/A
	(viii)	Index Level of each Reference Asset:	N/A
	(ix)	Valuation Date:	(i) In respect of the determination of the Exercise Cash Settlement Amount, the date scheduled to be 27 July 2016 (the "**Final Valuation Date**"). (ii) In respect of a Stop Loss Termination Event, the Valuation Date shall be, the Stop Loss Termination Event Date. (iii) In respect of the determination of the

			Issuer Call Optional Cash Settlement Amount, the Call Option Valuation Date.
	(x)	Averaging:	N/A
	(xi)	Valuation Time:	As per the Equity Linked Annex
	(xii)	Additional Disruption Event in respect of Index Linked Securities:	N/A
	(xiii)	FX Disruption Event:	N/A
	(xiv)	Other adjustments:	N/A
48	Inflation Linked Securities:		N/A
49	FX Linked Securities:		N/A
50	Credit Linked Securities:		N/A
51	Commodity Linked Securities:		N/A
52	Debt Components:		N/A
53	Interest Rate Components:		N/A
54	Additional terms and conditions relating to the Securities:		N/A
Additional provisions relating to Settlement			
55	Minimum Settlement Amount		N/A
	Settlement in respect of APK Registered Securities, Dutch Securities, Italian Securities, Swedish Registered Securities, VPS Registered Securities or Spanish Securities:		N/A
56	Settlement in respect of Swedish Registered Securities:		N/A
57	Additional provisions relating to payment of Exercise Price:		N/A
58	Additional provisions relating to Taxes and Settlement Expenses:		N/A
Definitions			
59	Definition of In-The-Money:		As defined in Condition 24 of the Base Conditions

60	Additional Business Centre(s):	London, Milan and TARGET

Selling restrictions and provisions relating to certification

61	Non-US Selling Restrictions:	Investors are bound by the selling restrictions of the relevant jurisdiction(s) in which the Securities are to be sold as set out in the Base Prospectus. In addition to those described in the Base Prospectus, no action has been made or will be taken by the Issuer that would permit a public offering of the Securities or possession or distribution of any offering material in relation to the Securities in any jurisdiction (save for Italy) where action for that purpose is required. Each purchaser or distributor of the Securities represents and agrees that it will not purchase, offer, sell, re-sell or deliver the Securities or, have in its possession or distribute, the Base Prospectus, any other offering material or any Final Terms, in any jurisdiction except in compliance with the applicable laws and regulations of such jurisdiction and in a manner that will not impose any obligation on the Issuer or Manager (as the case may be) and the Determination Agent.
62	Applicable TEFRA exemption:	N/A
63	Other:	N/A

General

64	Business Day Convention:	Following
65	Relevant Clearing System[s]:	Euroclear Clearstream Monte Titoli
66	If syndicated, names [and addresses] of Managers [and underwriting commitments]:	N/A
67	Relevant securities codes:	ISIN: GB00B625SX38 Common Code: 064235648
68	Modifications to the Master Subscription Agreement and/or Master Agency Agreement:	N/A
69	Additional Conditions and/or modification to the Conditions of the Securities:	N/A

Part B
Other Information

1 LISTING AND ADMISSION TO TRADING

(i)	Listing	Application will be made by the Issuer (or on its behalf) to list the Securities on the Italian Stock Exchange. No assurance can be given that such application, if made, will be granted.
(ii)	Admission to trading:	Application will be made by the Issuer (or on its behalf) for the Securities to be admitted to trading on the electronic Securitised Derivatives Market (''SeDeX'') organised and managed by Borsa Italiana S.p.A.. No assurance can be given that such application, if made, will be granted.
(iii)	Estimate of total expenses related to admission to trading:	Up to a maximum of EUR 860 upfront

2 RATINGS

Ratings:	The Securities have not been individually rated.

3 NOTIFICATION

The Financial Services Authority of the United Kingdom has provided the *Commissione Nazionale per le Società e la Borsa* (CONSOB) with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.

4 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

Save as discussed in ''Purchase and Sale'', so far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the offer.

5 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i)	Reasons for the offer:	General funding
(ii)	Estimated net proceeds:	Up to EUR 1,398,100
(iii)	Estimated total expenses:	Up to a maximum of EUR 860 upfront

6 FIXED RATE SECURITIES ONLY - YIELD

Indication of yield:	N/A

7 Floating Rate Securities Only - Historic Interest Rates

N/A

8 Performance Of Reference Asset(S) Or Other Variable, Explanation Of Effect On Value Of Investment And Associated Risks And Other Information Concerning The Reference Asset(S) And/Or Other Underlying

Details of the historic performance of the Reference Asset can be obtained from various internationally recognised published or electronically available news sources, for example, Reuters: .GDAXI.

Investors should note that historical performance should not be taken as an indication of future performance of the Reference Asset. The Issuer makes no representation whatsoever, whether expressly or impliedly, as to the future performance of the Reference Asset. The Issuer does not intend to provide post-issuance information.

Investors should form their own views on the merits of an investment related to the Reference Asset based on their own investigation thereof.

The description below represents a summary only of some of the features of the investment product described in this Final Terms. It does not purport to be an exhaustive description.

The product is issued as Certificates in EUR and aims to provide exposure to the performance of the Reference Asset. An investor's exposure to the Reference Asset will be amplified (leveraged) because part of the investment in the Reference Asset will effectively be financed by the Issuer itself. Another effect of this Issuer financing is that the purchase price of the Certificates will always be less than a corresponding direct investment in the components of the Index. The Issuer will charge a variable financing cost for providing the financing. This financing cost will accrue daily and be deducted from the amount payable to investors on redemption of the Certificates.

The Certificates will cancel automatically if the value of the Reference Asset falls to, or below, a specified level.

The amount payable on settlement of the Certificates will be determined by reference to the value of the Reference Asset, the outstanding financed amount and the Parity.

The maximum loss for an investor in respect of each Certificate is limited to the purchase price of the Certificate.

9 Performance Of Rate[S] Of Exchange And Explanation Of Effect On Value Of Investment

N/A

10 Operational Information

Any clearing system(s) other than [*For US Warrants*: DTC,] Euroclear Bank S.A./N.V. and	Monte Titoli

Clearstream Banking Société Anonyme (together with their addresses) and the relevant identification number(s):	
Delivery:	Delivery against payment
Names and addresses of additional Paying Agents(s) (if any):	N/A
Intended to be held in a manner which would allow Eurosystem eligibility:	No

11 OFFER INFORMATION

N/A

12 FORM OF NOTICE FROM BENEFICIAL OWNER TO []

NOTICE FROM THE BENEFICIAL OWNER TO HIS/HER FINANCIAL INTERMEDIARY

(to be completed by the beneficial owner of the Securities for the valid renouncement of Automatic Exercise of the Securities)

BARCLAYS BANK PLC

Index Linked Mini Long Certificates

ISIN: GB00B625SX38

(the "**Securities**")

To: []

Fax Number: []

Email: []

(the "Financial Intermediary")

We, the undersigned beneficial owner(s) of Securities, hereby communicate that we are renouncing the right to Automatic Exercise of the Securities specified below, in accordance with the Conditions of the Securities.

The undersigned understands that if this notice is not duly completed and delivered in order to enable the Securityholder to renounce automatic redemption of the Securities prior to the Renouncement Notice Cut-Off Time, or if this notice is determined to be incomplete or not in proper form [(in the determination of the Financial Intermediary)] it will be treated as null and void.

ISIN Code/Series number of the Securities: GB00B625SX38

Number of Italian Securities the subject of this notice: [ ]

Name of beneficial owner of the Securities

_____

Signature

Schedule

Definitions relating to the determination of the Exercise Cash Settlement Amount

Financing Level Currency	EUR
Current Financing Level	In respect of the Issue Date, the Initial Financing Level. In respect of any subsequent calendar day, an amount determined by the Issuer in good faith and in a reasonable manner equal to: $(CFL_R + FC_C)$ Where: **"CFL_R"** is the Current Financing Level in respect of the immediately preceding Reset Date. **"FC_C"** is the Funding Cost currently in respect of such calendar day. The Issuer shall make reasonable efforts to publish the applicable Current Financing Level on www.bmarkets.com The Current Financing Level will be published and forwarded to the relevant Exchanges, Clearing Systems and data vendors prior to 13:00 CET on the Borsa Italiana Business Day preceding the day when the Current Financing Level becomes effective. Where: "**Borsa Italiana Business Day**" means any Scheduled Trading Day on which Borsa Italiana is open for trading during its regular trading sessions, notwithstanding Borsa Italiana closing prior to its Scheduled Closing Time.
Initial Financing Level	EUR 6665.70
Reset Dates	Each calendar day. The first Reset Date shall be the Issue Date.
Funding Cost	In respect of any calendar day, an amount, determined by the Issuer in its discretion (exercised in good faith and in a reasonable manner) equal to: $FR_C \times CFL_R \times d/365$ Where: **"FR_C"** is the Funding Rate in respect of such calendar day. **"CFL_R"** is the Current Financing Level in respect of the immediately preceding Reset Date. **"d"** is the number of calendar days from, but excluding, the immediately preceding Reset Date to, and including, such calendar day.
Funding Rate	In respect of any calendar day, a rate equal to: $(R_R + CM)$ Where: **"CM"** is the Current Margin. "R_R " is the Rate in respect of the immediately preceding Borsa Italiana Business Day. Where:

	''**Borsa Italiana Business Day**'' means any Scheduled Trading Day on which Borsa Italiana is open for trading during its regular trading sessions, notwithstanding Borsa Italiana closing prior to its Scheduled Closing Time.
Current Margin (CM)	3.00%
Rate	In respect of any Calculation Period, the Rate shall be determined by the Issuer by reference to the **one month** LIBOR rate, for deposits in the Reference Asset Currency in the inter-bank market, as published on Bloomberg page: BBAM. If such rate is unavailable, the Determination Agent may determine the Rate in good faith by reference to such other source as it deems appropriate.
Calculation Period	Each period from, and excluding, one Reset Date (or, in the case of the first period the Issue Date) to, and including, the immediately following Reset Date.

Definitions relating to the Specified Early Cancellation Event

Current Stop Loss Level	In respect of the Issue Date, the Initial Stop Loss Level. In respect of any subsequent calendar day, the Current Stop Loss Level shall be determined and reset on each calendar day by the Issuer, acting in its discretion (exercised in good faith and in a reasonable manner), and shall be set equal to: $(CFL_C + SLP_C)$ Where: **"CFL_C"** is the Current Financing Level in respect of such calendar day. **"SLP_C"** is the Current Stop Loss Premium in respect of such calendar day. The Current Stop Loss Level shall be rounded in accordance with the Stop Loss Rounding Convention. The Issuer shall make reasonable efforts to publish the applicable Current Stop Loss Level on www.bmarkets.com. The Current Stop Loss Level will be published and forwarded to the relevant Exchanges, Clearing Systems, data vendors prior to 13:00 CET Italian time on the Borsa Italiana Business Day preceding the day when the Current Stop Loss Level becomes effective. Where; "**Borsa Italiana Business Day**" means any Scheduled Trading Day on which Borsa Italiana is open for trading during its regular trading sessions, notwithstanding Borsa Italiana closing prior to its Scheduled Closing Time.
Initial Stop Loss Level	EUR 6800.00, determined as an amount in the Reference Asset Currency equal to the Initial Financing Level plus the Initial Stop Loss Premium, rounded in accordance with the Stop Loss Rounding Convention
Current Stop Loss Premium	In respect of the Issue Date, the Initial Stop Loss Premium. In respect of any subsequent calendar day, the Current Stop Loss Premium shall be an amount in the Financing Level Currency determined by the Issuer in good faith and in a reasonable manner equal to: $2.00\% \times CFL_C$ Where: **"CFL_C"** is the Current Financing Level in respect of such calendar day.
Initial Stop Loss Premium	$2.00\% \times FL_I$ Where: "FL_I" is the Initial Financing Level
Stop Loss Rounding Convention	Upwards to the nearest EUR 10.00

Index Disclaimer

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ITALIAN TAXATION

The following is a summary of current Italian law and practice relating to the taxation of the Certificates (the "Securities"). The statements herein regarding taxation are based on the laws in force in Italy as at the date of these Final Terms and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Securities and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules.

Prospective purchasers of the Securities are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Securities.

Italian taxation of Securities

Pursuant to Article 67 of Presidential Decree No. 917 of 22 December 1986 and Legislative Decree No. 461 of 21 November 1997, as subsequently amended, where the Italian resident Certificateholder is (i) an individual not engaged in an entrepreneurial activity to which the Certificates are connected, (ii) a non-commercial partnership pursuant to article 5 of TUIR (with the exception of general partnership, limited partnership and similar entities), (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, capital gains accrued under the sale or the exercise of the Certificates are subject to a 12.5% substitute tax (imposta sostitutiva). The recipient may opt for three different taxation criteria:

(1) Under the tax declaration regime (regime della dichiarazione), which is the default regime for taxation of capital gains realised by Italian resident individuals not engaged in an entrepreneurial activity to which the Certificates are connected, the imposta sostitutiva on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any offsettable capital loss, realised by the Italian resident individual holding the Certificates not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Certificates carried out during any given tax year. Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay imposta sostitutiva on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

(2) As an alternative to the tax declaration regime, Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity may elect to pay the imposta sostitutiva separately on capital gains realised on each sale or redemption of the Certificates (the "risparmio amministrato" regime provided for by Article 6 of the Legislative Decree No. 461 of 21 November 1997, as a subsequently amended, the "Decree No. 461"). Such separate taxation of capital gains is allowed subject to (i) the Certificates being deposited with Italian banks, SIMs or certain authorised financial intermediaries and (ii) an express valid election for the risparmio amministrato regime being punctually made in writing by the relevant Certificateholder. The depository is responsible for accounting for imposta sostitutiva in respect of capital gains realised on each sale or redemption of the Certificates (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Certificateholder or using funds provided by the Certificateholder for this purpose. Under the

risparmio amministrato regime, where a sale or redemption of the Certificates results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the risparmio amministrato regime, the Certificateholder is not required to declare the capital gains in the annual tax return.

(3) Any capital gains realised or accrued by Italian resident individuals holding the Certificates not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Certificates, to an authorised intermediary and have validly opted for the so-called ''risparmio gestito'' regime (regime provided for by Article 7 of the Decree No. 461) will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 12.5 per cent. substitute tax, to be paid by the managing authorised intermediary. Under this risparmio gestito regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the risparmio gestito regime, the Certificateholder is not required to declare the capital gains realised in the annual tax return.

Where an Italian resident Securityholder is a company or similar commercial entity, or the Italian permanent establishment of a foreign commercial entity to which the Securities are effectively connected, capital gains arising from the Securities will not be subject to imposta sostitutiva, but must be included in the relevant Securityholder's income tax return and are therefore subject to Italian corporate tax (and, in certain circumstances, depending on the ''status'' of the Securityholder, also as a part of the net value of production for IRAP purposes).

Any capital gains realised by a Securityholder which is an open-ended or closed-ended investment fund (subject to the tax regime provide by Law No. 77 of 23 March 1983) or a SICAV will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 12.50 per cent. ad hoc substitute tax (the Collective Investment Fund Tax). As of 1 July 2011, the Collective Investment Fund Tax will be repealed and substituted by a substitute tax of 12.5% levied on proceeds distributed by the Fund or the SICAV or received by certain categories of unitholders upon redemption or disposal of the units.

Any capital gains realised by a Securityholder which is an Italian pension fund (subject to the regime provided by article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 11 per cent. ad hoc substitute tax.

Capital gains realised by non-Italian resident Securityholders are not subject to Italian taxation provided that the Securities (i) are transferred on regulated markets, or (ii) if not transferred on regulated markets, are held outside Italy.

The provisions of the applicable tax treaties against double taxation entered into by Italy apply if more favourable and all relevant conditions are met.

Atypical securities

In accordance with a different interpretation of current tax law, it is possible that Certificates would be considered as 'atypical' securities pursuant to Article 8 of Law Decree No. 512 of 30 September 1983 as implemented by Law No. 649 of 25 November 1983. In this event, payments relating to Certificates may be subject to an Italian withholding tax, levied at the rate of 27 per cent.

The 27 per cent. withholding tax mentioned above does not apply to payments made to a non-Italian resident holder of the Certificate and to an Italian resident holder of the Certificate which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership, or (iii) a commercial private or public institution.

The withholding is levied by the Italian intermediary appointed by the Issuer, intervening in the collection of the relevant income or in the negotiation or repurchasing of the Securities.

Inheritance and gift taxes

Pursuant to Law Decree No. 262 of 3 October 2006, (Decree No. 262), converted into Law No. 286 of 24 November 2006, the transfers of any valuable asset (including shares, bonds or other securities) as a result of death or donation are taxed as follows:

(i) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding EUR 1,000,000;

(ii) transfers in favour of relatives to the fourth degree and relatives-in-law to the third degree, are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding EUR 100,000; and

(iii) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

EU Savings Directive

Under EC Council Directive 2003/48/EC (''EU Savings Directive'') on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State, including Belgium from 1 January 2010, details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have agreed to adopt similar measures (a withholding system in the case of Switzerland).

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

Implementation in Italy of the EU Savings Directive

Italy has implemented the EU Savings Directive through Legislative Decree No. 84 of 18 April 2005 (''Decree No. 84''). Under Decree No. 84, subject to a number of important conditions being met, in the case of interest paid to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian qualified paying agents shall not apply the withholding tax and shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner.

Such information is transmitted by the Italian Tax Authorities to the competent foreign tax authorities of the State of residence of the beneficial owner.

TERMS AND CONDITIONS OF THE SECURITIES

BASE CONDITIONS

The following are the Base Conditions that will apply to the Securities, subject to amendment and as supplemented or varied in accordance with the provisions of the applicable Final Terms and any applicable Relevant Annex specified to be applicable in such Final Terms. Where a Relevant Annex is specified in the applicable Final Terms for any Securities, these Base Conditions shall be subject to contrary provisions contained in such Relevant Annex and will not apply to the extent they are inconsistent with the provisions of such Relevant Annex. In all cases, these Base Conditions and the provisions of such Relevant Annex shall be subject to the applicable Final Terms, and will not apply to the extent they are inconsistent with the provisions of such Final Terms. Words and expressions defined or used in the applicable Final Terms shall have the same meanings where used in these Base Conditions and any applicable Relevant Annex unless the context otherwise requires or unless otherwise stated. All capitalised terms that are not defined in Condition 24 or elsewhere in these Base Conditions will have the meanings given to them in the applicable Relevant Annex or applicable Final Terms. Those definitions will be endorsed on Definitive Securities. References in these Base Conditions or any Relevant Annex to "Securities" are to the Securities of one Series only, not to all Securities that may be issued under the Programme.

The Securities are issued as notes ("**Notes**"), certificates ("**Certificates**") or warrants ("**Warrants**"), by Barclays Bank PLC (or any New Bank Issuer substituted in accordance with Condition 17.1, the "**Bank**") or, with the exception of CREST Securities, Barclays Capital (Cayman) Limited (or any New BCCL Issuer substituted in accordance with Condition 17.1, "**BCCL**"), as specified in the applicable Final Terms, and references to "**Securities**" shall be construed accordingly. CREST Securities will only be issued by the Bank. The Securities issued by BCCL will be guaranteed by the Bank (or any New Guarantor substituted in accordance with Condition 17.2, the "**Guarantor**") pursuant to a deed of guarantee dated 6 August 2010 (or any New Guarantee of a New Guarantor, in either case as amended and/or supplemented and/or restated as at the Issue Date, the "**Guarantee**") and references herein to the Guarantor and the Guarantee apply solely to Securities issued by BCCL. Securities are issued pursuant to the Agency Agreement in respect of the Securities and, other than CREST Securities, with the benefit of a Deed of Covenant dated 6 August 2010 (as amended and/or supplemented and/or restated as at the Issue Date, the "**Deed of Covenant**") executed by the Issuers and the Guarantor.

These Base Conditions include summaries of, and are subject to, the provisions of the Agency Agreement. The Securityholders and holders of interest coupons (and where applicable, talons for further coupons ("**Talons**")) (the "**Coupons**", which term shall be deemed to include Talons) relating to interest bearing Securities in bearer form are entitled to the benefit of, and are deemed to have notice of and are bound by, the provisions of the Agency Agreement (insofar as they relate to the Securities and/or Coupons), any applicable Relevant Annex and the applicable Final Terms, which are binding on them. Copies of the Agency Agreement, the Deed of Covenant and the Guarantee are available for inspection at the registered office of the relevant Issuer and the specified offices of the Paying Agents, the Transfer Agents and the Registrars. The determination agent, the issue and paying agent, the registrar, the paying agents, the transfer agents and the CREST agent for the time being are referred to below respectively as the "**Determination Agent**", the "**Issue and Paying Agent**", the "**Registrar**", the "**Paying Agents**", the "**Transfer Agents**" and the "**CREST Agent**".

In respect of any issue of Securities that are not CREST Securities, "**Agents**" means the Determination Agent and the Issue and Paying Agent together with, in the case of such Securities in bearer form ("**Bearer Securities**"), the other Paying Agents and, in the case of such Securities in registered form ("**Registered Securities**"), the Registrar and the other Transfer Agents, and any other agent or agents appointed from time to time in respect of such Securities.

Unless otherwise specified in the applicable Final Terms, the initial Agents, in respect of Securities other than CREST Securities, shall be as follows:

(a) the initial Determination Agent shall be the Bank or Barclays Capital Securities Limited, as specified in the applicable Final Terms;

(b) the initial Issue and Paying Agent shall be The Bank of New York Mellon (acting through its London branch);

(c) the initial Registrar in respect of Registered Securities shall be The Bank of New York Mellon (Luxembourg) S.A. (the "**Luxembourg Registrar**") in respect of Securities that are distributed outside the United States of America and shall be The Bank of New York Mellon (acting through its New York branch) in respect of Securities that are distributed within the United States of America (the "**NY Registrar**" and, together with the Luxembourg Registrar, the "**Registrars**" and each a "**Registrar**");

(d) the initial Paying Agents in respect of Bearer Securities shall be the initial Issue and Paying Agent together with The Bank of New York Mellon (Luxembourg) S.A. (the "**Luxembourg Agent**") in respect of Securities that are distributed outside the United States of America, The Bank of New York Mellon, (acting through its Frankfurt branch) (the "**Frankfurt Agent**") in respect of CBF Securities and The Bank of New York Mellon (acting through its New York branch) in respect of Securities that are distributed within the United States of America (the "**New York Agent**");

(e) the initial Transfer Agents in respect of Registered Securities shall be the initial Issue and Paying Agent together with the Luxembourg Agent in respect of Securities that are distributed outside the United States of America and the New York Agent in respect of Securities that are distributed within the United States of America; and

(f) the initial Exchange Agent shall be The Bank of New York Mellon (acting through its New York branch) in respect of Cleared Securities for which DTC is the Relevant Clearing System.

In respect of any issue of CREST Securities, "**Agents**" shall mean the agent providing certain issuing, registry and paying agency services to the Issuer (the "**CREST Agent**") together with any other agent or agents appointed from time to time in respect of the CREST Securities (or the then current Successor (whether direct or indirect) of any such Agent). The initial CREST Agent shall be Computershare Investor Services PLC.

For the purpose of CREST Securities, any reference in these Base Conditions, any applicable Relevant Annex or the applicable Final Terms to a calculation or determination being made by the Determination Agent or the Issue and Paying Agent shall be deemed to be a reference to the Issuer making such calculation or determination. These Base Conditions and the provisions of any applicable Relevant Annex and the applicable Final Terms shall be construed accordingly.

In connection with any issue of Securities, the Issuer may appoint agents other than, or additional to, the Agents specified above. Such other or additional Agents shall be specified in any applicable Relevant Annex or the applicable Final Terms. References in these Base Conditions, any applicable Relevant Annex

or the applicable Final Terms to Agents shall be to the initial Agents specified above, as applicable, or as specified in the applicable Final Terms or Relevant Annex, or the then current Successor (whether direct or indirect) of such Agent appointed in accordance with these Base Conditions, any applicable Relevant Annex, the applicable Final Terms and the Agency Agreement with respect to such Securities.

The Securities of any Series are subject to these Base Conditions, as modified and/or supplemented by the terms of any Relevant Annex and the applicable Final Terms. Each Series may be issued in tranches (each, a "**Tranche**") on the same or different issue dates. The specific terms of each Tranche (that will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the Issue Date, Issue Price, first payment of interest, if applicable, and aggregate nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in the applicable Final Terms.

1 Form, Title and Transfer

1.1 Form

(a) Form of Securities

Securities will be issued in bearer form as Bearer Securities (with or without Coupons) or in registered form as Registered Securities or in dematerialised form as CREST Securities, in each case, as specified in the applicable Final Terms. Bearer Securities may not be exchanged for Registered Securities and vice versa. CREST Securities, on the one hand, may not be exchanged for Bearer Securities or Registered Securities on the other, and vice versa.

Securities will initially be issued in global form (which in respect of Bearer Securities shall be represented by global bearer securities, ("**Global Bearer Securities**") and in respect of Registered Securities shall be represented by global registered securities, ("**Global Registered Securities**"), Global Bearer Securities and Global Registered Securities being global securities ("**Global Securities**")), and may only be exchanged for Securities in definitive form (which in respect of Bearer Securities shall be issued as definitive bearer securities, ("**Definitive Bearer Securities**"), and in respect of Registered Securities shall be represented by definitive registered securities, ("**Definitive Registered Securities**"), Definitive Bearer Securities and Definitive Registered Securities being definitive securities ("**Definitive Securities**"), with the terms and conditions endorsed on such Definitive Securities) if specified in the applicable Final Terms, or an Exchange Event occurs and Global Securities are to be exchanged for Definitive Securities in accordance with the terms of the relevant Global Security. The relevant Issuer will promptly give notice to Securityholders in accordance with Condition 16 if an Exchange Event occurs. Definitive Securities will not be issued, either initially or in exchange for any CREST Securities.

CREST Securities will be issued in dematerialised uncertificated registered form and will be held in uncertificated registered form in accordance with the Uncertificated Regulations. As such, CREST Securities are dematerialised and not constituted by any physical document of title. CREST Securities will be cleared through CREST and are participating securities for the purposes of the Uncertificated Regulations.

(b) Initial Issue of Global Securities

If "NGN Form" is specified as applicable in the applicable Final Terms with respect to a Global Bearer Security or the applicable Final Terms specify that a Global Registered Security is to be held under the New Safekeeping Structure ("**NSS**"), such Global Bearer Security or Global Registered Security will be delivered on or prior to the original issue date of the Tranche to a common safekeeper (a "**Common Safekeeper**"). *Depositing the Global Bearer Security or the Global Registered Security with the Common Safekeeper does not necessarily mean that the Securities will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue, or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.*

If "CGN Form" is specified in the applicable Final Terms and the Global Security is not a Global Registered Security to be held under the NSS, the Global Security may be delivered on or prior to the original issue date of the Tranche to a common depositary (a "**Common Depositary**") for the Relevant Clearing System. The Bank may issue Securities in CGN Form in respect of which the Relevant Clearing System shall be Clearstream Frankfurt ("**CBF Securities**"). For the avoidance of doubt, BCCL shall not issue CBF Securities.

If the Global Security is in CGN Form and is not held under the NSS, upon the initial deposit of such Global Security with a Common Depositary (or with CBF in respect of CBF Securities) or registration of Registered Securities in the name of any nominee for the Relevant Clearing System and delivery of the relevant Global Registered Security to the Common Depositary, the Relevant Clearing System will credit each subscriber with a nominal amount of Securities in the case of Notes or with a number of Securities in the case of Certificates or Warrants, equal to the nominal amount or number thereof for which it has subscribed and paid. If the Global Security is in NGN Form, the nominal amount of the Securities in the case of Notes and the number of Securities in the case of Certificates and Warrants shall be the relevant aggregate amount or number from time to time entered in the records of the Relevant Clearing System. For purposes of a Global Security in NGN Form, the records of the Relevant Clearing System shall be conclusive evidence of the nominal amount of Securities in the case of Notes, or number of Securities in the case of Certificates and Warrants, represented by such Global Security and a statement issued by the Relevant Clearing System at any time shall be conclusive evidence of the records of the Relevant Clearing System at that time.

(c) Exchange of Global Securities

Each Series of Bearer Securities issued in compliance with the D Rules will be initially issued in the form of a temporary global security in bearer form (a "**Temporary Global Security**") and will be exchangeable, free of charge to the holder, on and after its Exchange Date in whole or in part upon certification as to non-US beneficial ownership in the form set out in the Agency Agreement for interests in a permanent bearer global security (a "**Permanent Global Security**") or, if so provided in the applicable Final Terms, for Definitive Securities.

Each Series of Bearer Securities issued in compliance with the C Rules or in respect of which TEFRA does not apply will be initially issued in the form of a Permanent Global Security.

Each Permanent Global Security will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not in part for Definitive Securities only upon the occurrence of an Exchange Event.

If the Global Security is a CGN, on or after any due date for exchange, the holder of such Global Security may surrender it or, in the case of a partial exchange, present it for endorsement to or to the order of the Issue and Paying Agent. In exchange for any such Global Security, or the part thereof to be exchanged, the Issuer will (i) in the case of a Temporary Global Security exchangeable for a Permanent Global Security, deliver, or procure the delivery of, a Permanent Global Security in an aggregate nominal amount or aggregate number, as applicable, equal to that of the whole or that part of the Temporary Global Security that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Security to reflect such exchange or (ii) in the case of a Global Security exchangeable for Definitive Securities, deliver, or procure the delivery of, an equal aggregate nominal amount or aggregate number, as applicable, of duly executed and authenticated Definitive Securities or (iii) if the Global Security is a Global Bearer Security in NGN Form or a Global Registered Security that is held under the NSS, the Issuer will procure that details of such exchange be entered pro rata in the records of the Relevant Clearing System. On exchange in full of each Permanent Global Security, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Securities.

(d) Registered Securities

Registered Securities of each Series which are sold in an "offshore transaction" within the meaning of Regulation S under the Securities Act ("**Unrestricted Securities**") will be represented by interests in a Regulation S Global Security, without Coupons, deposited with, and registered in the name of, a Common Depositary or a Common Safekeeper on behalf of the Relevant Clearing System on its issue date.

Registered Securities of each Series resold pursuant to Rule 144A of the Securities Act ("**Restricted Securities**") will be represented by a Rule 144A Global Security, without Coupons, deposited with either (i) a custodian for, and registered in the name of a nominee of, DTC or (ii) a Common Depositary or a Common Safekeeper on behalf of the Relevant Clearing System on its issue date.

1.2 Denomination and Number

The applicable Final Terms in respect of Securities that are Notes will specify, among other things, the denomination or denominations (each, a "**Specified Denomination**") in which such Securities are issued, the Aggregate Nominal Amount, the Issue Price per Security, the Settlement Currency, the Calculation Amount per Security as at the Issue Date and any Relevant Annexes that apply to the Securities. All Registered Securities of a Series that are Notes shall have the same Specified Denomination.

The applicable Final Terms in respect of Securities that are Certificates or Warrants will specify, among other things, the Settlement Currency of such Securities, the Issue Price per Security or Unit, the number of Securities being issued, the Calculation Amount per Security as at the Issue Date and, where applicable, the number of Warrants or Exercisable Certificates comprising a Unit, if the Securities are Put Securities or Call Securities and identify any Relevant Annexes that apply

to the Securities. All Securities of a Series that are Certificates or Warrants shall have the same Calculation Amount per Security as at the Issue Date.

All CREST Securities of a Series that are (i) Notes, shall have the same Specified Denomination or (ii) Certificates or Warrants, shall have the same Calculation Amount per Security as at the Issue Date.

1.3 Title

(a) General

Title to Bearer Securities and any Coupons passes by delivery and title to Registered Securities passes by registration in the Register that the Issuer shall procure is kept by the Registrar in accordance with the provisions of the Agency Agreement.

The Issuer, the Guarantor and the relevant Agents shall (except as otherwise required by law or ordered by a court of competent jurisdiction) deem and treat the holder (as defined below) of any Bearer Security, Coupon or Registered Security as its absolute owner for all purposes (whether or not such Security is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it (or on the Global Security representing it) or its theft or loss) and no person shall be liable for so treating the holder.

In these Base Conditions, except in respect of CREST Securities, "**Securityholder**" means the bearer of any Bearer Security or the person in whose name a Registered Security is registered, and "**holder**" means, in relation to a Bearer Security or Coupon, the bearer of such Bearer Security or Coupon and, in relation to a Registered Security, the person in whose name such Registered Security is registered. Any references to "**Noteholder**", "**Certificateholder**" or "**Warrantholder**" within the Conditions of Securities issued as Notes, Certificates or Warrants, respectively, shall mean a Securityholder for the purposes of such Securities.

(b) CREST Securities

Title to CREST Securities is recorded on the relevant Operator register of corporate securities. The CREST Agent on behalf of the Issuer shall maintain a record of uncertificated corporate securities (the "**Record**") in relation to CREST Securities and shall procure that the Record is regularly updated to reflect the Operator register of corporate securities in accordance with the rules of the Operator.

Subject to this requirement and to Condition 1.4(i), (i) each person who is for the time being shown in the Record as the holder of a particular nominal amount (in the case of Notes) or number (in the case of Certificates and Warrants) of CREST Securities shall be treated by the Issuer and the Agents as the holder of such nominal amount or number, as the case may be, of CREST Securities for all purposes (and the expressions "**Securityholder**" and "**holder of CREST Securities**" and related expressions shall be construed accordingly for the purpose of the Conditions) and (ii) none of the Issuer or any Agent shall be liable in respect of any act or thing done or omitted to be done by it or on its behalf in reliance upon the assumption that the particulars entered in the Record which the CREST Agent maintains are in accordance with particulars entered in the Operator register of corporate securities relating to the CREST Securities.

No provision of these Base Conditions, as amended in accordance with any applicable Relevant Annex and/or the applicable Final Terms, shall (notwithstanding anything to the contrary therein) apply or have effect to the extent that it is in any respect inconsistent with (I) the holding of title to CREST Securities in uncertificated form, (II) the transfer of title to CREST Securities by means of a relevant system or (III) the Uncertificated Regulations. Without prejudice to the generality of the preceding sentence and notwithstanding anything contained in the Conditions for a Series of CREST Securities, so long as the CREST Securities are participating securities, (A) the Operator register of corporate securities relating to the CREST Securities shall be maintained at all times in the United Kingdom, (B) the CREST Securities may be issued in uncertificated form in accordance with and subject as provided in the Uncertificated Regulations and (C) for the avoidance of doubt, the Conditions in relation to any CREST Securities shall remain applicable notwithstanding that they are not endorsed on any certificate or document of title for such CREST Securities.

As used in these Base Conditions, each of "**Operator**", "**Operator register of corporate securities**", "**participating security**", "**record of uncertificated corporate securities**" and "**relevant system**" is as defined in the Uncertificated Regulations and the relevant Operator (as such term is defined and used in the Uncertificated Regulations) is Euroclear UK & Ireland Limited or any additional or alternative Operator from time to time and notified to the holders of CREST Securities in accordance with Condition 16.

(c) CREST Depository Interests

Where CDIs are specified in the applicable Final Terms for a Series of Securities, investors may hold CREST Depository Interests ("**CDIs**") constituted and issued by the CREST Depository and representing indirect interests in such Securities. CDIs will be issued and settled through CREST.

Neither the Securities nor any rights with respect thereto will be issued, held, transferred or settled within CREST otherwise than through the issue, holding, transfer and settlement of CDIs. Holders of CDIs will not be entitled to deal directly in the Securities to which such CDIs relate (the "**Underlying Securities**"). Accordingly, all dealings in Securities represented by a holding of CDIs will be effected through CREST.

CDIs will be constituted and governed by the terms of the CREST Deed Poll. Holders of CDIs will have no rights against the Issuer, any Manager or any Agent in respect of the Underlying Securities, interests therein, or the CDIs representing them.

1.4 Transfers

(a) Transfer of Bearer Securities

Subject to Condition 1.4(c), Bearer Securities and Coupons will be transferred by delivery.

(b) Transfer of Registered Securities

Subject to Condition 1.4(c), Registered Securities may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the relevant Definitive Registered Security or Global Registered Security (provided such Security is not a Cleared Security) representing such Registered Securities to be transferred, together with the form of transfer endorsed on such Definitive Registered Security or Global Registered Security

(or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Securities represented by a single Definitive Registered Security or Global Registered Security (provided such Security is not a Cleared Security), a new Definitive Registered Security shall be issued to the transferee in respect of the part transferred and a further new Definitive Registered Security or Global Registered Security in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Securities and entries on the Register will be made subject to the detailed regulations concerning transfers of Securities scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and each Securityholder. A copy of the current regulations will be made available by the Registrar to any Securityholder upon request. For the avoidance of doubt if Registered Securities are Cleared Securities then all (and not some only) of the Registered Securities of the same Series shall be Cleared Securities.

Investors in the Securities are referred to the Sections in the Base Prospectus headed "Purchase and Sale" and "Clearance, Settlement and Transfer Restrictions".

(c) Transfer of Cleared Securities

Notwithstanding Conditions 1.4(a) and (b), transfers of beneficial interests in Cleared Securities may only be effected in accordance with the Relevant Rules.

If the applicable Final Terms specify that the Securities are to be represented by a Permanent Global Security on issue, the following will apply in respect of transfers of Cleared Securities. These provisions will not prevent the trading of interests in the Securities within the Relevant Clearing system whilst they are held on behalf of such Relevant Clearing System, but will limit the circumstances in which the Securities may be withdrawn from the Relevant Clearing System.

Transfers of the holding of Securities represented by any Global Security pursuant to Condition 1.4(b) may only be made in part:

(i) if an Exchange Event occurs; or

(ii) with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding of Registered Securities pursuant to this Condition 1.4(c), the registered holder has given the Registrar not less than 10 Business Days' notice at its specified office of the registered holder's intention to effect such transfer.

Investors in the Securities are referred to (i) the Sections in the Base Prospectus headed "Purchase and Sale", "Clearance, Settlement and Transfer Restrictions" and "Book-entry Procedures for Rule 144A Global Securities Deposited with DTC" and (ii) any Relevant Annex specified in the applicable Final Terms.

(d) Exercise of Options or Partial Redemption in Respect of Registered Securities

In the case of an exercise of an Issuer's or Securityholder's option in respect of, or a partial redemption of, a holding of Registered Securities represented by a single Definitive

Registered Security or Global Registered Security, as the case may be, a new Definitive Registered Security 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 Securities of the same holding having different terms, a separate Definitive Registered Security or Global Registered Security shall be issued in respect of those Registered Securities of that holding that have the same terms. New Definitive Registered Securities shall only be issued against surrender of the relevant existing Definitive Registered Security or Global Registered Security to the Registrar or any Transfer Agent. In the case of a transfer of Registered Securities to a person who is already a holder of Registered Securities, a new Definitive Registered Security representing the enlarged holding shall only be issued against surrender of the Definitive Registered Security or Global Registered Security representing the existing holding.

(e) Delivery of New Registered Securities

Each new Definitive Registered Security or Global Registered Security to be issued pursuant to Conditions 1.4(b) or (d) shall be available for delivery within three business days of receipt of the form of transfer, the relevant Exercise Notice or notice of redemption and surrender of the Definitive Registered Security or Global Registered Security, as the case may be. Delivery of a new Definitive Registered Security or Global Registered Security shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery of such form of transfer, the relevant Exercise Notice or notice of redemption and surrender of such Definitive Registered Security or Global Registered Security shall have been made or, at the option of the holder making such delivery and surrender as aforesaid and as specified in the relevant form of transfer, the relevant Exercise Notice, notice of redemption or otherwise in writing, shall be mailed by uninsured post at the risk of the holder entitled to the new Definitive Registered Security or Global Registered Security, to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 1.4(e), "business day" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar.

(f) Transfer Free of Charge

Transfers of Registered Securities will be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any Taxes that may be imposed in relation to it (or the giving of such indemnity as the Issuer, the Registrar or the relevant Transfer Agent may require).

(g) Registered Security Closed Periods

No Securityholder may require the transfer of a Registered Security to be registered (i) during the period of 15 calendar days ending on the due date for redemption or exercise of that Security, (ii) on any day after the date of any Option Exercise Notice delivered by such Securityholder in respect of such Registered Security, (iii) on any day after the date of any Settlement Election Notice or Delivery Entitlement Instruction (if earlier) delivered by such Securityholder in respect of such Registered Security, (iv) during the period of 15 calendar days before any date on which Securities may be called for redemption by the Issuer at its option pursuant to Condition 5.3 or 5.4, (v) after any such Security has been called for

redemption or has been exercised or (vi) during the period of seven calendar days ending on (and including) any Record Date.

(h) Minimum Settlement Amount

Global Securities may, if specified in the applicable Final Terms, be subject to a Minimum Settlement Amount, in which case such Securities will, for so long as they are Cleared Securities, be transferable only in a nominal amount in the case of Notes or in a number in the case of Certificates and Warrants, of not less than such Minimum Settlement Amount. Notwithstanding the foregoing, such Securities will only be transferable in accordance with the Relevant Rules.

(i) Transfer of CREST Securities

Title to CREST Securities will pass upon registration of the transfer in the Operator register of corporate securities. All transactions in relation to CREST Securities (including, without limitation, transfers of CREST Securities) in the open market or otherwise must be effected through an account with the Operator subject to and in accordance with the rules and procedures for the time being of the Operator. All transfers of CREST Securities shall be subject to and made in accordance with the Uncertificated Regulations and the rules, procedures and practices in effect of the Operator (the "**CREST Requirements**").

Transfers of CREST Securities will be effected without charge by or on behalf of the Issuer, the Operator or the CREST Agent, but upon payment of any Taxes that may be imposed in relation to them (or the giving of such indemnity as the Issuer, the Operator or the CREST Agent may require).

CREST Securities may not be transferred in or into the United States or to, or for the account or benefit of, US Persons (as defined in Regulation S under the Securities Act) (1) unless the CREST Securities are registered under the Securities Act, or an exemption from the registration requirements of the Securities Act is available, or (2) in a manner that would require the Issuer of the Notes to register under the US Investment Company Act.

(j) CREST Security Closed Periods

If, for so long as the CREST Securities are held in CREST, the rules and procedures of the Operator include any closed period in which no Securityholder may require the transfer of a CREST Security to be registered in the Operator register of corporate securities, such closed periods shall apply to the CREST Securities. Details of any such closed period are available from the CREST Agent.

(k) Minimum Settlement Amount for CREST Securities

CREST Securities may, if specified in the applicable Final Terms, be subject to a Minimum Settlement Amount, in which case such Securities will, for so long as they are CREST Securities, be transferable only in a nominal amount in the case of Notes or in a number in the case of Certificates and Warrants, of not less than such Minimum Settlement Amount. Notwithstanding the foregoing, such Securities will only be transferable in accordance with the CREST Requirements.

(l) Cessation of CREST Eligibility

If at any time a Series of CREST Securities ceases to be held in uncertificated form and/or accepted for clearance through CREST, or notice is received by or on behalf of the Issuer that the CREST Securities will cease to be held in uncertificated form and cleared through CREST and/or CREST is closed for business for a continuous period of 14 calendar days (other than by reason of holidays, statute or otherwise) or announces an intention permanently to cease business or does in fact do so, then such event shall constitute an Additional Disruption Event for the purposes of such Securities and the Issuer shall (in the case of Securities that are Notes or Certificates other than Exercisable Certificates) redeem such Securities in accordance with Base Condition 5.4(b) or (in the case of Securities that are Warrants or Exercisable Certificates) cancel such Securities in accordance with Base Condition 6.2(a)(ii).

2 Status

The Securities and any Coupons relating to them constitute unsecured and unsubordinated obligations of the Issuer and rank equally among themselves. The payment obligations of the Issuer under the Securities and any related Coupons will rank equally with all other present and future unsecured and unsubordinated obligations of the Issuer (except for such obligations as may be preferred by provisions of law that are both mandatory and of general application). The Securities do not evidence deposits of the Issuer. The Securities are not insured or guaranteed by any government or government agency.

3 Guarantee

3.1 Status of the Guarantee

All obligations of BCCL in respect of its Securities and any Coupons relating to them are unconditionally and irrevocably guaranteed by the Guarantor pursuant to the Guarantee. The Guarantee constitutes an unsecured and general obligation of the Guarantor and ranks and will rank equally with all other existing and future unsecured obligations of the Guarantor (except for such obligations as may be preferred by provisions of law that are both mandatory and of general application).

3.2 Settlement by the Guarantor

If written demand is made of the Guarantor under the Guarantee in respect of Physically Delivered Securities or Securities for which "Issuer Settlement Option" is specified as applicable in the applicable Final Terms, notwithstanding any election by BCCL of a particular Settlement Method in respect thereof, the Guarantor may elect at its sole discretion whether to settle such Securities by Physical Settlement or Cash Settlement. In such circumstances, the Guarantor's delivery of the relevant Entitlement or its payment of the relevant Settlement Amount, in each case subject to Condition 9.6, in accordance with the terms of the relevant Securities shall constitute the complete discharge of the Guarantor's obligations in respect of such Security and the Guarantor shall have no liability or responsibility for any loss suffered or cost incurred by a Securityholder as a result (direct or indirect) of the Guarantor making such election.

4 Interest

If the applicable Final Terms specify that interest applies to any Securities, each Security of such Series will bear interest on the applicable Calculation Amount from and including the Interest Commencement Date at a rate or rates per annum (expressed as a percentage) (the "**Interest Rate**") specified in, or determined in accordance with, the applicable Final Terms. Interest will be payable in arrear on the date or dates specified in the applicable Final Terms (the "**Interest Payment Dates**" and each an "**Interest Payment Date**"). Subject to Condition 8, the Interest Amount payable per Calculation Amount in respect of any Security on any Interest Payment Date will be calculated by the Determination Agent in respect of the immediately preceding Interest Calculation Period and shall be equal to the product of the applicable Interest Rate, the applicable Calculation Amount (determined by reference to the Calculation Amount as at the first day of the relevant Interest Calculation Period unless otherwise specified in the applicable Final Terms) and the Day Count Fraction for the relevant Interest Calculation Period, unless an Interest Amount (or other formula for its calculation) is specified in respect of such Interest Calculation Period in the applicable Final Terms, in which case the amount of interest payable per Calculation Amount in respect of such Security for such period shall equal such Interest Amount (or be calculated in accordance with such formula). If the applicable Final Terms specify Securities to be Zero Coupon Securities, the Securities of such Series will not bear interest except in respect of any overdue principal following the Redemption Date (or such other date as specified in the applicable Final Terms).

In the case of Partly Paid Securities (other than Partly Paid Securities which are Zero Coupon Securities), interest will accrue as aforesaid on the paid-up Nominal Amount or the appropriate portion of the Calculation Amount of such Securities and otherwise as specified in the applicable Final Terms and the Conditions of such Securities shall be construed accordingly.

Notwithstanding anything to the contrary in this Condition 4, the accrual and/or payment of interest may be contingent on, or calculated by reference to, the performance, price, value or level or other factor relating to one or more Reference Assets if so specified in any applicable Relevant Annex and/or the applicable Final Terms. The interest payable per Calculation Amount, Interest Rate or any Interest Amount, in each case, for an Interest Calculation Period, may be calculated by reference to:

(i) the number of calendar days in a specified period on which a specified rate and/or price, value or level of one or more Reference Assets has a particular value, is within a specified range or is above/below a specified value, price or level; and/or

(ii) the rate for the immediately preceding interest calculation period; and/or

(iii) a range accrual fraction, multiplier or other factor; and/or

(iv) any other method or formulae.

If any Interest Amount payable is a negative number (either due to a negative Interest Rate (whether a Floating Rate, Variable Rate, or otherwise) or by operation of a negative Margin that is added to the Interest Rate), the Interest Amount payable shall be deemed to be zero.

Any amendments to this Condition 4 and/or any additional provisions relating to such Securities will be set out in the applicable Final Terms.

4.1 Interest on Fixed Rate Securities

If "Fixed Rate" is specified as the Interest Rate in the applicable Final Terms, the Interest Rate for each Interest Calculation Period will be the rate specified in the applicable Final Terms.

4.2 Interest on Floating Rate Securities

Subject to Conditions 4.2(c) and (d), if "Floating Rate" is specified as the Interest Rate in the applicable Final Terms, the Interest Rate for an Interest Calculation Period will be the rate determined by the Determination Agent in the manner specified in the applicable Final Terms pursuant to Condition 4.2(a) or 4.2(b) or as otherwise provided in the applicable Final Terms. In respect of any short or long Interest Calculation Period as specified in the applicable Final Terms, the Determination Agent will determine the Interest Rate using Linear Interpolation or such other formula or method (if any) as is specified in the applicable Final Terms.

(a) ISDA Determination for Floating Rate Securities

If "ISDA Determination" is specified as applicable in the applicable Final Terms, the Interest Rate for an Interest Calculation Period will be the relevant ISDA Rate. If with respect to a Reset Date for an Interest Calculation Period, in the opinion of the Determination Agent (a) the ISDA Rate is not published or made available to the market, and/or (b) the Determination Agent determines that an alternative market rate is in more common usage, the Determination Agent shall determine the Interest Rate for such Interest Calculation Period at its sole and absolute discretion.

(b) Screen Rate Determination for Floating Rate Securities

If "Screen Rate Determination" is specified as applicable in the applicable Final Terms, the Interest Rate for an Interest Calculation Period will, subject as provided below, be either:

(i) the offered quotation; or

(ii) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate that appears or appear, as the case may be, on the Relevant Screen Page as at 11:00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question (as specified in the applicable Final Terms or as defined below) relating to such Interest Calculation Period, all as determined by the Determination Agent in accordance with Condition 8. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Determination Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the "Reference Rate" from time to time in respect of Floating Rate Securities is specified in the applicable Final Terms as being other than LIBOR or EURIBOR, the Interest Rate in respect of such Securities will be determined as provided in the applicable Final Terms.

If, on any Interest Determination Date relating to such Interest Calculation Period, the Relevant Screen Page is not available or, if Condition 4.2(b)(i) applies and no such offered quotation appears on the Relevant Screen Page, or, if Condition 4.2(b)(ii) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, subject as provided below, the Determination Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Determination Agent with its offered quotation (expressed

as a percentage rate per annum) for the Reference Rate, if the Reference Rate is LIBOR, at approximately 11:00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11:00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Determination Agent with such offered quotations, the Interest Rate for such Interest Calculation Period shall be the arithmetic mean of such offered quotations as determined by the Determination Agent.

If the preceding paragraph applies and the Determination Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Interest Rate shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Determination Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11:00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11:00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Settlement Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Determination Agent with such offered rates, the offered rate for deposits in the Settlement Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Settlement Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11:00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11:00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Determination Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Interest Rate cannot be determined in accordance with the foregoing provisions of this paragraph, the Interest Rate for such Interest Calculation Period shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Minimum or Maximum Interest Rate is to be applied to the relevant Interest Calculation Period from that which applied to the last preceding Interest Calculation Period, the Margin or Minimum or Maximum Interest Rate relating to the relevant Interest Calculation Period, in place of the Margin or Minimum or Maximum Interest Rate relating to that last preceding Interest Calculation Period).

(c) Margin

If any Margin is specified in the applicable Final Terms (either (i) generally, or (ii) in relation to one or more Interest Calculation Periods), an adjustment shall be made to all Interest Rates, in the case of (i), or the Interest Rate for the specified Interest Calculation Periods, in the case of (ii), calculated in accordance with Condition 4.2(b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to Condition 4.2(d).

(d) Minimum Interest Rate and/or Maximum Interest Rate

If any Minimum Interest Rate or Maximum Interest Rate is specified in the applicable Final Terms (either (i) generally, or (ii) in relation to one or more Interest Calculation Periods),

then all Interest Rates in the case of (i), or the Interest Rate for the specified Interest Calculation Periods, in the case of (ii), shall be subject to such Minimum Interest Rate or Maximum Interest Rate, as applicable.

4.3 Variable Rate Securities

Each Variable Rate Security bears interest at a rate or rates (the "**Variable Rate**") determined on the basis of the formula or method specified for such purpose in the applicable Final Terms, as determined by the Determination Agent in accordance with Condition 8.

4.4 Zero Coupon Securities

If "Zero Coupon" is specified as the Interest Rate in the applicable Final Terms, the Securities will not bear interest and references to interest and Coupons in these Base Conditions are not applicable, provided however that where any such Security is repayable prior to the Redemption Date (or such other date specified in the applicable Final Terms) and is not paid when due, the amount due and payable prior to the Redemption Date shall be the Early Cash Settlement Amount for such Security.

4.5 Accrual of Interest

(Subject to Condition 9.5(c), interest shall cease to accrue on each interest bearing Security on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Interest Rate in the manner provided in this Condition 4 to the Relevant Date as if such period was an Interest Calculation Period.

5 Redemption of Securities that are Notes or Certificates

This Condition 5 applies only to Securities that are Notes and Certificates (other than Exercisable Certificates). Any such Securities being redeemed pursuant to this Condition 5 shall, subject to Condition 7, be settled in accordance with the applicable Settlement Method. Notwithstanding anything to the contrary herein, "Cash Settlement" will always apply to CREST Securities.

5.1 Redemption

Unless previously redeemed in accordance with this Condition 5 or purchased and cancelled in accordance with Condition 22, each Security will, subject to Conditions 7, 8 and 9, be redeemed in whole:

(a) if "Cash Settlement" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.1 or is validly elected (or deemed to have been elected) by the Issuer or Securityholder pursuant to Condition 5.1(d) or (e), at the Final Cash Settlement Amount on the Redemption Date; or

(b) if "Physical Settlement" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.1 or is validly elected by the Issuer or Securityholder pursuant to Condition 5.1(d) or (e), by delivery of the Final Physical Redemption Entitlement on the applicable Final Physical Redemption Date; or

(c) if "Cash or Physical Settlement" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.1, and (i) the conditions to cash settlement

specified in the applicable Final Terms are satisfied, at the Final Cash Settlement Amount on the Redemption Date, or (ii) the conditions to physical settlement specified in the applicable Final Terms are satisfied, by delivery of the Final Physical Redemption Entitlement on the applicable Final Physical Redemption Date; or

(d) if "Issuer Settlement Option" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.1, in accordance with Condition 5.1(a) if the Issuer elects (or is deemed to have elected) for Cash Settlement to apply or in accordance with Condition 5.1(b) if the Issuer elects for Physical Settlement to apply. Notice of the Issuer's election shall be given to Securityholders in accordance with Condition 16 no later than 10 Business Days prior to the Redemption Date. If notice of such election is not given, Cash Settlement shall be deemed to have been elected to apply to the Securities; or

(e) if "Securityholder Settlement Option" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.1, in accordance with Condition 5.1(a) if the Securityholder elects (or is deemed to have elected) for Cash Settlement to apply or in accordance with Condition 5.1(b) if the Securityholder elects for Physical Settlement to apply in accordance with Condition 7.1.

5.2 Early Redemption at the Option of Securityholders

If "Put Option" is specified to apply in the applicable Final Terms, upon the holder of such Security giving not less than 15 Business Days irrevocable notice to the Issuer (or such other notice period as may be specified in the applicable Final Terms) (such period the "**Put Notice Period**"), provided such notice is in the form of an Option Exercise Notice and delivered within the Put Option Exercise Period, the Issuer shall, subject to Conditions 7, 8 and 9 and the conditions to exercise set out below, redeem each Security to which such notice relates in whole (but not in part):

(a) if "Cash Settlement" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.2 or is validly elected (or deemed to have been elected) by the Issuer or Securityholder pursuant to Condition 5.2(c) or (d), at its Optional Cash Settlement Amount on the Optional Cash Redemption Date; or

(b) if "Physical Settlement" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.2 or is validly elected by the Issuer or Securityholder pursuant to Condition 5.2(c) or (d), by delivery of the Optional Physical Redemption Entitlement on the applicable Optional Physical Redemption Date; or

(c) if "Issuer Settlement Option" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.2, in accordance with Condition 5.2(a) if the Issuer elects (or is deemed to have elected) for Cash Settlement to apply or in accordance with Condition 5.2(b) if the Issuer elects for Physical Settlement to apply. Notice of the Issuer's election shall be given to Securityholders in accordance with Condition 16 no later than 10 Business Days (or such other notice period as may be specified in the applicable Final Terms) prior to last day of the Put Notice Period. If notice of such election is not given, Cash Settlement shall be deemed to have been elected to apply to the Securities; or

(d) if "Securityholder Settlement Option" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.2, in accordance with Condition 5.2(a) if the Securityholder elects (or is deemed to have elected) for Cash Settlement to apply or in

accordance with Condition 5.2(b) if the Securityholder elects for Physical Settlement to apply. The Securityholder must make its settlement election in the relevant Option Exercise Notice.

Notwithstanding anything to the contrary herein, to exercise such option the Securityholder must deposit (in the case of Bearer Securities) the relevant Bearer Securities (together with all unmatured or unexchanged Coupons) with any Paying Agent or (in the case of Registered Securities) the relevant Global Registered Security or Definitive Registered Security representing such Registered Securities with the Registrar or any Transfer Agent at its specified office together with the duly completed irrevocable option exercise notice (the "**Option Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable). If the Securities are Cleared Securities such option may be exercised by the relevant Securityholder giving an Option Exercise Notice to the Issue and Paying Agent through the Relevant Clearing Systems stating the nominal amount of Notes or number of Certificates in respect of which the Put Option is exercised and the relevant Common Depositary, Common Safekeeper, custodian or nominee shall deposit and surrender the relevant Securities in accordance with the Relevant Rules. No transfers of interests in Cleared Securities in respect of which an Option Exercise Notice has been delivered will be valid and an Option Exercise Notice in respect of Cleared Securities must be accompanied by a copy of instructions given to the Relevant Clearing System by the relevant accountholder that the accountholder's account be blocked for such purposes. No Securities so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

With respect to Cleared Securities, if "Physical Settlement" is specified as the Settlement Method in the applicable Final Terms (or is elected by the Issuer or Securityholder), the delivery of the duly completed Option Exercise Notice by the Securityholder to the Issue and Paying Agent through the Relevant Clearing Systems shall be deemed to satisfy the condition precedent to settlement of delivery of a Delivery Entitlement Instruction pursuant to Condition 7, provided that such Option Exercise Notice contains all information necessary for the Relevant Clearing System and the Issuer or its agent to effect physical delivery of the relevant Optional Physical Redemption Entitlement.

Notwithstanding anything to the contrary herein, if the Securities are CREST Securities, such option may be exercised by the relevant Securityholder sending an Option Exercise Notice by way of a Dematerialised Instruction to the Operator (or procuring that such an instruction is sent) in the form obtainable from the Issuer or the CREST Agent. Such Option Exercise Notice must state the nominal amount of Notes or number of Certificates in respect of which the Put Option is exercised and irrevocably instruct the Operator to transfer from the Securityholder's account to the appropriate account of the Issuer in CREST the relevant nominal amount of Notes or number of Certificates to be redeemed, provided that the Option Exercise Notice shall not be effective until such transfer to the Issuer's account is complete.

The right to require redemption of Notes or Certificates that are CREST Securities in accordance with this Condition 5.2 must be exercised in accordance with the CREST Requirements and if there is any inconsistency between the foregoing and the CREST Requirements, the latter shall prevail. No CREST Securities in respect of which such option has been exercised may be withdrawn without the prior consent of the Issuer.

For the avoidance of doubt, if the last day of the relevant Put Notice Period is the same date as the Redemption Date, unless otherwise specified in the applicable Final Terms, the Securities shall be redeemed in accordance with this Condition 5.2.

5.3 Early Redemption at the Option of the Issuer or following the occurrence of a Nominal Call Event

If "Call Option" or "Nominal Call Event" is specified to apply in the applicable Final Terms, the Issuer may, on giving not less than 15 Business Days' irrevocable notice to Securityholders (such notice an "**Early Redemption Notice**") (or such other notice period as may be specified in the applicable Final Terms) (such period the "**Issuer Notice Period**"), provided that if the notice relates to a Call Option such notice is delivered within the Issuer Option Exercise Period and subject to Conditions 7, 8 and 9, redeem some or all of the Securities in whole (but not in part):

(a) if "Cash Settlement" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.3 or is validly elected (or deemed to have been elected) by the Issuer or Securityholder pursuant to Condition 5.3(c) or (d), at its Optional Cash Settlement Amount together with accrued interest on the Optional Cash Redemption Date; or

(b) if "Physical Settlement" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.3 or is validly elected by the Issuer or Securityholder pursuant to Condition 5.3(c) or (d), by delivery of the Optional Physical Redemption Entitlement on the applicable Optional Physical Redemption Date; or

(c) if "Issuer Settlement Option" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.3, in accordance with Condition 5.3(a) if the Issuer elects (or is deemed to have elected) for Cash Settlement to apply or in accordance with Condition 5.3(b) if the Issuer elects for Physical Settlement to apply. Unless otherwise specified in the applicable Final Terms, the Issuer's election will be specified in the Early Redemption Notice. If no election is made in the Early Redemption Notice, Cash Settlement shall be deemed to have been elected to apply to the Securities; or

(d) if "Securityholder Settlement Option" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.3, in accordance with Condition 5.3(a) if the Securityholder elects (or is deemed to have elected) for Cash Settlement to apply or in accordance with Condition 5.3(b) if the Securityholder elects for Physical Settlement to apply in accordance with Condition 7.1.

For the avoidance of doubt, if the last day of the relevant Issuer Notice Period is the same date as the Redemption Date, the Securities shall be redeemed in accordance with this Condition 5.3.

In the event that any option of the Issuer is exercised with respect to some but not all of the Securities of any Series and such Securities are Cleared Securities, the rights of accountholders with the Relevant Clearing System in respect of the Securities will be governed by the standard procedures and Relevant Rules (to be reflected in the records of the Relevant Clearing System as either a pool factor or a reduction in nominal amount or number, as applicable at their discretion).

5.4 Early Redemption or Adjustment following the occurrence of an Additional Disruption Event

If an Additional Disruption Event occurs, the Issuer may, at its sole and absolute discretion:

(a) request that the Determination Agent determines, at its sole and absolute discretion, whether an appropriate adjustment can be made to the Conditions and any other provisions relating to the Securities to account for the economic effect of such event on the

Securities and to preserve substantially the economic effect to the Securityholders of a holding of the relevant Security. If the Determination Agent determines that such adjustment(s) can be made, the Issuer shall determine the effective date of such adjustment(s) and take the necessary steps to effect such adjustment(s). The Issuer shall notify Securityholders of any such adjustment(s) in accordance with Condition 16 as soon as reasonably practicable after the nature and effective date of the adjustments is determined. If the Determination Agent determines that no adjustment that could be made would produce a commercially reasonable result and preserve substantially the economic effect to the Securityholders of a holding of the relevant Security it shall notify the Issuer of such determination and no adjustment(s) shall be made. None of the Determination Agent, the Issuer or any other party shall be liable to any holder, Securityholder or any other person for any determination and/or adjustment made by the Determination Agent and/or the Issuer pursuant to this Condition 5.4(a); /or

(b) on giving not less than 10 Business Days' irrevocable notice to Securityholders (or such other notice period as may be specified in the applicable Final Terms) (such period the "**Early Redemption Notice Period**") in accordance with Condition 16 (such notice an "**Additional Disruption Event Redemption Notice**"), redeem all of the Securities of the relevant Series in whole, subject to Conditions 7, 8 and 9, at their Early Cash Settlement Amount on the Early Cash Redemption Date.

5.5 Early Redemption following the occurrence of a Specified Early Redemption Event

If a Specified Early Redemption Event occurs, the Issuer may, or shall if "Automatic Early Redemption" is specified as applicable in the applicable Final Terms, on giving not less than 15 Business Days' irrevocable notice (a "**Specified Early Redemption Notice**") to Securityholders (or such other notice period as may be specified in the applicable Final Terms) (such period the "**Specified Early Redemption Notice Period**"), subject to Conditions 7, 8 and 9, redeem each Security (in whole or in part):

(a) if "Cash Settlement" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.5 or is elected (or deemed to have been elected) by the Issuer or the Securityholder pursuant to Condition 5.5(c) or 5.5(d), at its Specified Early Cash Settlement Amount together with accrued interest on the Specified Early Cash Redemption Date; or

(b) if "Physical Settlement" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.5 or is validly elected by the Issuer or the Securityholder pursuant to Condition 5.5(c) or 5.5(d), by delivery of the Specified Early Physical Redemption Entitlement on the applicable Specified Early Physical Redemption Date; or

(c) if "Issuer Settlement Option" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.5, in accordance with Condition 5.5(a) if the Issuer elects (or is deemed to have elected) for Cash Settlement to apply or in accordance with Condition 5.5(b) if the Issuer elects for Physical Settlement to apply. Unless otherwise specified in the applicable Final Terms, the Issuer's election will be specified in the Specified Early Redemption Notice. If no election is made in the Specified Early Redemption Notice, Cash Settlement shall be deemed to have been elected to apply to the Securities; or

(d) if "Securityholder Settlement Option" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.5, in accordance with Condition 5.5(a) if the Securityholder elects (or is deemed to have elected) for Cash Settlement to apply or in accordance with Condition 5.5(b) if the Securityholder elects for Physical Settlement to apply in accordance with Condition 7.1.

5.6 Maximum and Minimum Redemption Requirements

With respect to the Securities of any Series, additional requirements in respect of their redemption may be specified in the applicable Final Terms, including but not limited to the following:

(a) Restrictions on Securities Redeemable

If the applicable Final Terms specify a Minimum Number or Minimum Nominal Amount, the number or nominal amount of Securities redeemable at the option of any Securityholder pursuant to Condition 5.2 on any particular Business Day must not be less than such Minimum Number or Minimum Nominal Amount and, if a number or nominal amount greater than such Minimum Number or Minimum Nominal Amount, must be an integral multiple of such Minimum Number or Minimum Nominal Amount.

Any Option Exercise Notice given pursuant to Condition 5.2 which purports to redeem Securities in breach of this Condition 5.6(a) shall be void and of no effect unless the Issuer (having been notified by the Issue and Paying Agent) agrees otherwise.

(b) Daily Maximum Amount

If the Issue and Paying Agent determines, in its sole and absolute discretion, that any Option Exercise Notice(s) given pursuant to Condition 5.2 by one or more Securityholders on any Business Day are, in aggregate, in respect of more than the relevant Daily Maximum Amount or Daily Maximum Number (if any), then the Issue and Paying Agent shall, unless the Issuer otherwise directs:

(i) deem such Option Exercise Notice(s) to apply on such Business Day in respect of the redemption of a nominal amount or number of Securities equal to the relevant Daily Maximum Amount or Daily Maximum Number of such Securities to which they relate (selected, in each case, by the Issue and Paying Agent on a *pro rata* basis, to the extent possible, failing which such selection to be at the Issue and Paying Agent's sole discretion and in accordance with the Relevant Rules if the Securities are Cleared Securities and in each case to ensure that such Securityholder or group of Securityholders submitting an Option Exercise Notice is, notwithstanding the provisions of this Condition 5.6(b)(i), complying with Condition 5.6(a)); and

(ii) thereafter deem each successive Business Day to be one on which an Option Exercise Notice has been delivered for the purpose of Condition 5.2 in respect of the remaining Securities (not exceeding such Daily Maximum Amount or Daily Maximum Number on any Business Day) until all Securities to which the original Option Exercise Notice(s) relate(s) have been redeemed,

provided that if on the final day of the Put Option Exercise Period there exists an outstanding nominal amount or number of Securities, in excess of the relevant Daily Maximum Amount or Daily Maximum Number, for which Option Exercise Notices have

been given (or deemed to have been given) pursuant to Condition 5.2 on such day, the Issue and Paying Agent shall, at its sole discretion, select on a *pro rata* basis (to the extent possible) a portion of such Securities to be redeemed such that the maximum nominal amount or number of Securities that may be redeemed without exceeding the relevant Daily Maximum Amount or Daily Maximum Number are redeemed on such day. Option Exercise Notices in respect of any remaining Securities that have not been so selected for redemption shall be void and of no effect and such Securities shall be redeemed on their Redemption Date, unless the Issuer (having been notified by the Issue and Paying Agent) agrees otherwise.

6 Exercise or Cancellation of Securities that are Warrants or Exercisable Certificates

This Condition 6 applies only to Securities that are Warrants and Certificates which are specified to be exercisable in accordance with this Condition 6 in the applicable Final Terms ("**Exercisable Certificates**"). Any such Securities being exercised or cancelled pursuant to this Condition 6 shall, subject to compliance with the procedures set out in this Condition 6, unless specified otherwise in the applicable Final Terms, be settled, subject to Conditions 7, 8 and 9, in accordance with the applicable Settlement Method. Notwithstanding anything to the contrary herein, "Cash Settlement" will always apply to CREST Securities.

6.1 Exercise Period and Expiry

(a) Exercise Period

Securities that are Warrants or Exercisable Certificates may be specified in the applicable Final Terms to be American Style, Bermudan Style, European Style or Other Exercise Style. If Securities are specified to be:

(i) American Style, such Securities will be exercisable on any Exercise Business Day during the Exercise Period;

(ii) Bermudan Style, such Securities will be exercisable only on the Potential Exercise Business Dates during the Exercise Period and on the Expiration Date;

(iii) European Style, such Securities will be exercisable only on the Exercise Date being the Expiration Date; or

(iv) Other Exercise Style, such Securities will be exercisable in accordance with the terms specified for such purpose in the applicable Final Terms,

and for the purpose of this Condition 6 each date on which a Security can be exercised is an "**Eligible Exercise Date**" in respect thereof.

(b) Multiple Exercise Securities

If Securities are specified in the applicable Final Terms to be "Multiple Exercise Securities", then the applicable Exercise Style will be specified as any of (i) American Style, (ii) Bermudan Style or (iii) Other Exercise Style. For the avoidance of doubt, Multiple Exercise Securities are not capable of being European Style.

All Multiple Exercise Securities shall be Cash Settled Securities and shall be designated in the applicable Final Terms to be either "Single Pay" or "Multi-Pay", where:

(i) "Single Pay" denotes that each Security may, subject to any Exercise Parameters, be exercised on only one of the applicable Eligible Exercise Dates and following such exercise that Security shall not be capable of being exercised on any subsequent Eligible Exercise Date; and

(ii) "Multi-Pay" denotes that each Security may, subject to any Exercise Parameters, be exercised on all or some only of the applicable Eligible Exercise Dates and any such exercise does not preclude that Security being capable of being exercised on any subsequent Eligible Exercise Date.

The Exercise Parameters, if any, specified in the Final Terms may specify whether such Security can be exercised in whole or in part on any Eligible Exercise Date, whether such exercise must be in respect of a specific number of Units and/or any other applicable parameters governing the exercise thereof.

(c) Expiry

Except where "Automatic Exercise" is specified as applicable in the applicable Final Terms, any Security with respect to which no valid Security Exercise Notice has been delivered on or prior to (i) 10:00 a.m. London time, if the Securities are not Cleared Securities or (ii) 10:00 a.m. Luxembourg or Brussels time or such other time as determined by the Determination Agent as appropriate for the Relevant Clearing System, if the Securities are Cleared Securities or (iii) 10:00 a.m. London time or such other time as is determined by the Issuer, if the Securities are CREST Securities (the "**CREST Cut-off Time**"), in each case on the Expiration Date shall become void and no amounts shall be payable by the Issuer to the relevant Securityholders in respect of such void Securities.

6.2 Cancellation or Adjustment following the occurrence of an Additional Disruption Event or Cancellation following the occurrence of a Nominal Call Event or Cancellation following the occurrence of a Specified Early Cancellation Event

(a) If an Additional Disruption Event occurs, the Issuer may, at its sole and absolute discretion:

(i) request that the Determination Agent determines, at its sole and absolute discretion, whether an appropriate adjustment can be made to the Conditions and any other provision relating to the Securities to account for the economic effect of such event on the Securities and to preserve substantially the economic effect to the Securityholders of a holding of the relevant Security. If the Determination Agent determines that such adjustment(s) can be made, the Issuer shall determine the effective date of such adjustment(s) and take the necessary steps to effect such adjustment(s). The Issuer shall notify Securityholders of any such adjustment(s) in accordance with Condition 16 as soon as reasonably practicable after the nature and effective date of the adjustments is determined. If the Determination Agent determines that no adjustment that could be made would produce a commercially reasonable result and preserve substantially the economic effect to the Securityholders of a holding of the relevant Security it shall notify the Issuer of such determination and no adjustment(s) shall be made. None of the Determination Agent, the Issuer or any other party shall be liable to any person for any determination and/or adjustment made by the Determination Agent and/or the Issuer pursuant to this Condition 6.2(a); /or

(ii) on giving not less than 10 Business Days' irrevocable notice to Securityholders (such notice an "**Additional Disruption Event Cancellation Notice**") (or such other notice period as may be specified in the applicable Final Terms) (such period the "**Early Cancellation Notice Period**") in accordance with Condition 16, cancel all of the Securities of the relevant Series in whole but not in part and the Issuer shall, subject to Conditions 7, 8 and 9, pay to each Securityholder in respect of each Security, or if Units are specified in the applicable Final Terms, each such Unit, the Early Cash Settlement Amount on the applicable Early Cancellation Date.

(b) If a Nominal Call Event occurs, the Issuer may, on giving not less than 15 Business Days' irrevocable notice to Securityholders (such notice a "**Nominal Call Cancellation Notice**") (or such other notice period as may be specified in the applicable Final Terms) (such period the "**Nominal Call Cancellation Notice Period**"), in accordance with Condition 16 cancel all of the Securities of the relevant Series in whole but not in part, subject to Conditions 7, 8 and 9, as follows:

(i) if "Cash Settlement" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 6.2(b) or is validly elected (or deemed to have been elected) by the Issuer or Securityholder pursuant to Condition 6.2(b)(iii) or (iv), at its Early Cash Settlement Amount on the relevant Early Cancellation Date; or

(ii) if "Physical Settlement" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 6.2(b) or is validly elected by the Issuer or Securityholder pursuant to Condition 6.2(b)(iii) or (iv), by delivery of the Early Physical Cancellation Entitlement on the applicable Early Physical Cancellation Date; or

(iii) if "Issuer Settlement Option" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 6.2(b), in accordance with Condition 6.2(b)(i) if the Issuer elects (or is deemed to have elected) for Cash Settlement to apply or in accordance with Condition 6.2(b)(ii) if the Issuer elects for Physical Settlement to apply. Unless otherwise specified in the applicable Final Terms, the Issuer's election will be specified in the Nominal Call Cancellation Notice. If no election is made in the Nominal Call Cancellation Notice, Cash Settlement shall be deemed to have been elected to apply to the Securities; or

(iv) if "Securityholder Settlement Option" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 6.2(b), in accordance with Condition 6.2(b)(i) if the Securityholder elects (or is deemed to have elected) for Cash Settlement to apply or in accordance with Condition 6.2(b)(ii) if the Securityholder elects for Physical Settlement to apply in accordance with Condition 7.1.

(c) If a Specified Early Cancellation Event occurs, the Issuer may, or shall if "Automatic Early Cancellation" is specified as applicable in the applicable Final Terms, on giving not less than 15 Business Days' irrevocable notice (a "**Specified Early Cancellation Notice**") to Securityholders (or such other notice period as may be specified in the applicable Final Terms) (such period the "**Specified Early Cancellation Notice Period**") in accordance with Condition 16, subject to Conditions 7, 8 and 9, cancel each Security (in whole or in part):

(i) if "Cash Settlement" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 6.2(c) or is validly elected (or deemed to have been elected) by the Issuer or the Securityholder pursuant to Condition 6.2(c)(iii) or 6.2(c)(iv), at its Specified Early Cash Settlement Amount together with accrued interest on the Specified Early Cash Cancellation Date; or

(ii) if "Physical Settlement" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 6.2(c) or is validly elected by the Issuer or the Securityholder pursuant to Condition 6.2(c)(iii) or 6.2(c)(iv), by delivery of the Specified Early Physical Cancellation Entitlement on the Specified Early Physical Cancellation Date; or

(iii) if "Issuer Settlement Option" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 6.2(c), in accordance with Condition 6.2(c)(i) if the Issuer elects (or is deemed to have elected) for Cash Settlement to apply or in accordance with Condition 6.2(c)(ii) if the Issuer elects for Physical Settlement to apply. Unless otherwise specified in the applicable Final Terms, the Issuer's election will be specified in the Specified Early Cancellation Notice. If no election is made in the Specified Early Cancellation Notice, Cash Settlement shall be deemed to have been elected to apply to the Securities; or

(iv) if "Securityholder Settlement Option" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 6.2(c), in accordance with Condition 6.2(c)(i) if the Securityholder elects (or is deemed to have elected) for Cash Settlement to apply or in accordance with Condition 6.2(c)(ii) if the Securityholder elects for Physical Settlement to apply in accordance with Condition 7.1.

6.3 Exercise and Cancellation Procedure

(a) *Exercise*

Unless otherwise specified in the applicable Final Terms or automatically exercised in accordance with Condition 6.4, a Securityholder wishing to exercise any of its Securities (other than CREST Securities) on an Eligible Exercise Date must, on or prior to (i) 10:00 a.m. London time, if the Securities are not Cleared Securities or (ii) 10:00 a.m., Luxembourg or Brussels time if the Securities are Cleared Securities (as appropriate for the Relevant Clearing System), on such Eligible Exercise Date, deposit (in the case of Bearer Securities) the relevant Bearer Securities (together with all unmatured or unexchanged Coupons) with any Paying Agent or (in the case of Registered Securities) the relevant Global Registered Security or Definitive Registered Security representing such Registered Securities with the Registrar or any Transfer Agent at its specified office, together with a duly completed irrevocable exercise notice (a "**Security Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable). If Units are specified in the applicable Final Terms, the Securities may only be exercised in Units. Each Unit will consist of the number of Warrants or Exercisable Certificates specified in the applicable Final Terms.

If the Securities are Cleared Securities, a Warrant or Exercisable Certificate may be exercised by the relevant Securityholder giving a Security Exercise Notice to the Issue and Paying Agent through the Relevant Clearing Systems in accordance with the Relevant Rules

stating the number of Securities or, if applicable, Units to be exercised. No transfers of interests in Cleared Securities in respect of which a Security Exercise Notice has been delivered will be valid and a Security Exercise Notice in respect of Cleared Securities must be accompanied by a copy of instructions given to the Relevant Clearing System by the relevant accountholder that the accountholder's account be blocked for such purposes.

If "Securityholder Settlement Option" is specified as applicable in the applicable Final Terms, the Securityholder must specify its settlement election in the relevant Security Exercise Notice. If no settlement election is so specified in the relevant Security Exercise Notice, Cash Settlement shall be deemed to have been elected to apply to the Securities.

If "Physical Settlement" is specified in the applicable Final Terms or elected by the Securityholder in the relevant Security Exercise Notice, settlement of the Securities shall be subject to Condition 7.2 and the delivery of a Delivery Entitlement Instruction. A separate Delivery Entitlement Instruction will not be required if the relevant Security Exercise Notice contains all information necessary for the Relevant Clearing System and the Issuer or its agent to effect physical delivery of the relevant Exercise Physical Settlement Entitlement.

If a Security Exercise Notice is delivered after 10:00 a.m., Luxembourg or Brussels time (as appropriate) on a given Eligible Exercise Date, it shall be deemed to have been delivered, as the case may be, on the next Eligible Exercise Date (and if there is no such date, such Security Exercise Notice shall be of no effect).

If CREST Securities are not automatically exercised in accordance with Condition 6.4, such CREST Securities may be exercised by the relevant Securityholder sending a Security Exercise Notice on or prior to the CREST Cut-off Time on an Eligible Exercise Date by way of a Dematerialised Instruction to the Operator (or procuring that such an instruction is sent) in the form obtainable from the Issuer or the CREST Agent. Such Security Exercise Notice must state the number of Securities or, if applicable, Units being exercised and irrevocably instruct the Operator to transfer from the Securityholder's account to the appropriate account of the Issuer in CREST the relevant Securities to be exercised, provided that the Security Exercise Notice shall not be effective until such transfer into the Issuer's account is complete.

If a Security Exercise Notice is delivered in respect of CREST Securities after the CREST Cut-off Time on a given Eligible Exercise Date, it shall be deemed to have been delivered, as the case may be, on the next Eligible Exercise Date (and if there is no such date, such Security Exercise Notice shall be of no effect).

The right to exercise such Securities in accordance with this Condition 6.3 must be exercised in accordance with the CREST Requirements and if there is any inconsistency between the foregoing and the rules and procedures of CREST, the latter shall prevail. No CREST Securities in respect of which such option has been exercised may be withdrawn without the prior consent of the Issuer.

Delivery of a Security Exercise Notice on any Eligible Exercise Date shall constitute an irrevocable election by the relevant Securityholder to exercise the Securities specified therein and thereafter, the exercising Securityholder may not transfer its Securities. In addition the Securityholder must undertake to pay all Taxes, Settlement Expenses, and any

Exercise Price and any other applicable amounts, in relation to the Securities (or portion thereof) being exercised.

Any person exercising a Security (other than a Security sold within the United States pursuant to Rule 144A) will be required to represent, *inter alia*, that it is not a US person, the Security is not being exercised within the United States or on behalf of a US person and no cash, securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a US person in connection with any exercise thereof.

(b) *Relevant Settlement Method*

The applicable Final Terms will specify whether the Warrants or Exercisable Certificates are Put Securities or Call Securities.

If an Actual Exercise Date or an Automatic Exercise Date occurs each of the relevant Securities will, subject to this Condition 6 and Conditions 7, 8 and 9 be exercised as follows:

(i) if "Cash Settlement" is specified as the Settlement Method in the applicable Final Terms or is elected (or deemed to have been elected) by the Issuer or Securityholder pursuant to Condition 6.3(b)(iii) or (iv), at its Exercise Cash Settlement Amount on the relevant Exercise Cash Settlement Date; or

(ii) if "Physical Settlement" is specified as the Settlement Method in the applicable Final Terms or is elected by the Issuer or Securityholder pursuant to Condition 6.3(b)(iii) or (iv) by delivery of the Exercise Physical Settlement Entitlement on the applicable Exercise Physical Settlement Date; or

(iii) if "Issuer Settlement Option" is specified as the Settlement Method in the applicable Final Terms, in accordance with Condition 6.3(b)(i) if the Issuer elects for Cash Settlement to apply or in accordance with Condition 6.3(b)(ii) if the Issuer elects for Physical Settlement to apply. The Issuer's election will be notified to the relevant Securityholder no later than 10 Business Days prior to the last day of the Exercise Notice Period. If no election is made Cash Settlement shall be deemed to have been elected to apply to the Securities; or

(iv) if "Securityholder Settlement Option" is specified as the Settlement Method in the applicable Final Terms, in accordance with Condition 6.3(b)(i) if the Securityholder elects (or is deemed to elect) for Cash Settlement to apply or in accordance with Condition 6.3(b)(ii) if the Securityholder elects for Physical Settlement to apply.

6.4 Automatic Exercise

This Condition 6.4 only applies to Securities for which "Automatic Exercise" is specified as applying in the applicable Final Terms.

(a) *Application of Automatic Exercise*

(i) If a Multiple Exercise Security is designated in the applicable Final Terms as Multi-Pay and an Actual Exercise Date does not occur on any Eligible Exercise Date on which the Securities are determined by the Determination Agent to be In-The-Money, then such Securities will be automatically exercised to the fullest extent

possible on such Eligible Exercise Date (in each case a "**Multiple Automatic Exercise Date**"); and/or

(ii) with respect to any Security other than a Multiple Exercise Security designated in the applicable Final Terms as Multi-Pay, if an Actual Exercise Date does not occur on or prior to the Expiration Date and the Securities are determined by the Determination Agent to be In-The-Money then such Securities will be automatically exercised (subject to the Exercise Parameters) on the Expiration Date (in each case, the "**Expiration Automatic Exercise Date**" and together with each Multiple Automatic Exercise Date, each an "**Automatic Exercise Date**")

(b) *Conditions to Settlement following Automatic Exercise*

If an Automatic Exercise Date occurs with respect to any Security, the Issuer will, as soon as reasonably practicable thereafter, notify Securityholders of the occurrence of such Automatic Exercise Date in accordance with Condition 16 (each such notice an "**Automatic Exercise Notice**").

For the avoidance of doubt, to receive any relevant Settlement Amount or Entitlement relating to an Automatic Exercise Date, the relevant Securityholder must satisfy all relevant conditions to settlement, including without limitation, (i) depositing (in the case of Bearer Securities) the relevant Bearer Securities with any Paying Agent or (in the case of Registered Securities) the relevant Global Registered Security or Definitive Registered Security representing such Registered Securities with the Registrar or any Transfer Agent at its specified office, (ii) the condition to settlement in Condition 9.6, and/or (iii) if "Physical Settlement" is specified in the applicable Final Terms or elected, delivery of a valid and complete Delivery Entitlement Instruction.

If the Securities are Cleared Securities this Condition 6.4 may be satisfied by the relevant Securityholder giving a Security Exercise Notice in accordance with the Relevant Rules to the Issue and Paying Agent through the Relevant Clearing Systems stating the number of Securities or, if applicable, Units in respect of which Automatic Exercise has occurred together with payment and delivery instructions, as applicable, for payment to the Issuer of the relevant Exercise Price, Taxes and any Settlement Expenses and/or delivery instructions for any Entitlement, as applicable.

Notwithstanding anything to the contrary herein, if the Securities are CREST Securities the relevant conditions to settlement for the purpose of this Condition 6.4 may be satisfied by the relevant Securityholder sending a Security Exercise Notice by way of a Dematerialised Instruction to the Operator (or procuring that such an instruction is sent) stating the number of Securities or, if applicable, Units in respect of which Automatic Exercise has occurred together with payment instructions for payment to the Issuer of the relevant Exercise Price, Taxes and any Settlement Expenses.

For the avoidance of doubt Condition 7.3 shall apply to Warrants and Exercisable Certificates in respect of which an Automatic Exercise Date occurs but in relation to which all conditions to settlement to be satisfied by a Securityholder are not satisfied in full on or prior to the Security Settlement Cut-off Date.

6.5 Maximum and Minimum Exercise Requirements

With respect to the Securities of any Series, additional requirements in respect of their exercise may be specified in the applicable Final Terms, including but not limited to the following:

(a) *Restrictions on Securities Exercisable*

If the applicable Final Terms specify a Minimum Number, the number of Securities exercisable by any Securityholder on any Actual Exercise Date or, where Automatic Exercise applies, the number of Securities held by any Securityholder on the Automatic Exercise Date (in each case, as determined by the Issue and Paying Agent) must not be less than such Minimum Number and, if a number greater than the Minimum Number, must be an integral multiple of such Minimum Number.

Any Security Exercise Notice which purports to exercise Securities in an amount that is less than such Minimum Number shall be void and of no effect and any Automatic Exercise Date which occurs shall not be deemed to have occurred with respect to Securities held by a Securityholder on the Automatic Exercise Date where the number of such Securities (in each case, as determined by the Issue and Paying Agent) is less than such Minimum Number, in each case unless the Issuer agrees otherwise.

(b) *Daily Maximum Number in respect of American Style Securities and Bermudan Style Securities*

If the Issue and Paying Agent determines, in its sole and absolute discretion, that Security Exercise Notice(s) given (or deemed to be given) pursuant to Condition 6.3 or 6.4 on any Eligible Exercise Date in respect of a Series of American Style Securities or Bermudan Style Securities are, in aggregate, in respect of more than the Maximum Daily Number (if any), then the Issue and Paying Agent shall, unless the Issuer otherwise directs:

(i) deem such Security Exercise Notices to apply on such Exercise Business Day in respect of the exercise of a number of Securities equal to the Daily Maximum Number of such Securities to which they relate (selected, in each case, by the Issue and Paying Agent on a *pro rata* basis, to the extent possible, failing which such selection to be at the Issue and Paying Agent's sole discretion and in accordance with the Relevant Rules if the Securities are Cleared Securities and in each case to ensure that such Securityholder or group of Securityholders submitting a Security Exercise Notice is, notwithstanding the provisions of this Condition 6.5(b), complying with Condition 6.5(a)); and

(ii) thereafter, deem each successive Exercise Business Day to be one on which a Security Exercise Notice has been delivered for the purpose of this Condition 6.5 in respect of the remaining Securities (not exceeding such Daily Maximum Number on any Exercise Business Day) until all Securities to which the original Security Exercise Notices have been exercised, provided that where any deemed Actual Exercise Date would thereby fall after the Expiration Date, such Actual Exercise Date shall be deemed to be the new Expiration Date.

In any case where more than the Daily Maximum Number of American Style Securities or Bermudan Style Securities are exercised on the same day by Securityholder(s), the order of settlement in respect of such Securities shall be at the sole discretion of the Issue and Paying Agent (in consultation with the Issuer).

6.6 Time

All references in this Condition 6 to "Luxembourg or Brussels time" shall, where the Securities are Cleared Securities and the Relevant Clearing System is not Clearstream or Euroclear respectively, be deemed to refer as appropriate to the time in the city where the relevant clearing system is located.

7 Settlement

7.1 Settlement at Option of Securityholder

If "Securityholder Settlement Option" is specified as the Settlement Method in the applicable Final Terms, to exercise such settlement option each Securityholder must:

(a) deposit and surrender (in the case of Bearer Securities) the relevant Bearer Securities (together with all unmatured or unexchanged Talons and Coupons) with any Paying Agent or, with respect to Cleared Securities, the Issue and Paying Agent or (in the case of Registered Securities) the relevant Registered Securities with the Registrar or any Transfer Agent at its specified office, provided that if the Securities are Cleared Securities, the relevant Common Depositary, Common Safekeeper, custodian or nominee shall make such deposit and surrender through the Relevant Clearing System in accordance with the Relevant Rules); and

(b) subject to Condition 7.1(c) below, deposit with any Paying Agent, Registrar or Transfer Agent, a duly completed settlement irrevocable option election notice (a "**Settlement Election Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) no later than 10 Business Days prior to the Redemption Date, the last day of the relevant Issuer Notice Period, Specified Early Redemption Notice Period or Nominal Call Cancellation Notice Period; or

(c) with respect to Conditions 5.2 and 6.3 only, make an irrevocable election with respect to settlement in the relevant Option Exercise Notice or Security Exercise Notice, as applicable and such notice shall be deemed to also be a Settlement Election Notice.

If no such settlement election is made in a Settlement Election Notice, Option Exercise Notice or Security Exercise Notice, the relevant Securityholder will be deemed to have elected for Cash Settlement to apply. No Security so deposited and surrendered and Settlement Election Notice, Option Exercise Notice or Security Exercise Notice so deposited may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

7.2 Physical Settlement by delivery of the Entitlement

(a) Delivery of Entitlement

The following provisions apply to the delivery of all Entitlements in respect of Securities unless otherwise specified in the applicable Final Terms.

(i) The Issuer shall, subject to Conditions 7, 8 and 9, on any relevant Physical Delivery Date, deliver or procure the delivery of the relevant Entitlement in respect of each Security or Unit to such account in respect of Cleared Securities in the Relevant Clearing System in accordance with the Relevant Rules and in respect of all other Securities such account as may be notified by the relevant Securityholder to the

Issuer in the relevant Delivery Entitlement Instruction or Exercise Notice, as applicable, at the risk and expense of the relevant Securityholder. If a Securityholder does not provide the Issuer with sufficient instructions in a timely manner to enable the Issuer and/or the Relevant Clearing System, if applicable, to effect any required delivery of the Entitlement, the due date for such delivery shall be postponed accordingly. The Issuer and the Relevant Clearing System, if applicable, shall determine whether any instructions received by it are sufficient and whether they have been received in time to enable delivery on any given date. As used herein, "**delivery**" in relation to any Entitlement means the carrying out of the steps required of the Issuer (or such person as it may procure to make the relevant delivery) in order to effect the transfer of the relevant Entitlement and "**deliver**" shall be construed accordingly. The Issuer shall not be responsible for any delay or failure in the transfer of any Entitlement once such steps have been carried out, whether resulting from settlement periods of clearing systems, acts or omissions of registrars or otherwise and shall have no responsibility for the lawfulness of the acquisition or transfer of the Entitlement or any interest therein by any Securityholder or any other person.

(ii) No delivery by (or on behalf of) the Issuer of a fraction of any component comprising the Entitlement shall be made. Securities (or, if Units are specified in the applicable Final Terms, Units, as the case may be) redeemed or exercised at the same time by the same Securityholder will be aggregated for the purpose of determining the aggregate Entitlement to be delivered, provided that the aggregate Entitlements in respect of the same Securityholder will be rounded down to the nearest whole unit of the relevant Reference Asset(s) or other component(s) of the Entitlement in such manner as the Determination Agent shall determine. Where the Entitlement would include a fraction of any component comprising the Entitlement the relevant Securityholder will be entitled to receive an amount in cash in lieu of such fraction as determined by the Determination Agent in its sole discretion.

(iii) No Securityholder will be entitled to receive dividends declared or paid in respect of any component of the relevant Entitlement or to any other rights relating to or arising out of any such component of the Entitlement if the record date for the relevant dividend or relevant right in respect of such components and Entitlement falls before the relevant Physical Delivery Date.

(iv) If any Exercise Price, Taxes, Settlement Expenses or any other amounts payable by the relevant Securityholder to the Issuer or the Guarantor have not been credited to the relevant Bank Account of the Issue and Paying Agent (in favour of the Issuer or the Guarantor, as applicable) prior to the relevant Physical Delivery Date, then the Issuer and/or the Guarantor shall be under no obligation to deliver or procure delivery of the Entitlement or make any payment of any nature to the relevant Securityholder in respect of the Securities being redeemed or exercised, and the Security Exercise Notice and related Delivery Entitlement Instruction, as the case may be, delivered in respect of such Securities shall thereafter be null and void for all purposes.

(v) The Issuer will endeavour to deliver (or procure delivery of) the relevant Entitlement to the Securityholder on the relevant Physical Delivery Date. In the event that a

Securityholder requests that delivery of the Entitlement be made at a location or in a method that is different from that specified in the applicable Final Terms, the Issuer may (but is not obliged to), provided that no additional unreimbursed costs are incurred, seek to deliver the Entitlement to such location and/or by such method. The Issuer shall, subject as provided below, on the relevant Physical Delivery Date, deliver or procure the delivery of the Transfer Documentation relating to the Entitlement (or in the case of a Reference Asset that is an equity unit, the Transfer Documentation in respect of such equity unit) to or to the order of the Securityholder or to such bank or broker as the Securityholder has specified in the relevant Delivery Entitlement Instruction.

(vi) All Entitlements will be delivered at the risk of the relevant Securityholder.

(b) Settlement Disruption Event

If, in the opinion of the Determination Agent, delivery of an Entitlement or any portion thereof is (or is likely to become) impossible or impracticable by reason of a Settlement Disruption Event having occurred and continuing on the relevant Physical Delivery Date (the assets comprising such Entitlement or portions thereof (the "**Affected Assets**")), then such Physical Delivery Date shall be postponed to the first following Relevant Settlement Day in respect of which there is no such Settlement Disruption Event, provided that:

(i) the Issuer shall attempt to deliver any portion of the Entitlement which does not comprise Affected Assets, on the originally designated Physical Delivery Date;

(ii) the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Security by delivering some or all of the Affected Assets using such other commercially reasonable manner as it may select and in such event the relevant Physical Delivery Date shall be such day as the Issuer deems appropriate in connection with delivery of the Entitlement in such other commercially reasonable manner; and

(iii) in respect of any Affected Assets, in lieu of physical settlement and notwithstanding any other provision hereof, the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Security by payment to the relevant Securityholder of the Disruption Cash Settlement Price on the Disruption Cash Settlement Date.

The Determination Agent shall give notice as soon as practicable to the Securityholders that a Settlement Disruption Event has occurred and payment of the Disruption Cash Settlement Price will be made, subject to Conditions 7, 8 and 9, in such manner as shall be notified, in each case in accordance with Condition 16. No Securityholder shall be entitled to any additional amount in the event of any delay in the delivery of the Entitlement or payment of the Disruption Cash Settlement Price due to the occurrence of a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer, the Guarantor and/or the Determination Agent.

(c) Substitute Assets

Where "Entitlement Substitution" is specified in the applicable Final Terms, if the Issuer determines in its sole and absolute discretion that (i) all or part of the Entitlement is comprised of securities, instruments or obligations that are not freely transferable, and/or

(ii) it is not able (or reasonably expects not to be able to) to acquire all or part of the Entitlement in the secondary market in time to deliver the Entitlement when due under the Securities as a result of illiquidity, and/or (iii) the price of all or part of the Entitlement has been materially affected as a result of illiquidity (each an "**Entitlement Substitution Event**"), (in each case such components of the Entitlement constituting the "**Affected Entitlement Components**"), the Issuer may, in its sole and absolute discretion, elect to either:

(i) substitute for such Affected Entitlement Components, an equivalent value (as determined by the Determination Agent in its sole and absolute discretion) of such other securities, instruments or obligations which the Determination Agent determines, in its sole and absolute discretion, are freely transferable and/or not affected by illiquidity, as applicable, (the "**Substitute Asset**" or the "**Substitute Assets**", as the case may be); or

(ii) not deliver or procure the delivery of the Affected Entitlement Components to the relevant Securityholders, but, subject to Conditions 7, 8 and 9, in lieu thereof to make payment of the Alternate Cash Amount to the relevant Securityholders on the Alternate Cash Amount Settlement Date.

Notification of the determination of an Entitlement Substitution Event and any such election and any relevant Substitute Asset(s), Alternate Cash Amount and Alternate Cash Amount Settlement Date will be given to Securityholders in accordance with Condition 16 by the Issuer as soon as reasonably practicable.

(d) Liability

Redemption or exercise of the Securities, payments by the Issuer, the Guarantor and any Agent and any delivery of an Entitlement in whole or in part by or on behalf of the Issuer and/or any Agent will be subject in all cases to all applicable fiscal and other laws, regulations and practices in force at such time (including, without limitation, any relevant exchange control laws or regulations and the Relevant Rules) and none of the Issuer, the Guarantor, the Relevant Clearing System or any Agent shall incur any liability whatsoever if it is unable to effect any payments or deliveries contemplated, after using all reasonable efforts, as a result of any such laws, regulations and practices. None of the Issuer, the Guarantor or any Agent shall under any circumstances be liable for any acts or defaults of the Relevant Clearing System in the performance of their respective duties in relation to the Securities or, in relation to the delivery of the Entitlement, the acts or defaults of any relevant Exchange.

7.3 Conditions to Settlement

If the Issuer determines in its sole and absolute discretion that any condition to settlement to be satisfied by a Securityholder has not been satisfied in respect of the Securities on or prior to the date on which settlement would otherwise have been scheduled to occur, payment or delivery of the relevant Settlement Amount or Entitlement shall not become due until the date on which all conditions to settlement have been satisfied in full (such Settlement Amount or Entitlement the "**Conditional Settlement Amount**"). No additional amounts shall be payable or deliverable as a result of any such delay or postponement.

The conditions to settlement to be satisfied by a Securityholder include, without limitation, (i) receipt of all instructions, certifications (including pursuant to Condition 7.5) and information by the Issuer, the Issue and Paying Agent and the Relevant Clearing System, as applicable, required by the Issuer, the Issue and Paying Agent and/or the Relevant Clearing System to effect payment or delivery of the relevant Settlement Amount or Entitlement to the Securityholder (or to its order) within the required time period, (ii) the condition to settlement in Condition 9.6, (iii) the deposit of a duly completed Exercise Notice, Settlement Election Notice, Delivery Entitlement Instruction or any other applicable notice in accordance with the Conditions, as applicable, and (iv) the deposit, presentation or surrender of the relevant Security, as applicable.

If the conditions to settlement to be satisfied by a Securityholder have not been satisfied by (i) 10:00 a.m. London time, if the Securities are not Cleared Securities or (ii) 10:00 a.m. Luxembourg or Brussels time or such other time as determined by the Determination Agent as appropriate for the Relevant Clearing System, on the day that is the number of calendar days equal to the Settlement Number following the Redemption Date, the Final Physical Redemption Date, the Optional Cash Redemption Date, the Optional Physical Redemption Date, the Early Cash Redemption Date, the Specified Early Cash Redemption Date, the Specified Early Physical Redemption Date, the Early Cancellation Date, the Early Physical Cancellation Date, the Actual Exercise Date or Automatic Exercise Date, as applicable, (the "**Security Settlement Cut-off Date**") as determined by the Determination Agent, the relevant conditions to settlement will not be capable of being satisfied. With effect from the Security Settlement Cut-off Date, the relevant Securityholder shall have no right to receive any payment or delivery of the Conditional Settlement Amount and shall have no claim against the Issuer or the Guarantor in relation thereto.

7.4 Postponement of Payments and Settlement

If the interest payable in respect of any Interest Calculation Period, any Settlement Amount or any Entitlement is determined by reference to the Valuation Date and/or Averaging Dates and such Valuation Date and/or Averaging Date(s) is affected by a market disruption, price disruption or other disruption as specified in any applicable Relevant Annex or the applicable Final Terms, such Valuation Date and/or Averaging Date(s) may be postponed as specified in any applicable Relevant Annex or the applicable Final Terms. In connection with the postponement of any Valuation Date and/or Averaging Date(s) the relevant Interest Payment Date, the Redemption Date, the Final Physical Redemption Date, the Optional Cash Redemption Date, the Optional Physical Redemption Date, the Early Cash Redemption Date, the Specified Early Cash Redemption Date, the Specified Early Cash Cancellation Date, the Specified Early Physical Redemption Date, the Specified Early Physical Cancellation Date, the Early Cancellation Date, the Early Physical Cancellation Date, the Exercise Cash Settlement Date or the Exercise Physical Settlement Date, as applicable, may be postponed as specified in any applicable Relevant Annex or the applicable Final Terms. No additional amounts shall be payable or deliverable by the Issuer or the Guarantor because of such postponement.

7.5 US Certification requirements

If the Final Terms for Notes or Certificates indicate that Type 1 US Commodities Restrictions apply, the Securityholder must provide the following written certification (or such other form of certification as may be agreed between the Issuer or one of its affiliates and the Securityholder to equivalent effect) as a condition to settlement:

"Neither the person holding the Notes or Certificates that are being redeemed, nor any person on whose behalf the Notes or Certificates that are being redeemed are held, is a US person or a person within the United States or (b) the person redeeming the Notes or Certificates, and each person on whose behalf the Notes or Certificates are being redeemed or who is the beneficial owner thereof, is an Eligible Contract Participant (as such term is defined in the Commodity Exchange Act).

We understand that this certification is required in connection with certain securities, commodities and other legislation in the United States. If administrative or legal proceedings are commenced or threatened in connection with which this certification is or might be relevant, we irrevocably authorise you to produce this notice or a copy thereof to any interested party in such proceedings."

If the Final Terms for Notes or Certificates indicate that Type 2 US Commodities Restrictions apply, the Securityholder must provide the following written certification (or such other form of certification as may be agreed between the Issuer or one of its affiliates and the Securityholder to equivalent effect) as a condition to settlement:

"Neither the person holding the Notes or Certificates that are being redeemed, nor any person on whose behalf the Notes or Certificates that are being redeemed are held, is a US person or a person within the United States.

We understand that this certification is required in connection with certain securities, commodities and other legislation in the United States. If administrative or legal proceedings are commenced or threatened in connection with which this certification is or might be relevant, we irrevocably authorise you to produce this notice or a copy thereof to any interested party in such proceedings."

8 Calculations and Publication

8.1 Calculations

For the purposes of any calculations required pursuant to the Conditions (unless otherwise specified in any applicable Relevant Annex or the applicable Final Terms), (a) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (b) all figures shall be rounded to seven significant figures (with 0.000005 being rounded up) and (c) all currency amounts that fall due and payable shall be rounded to the nearest unit of such Currency (with 0.000005 being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes, "**unit**" means the lowest amount of such Currency that is available as legal tender in the country of such Currency.

8.2 Determination and Publication of Interest Rates, Interest Amounts and Amounts in respect of Settlement

As soon as practicable on such date as the Issue and Paying Agent or, as applicable, the Determination Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation in respect of or in connection with any Security, such Agent shall determine such rate and calculate the relevant interest in respect of the Securities for the relevant Interest Calculation Period and calculate any Settlement Amount, Entitlement or any other

relevant amount with respect to a Settlement Method, obtain any required quotation or make such determination or calculation, as the case may be, and cause the interest, Interest Rate and Interest Amount, as applicable, for each Interest Calculation Period and the relevant Interest Payment Date and, if required to be calculated, any Settlement Amount, Entitlement or amount in lieu (in whole or in part) of such Entitlement to be notified to the Issuer, each of the Paying Agents, the Securityholders, any other Agent in respect of the Securities that is to make a payment, delivery or further calculation or determination upon receipt of such information and, if the Securities are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Calculation Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount or (ii) in all other cases, the fourth Business Day following such determination.

Where any Interest Payment Date or Interest Period End Date is subject to adjustment pursuant to Condition 8.4, the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Calculation Period. If interest bearing Securities become due and payable pursuant to Condition 10, the accrued interest and the Interest Rate payable in respect of the Securities shall nevertheless continue to be calculated as previously in accordance with Condition 4 but no publication of the Interest Rate or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Issue and Paying Agent or, as applicable, the Determination Agent shall (in the absence of manifest error) be final and binding upon all parties.

Where Valuation Date(s) and/or Averaging Date(s) are specified as applicable to the Securities in any applicable Relevant Annex and/or the applicable Final Terms, interest, Settlement Amounts and/or Entitlements may be determined by reference to the level, price, value or performance of one or more Reference Assets and/or such factor as compared to a specified level, price, value, barrier, threshold, trigger or other factor, as specified in any applicable Relevant Annex and/or applicable Final Terms on such Valuation Date(s) and/or Averaging Date(s).

8.3 Calculation Amount per Security

(a) General

If the Settlement Amount or Entitlement relating to a Security (other than in respect of a Multiple Exercise Security that is specified in the applicable Final Terms to be Multi-Pay) is specified or is to be determined by reference to the Calculation Amount per Security specified in the Final Terms, then on each occasion on which such Security is redeemed or exercised in part, the corresponding Settlement Amount or Entitlement shall be deemed to have been reduced by an amount proportional to the nominal amount or portion of the Security so redeemed or exercised with effect from the date of such partial reduction or exercise.

(b) Notes and Calculation Amount per Security

Notwithstanding anything to the contrary in the Conditions or the Agency Agreement, where in respect of Securities in the form of Notes the applicable Final Terms specify a Calculation Amount per Security in addition to one or more Specified Denominations, then

each calculation of an amount payable on a Note hereunder shall be made on the basis of the relevant Calculation Amount and the amount payable on any particular Note shall be equal to the product of (i) the amount produced by such calculation (after applying any applicable rounding in accordance with the Conditions) and (ii) the Calculation Amount Factor of that particular Note, where "**Calculation Amount Factor**" means the number equal to the Specified Denomination of the relevant Note divided by the relevant Calculation Amount per Security.

8.4 Business Day Convention

If (1) there is no numerically corresponding day of the calendar month in which an Interest Period End Date should occur or (2) if any date which is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then such date will be adjusted according to the Business Day Convention specified in the applicable Final Terms. If the Business Day Convention is specified to be:

(a) the "Following", such date shall be postponed to the next day that is a Business Day;

(b) the "Modified Following", such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day;

(c) the "Nearest", such date will be the first preceding day that is a Business Day if the relevant date otherwise falls on a day other than a Sunday or a Monday and will be the first following day that is a Business Day if the relevant date otherwise falls on a Sunday or a Monday; or

(d) the "Preceding", such date shall be brought forward to the immediately preceding Business Day.

8.5 Currency

Where the prices for one or more Reference Assets are quoted in a Currency other than the Settlement Currency, the Determination Agent shall use the Exchange Rate to convert such prices into the Settlement Currency, at such time or times and on such dates as the Determination Agent deems appropriate.

9 Payments and Deliveries

9.1 Definitive Bearer Securities

Payments of principal and interest and deliveries of any Entitlement in respect of Definitive Bearer Securities will, subject as mentioned below, be made against and subject to the condition to settlement of, presentation and surrender (or, in the case of part payment or delivery of any sum or Entitlement due, endorsement) of the relevant Definitive Bearer Securities (in the case of payments of principal and, in the case of interest, as specified in Condition 9.5(c)) or Coupons (in the case of interest, save as specified in Condition 9.5(c)), as the case may be, at the specified office of any Paying Agent outside the United States (i) if a payment, by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) denominated in such currency with, an Account Bank, subject to certification of non-US beneficial ownership, as applicable or (ii) if a delivery, in the manner notified to Securityholders.

Holders of Definitive Bearer Securities will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any such Security as a result of a transfer made in accordance with this Condition 9.1 arriving in such holder's account after the due date for payment.

A record of each payment and delivery made in respect of a Definitive Bearer Security of any Series will be made on the relevant Definitive Bearer Security by or on behalf of the Issue and Paying Agent, and such record shall be *prima facie* evidence that the payment or delivery in question has been made.

Notwithstanding the foregoing, if any Definitive Bearer Securities are denominated in US dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Definitive Bearer Securities in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

9.2 Definitive Registered Securities

Payments of principal and deliveries of any Entitlement in respect of each Definitive Registered Security will be made against and subject to the condition to settlement of, presentation and surrender of the relevant Definitive Registered Security at the specified office of the Registrar or any of the Transfer Agents and in the manner provided in the immediately following sub-paragraph below.

Payments of interest in respect of each Definitive Registered Security will be made on the relevant due date or next succeeding Business Day to the Securityholder (or the first named of joint Securityholders) of the Definitive Registered Security appearing in the Register at the close of business on the relevant Record Date. Payments of interest on each Definitive Registered Security will be made in the relevant currency by cheque drawn on an Account Bank and mailed to the holder (or to the first-named of joint holders) of such Definitive Registered Security at its address appearing in the Register. Upon application in writing by the holder in accordance with Condition 16.2 to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by electronic transfer to an account in the relevant currency maintained by the payee with an Account Bank. Delivery of any Entitlement will be made in the manner notified to Securityholders.

9.3 Global Securities

(a) Global Bearer Securities

No payment or delivery falling due after the Exchange Date will be made on any Global Bearer Securities unless exchange for an interest in a Permanent Global Security or for Definitive Bearer Securities is improperly withheld or refused. Payments on any Temporary Global Security issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-US beneficial ownership in the form set out in the Agency Agreement.

(b) CGNs

All payments and deliveries in respect of Bearer Securities in CGN Form will be made against and subject to the condition to settlement of, presentation for endorsement and, if no further payment or delivery falls to be made in respect of the Global Bearer Securities, surrender of that Global Bearer Security to or to the order of the Issue and Paying Agent or such other Paying Agent as shall have been notified to the Securityholders for such purpose. If the Global Bearer Security is in CGN Form, a record of each payment or delivery so made will be endorsed on each Global Bearer Security, which endorsement will be prima facie evidence that such payment or delivery has been made in respect of the Securities. Condition 11.1(vii) and Condition 12(e) will apply to the Definitive Bearer Securities only. Notwithstanding the above, all payments and deliveries in respect of CBF Securities will be made to the persons shown in the records of CBF.

(c) NGNs and Global Securities held under NSS

If a Global Bearer Security is a Cleared Security in NGN Form or a Global Registered Security is a Cleared Security held under the NSS, the Issuer shall procure that details of each such payment and delivery shall be entered pro rata in the records of the Relevant Clearing System and in the case of payments of principal or the delivery of any Entitlement, the nominal amount of Securities in the case of Notes or the relevant portion or number of Securities in the case of Certificates and Warrants, recorded in the records of the Relevant Clearing System and represented by the Global Bearer Securities or Global Registered Securities will be reduced accordingly (if applicable). Payments and deliveries under the Securities in NGN Form will be made to its holder. Each payment and delivery so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the Relevant Clearing System shall not affect such discharge.

(d) Global Registered Securities that are Cleared Securities

All payments and deliveries in respect of Cleared Securities that are represented by a Global Registered Security will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the due date for payment or delivery, for this purpose the Record Date.

(e) Relationship of Accountholders and Relevant Clearing Systems

Each of the persons shown in the records of the Relevant Clearing System as the holder of a Global Security must look solely to the Relevant Clearing System for his share of each payment or delivery made by the Issuer to the bearer of such Global Bearer Security or the holder of the underlying Registered Securities, as the case may be, and in relation to all other rights arising under the Global Securities, subject to and in accordance with the Relevant Rules. Such persons shall have no claim directly against the Issuer or the Guarantor in respect of payments or deliveries due on the Securities for so long as the Securities are represented by such Global Securities and such obligations of the Issuer or Guarantor will be discharged by payment or delivery to the bearer of such Global Bearer Security or the holder of the underlying Registered Security, as the case may be, in respect of each amount so paid or delivered.

(f) Payments through DTC

Payments of principal and interest in respect of Global Registered Securities held by a custodian for, and registered in the name of a nominee of, DTC will, if such Global Registered Securities are denominated in US dollars, be made in accordance with the preceding paragraphs. Payments of principal and interest in respect of Global Registered Securities held by a custodian for, and registered in the name of a nominee of, DTC will, if such Global Registered Securities are denominated in a currency other than US dollars, be made or procured to be made by the Exchange Agent in the relevant currency in accordance with the following provisions. The amounts payable by the Exchange Agent or its agent to DTC with respect to such Global Registered Securities will be received in such currency, from the Issuer by the Exchange Agent. The Exchange Agent will make payments by wire transfer of same day funds to the designated bank account in such currency of those DTC participants entitled to receive the relevant payment who have made an irrevocable election to DTC, in the case of interest payments, on or prior to the third DTC business day after the Record Date for the relevant payment of interest and, in the case of payments of principal, at least 12 DTC business days prior to the relevant payment date of principal, to receive that payment in such currency, provided that the Registrar has received the related notification from DTC on or prior to the fifth DTC business day after the Record Date for the relevant payment of interest or at least 10 DTC business days prior to the relevant payment date of principal, in respect of such payment, and the Registrar has accordingly notified the Exchange Agent in accordance with the Agency Agreement. If DTC does not so notify the Registrar, the relevant payment will be made in US dollars. The Exchange Agent, after conversion of amounts in such currency into US dollars, will deliver such US dollar amount in same day funds to DTC for payment through its settlement system to those DTC participants entitled to receive the relevant payment who did not elect to receive such payment in such currency. The Agency Agreement sets out the manner in which such conversions are to be made. "**DTC business day**" means any day on which DTC is open for business.

(g) No Responsibility

None of the Issuer, the Guarantor or the Agents will have any responsibility or liability for any aspect of the records relating to, or payments or deliveries made on account of, beneficial ownership interests in Global Securities or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. None of the persons appearing from time to time in the records of the Relevant Clearing System or the Registrar as the holder of any portion of Global Securities shall have any claim directly against the Issuer in respect of any payment or deliveries due on the Global Securities, and the Issuer's obligations to make any such payment or delivery shall be discharged by payment or delivery of the requisite amount to the holder of the Global Bearer Security or the registered holder of the relevant Global Registered Security, as applicable.

9.4 CREST Securities

The Issuer shall procure that all payments in respect of CREST Securities are made to the relevant Securityholder's cash memorandum account (as shown in the Operator register of corporate securities as at the close of business on the CREST Business Day immediately prior to the date for

payment) for value on the Relevant Date, such payment to be made in accordance with the CREST Requirements.

Each of the persons shown in the Operator register of corporate securities as the holder of a particular nominal amount or number of CREST Securities must look solely to the settlement bank or institution at which its cash memorandum account is held for its share of each such payment so made by or on behalf of the Issuer.

9.5 Unmatured Coupons and unexchanged Talons

(a) Unmatured Coupons and Unexchanged Talons void

Upon the due date for redemption of any Definitive Bearer Security, unmatured Coupons and unexchanged Talons relating to such Security (whether or not attached) shall become void and no payment shall be made in respect of them.

(b) Requirement for Indemnity

Where any Definitive Bearer Security is presented for redemption without all unmatured Coupons and any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

(c) Interest after Redemption

If the due date for redemption of any Definitive Bearer Security is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Definitive Bearer Security. Interest accrued on a Definitive Bearer Security which only bears interest after its date of redemption shall be payable on redemption of such Definitive Bearer Security against presentation thereof.

9.6 Taxes, Settlement Expenses and Exercise Price Conditions to Settlement

Payment of any Settlement Amount and delivery of any Entitlement in connection with the redemption, cancellation or exercise of the Securities shall be subject to deduction, or conditional upon payment by the relevant Securityholder(s), of any applicable Taxes and Settlement Expenses and any other amounts payable (including without limitation any Exercise Price payable by the Securityholder) as specified in these Base Conditions, any Relevant Annex or the applicable Final Terms. The Issuer shall notify the Securityholder(s) in accordance with Condition 16 of (a) such applicable Taxes, Settlement Expenses, Exercise Price and other amounts payable and (b) the manner in which such amounts shall be paid by the Securityholder(s).

9.7 Payment Days

If the due date (which, for the avoidance of doubt, will be determined after any applicable adjustment in accordance with a Business Day Convention) for any payment in respect of any Security or Coupon is not a Payment Day, then payment will not be made until the next succeeding Payment Day in the relevant place, and the holder thereof shall not be entitled to any further payment in respect of such delay.

9.8 Payment and deliveries subject to Laws

All payments and deliveries in respect of the Securities are subject in all cases to any applicable laws, regulations and directives, but without prejudice to the provisions of Condition 12.

10 Events of Default

If any of the following events occurs and is continuing, (i) the holder of any Security that is not a CREST Security may give notice to the Issue and Paying Agent at its specified office or (ii) in respect of a Series of CREST Securities, the holder of any CREST Security may give notice to the Issuer that such Security is, and such Security shall accordingly immediately become, due and repayable at the Early Cash Settlement Amount (and, notwithstanding that "Physical Settlement" is specified as the Settlement Method in the applicable Final Terms or elected for the purposes of Conditions 5, 6 or 7, Cash Settlement shall be deemed to be the Settlement Method):

(a) any interest on such Securities has not been paid within 14 calendar days following the due date for payment. The Issuer shall not, however, be in default if such sums ("**Withheld Amounts**") were not paid in order to comply with a mandatory law, regulation or order of any court of competent jurisdiction. Where there is doubt as to the validity or applicability of any such law, regulation or order, the Issuer will not be in default if it acts on the advice given to it during such 14 calendar day period by independent legal advisers; or

(b) without prejudice to Condition 7, the Issuer fails to deliver any Entitlement, in relation to the partial exercise or redemption of the Securities (other than on the Expiration Date), on the due date for delivery and such failure to deliver has not been remedied within 30 calendar days after notice of such failure shall have been given to the Issuer by any Securityholder, provided that an Event of Default shall not occur under this Condition 10(b) and any notice of failure shall not be valid if (i) any of the conditions to settlement to be satisfied by the Securityholder have not been so satisfied as at the due date for delivery or the date of such notice of failure, (ii) the Issuer has elected to pay the Disruption Cash Settlement Price or Alternate Cash Amount or to deliver Substitute Assets pursuant to Conditions 7.2 (b) or (c) (unless the failure to deliver relates to such Substitute Assets) or (iii) a notice is given to Securityholders pursuant to Condition 16; or

(c) the Issuer breaches any provision of such Securities that is materially prejudicial to the interests of the Securityholders, and that breach has not been remedied within 30 calendar days after the Issuer has received notice thereof from Securityholders holding at least one-tenth in nominal amount or number, as the case may be, of the relevant Series demanding remedy; or

(d) in the case of Securities issued by BCCL, the Guarantee ceases to be effective; or

(e) in the case of Securities issued by BCCL, an order is made or an effective resolution is passed for the winding up of BCCL or the Guarantor (otherwise than in connection with a scheme of reconstruction, merger or amalgamation the terms of which have previously been approved by an Extraordinary Resolution of the Securityholders); or

(f) in the case of Securities issued by the Bank, an order is made or an effective resolution is passed for the winding up of the Bank (otherwise than in connection with a scheme of reconstruction, merger or amalgamation the terms of which have previously been approved by an Extraordinary Resolution of the Securityholders).

11 Agents

11.1 Appointment of Agents

The Issue and Paying Agent, the Paying Agents, the Registrar, the CREST Agent, the Transfer Agents and the Determination Agent act solely as agents of the Issuer and, where applicable, the Guarantor and do not assume any obligation or relationship of agency or trust for or with any Securityholder or holder. The Issuer and, where applicable, the Guarantor reserve the right at any time to vary or terminate the appointment of the Issue and Paying Agent, any other Paying Agent, the Registrar, the CREST Agent, any Transfer Agent or the Determination Agent and to appoint additional or other Paying Agents or Transfer Agents or an additional or other CREST Agent, provided that the Issuer shall at all times maintain (i) an Issue and Paying Agent, (ii) a Registrar in relation to Registered Securities, (iii) a Transfer Agent in relation to Registered Securities, (iv) one or more Determination Agent(s) where the Conditions so require, (v) Paying Agents having specified offices in at least two major European cities, (vi) such other agents as may be required by any other stock exchange on which the Securities may be listed, (vii) to the extent not already satisfied pursuant to (v) or (vi) above, a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to such Directive and (viii) a CREST Agent in relation to CREST Securities. Notice of any termination of appointment and of any changes to the specified office of any Agent will be given to Securityholders in accordance with Condition 16.

11.2 Modification of Agency Agreement

(a) Securities that are not CREST Securities

The Issuer and the Guarantor shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement relating to Securities other than CREST Securities, if to do so would not in the opinion of the Issuer or Guarantor be expected to be materially prejudicial to the interests of the Securityholders or if such modification is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of any applicable law or to cure, correct or supplement any defective provision contained therein. Any such modification shall be binding on the Securityholders and shall be notified to the Securityholders in accordance with Condition 16 as soon as practicable thereafter, provided that failure to give, or non-receipt of, such notice will not affect the validity or binding nature of such modification.

(b) CREST Securities

The Agency Agreement in respect of CREST Securities may be amended by the Issuer and the CREST Agent without the consent of the holders of CREST Securities (other than in the case of (v) below) but subject, where reasonably practicable, to providing prior notice to holders of CREST Securities in accordance with Condition 16, for the purposes of (i) giving effect to any changes in any CREST Requirements, (ii) curing any ambiguity or reflecting any modification to the Conditions pursuant to Condition 20.1, (iii) curing, correcting or supplementing any defective provisions contained therein, (iv) effecting any amendment in

any manner which the Issuer and the CREST Agent may mutually deem necessary or desirable that will not materially adversely affect the interests of the holders of CREST Securities or (v) effecting any other amendment with the prior consent of the requisite majority of Securityholders pursuant to Condition 20.2.

11.3 Responsibility of the Issuer, the Guarantor and the Agents

The Issue and Paying Agent and the Determination Agent, as appropriate, shall have no responsibility or liability to any person for errors or omissions in any calculations, determinations made, or actions taken pursuant to the Conditions, and all such calculations and determinations shall (save in the case of manifest error) be final and binding on the Issuer, the Guarantor, the Agents and the Securityholders.

None of the Issuers, the Guarantor or any Agent shall be held responsible for any loss or damage resulting from any legal enactment (domestic or foreign), the intervention of a public authority (domestic or foreign), an act of war, strike, blockade, boycott, lockout or any other similar event or circumstance. The reservation in respect of strikes, blockades, boycotts and lockouts shall also apply if any of such parties itself take such measures or becomes the subject of such measures. Under no circumstances shall any of the Issuers, Guarantor or Agents be liable to pay compensation to any Securityholder for any loss, damage, liability, cost, claim, action or demand to any Securityholder in the absence of fraud. Furthermore under no circumstances shall any of the Issuers, Guarantor or Agents be liable to any Securityholder for loss of profit, indirect loss or damage or consequential loss or damage, notwithstanding it having been pre-advised of the possibility of such loss.

Where any of the Issuers, Guarantor or Agents due to any legal enactment (domestic or foreign), the intervention of a public authority (domestic or foreign), an act of war, strike, blockade, boycott, lockout or any other similar event or circumstance, is prevented from effecting payment or delivery, such payment or delivery may be postponed until the time the event or circumstance impeding payment has ceased, with no obligation to pay or deliver any additional amounts in respect of such postponement.

12 Taxation

Except to the extent that the Issuer or the Guarantor is required by law to withhold or deduct amounts for or on account of Tax or to the extent otherwise disclosed in the Conditions, a Securityholder must pay all Taxes arising from or payable in connection with the payment of interest, any Interest Amount or the ownership, transfer, sale, redemption, exercise, cancellation of any Security and/or the delivery or transfer of any Entitlement, or the payment of any Settlement Amount and/or any other payment relating to the Securities, as applicable. Neither the relevant Issuer nor the Guarantor (if applicable) is liable for, or otherwise obliged to pay amounts in respect of, any such Taxes borne by a Securityholder.

Except as otherwise specified in any Relevant Annex or the applicable Final Terms, all payments in respect of the Securities shall be made free and clear of, and without withholding or deduction for, any present or future Taxes of whatever nature imposed, levied, collected, withheld or assessed by or within the Bank Jurisdiction (or any authority or political subdivision thereof or therein having power to tax) or (in the case of Securities issued by BCCL) the BCCL Jurisdiction (or any authority or political subdivision thereof or therein having power to tax) unless such withholding or deduction is required by law. In that event, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts ("**Additional**

Amounts") as may be necessary in order that the net amounts receivable by the relevant holder after such withholding or deduction shall equal the respective amounts that would have been receivable by such holder in the absence of such withholding or deduction. Notwithstanding the above, no Additional Amounts shall be payable with respect to any Security:

(a) to, or to a third party on behalf of, a holder who is liable to such Taxes in respect of such Securities by reason of his having a connection with the Bank Jurisdiction or the BCCL Jurisdiction (as appropriate) other than the mere holding of the relevant Security or Coupon; or

(b) 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 complying or procuring that any third party complies with any statutory requirements or 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 relevant Security or Coupon is presented for payment; or

(c) presented for payment more than 30 calendar days after the Relevant Date, except to the extent that the holder would have been entitled to an Additional Amount on presenting such Security for such payment on the last day of such 30-day period; or

(d) where such withholding or deduction is imposed on a payment to an individual and required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such Directive; or

(e) (except in the case of Registered Securities or CREST Securities) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Security or Coupon to another Paying Agent without such deduction or withholding; or

(f) unless it is proved, to the satisfaction of the Issue and Paying Agent or the Paying Agent to whom the Security or Coupon is presented or, in respect of CREST Securities, to the satisfaction of the Issuer, that the holder is unable to avoid such withholding or deduction by satisfying any applicable certification, identification or reporting requirements or by making a declaration of non-residence or other similar claim for exemptions to the relevant tax authorities.

The imposition of any withholding or deduction on any payments in respect of the Securities by or on behalf of (i) the Issuer will be an "**Issuer Tax Event**" and (ii) the Guarantor, where the Securities are issued by BCCL, will be a "**Guarantor Tax Event**" if, in either case, such withholding or deduction is required by law.

References in the Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Securities, Settlement Amounts and all other amounts in the nature of principal payable pursuant to Conditions 5 or 6, (ii) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 4 or any amendment or supplement to it and (iii) "**principal**" and/or "**interest**" shall be deemed to include any additional amounts that may be payable under this Condition 12.

13 Prescription

Claims against the Issuer and/or the Guarantor, if applicable, for payment in respect of any Security and/or Coupon (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

14 Replacement of Securities

Should any Security or Coupon in respect of any Series be lost, stolen, mutilated, defaced or destroyed it may, subject to all applicable laws, regulations and any Relevant Stock Exchange or any other relevant authority regulations requirements, be replaced at the specified office of the Issue and Paying Agent, in the case of Bearer Securities or the Registrar, in the case of Registered Securities, or of such other Paying Agent or Transfer Agent, as may be designated from time to time by the Issuer for such purpose and notice of whose designation is given to Securityholders, in each case on payment by the claimant of the fees, expenses and Taxes incurred in connection therewith and on such terms as to evidence, security and indemnity and otherwise as the Issuer may require. If any Security or Coupon is mutilated or defaced it must be surrendered before replacements will be issued. This Condition 14 shall not apply to CREST Securities.

15 Unlawfulness or impracticability

Without duplication or prejudice to Condition 7.2, if the Issuer or the Guarantor determines that the performance of any of its absolute or contingent obligations under the Securities has become illegal or a physical impracticability in whole or in part for any reason, the Issuer may redeem or cancel the Securities by giving notice to Securityholders in accordance with Condition 16.

If the Issuer redeems or cancels the Securities then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Securityholder in respect of each Security held by such Securityholder, which amount shall be the Early Cash Settlement Amount of such Security, notwithstanding such illegality or impracticability as determined by the Determination Agent in its sole and absolute discretion. Payment will be subject to Conditions 7, 8 and 9 and will be made in such manner as shall be notified to the Securityholders in accordance with Condition 16.

16 Notices

16.1 To Securityholders

All notices to Securityholders will be deemed to have been duly given and valid:

(a) in the case of Bearer Securities, if published in a daily newspaper of general circulation in England (which is expected to be the *Financial Times)* and will be deemed to have been given on the date of first publication; and/or

(b) if and so long as Securities are listed on a Relevant Stock Exchange or are admitted to trading by another relevant authority if given in accordance with the rules and regulations of the Relevant Stock Exchange or other relevant authority and will be deemed to have been given on the first date of transmission or publication in accordance with such rules and regulations; and/or

(c) in the case of Registered Securities, if mailed to the relevant holders of such Registered Securities at their respective designated addresses appearing in the Register and will be deemed delivered on the third weekday (being a day other than a Saturday or a Sunday) after the date of mailing; and/or

(d) in the case of Cleared Securities, in substitution for publication or mailing as required above, notices to Securityholders may be given to the Relevant Clearing System provided that any publication or other requirements required pursuant to Condition 16.1(b) shall also be complied with if applicable. In such cases notices will be deemed given on the first date of transmission to the applicable Relevant Clearing System (regardless of any subsequent publication or mailing); and/or

(e) in the case of CREST Securities, if mailed to the relevant holders of such CREST Securities at their respective designated addresses appearing in the Record on the second CREST Business Day immediately prior to despatch of such notice and will be deemed delivered on the third weekday (being a day other than a Saturday or a Sunday) after the date of mailing or in substitution for mailing, if given to the Operator in which case it will be deemed delivered on the first date of transmission to the Operator (regardless of any subsequent mailing).

If any publication required pursuant to Condition 16.1(a) or (b) is not practicable, notice shall be validly given if published in another leading English language daily newspaper with circulation in Europe on the date of first publication.

Holders of Coupons shall be deemed for all purposes to have notice of the contents of any notice given to holders of Bearer Securities in accordance with this Condition 16.

16.2 To the Issuer and the Agents

In respect of any Series of Securities, all notices to the Issuer and/or the Agents must be sent to the address specified for each such entity in the Agency Agreement or to such other person or place as shall be specified by the Issuer and/or the Agent by notice given to Securityholders in accordance with this Condition 16.

16.3 Validity of Notices

Any determinations as to whether any notice is valid, effective and/or duly completed and in the proper form shall be made, (i) in the case of Cleared Securities, by the Issuer and the Relevant Clearing System or (ii) in the case of any notice in respect of CREST Securities that is given to the Operator, by the Issuer, the CREST Agent and the Operator or (iii) in the case of any other Securities by the Issuer, in consultation with the Issue and Paying Agent and shall be conclusive and binding on the Issuer, the Guarantor, the Agents and the relevant Securityholder(s).

Any notice determined not to be valid, effective, complete and in proper form shall be null and void unless the Issuer and the Relevant Clearing System, or (in respect of CREST Securities) the Issuer and the Operator, if applicable, agree otherwise. This provision shall not prejudice any right of the person delivering the notice to deliver a new or corrected notice.

The Issuer, Paying Agent, Registrar or Transfer Agent shall use all reasonable endeavours promptly to notify any Securityholder submitting a notice if it is determined that such notice is not valid, effective, complete or in the proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Guarantor, the Relevant Clearing System, (in respect of CREST

Securities) the Operator or any Agent, as the case may be, shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with any notification to a Securityholder or determination that a notice is not valid, effective, complete or in the proper form.

17 Substitution

17.1 The Issuer

Where the Issuer is BCCL, it shall be entitled at any time and from time to time, without the consent of the Securityholders, to substitute any subsidiary or holding company of the Issuer or any subsidiary of any such holding company in place of the Issuer (or any previously substituted company) (the "**New BCCL Issuer**") as issuer under the Securities of any Series, provided that (i) the New BCCL Issuer shall assume all obligations of the Issuer (or any previously substituted company) in relation to the Securityholders under or in relation to the Securities of such Series and (ii) the obligations of the New BCCL Issuer shall continue to be guaranteed by the Guarantor.

In the event of any such substitution, any reference in the Conditions of any relevant Securities to the Issuer shall be construed as a reference to the New BCCL Issuer. Such substitution shall be promptly notified to the Securityholders in accordance with Condition 16. In connection with such right of substitution, the Issuer shall not be obliged to have regard to the consequences of the exercise of such right for individual Securityholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with or subject to the jurisdiction of, any particular territory, and no Securityholder shall be entitled to claim from the Issuer any indemnification or payment in respect of any tax consequence of any such substitution upon such Securityholder.

17.2 The Bank

The Bank, acting in its capacity as Issuer of the Securities and/or as Guarantor shall be entitled at any time, without the consent of the Securityholders, to substitute any other entity the identity of which shall be in the absolute discretion of the Bank in place of the Bank as Issuer or, in relation to Securities issued by BCCL, as Guarantor (the "**New Bank Issuer**" or "**New Guarantor**" respectively) to act as issuer in respect of Securities issued by it and/or as guarantor in respect of the obligations of BCCL under any Series of Securities issued by BCCL that is then outstanding under the Programme and any Series of Securities issued by BCCL thereafter, provided that (i) the New Bank Issuer/New Guarantor's long-term unsecured, unsubordinated and unguaranteed debt obligations are rated at least the same as Barclays Bank PLC's long-term rating at the date on which the substitution is to take effect or the New Bank Issuer/New Guarantor has an equivalent long-term rating from another internationally recognised rating agency, (ii) any New Guarantor enters into a guarantee on substantially the same terms as the Guarantee (a "**New Guarantee**"), (iii) in the case of Securities eligible for sale in the United States to "qualified institutional buyers" in accordance with Rule 144A of the Securities Act, the New Bank Issuer would not be an "investment company" required to register as such under the US Investment Company Act of 1940, as amended, and (iv) no event of default as set out in Condition 10 shall occur as a result thereof.

In the event of any such substitution, any reference in the Conditions to the Bank as Issuer or as Guarantor shall be construed as a reference to the New Bank Issuer or New Guarantor and any reference to the Guarantee shall be construed as a reference to the New Guarantee. Such

substitution shall be promptly notified to the Securityholders of each Series then outstanding in accordance with Condition 16. In connection with such right of substitution, the Bank, in its capacity as Issuer or Guarantor, as the case may be, shall not be obliged to have regard to the consequences of the exercise of such right for individual Securityholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with or subject to the jurisdiction of, any particular territory, and no Securityholder shall be entitled to claim from the Bank or the New Bank Issuer or New Guarantor any indemnification or payment in respect of any tax consequence of any such substitution upon such Securityholder.

18 Governing Law and Jurisdiction

18.1 Governing Law

The Securities, Coupons and the Agency Agreement and any non-contractual obligations arising out of or in connection with them are governed by and shall be construed in accordance with English law.

18.2 Jurisdiction

The Courts of England are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Securities, Coupons and/or the Agency Agreement and accordingly any legal action or proceedings arising out of or in connection with them ("**Proceedings**") shall be brought in such courts.

18.3 Service of Process

BCCL irrevocably appoints Barclays Capital Services Limited at its offices for the time being (being at the date hereof at One Churchill Place, London E14 5HP) as its agent in England to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by BCCL). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, BCCL irrevocably agrees to appoint a substitute process agent and shall immediately notify Securityholders of such appointment in accordance with Condition 16. Nothing shall affect the right to serve process in any other manner permitted by law.

19 Severability

Should any one or more of the provisions contained in the terms and conditions of the Securities be or become invalid, the validity of the remaining provisions shall not be affected in any way.

20 Modification and Meetings

20.1 Modifications to the Conditions

The Issuer may, without the consent of the Securityholders, make any modification to the Conditions of any Securities that in its sole opinion is not materially prejudicial to the interests of the Securityholder or that is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law of the Bank Jurisdiction or (in the case of Securities issued by BCCL) any BCCL Jurisdiction, as the case may be, or to cure, correct or

supplement any defective provision contained herein and/or therein. Any such modification shall be binding on the Securityholders and any such modification shall be notified to the Securityholders in accordance with Condition 16 as soon as practicable thereafter. Failure to give, or non-receipt of, such notice will not affect the validity of such modification.

Notwithstanding anything to the contrary herein, the Issuer may make any modification to the Conditions of CREST Securities without the consent of the holders of such CREST Securities if such modification is to give effect to any changes in any of the CREST Requirements. Any modification of this type shall, where reasonably practicable, be subject to prior notice of the modification having been given to holders of CREST Securities pursuant to Condition 16.

20.2 Meetings of Securityholders

(a) Definitive Securities in bearer or registered form and CREST Securities

The Agency Agreement contains provisions for convening meetings of the Securityholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of the Conditions or the Agency Agreement. At least 21 calendar days' notice (exclusive of the day on which the notice is given and of the day on which the meeting is to be held) specifying the date, time and place of the meeting shall be given to Securityholders.

Such a meeting may be convened by the Issuer, the Guarantor or Securityholders holding not less than 10 per cent. in nominal amount (in the case of Notes) or number (in the case of Warrants and Certificates) of the Securities for the time being outstanding. The quorum at a meeting of the Securityholders (except for the purpose of passing an Extraordinary Resolution (as defined below)) will be two or more persons holding or representing a clear majority in nominal amount or number of the Securities held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Securities, any Exercise Date or Expiration Date of the Securities or any date for payment of interest or Interest Amounts on the Securities, (ii) to reduce or cancel the nominal amount of, or any premium payable on redemption or exercise of, the Securities, (iii) to reduce the rate or rates of interest in respect of the Securities or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Securities, (iv) if a Minimum and/or a Maximum Rate of Interest, or maximum and/or minimum Settlement Amount or Entitlement is specified in the applicable Final Terms, to reduce any such minimum and/or maximum, (v) to vary any method of, or basis for, calculating any Settlement Amount or Entitlement (other than as provided for in the Conditions), (vi) to vary the currency or currencies of payment or denomination of the Securities, (vii) to modify the provisions concerning the quorum required at any meeting of Securityholders or the majority required to pass the Extraordinary Resolution or (viii) to modify or cancel the Guarantee, in which case the quorum shall be two or more persons holding or representing not less than 75 per cent. or at any adjourned meeting not less than 25 per cent. in nominal amount (in the case of Notes) or number (in the case of Certificates and Warrants) for the time being outstanding. The Agency Agreement provides that a resolution in writing signed by or on behalf of the holders of not less than 90 per cent. in nominal amount (in the case of Notes) or number (in the case of Warrants and Certificates) outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution

passed at a meeting of Securityholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Securityholders.

A resolution will be an Extraordinary Resolution when it has been passed at a duly convened meeting and held in accordance with the terms of the Agency Agreement by a majority of at least 75 per cent of the votes cast. Any Extraordinary Resolution duly passed shall be binding on all the Securityholders, regardless of whether they are present at the meeting, save for those Securities that have not been redeemed but in respect of which an Exercise Notice shall have been delivered as described in Condition 5.2 or 6 prior to the date of the meeting. Securities that have not been redeemed but in respect of which an Option Exercise Notice has been delivered as described in Condition 5.2 and Securities that are Warrants or Exercisable Certificates that have not been exercised but in respect of which a Security Exercise Notice has been received as described in Condition 6 will not confer the right to attend or vote at, or join in convening, or be counted in the quorum for, any meeting of the Securityholders.

These Conditions may be amended, modified or varied in relation to any Series of Securities by the terms of the relevant Final Terms in relation to such Series.

(b) Global Securities in bearer or registered form

The holder of a Permanent Global Security shall (unless such Permanent Global Security represents only one Security) be treated as being two persons for the purposes of any quorum requirements of a meeting of Securityholders and, at any such meeting, the holder of a Permanent Global Security shall be treated as having one vote in respect of each integral currency unit of the Settlement Currency of the Security in the case of Notes or in respect of each integral currency unit of the applicable Calculation Amount per Security in the case of Certificates and Warrants.

21 Further Issues

The Issuer shall be at liberty from time to time, without the consent of the Securityholders or holders of Coupons, if applicable, to create and issue further Securities of any Series having the same terms and conditions as the Securities (so that, for the avoidance of doubt, references to "Issue Date" in these Base Conditions shall be to the first issue date of the Securities) and so that the same shall be consolidated and form a single Series with such Securities. References in the Conditions to "Securities" shall be construed accordingly.

22 Purchases and Cancellations

The Issuer, the Guarantor and any of their subsidiaries may at any time purchase Securities (provided that all unmatured Coupons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.

All Securities so purchased by or on behalf of the Issuer, the Guarantor or any of their subsidiaries may (but need not) be surrendered for cancellation, in the case of Bearer Securities, by surrendering each such Security together with all unmatured Coupons to the Issue and Paying Agent and, in the case of Registered Securities, by surrendering the Definitive Registered Securities or Global Registered

Securities representing such Registered Securities to the Registrar and, in each case, if so surrendered, shall, together with all Securities redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons attached thereto or surrendered therewith). Any Securities so surrendered for cancellation may not be re-issued or resold and the obligations of the Issuer and the Guarantor in respect of any such Securities shall be discharged.

Notwithstanding anything to the contrary above, all CREST Securities so purchased by or on behalf of the Issuer or any of its subsidiaries may (but need not) be cancelled by agreement between the Issuer and the CREST Agent, provided that such cancellation shall be in accordance with the CREST Requirements in effect at the relevant time. Any CREST Securities so cancelled may not be re-issued or resold and the obligations of the Issuer in respect of any such CREST Securities shall be discharged.

Cancellation of Securities represented by a Permanent Global Security (other than upon its redemption) will be effected by a reduction in the nominal amount of the relevant Permanent Global Security relating to Securities that are Notes or a reduction in the aggregate number of Certificates, Warrants or Units represented by the relevant Permanent Global Security.

23 Contracts (Rights of Third Parties) Act 1999

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

24 Definitions

"**Account Bank**" means, in relation to a payment denominated in a particular currency, a bank in the principal financial centre for such currency as determined by the Determination Agent or, where the relevant payment is denominated in euro, in a city in which banks have access to the TARGET System.

"**Actual Exercise Date**" means an Eligible Exercise Date on which the conditions to exercise set out in Condition 6.3 are satisfied in full.

"**Additional Business Centre**" means each centre specified as such in any applicable Relevant Annex and/or the applicable Final Terms.

"**Additional Disruption Event**" means, with respect to a Series of Securities, (i) each of Change in Law, Currency Disruption Event, Issuer Tax Event and, if the Securities are issued by BCCL, Guarantor Tax Event, (ii) Hedging Disruption and Increased Cost of Hedging unless the Relevant Annex and/or the applicable Final Terms specify that such events shall not constitute Additional Disruption Events for the purposes of the Securities, and (iii) Affected Jurisdiction Hedging Disruption and/or Affected Jurisdiction Increased Cost of Hedging if specified as applicable in the applicable Final Terms, and (iv) any other event specified as such in any Relevant Annex and/or in the applicable Final Terms. For the avoidance of doubt, in the event of any inconsistency between any applicable Relevant Annex(es) and the applicable Final Terms, as to what constitutes an Additional Disruption Event for the purposes of the Securities, the Final Terms shall prevail.

"**Affected Jurisdiction Hedging Disruption**" means that the Issuer and/or any of its Affiliates is unable, after using commercially reasonable efforts, to either (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk (or any other relevant price risk including, but not limited to, the Currency risk) of entering into and performing its obligations with respect to the Securities or (ii) freely realise, recover, receive,

repatriate, remit or transfer the proceeds of Hedge Positions or the Securities between accounts within the Affected Jurisdiction or from accounts within the Affected Jurisdiction to accounts outside of the Affected Jurisdiction.

"**Affected Jurisdiction Increased Cost of Hedging**" means that the Issuer and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk (or any other relevant price risk including, but not limited to, the Currency risk) of entering into and performing its obligations with respect to the Securities, or (B) realise, recover or remit the proceeds of Hedge Positions or the Securities between accounts within the Affected Jurisdiction or from accounts within the Affected Jurisdiction to accounts outside the Affected Jurisdiction.

"**Affected Jurisdiction**" means the jurisdiction of the Hedge Positions as specified in the applicable Final Terms.

"**Affiliate**" means, in relation to any entity (the "**First Entity**"), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes "**control**" means ownership of a majority of the voting power of an entity.

"**Agency Agreement**" means (i) the English law governed Master Agency Agreement dated 6 August 2010 between the Bank, BCCL, the Guarantor and certain agents or (ii) in respect of CREST Securities, the English law governed CREST Agency Agreement dated 6 August 2010 between the Bank and Computershare Investor Services PLC or (iii) such other agency agreement as may be specified in any Relevant Annex or applicable Final Terms in respect of the particular Securities (in each case as amended and/or supplemented and/or restated as at the Issue Date).

"**Aggregate Nominal Amount**" means, in respect of a Series of Securities that are Notes, on the Issue Date the aggregate nominal amount of the Securities of such Series specified in the applicable Final Terms and on any date thereafter such amount as reduced by any amortisation or partial redemption on or prior to such date.

"**Alternate Cash Amount**" means, unless otherwise specified in any applicable Relevant Annex or the applicable Final Terms, an amount per Calculation Amount determined by the Determination Agent as the pro rata proportion of the market value of the Affected Entitlement Components on or about the Alternate Cash Amount Settlement Date, adjusted to take into account any costs, losses, expenses and any Local Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the redemption, exercise or cancellation of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs (whether actual or notional). In determining such amount, the Determination Agent may take into account prevailing market prices and/or proprietary pricing models, or where these pricing methods may not yield a commercially reasonable result, may determine such amount in a commercially reasonable manner.

"**Alternate Cash Amount Settlement Date**" means such date as the Issuer may determine in its sole and absolute discretion.

"**Averaging Date**" shall have the meaning given to it in the applicable Relevant Annex or the applicable Final Terms.

"**Bank Account**" means the cash account of the Issue and Paying Agent, at the Relevant Clearing System or otherwise, as notified by the Issue and Paying Agent when requested by the relevant Securityholder or Issuer, as the case may be.

"**Bank Jurisdiction**" means, at any time, the jurisdiction of incorporation of the Bank or any New Bank Issuer or New Guarantor substituted therefor in accordance with Condition 17.2.

"**Banking Day**" means, in respect of any city, any day (other than a Saturday or a Sunday) on which commercial banks are generally open for business, including dealings in foreign exchange and foreign currency deposits in that city.

"**BCCL Jurisdiction**" means, at any time, the jurisdiction of incorporation of BCCL or any New BCCL Issuer substituted therefor in accordance with Condition 17.1.

"**Business Day**" means a day which is each of:

(a) a day other than a Saturday or Sunday on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign Currency deposits) in London and any Additional Business Centre specified in the applicable Final Terms;

(b) in respect of Cleared Securities, a Clearing System Business Day for the Relevant Clearing System;

(c) in relation to any sum payable in a Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign Currency deposits) in the principal financial centre of the country of the relevant Currency (if other than London and any Additional Business Centre specified in the applicable Relevant Annex and/or the applicable Final Terms);

(d) in relation to any sum payable in euro, a TARGET Business Day; and

(e) in respect of CREST Securities, a CREST Business Day.

"**Business Day Convention**" means any of the business day conventions specified in Condition 8.4.

"**C Rules**" means the requirements under US Treasury Regulation section 1.163-5(c)(2)(i)(C).

"**Call Security**" means a Warrant or an Exercisable Certificate specified as such in the applicable Final Terms.

"**Calculation Amount**" means, in respect of a Security that is a (i) Note, the Specified Denomination of such Note unless a Calculation Amount per Security is specified in the applicable Final Terms, in which case it shall be such Calculation Amount per Security or (ii) a Certificate or Warrant, the Calculation Amount per Security specified in the applicable Final Terms.

"**Cash Settlement Multiplier**" means, in respect of a Warrant or an Exercisable Certificate where Cash Settlement is specified or elected as the Settlement Method, where the applicable Final Terms:

(a) do not specify an Exercise Cash Settlement Amount, one (1); or

(b) do specify an Exercise Cash Settlement Amount, such Exercise Cash Settlement Amount.

"**Cash Settled Security**" means a Security in respect of which Cash Settlement is specified, elected or deemed to have been elected in accordance with the Base Conditions, any applicable Relevant Annex and/or the applicable Final Terms as the method of settlement for such Security.

"**CDI**" means dematerialised depository interests issued, held, settled and transferred through CREST that represent interests in specified Securities.

"**Change in Law**" means that, on or after the Trade Date (a) due to the adoption or announcement of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines in its sole and absolute discretion that (i) it has become illegal for the Issuer and/or any of its Affiliates to hold, acquire, deal in or dispose of the Hedge Positions relating to the Securities or contracts in securities, options, futures, derivatives or foreign exchange relating to such Securities, (ii) the Issuer or any of its Affiliates will incur a materially increased cost in performing their obligations under such Securities (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on their tax position), or (iii) the Issuer or any of its Affiliates will be subjected to materially less favourable regulatory capital treatment with respect to the Securities and any related Hedge Positions, as compared with the regulatory capital treatment applicable to the Securities and any related Hedge Positions as of the Trade Date.

"**Cleared Securities**" means any Securities that are Global Securities held by a Common Depositary, Common Safekeeper or custodian for, or registered in the name of a nominee of, a Relevant Clearing System.

"**Clearing Annex**" means, with respect to any Series of Securities, any Relevant Annex identified as such and specified to apply to such Securities in the applicable Final Terms.

"**Clearing System Business Day**" means, in respect of a Relevant Clearing System, any day on which such Relevant Clearing System is (or, but for the occurrence of a Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions.

"**Clearstream**" means Clearstream Banking, société anonyme and any successor thereto.

"**Clearstream Frankfurt**" or "**CBF**" means Clearstream Banking AG, Frankfurt am Main.

"**Clearstream Frankfurt Rules**" means the General Terms and Business Conditions of Clearstream Frankfurt and the Instructions to Participants of Clearstream Frankfurt, as may be from time to time amended, supplemented or modified.

"**Clearstream Rules**" means the Management Regulations of Clearstream and the Instructions to Participants of Clearstream, as may be from time to time amended, supplemented or modified.

"**Common Depositary**" means, in relation to a particular Series of Securities, whether listed on any Relevant Stock Exchange or elsewhere, such depositary outside the United Kingdom and the United States (and the possessions of the United States) as shall be specified in the applicable Final Terms with respect to such Series of Securities.

"**Conditions**" means, with respect to a Series of Securities, the terms and conditions of the Securities set out in the Base Conditions, subject to amendment and as supplemented or varied in accordance with the provisions of the applicable Final Terms and any applicable Relevant Annex specified therein.

"**CREST**" means the system for the paperless settlement of trades and the holding of uncertificated securities operated by the Operator in accordance with the Uncertificated Regulations, as amended from time to time.

"**CREST Business Day**" means any day on which CREST is open for the acceptance and execution of settlement instructions.

"**CREST Deed Poll**" means a global deed poll dated 25 June 2001 (as subsequently modified, supplemented and/or restated).

"**CREST Depository**" means CREST Depository Limited or any successor thereto.

"**CREST Requirements**" has the meaning given to such term in Condition 1.4(i).

"**CREST Security**" means a Security which is specified as a CREST Security in the applicable Final Terms and that is issued and held in uncertificated registered form in accordance with the Uncertificated Regulations.

"**Currency**" means, with respect to a country, the lawful currency of such country.

"**Currency Disruption Event**" means, with respect to a Series of Securities, the occurrence or official declaration of an event impacting one or more Currencies that the Issuer, in its sole and absolute discretion, determines would materially disrupt or impair its ability to meet its obligations in the Settlement Currency or otherwise settle, clear, or hedge such Series of Securities.

"**D Rules**" means the requirements under US Treasury Regulation section 1.163-5(c)(2)(i)(D).

"**Daily Maximum Amount**" means, in relation to any particular Series of Securities that are Notes, the amount specified as such in the relevant Settlement Currency in the applicable Final Terms.

"**Daily Maximum Number**" means, in relation to any particular Series of Securities that are Certificates or Warrants, the number specified as such in the applicable Final Terms.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Security for any period of time (whether or not constituting an Interest Calculation Period, the "**Calculation Period**"):

(a) if "**Actual/Actual (ISMA)**" is specified in the applicable Final Terms:

(i) if the Calculation Period is equal to or shorter than the Interest Calculation Period during which it falls, the number of calendar days in the Calculation Period divided by the product of (1) the number of calendar days in such Interest Calculation Period and (2) the number of Interest Calculation Periods normally ending in any year; and

(ii) if the Calculation Period is longer than one Interest Calculation Period, the sum of:

(A) the number of calendar days in such Calculation Period falling in the Interest Calculation Period in which it begins divided by the products of (1) the number of calendar days in such Interest Calculation Period and (2) the number of Interest Calculation Periods normally ending in one year; and

(B) the number of calendar days in such Calculation Period falling in the next Interest Calculation Period divided by the product of (1) the number of calendar days in such Interest Calculation Period and (2) the number of Interest Calculation Periods normally ending in one year;

(b) if "**Actual/Actual**" or "**Actual/Actual (ISDA)**" is specified in the applicable Final Terms, the actual number of calendar days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of calendar days in that

portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of calendar days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(c) if "**Actual/365 (Fixed)**" is specified in the applicable Final Terms, the actual number of calendar days in the Calculation Period divided by 365;

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

(e) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the applicable Final Terms, the number of calendar days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period unless such number would be 31, in which case D_1 will be 30;

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(f) if "**30E/360**" or "**Eurobond Basis**" is specified in the applicable Final Terms, the number of calendar days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period unless such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30;

(g) if "**30E/360 (ISDA)**" is specified in the applicable Final Terms, the number of calendar days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30;

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period unless (i) that day is the last day of February but not the Redemption Date or (ii) such number would be 31, in which case D_2 will be 30.

"**Delivery Entitlement Instruction**" means, with respect to Securities which are to be physically settled by delivery of an Entitlement, a notice delivered by the relevant Securityholder in respect of such Entitlement in the form obtainable from any Paying Agent, in the case of Bearer Securities, or from the Registrar or Transfer Agent, in the case of Registered Securities.

"**Dematerialised Instruction**" means, with respect to CREST Securities, an instruction sent by (or on behalf of) a Securityholder to the Operator in accordance with the rules, procedures and practices of the Operator and CREST in effect at the relevant time.

"**Designated Maturity**" means, in respect of a Reference Rate, the period of time specified in respect of such Reference Rate in the applicable Final Terms.

"**Disrupted Day**" shall have the meaning given to it in any applicable Relevant Annex or in the applicable Final Terms.

"**Disruption Cash Settlement Date**" means the fifth Relevant Settlement Day following the date of the notice of the relevant election to pay the Disruption Cash Settlement Price or such other date as may be specified in the relevant notice.

"**Disruption Cash Settlement Price**" means, unless otherwise specified in any applicable Relevant Annex or the applicable Final Terms, an amount per Calculation Amount, determined by the

Determination Agent as the pro rata proportion of the market value of the Securities on or about the Disruption Cash Settlement Date (which shall take into account, where some but not all of the Reference Assets comprising the Entitlement have been duly delivered pursuant to Condition 7.2(a), the value of such Reference Assets), adjusted to take into account any costs, losses, expenses and any Local Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the redemption, exercise or cancellation of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs (whether actual or notional), plus, in the case of Securities that are Warrants or Exercisable Certificates, if already paid, the Exercise Price, Taxes and/or Settlement Expenses, or, where as provided above some Reference Assets have been delivered and a *pro rata* portion thereof has been paid, such *pro rata* portion. In determining such amount, the Determination Agent may take into account prevailing market prices and/or proprietary pricing models, or where these pricing methods may not yield a commercially reasonable result, may determine such amount in a commercially reasonable manner.

"**Distribution Compliance Period**" means, subject to the applicable Final Terms, the period that ends 40 calendar days after the completion of the distribution of each Series of Securities, as certified by the relevant Manager (in the case of a non-syndicated issue) or the relevant lead Manager (in the case of a syndicated issue).

"**DTC**" means The Depository Trust Company or any successor thereto.

"**Early Cancellation Date**" means, the last day of the relevant Early Cancellation Notice Period or Nominal Call Cancellation Notice Period, as applicable, or such other date specified or determined in accordance with the applicable Final Terms.

"**Early Cancellation Notice Period**" has the meaning given to it in Condition 6.2(ii).

"**Early Cash Redemption Date**" means, the last day of the relevant Early Redemption Notice Period or such other date specified or determined in accordance with the applicable Final Terms.

"**Early Cash Settlement Amount**" means, unless otherwise specified in any applicable Relevant Annex or the applicable Final Terms, in respect of any early redemption or cancellation of the Securities, an amount per Calculation Amount determined by the Determination Agent as the pro rata proportion of the market value of the Securities following the event triggering the early redemption or cancellation, adjusted to take into account any costs, losses, expenses and any Local Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the early redemption or cancellation of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs. In determining the Early Cash Settlement Amount, the Determination Agent may take into account prevailing market prices and/or proprietary pricing models, or where these pricing methods may not yield a commercially reasonable result, may estimate such Early Cash Settlement Amount in a commercially reasonable manner. The Early Cash Settlement Amount will be determined by the Determination Agent on or as soon as reasonably practicable following the event giving rise to the early redemption or cancellation of the Securities. For the purposes of calculating any Early Cash Settlement Amount at any time following an Event of Default, the Determination Agent will ignore the effect of such Event of Default upon the market value of the Securities.

"**Early Physical Cancellation Date**" means, the date specified as such in the applicable Final Terms or if no such date is specified, the Relevant Settlement Day following the date on which settlement of a sale of the relevant Reference Assets executed on the last day of the Nominal Call Cancellation Notice Period customarily would take place in the relevant market (or, in respect of Cleared Securities, through the Relevant Clearing System).

"**Early Physical Cancellation Entitlement**" means the quantity of the Reference Asset(s) or, if "Entitlement Substitution" is specified in the applicable Final Terms, the Substitute Asset(s), as applicable, (together with any Transfer Documentation relating thereto) specified in the applicable Final Terms or determined in accordance with the method for such determination specified in the applicable Final Terms by the Determination Agent per Calculation Amount (determined on or about the last day of the relevant Nominal Call Cancellation Notice Period), in each case adjusted to take into account any costs, losses, expenses and any Local Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the cancellation of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs (whether actual or notional). In determining such amount, the Determination Agent may take into account prevailing market prices and/or proprietary pricing models, or where these pricing methods may not yield a commercially reasonable result, may determine such amount in a commercially reasonable manner.

"**Early Redemption Notice Period**" has the meaning given to it in Condition 5.4(b).

"**Entitlement**" means the Final Physical Redemption Entitlement, the Optional Physical Redemption Entitlement, the Early Physical Cancellation Entitlement, the Specified Early Physical Redemption Entitlement, the Specified Early Physical Cancellation Entitlement or the Exercise Physical Settlement Entitlement (together with any Transfer Documentation relating thereto).

"**Euroclear**" means Euroclear Bank S.A./N.V or any successor thereto.

"**Euroclear Rules**" means the terms and conditions governing the use of Euroclear and the operating procedures of Euroclear, as may be amended, supplemented or modified from time to time.

"**Euro-zone**" means the region comprised of member states of the European Union that have adopted the euro as the single currency in accordance with the Treaty establishing the European Community as amended by the Treaty on European Union.

"**Event of Default**" means each of the events set out in Condition 10.

"**Exchange Business Day**" has the meaning given to it in any applicable Relevant Annex or the applicable Final Terms.

"**Exchange Date**" means, in relation to a Temporary Global Security, the calendar day falling after the expiry of 40 calendar days after its issue date and, in relation to a Permanent Global Security, a calendar day falling not less than 60 calendar days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issue and Paying Agent is located and (if applicable) in the city in which the Relevant Clearing System is located.

"**Exchange Event**" means (i) in respect of Cleared Securities, that the Issuer has been notified that any Relevant Clearing System has been closed for business for a continuous period of 14 calendar days (other than by reason of holiday, statutory or otherwise) or has announced an intention permanently to cease business or has in fact done so and no successor clearing system is available or (ii) the occurrence of any event specified in the terms of the relevant Global Security as a result of which Definitive Securities may be issued.

"**Exchange Rate**" means the rate of exchange of the Currency of one country for the Currency of another country, as determined by the Determination Agent unless otherwise specified in the applicable Final Terms.

"**Exercisable Certificates**" has the meaning given to it in Condition 6.

"**Exercise Cash Settlement Amount**" means, unless otherwise specified in the applicable Final Terms, an amount determined by the Determination Agent (which, if Units are specified in the applicable Final Terms, shall be in respect of each Unit of Securities) equal to:

(a) where "Averaging" is specified to be not applicable in the Final Terms:

(i) if such Securities are Call Securities, the product of (A) the Settlement Price less the Exercise Price and (B) the Cash Settlement Multiplier;

(ii) if such Securities are Put Securities, the product of (A) the Exercise Price less the Settlement Price and (B) the Cash Settlement Multiplier; and

(iii) if such Securities are Other Exercise Securities, the amount specified or determined in accordance with the applicable Final Terms; or

(b) where "Averaging" is specified to be applicable in the applicable Final Terms:

(i) if such Securities are Call Securities, the product of (A) the arithmetic mean of the Settlement Prices for all the Averaging Dates less the Exercise Price and (B) the Cash Settlement Multiplier;

(ii) if such Securities are Put Securities, the product of (A) the Exercise Price less the arithmetic mean of the Settlement Prices for all the Averaging Dates and (B) the Cash Settlement Multiplier; and

(iii) if such Securities are Other Exercise Securities, the amount specified or determined in accordance with the applicable Final Terms.

"**Exercise Cash Settlement Date**" means, in relation to any Actual Exercise Date or Automatic Exercise Date, the last day of the relevant Exercise Notice Period or such other date specified or determined in accordance with the applicable Final Terms.

"**Exercise Date(s)**" means the date(s) specified as such in the applicable Final Terms.

"**Exercise Notice**" means an Option Exercise Notice or a Security Exercise Notice.

"**Exercise Notice Period**" means the period from (and including) the relevant Actual Exercise Date or the date of the relevant Automatic Exercise Notice, as applicable to (and including) the fifteenth Business Day thereafter.

"**Exercise Parameters**" means, with respect to Multiple Exercise Securities, the parameters specified in the applicable Final Terms.

"**Exercise Period**" means the period specified in the applicable Final Terms.

"**Exercise Physical Settlement Date**" means the date specified as such in the applicable Final Terms or if no such date is specified, the Relevant Settlement Day following the date on which settlement of a sale of the relevant Reference Assets executed on the last day of the relevant Exercise Notice Period customarily would take place in the relevant market (or, in respect of Cleared Securities, through the Relevant Clearing System).

"**Exercise Physical Settlement Entitlement**" means the quantity of the Reference Asset(s) or, if "Entitlement Substitution" is specified in the applicable Final Terms, the Substitute Asset(s), as applicable, (together with any Transfer Documentation relating thereto) specified in the applicable Final Terms or determined in accordance with the method for such determination specified in the applicable

Final Terms by the Determination Agent for each Calculation Amount (determined as at the relevant Actual Exercise Date or Automatic Exercise Date).

"**Exercise Price**" means the price per Security or Unit or other amount, as specified in the applicable Final Terms.

"**Expiration Date**" means:

(a) in respect of Securities that are specified to be American Style, the last Exercise Business Day of the Exercise Period;

(b) in respect of Securities that are specified to be Bermudan Style or Other Exercise Style, the date specified as such in the applicable Final Terms; and

(c) in respect of Securities that are specified to be European Style, the Exercise Date.

"**Extraordinary Resolution**" means a resolution passed in accordance with the Agency Agreement relating to the relevant Securities.

"**Final Cash Settlement Amount**" means, in relation to a Note or a Certificate, an amount per Calculation Amount (determined as at the Redemption Date) in the Settlement Currency specified, or determined in the manner specified for such purpose, in the applicable Final Terms.

"**Final Physical Redemption Date**" means, in relation to any Final Physical Redemption Entitlement, the Relevant Settlement Day following the date on which settlement of a sale of the relevant Reference Assets executed on the Redemption Date customarily would take place in the relevant market (or, in respect of Cleared Securities, through the Relevant Clearing System) unless otherwise specified in the applicable Final Terms.

"**Final Physical Redemption Entitlement**" means the quantity of the Reference Asset(s) or, if "Entitlement Substitution" is specified in the applicable Final Terms, the Substitute Asset(s), as applicable, (together with any Transfer Documentation relating thereto) for the Calculation Amount (determined as at the Redemption Date) of the Security subject to payment of all sums payable including Taxes and Settlement Expenses, as provided in Condition 7, as determined by the Determination Agent or such other amount specified, or determined in accordance with the method for determination specified, in the applicable Final Terms.

"**Final Terms**" means, with respect to a Series of Securities, the final terms specified as such for such Securities.

"**Foreign Law Annex**" means, with respect to any Series of Securities, any annex specified as such in the applicable Final Terms.

"**Guarantor Tax Event**" has the meaning ascribed to it in Condition 12 unless otherwise specified in the applicable Final Terms.

"**Hedge Positions**" means any purchase, sale, entry into or maintenance of one or more (a) positions or contracts in securities, options, futures, derivatives or foreign exchange, (b) stock loan transactions or (c) other instruments or arrangements (howsoever described) by the Issuer or any of its Affiliates in order to hedge individually or on a portfolio basis, the Issuer's obligations in respect of the Securities.

"**Hedging Disruption**" means that the Issuer and/or any of its Affiliates is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk of issuing and

performing its obligations with respect to the relevant Series of Securities, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**In-The-Money**" has the meaning given to it in the applicable Final Terms or if not so provided, means (a) with respect to a Security which is to be cash settled, the Security will be deemed to be "In-The-Money" if, and to the extent to that, the Exercise Cash Settlement Amount exceeds zero and (b) with respect to a Security which is to be physically settled, the Security will be deemed to be "In-The-Money" if, and to the extent to that, the value of the Entitlement on the Actual Exercise Date of the relevant Security exceeds the Exercise Price as determined by the Determination Agent.

"**Increased Cost of Hedging**" means that the Issuer and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk of issuing and performing its obligations with respect to the relevant Series of Securities, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging.

"**Interest Amount**" means, in respect of an Interest Calculation Period, the amount of interest payable per Calculation Amount (determined as at the first day of such Interest Calculation Period unless otherwise specified in the applicable Final Terms) for that Interest Calculation Period.

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

"**Interest Commencement Date**" means, in respect of any interest bearing Security, the Issue Date or such other date as may be set out in the applicable Final Terms.

"**Interest Determination Date**" means, with respect to an Interest Rate and an Interest Calculation Period, the date specified as such in the applicable Final Terms or, if none is so specified:

(a) the first day of such Interest Calculation Period if the Relevant Currency is sterling;

(b) the date falling two TARGET Business Days prior to the first day of such Interest Calculation Period if the Relevant Currency is euro; or

(c) in any other case, the date falling two London Banking Days prior to the first day of such Interest Calculation Period,

provided that if "Arrears Setting" is specified as applicable in the applicable Final Terms, the Interest Determination Date in respect of each Interest Calculation Period shall be the first day of the next following Interest Calculation Period or, in the case of the final Interest Calculation Period, the Redemption Date, in each case as determined by the Determination Agent.

"**Interest Period End Date**" means each date specified as such or, if none, each Interest Payment Date, provided that if an Interest Period End Date is specified not to be adjusted or the Interest Rate is Fixed Rate and an adjustment method is not specified, the Interest Period End Date will be each date specified as such or, if none, each Interest Payment Date disregarding any adjustment in accordance with any applicable Business Day Convention.

"**ISDA Definitions**" means the 2006 ISDA Definitions, published by the International Swaps and Derivatives Association, Inc., as amended and updated as at the Issue Date of the Securities.

"**ISDA Rate**" means, in respect of an Interest Calculation Period, a rate as determined by the Determination Agent equal to the Floating Rate that would be determined by the Determination Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(a) the Floating Rate Option is as specified in the applicable Final Terms;

(b) the Designated Maturity is the period specified in the applicable Final Terms; and

(c) the relevant Reset Date is the first day of that Interest Calculation Period unless otherwise specified in the applicable Final Terms,

where, for the purposes of this definition, "**Floating Rate**", "**Determination Agent**", "**Floating Rate Option**", "**Designated Maturity**", "**Reset Date**" and "**Swap Transaction**" have the meanings given to those terms in the ISDA Definitions.

"**Issue Price**" means the price specified as such in the applicable Final Terms.

"**Issuer**" means (i) with respect to CREST Securities, the Bank and (ii) with respect to Securities that are not CREST Securities, the Bank or BCCL, as applicable.

"**Issuer Notice Period**" has the meaning given to such term in Condition 5.3.

"**Issuer Option Exercise Period**" means the period specified as such in the applicable Final Terms or, if no such period is specified, the period from (but excluding) the Issue Date to (but excluding) the fifteenth Business Day preceding the Redemption Date.

"**Issuer Settlement Option**" means, in respect of a Security, if specified in the applicable Final Terms that the Issuer may elect whether the Security will be cash settled or physically settled.

"**Issuer Tax Event**" has the meaning ascribed to it in Condition 12 unless otherwise specified in the applicable Final Terms.

"**Linear Interpolation**" means the straight-line interpolation by reference to two rates based on the relevant ISDA Rate or Screen Rate (as applicable), one of which will be determined as if the Specified Duration were the period of time for which rates are available next shorter than the length of the affected Interest Calculation Period and the other of which will be determined as if the Specified Duration were the period of time for which rates are available next longer than the length of such Interest Calculation Period.

"**Local Market Expenses**" means (a) all costs, charges, fees, accruals, withholdings and expenses incurred in the local market of the underlying Reference Asset or any Hedge Position, and (ii) all costs, losses and expenses incurred as a result of any foreign exchange suspension or settlement delays or failures in, the local market of the underlying Reference Asset or any Hedge Position. In determining such Local Market Expenses, the Determination Agent may take into account (a) the amount and timing of payments or deliveries that the Issuer or its Affiliate (as the case may be) would receive under its Hedge Position(s), (b) whether the Hedge Positions include illiquid or non-marketable assets (which may be valued at zero) or synthetic hedges (where the mark-to-market may be zero or in the money to the relevant counterparty to the Hedge Positions) and (c) whether the Issuer or its Affiliates would be subject to contingent liabilities, including any requirement to return any distributions or otherwise make any payments.

"**London Stock Exchange**" means London Stock Exchange plc.

"**Margin**" means the percentage rate specified as such in the applicable Final Terms.

"**Minimum Number**" means the number specified as such in the applicable Final Terms.

"**Minimum Nominal Amount**" means the amount specified as such in the Settlement Currency in the applicable Final Terms.

"**Multiplier**" means the number specified as such in the applicable Final Terms.

"**Nominal Amount**" means, in respect of a Security that is a Note, the amount per Security specified as such in the applicable Final Terms, subject to adjustment in accordance with the Conditions of the Security.

"**Nominal Call Event**" means, with respect to a Series of Securities, that on any day (i) the outstanding Aggregate Nominal Amount or outstanding Number of such Securities is less than the Nominal Call Threshold Amount (or the Settlement Currency equivalent thereof) and/or (ii) the outstanding Aggregate Nominal Amount or outstanding aggregate Number of Securities divided by the Aggregate Nominal Amount or aggregate number of the Securities as at the first Issue Date of such Securities, respectively, is less than the Nominal Call Threshold Percentage.

"**Nominal Call Threshold Amount**" means the amount specified as such in the applicable Final Terms, or if no such amount is specified 10 (ten) per cent. of the Aggregate Nominal Amount or aggregate Number of Securities as at the first Issue Date of such Securities (or the equivalent amount in the currency of the Securities as determined by the Determination Agent).

"**Nominal Call Threshold Percentage**" means the percentage specified as such in the applicable Final Terms or if no such amount is specified, 10 (ten) per cent.

"**Operator**" has the meaning given to such term in Condition 1.3.

"**Operator register of corporate securities**" has the meaning given to such term in Condition 1.3.

"**Optional Cash Settlement Amount**" means, unless otherwise specified in any applicable Relevant Annex or the applicable Final Terms, an amount per Calculation Amount determined by the Determination Agent as the pro rata proportion of the market value of the Securities on or about the date the Early Redemption Notice is given by the Issuer or the date the Option Exercise Notice is received by the Issuer, as the case may be, and in any event no later than the last day of the relevant Issuer Notice Period or Put Notice Period, as applicable, (taking into account the event triggering the redemption), adjusted to take into account any costs, losses, expenses and any Local Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the early redemption of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs (whether actual or notional). In determining such amount, the Determination Agent may take into account prevailing market prices and/or proprietary pricing models, or where these pricing methods may not yield a commercially reasonable result, may determine such amount in a commercially reasonable manner.

"**Optional Cash Redemption Date**" means:

(a) in relation to a Put Option, the last day of the relevant Put Notice Period or such other date specified or determined in accordance with the applicable Final Terms; or

(b) in relation to a Call Option or Nominal Call Event in respect of Notes or Certificates (other than Exercisable Certificates), the last day of the relevant Issuer Notice Period or such other date specified or determined in accordance with the applicable Final Terms.

"**Option Exercise Notice**" has the meaning given to it in Condition 5.2.

"**Optional Physical Redemption Date**" means, in relation to any Optional Physical Redemption Entitlement, the Relevant Settlement Day following the date on which settlement of a sale of the relevant Reference Assets executed on the last day of the relevant Put Notice Period or Issuer Notice Period, as applicable, customarily would take place in the relevant market (or, in respect of Cleared Securities, through the Relevant Clearing System) unless otherwise specified in the applicable Final Terms.

"**Optional Physical Redemption Entitlement**" means the quantity of the Reference Asset(s) or, if "Entitlement Substitution" is specified in the applicable Final Terms, the Substitute Asset(s), as applicable, (together with any Transfer Documentation relating thereto) specified in the applicable Final Terms or determined in accordance with the method for such determination specified in the applicable Final Terms by the Determination Agent per Calculation Amount (determined on or about the relevant Optional Physical Redemption Date) in each case adjusted to take into account any costs, losses, expenses and any Local Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the early redemption of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs (whether actual or notional). In determining such amount, the Determination Agent may take into account prevailing market prices and/or proprietary pricing models, or where these pricing methods may not yield a commercially reasonable result, may determine such amount in a commercially reasonable manner.

"**Partly Paid Securities**" means Securities identified as such in the applicable Final Terms and in respect of which the Issue Price is payable in two or more instalments.

"**Payment Day**" means any day which is:

(a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign Currency deposits) in:

(i) the relevant place of presentation (except in respect of Global Bearer Securities that are Cleared Securities);

(ii) London;

(iii) any Additional Business Centre specified in the applicable Final Terms; and

(b) either:

(i) in relation to any sum payable in a Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign Currency deposits) in the principal financial centre of the country of the relevant Currency; or

(ii) in relation to any sum payable in euro, a day on which the TARGET System is open.

"**Physical Delivery Date**" means, in relation to any Entitlement to be delivered, subject to compliance with the provisions of Condition 7 in respect of any Security, the relevant Final Physical Redemption Date, Optional Physical Redemption Date, Specified Early Physical Redemption Date or Exercise Physical Settlement Date, unless otherwise specified in the applicable Final Terms.

"**Physically Delivered Security**" means a Security in respect of which Physical Settlement is specified or elected in accordance with the Base Conditions, any applicable Relevant Annex and/or the applicable Final Terms as the method of settlement for such Security.

"**Potential Exercise Business Dates**" mean each date specified as such in the applicable Final Terms.

"**Proceedings**" has the meaning given it in Condition 18.

"**Product Annex**" means, with respect to any Series of Securities, any annex specified as such in the applicable Final Terms.

"**Programme**" means the Global Structured Securities Programme as defined in, established by and contemplated in the Agency Agreement, as the same may be from time to time amended, supplemented or modified.

"**Put Option Exercise Period**" means the period specified as such in the applicable Final Terms or, if no such period is specified, the period from (but excluding) the Issue Date to (but excluding) the fifteenth Business Day preceding the Redemption Date.

"**Put Notice Period**" has the meaning given to such term in Condition 5.2.

"**Put Security**" means a Warrant or an Exercisable Certificate specified as such in the applicable Final Terms.

"**Record Date**" means, in relation to a payment under a Registered Security, the fifteenth calendar day (whether or not such fifteenth calendar day is a business day) before the relevant due date for such payment, except that with respect to Cleared Securities that are represented by a Global Registered Security it shall be the day specified in Condition 9.3(d).

"**record of uncertificated corporate securities**" has the meaning given to such term in Condition 1.3.

"**Redemption Date**" means, in respect of any Series of Securities that are Notes or Certificates, the date specified as such in the applicable Final Terms.

"**Reference Asset(s)**" means, in relation to a particular Series of Securities as appropriate, a single index or a basket of indices, a single share or basket of shares, a single debt instrument or a basket of debt instruments, a single currency or basket of currencies, a single commodity or a basket of commodities, a single fund or basket of funds, a FX rate or basket of FX rates, an interest rate or basket of interest rates, an inflation measure or basket of inflation measures or any other underlying asset(s) specified as such in the applicable Final Terms.

"**Reference Banks**" means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Determination Agent.

"**Reference Rate**" means the rate specified as such in the applicable Final Terms.

"**Register**" means, with respect to any Registered Securities, the register of holders of such Securities maintained by the applicable Registrar.

"**Regulation S Global Security**" means a Regulation S Security in global form.

"**Relevant Annex**" means, with respect to any Series of Securities, any Clearing Annex, Product Annex, Foreign Law Annex or other such annex specified as such in the applicable Final Terms.

"**Relevant Clearing System**" means, as appropriate, Euroclear, Clearstream, Clearstream Frankfurt (in respect of Frankfurt Securities only), DTC (except in respect of Securities that are Exercisable Certificates) and/or such other clearing system specified in any applicable Relevant Annex or in the applicable Final Terms, as the case may be, through which interests in Securities are to be held and/or through an account at which such Securities are to be cleared.

"**Relevant Date**" means, in respect of any Security or Coupon, the date on which payment or delivery in respect of it first becomes due (or would have first become due if all conditions to settlement had been satisfied) 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 five calendar days after that on which notice is duly given to the Securityholders that, upon further presentation of the Security or Coupon being made in accordance with these Base Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

"**Relevant Rules**" means the Rules of the Relevant Clearing System.

"**Relevant Screen Page**" means such Reuters screen page as specified in the applicable Final Terms (or the relevant screen page of such other service or services as may be nominated as the information vendor for the purpose of displaying comparable rates in succession thereto) or such other equivalent information vending service as is so specified.

"**Relevant Settlement Day**" means a Clearing System Business Day unless otherwise specified in the applicable Relevant Annex or Final Terms.

"**Relevant Stock Exchange**" means, in respect of any Series of Securities, the stock exchange upon which such Securities are listed as specified in the applicable Final Terms, if any.

"**relevant system**" has the meaning given to such term in Condition 1.3.

"**Relevant Time**" means the time specified in the applicable Final Terms.

"**Rules**" means the Clearstream Rules, the Clearstream Frankfurt Rules, the Euroclear Rules and/or the terms and conditions and any procedures governing the use of such other Relevant Clearing System as may be specified in the Final Terms relating to a particular issue of Securities.

"**Securities Act**" means the United States Securities Act of 1933, as amended.

"**Security**" or "**Securities**" means any Notes, Certificates or Warrants which may from time to time be issued under the Programme. Unless the context otherwise requires, any reference to "Security" shall be deemed to refer to a Note having a nominal amount equal to the relevant Specified Denomination or to a single Certificate or Warrant.

"**Security Exercise Notice**" has the meaning given to it in Condition 6.3(a).

"**Securityholder Settlement Option**" means, in respect of a Security if specified in the applicable Final Terms, that the Securityholder may elect whether the Security will be cash settled or physically settled.

"**Series**" means the Securities of each original issue together with the Securities of any further issues expressed to be consolidated to form a single Series with the Securities of an original issue.

"**Settlement Amount**" means the Final Cash Settlement Amount, the Optional Cash Settlement Amount, the Alternate Cash Settlement Amount, the Early Cash Settlement Amount, the Specified Early Cash Settlement Amount, the Exercise Cash Settlement Amount, or the Disruption Cash Settlement Price, as applicable.

"**Settlement Currency**" means the Currency specified as such in the applicable Final Terms.

"**Settlement Disruption Event**" means, in the opinion of the Determination Agent, that an event beyond the control of the Issuer or the Guarantor, if applicable, has occurred as a result of which the Issuer or the Guarantor, as the case may be, cannot make delivery of the Reference Assets.

"**Settlement Election Notice**" has the meaning given to it in Condition 7.

"**Settlement Expenses**" means, in respect of any Security or Securities, any costs, fees and expenses or other amounts (other than in relation to Taxes) payable by a Securityholder per Calculation Amount on or in respect of or in connection with the redemption, exercise or settlement of such Security or Securities as determined by the Determination Agent in its sole and absolute discretion.

"**Settlement Method**" means in respect of a Security, the method specified as such in the applicable Final Terms.

"**Settlement Number**" means, in respect of a Series of Securities, 180 unless otherwise specified in the applicable Final Terms.

"**Settlement Price**" means, unless otherwise specified in the applicable Final Terms, in relation to each Warrant, Exercisable Certificate or, if Units are specified in the applicable Final Terms, each Unit, in respect of which Cash Settlement is specified or elected as the Settlement Method:

(a) in the case of Securities relating to a basket of Reference Assets, an amount equal to the sum of the values calculated for each Reference Asset at the official closing price (or the price at the Relevant Time on the relevant Valuation Date or an Averaging Date if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Reference Asset on (i) if "Averaging" is not specified in the applicable Final Terms, the Valuation Date or (ii) if "Averaging" is specified in the applicable Final Terms, an Averaging Date and, in either case, without regard to any subsequently published correction (or if in the opinion of the Determination Agent, any such official closing price (or the price at the Relevant Time on the relevant Valuation Date or such Averaging Date if so specified in the applicable Final Terms) cannot be so determined and the relevant Valuation Date or Averaging Date is not a Disrupted Day, an amount determined by the Determination Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Relevant Time on the relevant Valuation Date or such Averaging Date if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Relevant Time on the relevant Valuation Date or such Averaging Date if so specified in the applicable Final Terms) for the relevant Reference Asset whose official closing price (or the price at the Relevant Time on the relevant Valuation Date or such Averaging Date if so specified in the applicable Final Terms) cannot be determined based, at the Determination Agent's discretion, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Determination Agent) engaged in the trading of the relevant Reference Asset or on such other factors as the Determination Agent shall decide), multiplied by the relevant Multiplier, each such value to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate and the sum of such converted amounts to be the Settlement Price, all as determined by or on behalf of the Determination Agent; and

(b) in the case of Securities relating to a single Reference Asset, an amount equal to the official closing price (or the price at the Relevant Time on the Valuation Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such

Reference Asset on (i) if "Averaging" is not specified in the applicable Final Terms, the Valuation Date or (ii) if "Averaging" is specified in the applicable Final Terms, an Averaging Date and, in either case, without regard to any subsequent published correction (or if, in the opinion of the Determination Agent, any such official closing price (or the price at the Relevant Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the Valuation Date or Averaging Date, as the case may be, is not a Disrupted Day, an amount determined by the Determination Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Relevant Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Relevant Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for the Reference Asset based, at the Determination Agent's discretion, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Determination Agent) engaged in the trading of the Reference Asset or on such other factors as the Determination Agent shall decide), such amount to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate and such converted amount to be the Settlement Price, all as determined by or on behalf of the Determination Agent.

"**Specified Duration**" means the duration specified as such or, if none, a period equal to the corresponding Interest Calculation Period, ignoring any adjustment made in accordance with any Business Day convention.

"**Specified Early Cancellation Event**" means each event specified as such in the applicable Final Terms.

"**Specified Early Cancellation Notice**" has the meaning given to it in Condition 6.2(c).

"**Specified Early Cancellation Notice Period**" has the meaning given to it in Condition 6.2(c).

"**Specified Early Cash Cancellation Date**" means the last day of the Specified Early Cancellation Notice Period or such other date specified or determined in accordance with the applicable Final Terms.

"**Specified Early Cash Redemption Date**" means the last day of the Specified Early Redemption Notice Period or such other date specified or determined in accordance with the applicable Final Terms.

"**Specified Early Cash Settlement Amount**" means, unless otherwise specified in any applicable Relevant Annex or the applicable Final Terms, an amount per Calculation Amount determined by the Determination Agent as the pro rata proportion of the market value of the Securities on or about the date the Specified Early Redemption Notice or Specified Early Cancellation Notice, as possible, is given by the Issuer, and in any event no later than the last day of the Specified Early Redemption Notice Period or Specified Early Cancellation Notice Period, as applicable, adjusted to take into account any costs, losses, expenses and any Local Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the early redemption of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs (whether actual or notional). In determining such amount, the Determination Agent may take into account prevailing market prices and/or proprietary pricing models, or where these pricing methods may not yield a commercially reasonable result, may determine such amount in a commercially reasonable manner.

"**Specified Early Physical Cancellation Date**" means, in relation to any Specified Early Physical Cancellation Entitlement to be delivered, the Relevant Settlement Day following the date on which settlement of a sale of the relevant Reference Assets executed on the last day of the Specified Early

Cancellation Notice Period customarily would take place in the relevant market (or, in respect of Cleared Securities, through the Relevant Clearing System) unless otherwise specified in the applicable Final Terms.

"**Specified Early Physical Cancellation Entitlement**" means the quantity of the Reference Asset(s) or, if "Entitlement Substitution" is specified in the applicable Final Terms, the Substitute Asset(s), as applicable, (together with any Transfer Documentation relating thereto) specified in the applicable Final Terms or determined in accordance with the method for such determination specified in the applicable Final Terms by the Determination Agent per Calculation Amount (determined immediately prior to the relevant Specified Early Physical Cancellation Date) in each case adjusted to take into account any costs, losses, expenses and any Local Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the early redemption of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs (whether actual or notional). In determining such amount, the Determination Agent may take into account prevailing market prices and/or proprietary pricing models, or where these pricing methods may not yield a commercially reasonable result, may determine such amount in a commercially reasonable manner.

"**Specified Early Physical Redemption Date**" means, in relation to any Specified Early Physical Redemption Entitlement to be delivered, the Relevant Settlement Day following the date on which settlement of a sale of the relevant Reference Assets executed on the last day of the Specified Early Redemption Notice Period customarily would take place in the relevant market (or, in respect of Cleared Securities, through the Relevant Clearing System) unless otherwise specified in the applicable Final Terms.

"**Specified Early Physical Redemption Entitlement**" means the quantity of the Reference Asset(s) or, if "Entitlement Substitution" is specified in the applicable Final Terms, the Substitute Asset(s), as applicable, (together with any Transfer Documentation relating thereto) specified in the applicable Final Terms or determined in accordance with the method for such determination specified in the applicable Final Terms by the Determination Agent per Calculation Amount (determined immediately prior to the relevant Specified Early Physical Redemption Date) in each case adjusted to take into account any costs, losses, expenses and any Local Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the early redemption of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs (whether actual or notional). In determining such amount, the Determination Agent may take into account prevailing market prices and/or proprietary pricing models, or where these pricing methods may not yield a commercially reasonable result, may determine such amount in a commercially reasonable manner.

"**Specified Early Redemption Event**" means each event specified as such in the applicable Final Terms.

"**Successor**" means, in relation to any Agent or such other or further person as may from time to time be appointed by the Issuer in respect of Securities, the person identified as the successor to such Agent or other person by the Determination Agent (or, if the successor relates to the Determination Agent, the Issuer) in its sole and absolute discretion. Notice of any Successor identified shall be given to Securityholders as soon as reasonably practicable after such identification in accordance with Condition 16.

"**TARGET Business Day**" means a day on which the TARGET System is operating.

"**TARGET System**" 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

("**TARGET2**") (or if such system ceases to be operative, such other system (if any) determined by the Determination Agent to be a suitable replacement).

"**Taxes**" means any tax, duty, impost, levy, charge or contribution in the nature of taxation or any withholding or deduction for or on account thereof, including (but not limited to) any applicable stock exchange tax, turnover tax, stamp duty, stamp duty reserve tax and/or other taxes, duties, assessments or governmental charges of whatever nature chargeable or payable and includes any interest and penalties in respect thereof.

"**TEFRA**" means the US Tax Equity and Fiscal Responsibility Act of 1982.

"**Trade Date**" means the date specified as such in the applicable Final Terms.

"**Transfer Documentation**" means, for each Series of Securities, such documentation as is generally acceptable for settlement of transfer of Reference Assets on any Related Exchange or through the Relevant Clearing System including, without limitation, stock notes and/or stock transfer forms in the case of settlement on the London Stock Exchange.

"**Uncertificated Regulations**" means the United Kingdom Uncertificated Securities Regulations 2001 (SI 2001/3755) including any modification or re-enactment thereof from time to time in force.

"**Units**" means, in respect of Warrants and Exercisable Certificates, the number of Warrants or Exercisable Certificates specified in the applicable Final Terms.

"**Valuation Date**" has the meaning given to it in any applicable Relevant Annex or the applicable Final Terms.

"**Valuation Time**" means the time specified as such in any applicable Relevant Annex.

"**Variable Rate**" has the meaning given to it in Condition 4.3.

COMMODITY LINKED ANNEX

Table of Contents

PART A – DESCRIPTION AND RISK FACTORS

1 Brief description of Commodity Linked Securities

2 Risk Factors relating to Commodity Linked Securities

PART B – ADDITIONAL TERMS AND CONDITIONS FOR COMMODITY LINKED SECURITIES

1 Determination of Relevant Commodity Price for Commodity Linked Securities

2 Commodity Market Disruption Events and Disruption Fallback

3 Common Pricing

4 Correction to Published Prices

5 Adjustment to Commodity Index

6 Adjustment to payment dates, exercise dates and settlement dates

7 Commodity Business Day Convention

8 Physical Settlement

PART C – DEFINITIONS AND INTERPRETATION APPLICABLE TO COMMODITY LINKED SECURITIES

1 Certain general definitions relating to Commodity Linked Securities

2 Terms relating to Commodity Market Disruption Events and Disruption Fallback

3 Commodity Reference Prices

PART A – DESCRIPTION AND RISK FACTORS

1 Brief description of Commodity Linked Securities.

Commodity Linked Securities are Securities where (i) in relation to Notes and Certificates (other than Exercisable Certificates), the payments of interest and/or repayment of principal and/or amount deliverable on redemption and/or the exercise of any Put Option or Call Option; or (ii) in relation to Exercisable Certificates and Warrants, the exercise of the such Securities or the amount payable or deliverable on exercise; or (iii) any additional amounts payable or deliverable in respect of such Securities, as indicated in the applicable Final Terms, will be calculated by reference to and/or contingent upon the performance, level, price, or other factor relating to a specified commodity, commodity index, basket of commodities and/or commodity indices over a period of time or on certain dates.

Commodities and commodity indices are generally divided into four main classes: (i) energy, which includes crude oil, gasoline, heating oil and natural gas, (ii) agriculture, which includes corn, soybeans, wheat, sugar, cocoa, cotton and coffee, (iii) livestock, which includes cattle and hogs, and (iv) metals, which can be subdivided into base metals such as aluminium, copper, nickel, lead and zinc, and precious metals such as gold and silver.

A commodity index is comprised of a weighted basket of commodities that satisfy specified criteria and is designed to be a liquid and diversified benchmark for commodities. Each commodity index has its own composition and calculation methodology and is usually expressed in terms of a change from a base value.

2 Risk Factors relating to Commodity Linked Securities.

Commodity Linked Securities have a different risk profile to ordinary unsecured debt securities. The return on a Commodity Linked Security is linked to the performance of a Relevant Commodity or Commodity Index. Investing in a Commodity Linked Security is not equivalent to investing directly in the Relevant Commodity or Commodity Index or the underlying Commodity Index components.

This section describes additional factors to which prospective investors should have regard when considering an investment in Commodity Linked Securities. Prospective investors are also referred to the factors set out in the section headed "Risk Factors" of the Base Prospectus.

2.1 Risks Associated with all Commodity Linked Securities

2.1.1 The market value of Commodity Linked Securities may be influenced by many unpredictable factors.

The market value of Commodity Linked Securities may be influenced by many unpredictable factors and may fluctuate between the date of purchase and the applicable pricing date(s). Investors may also sustain a significant loss if they sell Commodity Linked Securities in the secondary market. Several factors, many of which are beyond the control of the Issuer and/or the Guarantor (if applicable), will influence the market value of Commodity Linked Securities. It is expected that generally the value of the Relevant Commodity or the value of the Commodity Index components and of the Commodity Index underlying the Commodity Linked Securities will affect the market value of those

Commodity Linked Securities more than any other factor. Other factors that may influence the market value of Commodity Linked Securities include:

- prevailing spot prices for the Relevant Commodity or commodities underlying the Commodity Index;
- the time remaining to the redemption, exercise or expiration, as applicable, of the Commodity Linked Securities;
- supply and demand for the Commodity Linked Securities;
- economic, financial, political, regulatory, geographical, biological, or judicial events that affect the market price of the underlying Relevant Commodity or the level of the Commodity Index or the market price of the components included in the Commodity Index;
- the general interest rate environment; and
- the creditworthiness of the Issuer and/or Guarantor.

These factors interrelate in complex ways, and the effect of one factor on the market value of the Commodity Linked Securities may offset or enhance the effect of another factor.

2.1.2 Commodity prices may change unpredictably, affecting the value of Relevant Commodities or Commodity Indices and the value of Commodity Linked Securities in unforeseeable ways.

For example, trading in futures contracts on physical commodities, including trading in the components of a Commodity Index, is speculative and can be extremely volatile. Market prices may fluctuate rapidly based on numerous factors, including: changes in supply and demand relationships (whether actual, perceived, anticipated, unanticipated or unrealised); weather; agriculture; trade; fiscal, monetary and exchange control programs; domestic and foreign political and economic events and policies; disease; pestilence; technological developments; changes in interest rates, whether through governmental action or market movements; and monetary and other governmental policies, action and inaction. The current or "spot" prices of physical commodities may also affect, in a volatile and inconsistent manner, the prices of futures contracts in respect of a commodity. These factors may affect the value of the Relevant Commodity or Commodity Index underlying Commodity Linked Securities and therefore the value of Commodity Linked Securities in varying ways, and different factors may cause the prices of Relevant Commodities or Commodity Index components, and the volatilities of their prices, to move in inconsistent directions at inconsistent rates.

2.1.3 Supply of and demand for physical commodities tends to be particularly concentrated, so prices are likely to be volatile.

The prices of physical commodities, including the commodities underlying a Commodity Index, can fluctuate widely due to supply and demand disruptions in major producing or consuming regions or industries.

Certain commodities are used primarily in one industry, and fluctuations in levels of activity in (or the availability of alternative resources to) one industry may have a disproportionate effect on global demand for a particular commodity. Moreover, recent growth in industrial

production and gross domestic product has made China and other developing nations oversized users of commodities and has increased the extent to which certain commodities rely on the those markets. Political, economic and other developments that affect those countries may affect the value of a Relevant Commodity or the commodities included in a Commodity Index and, thus, the value of Commodity Linked Securities linked to that Relevant Commodity or Commodity Index.

In addition, because certain Relevant Commodities and certain of the commodities underlying a Commodity Index may be produced in a limited number of countries and may be controlled by a small number of producers, political, economic and supply-related events in such countries or with such produces could have a disproportionate impact on the prices of such commodities and therefore the value of Commodity Linked Securities.

2.1.4 Suspension or disruptions of market trading in commodities and related futures contracts may adversely affect the value of Commodity Linked Securities.

Commodity markets are subject to temporary distortions or other disruptions due to various factors, including the lack of liquidity in the markets, the participation of speculators and government regulation and intervention. In addition, U.S. futures exchanges and some foreign exchanges have regulations that limit the amount of fluctuation in some futures contract prices that may occur during a single business day. These limits are generally referred to as "daily price fluctuation limits" and the maximum or minimum price of a contract on any given day as a result of these limits is referred to as a "limit price". Once the limit price has been reached in a particular contract, no trades may be made at a price beyond the limit, or trading may be limited for a set period of time. Limit prices have the effect of precluding trading in a particular contract or forcing the liquidation of contracts at potentially disadvantageous times or prices. These circumstances could adversely affect the value of any Relevant Commodity or Commodity Index underlying Commodity Linked Securities and, therefore, the value of those Commodity Linked Securities.

2.1.5 Concentration risks associated with a Relevant Commodity or Commodity Index may adversely affect the value of Commodity Linked Securities.

Because Commodity Linked Securities are linked to one or more Relevant Commodities or Commodity Indices comprised of one or more contracts on physical commodities, it will be less diversified than other funds, investment portfolios or indices investing in or tracking a broader range of products and, therefore, could experience greater volatility. Investors should be aware, in particular, that some Commodity Indices are more diversified than others in terms of both the number of and variety of futures contracts (especially in the case of the Commodity Linked Securities linked to a sub-index of a Commodity Index). An investment in Commodity Linked Securities may carry risks similar to a concentrated securities investment in a limited number of industries or sectors, in one industry or sector or in one issuer.

2.1.6 Future prices of commodities within a Commodity Index that are different relative to their current prices may result in a reduced amount payable or deliverable upon redemption or exercise.

Unlike equities, which typically entitle the holder to a continuing stake in a corporation, commodity futures contracts normally specify a certain date for delivery of the underlying

physical commodity. As the exchange-traded futures contracts that comprise a Commodity Index approach expiration, they are replaced by similar contracts that have a later expiration. Thus, for example, a futures contract purchased and held in August may specify an October expiration. As time passes, the contract expiring in October may be replaced by a contract for delivery in November. This process is referred to as "rolling". If the market for these contracts is (putting aside other considerations) in "backwardation", which means that the prices are lower in the distant delivery months than in the nearer delivery months, the sale of the October contract would take place at a price that is higher than the price of the November contract, thereby creating a "roll yield". The actual realisation of a potential roll yield will be dependent upon the level of the related spot price relative to the unwind price of the commodity futures contract at the time of sale of the contract. While many of the contracts included in Commodity Indices have historically exhibited consistent periods of backwardation, backwardation will most likely not exist at all times. Moreover, certain of the commodities reflected in Commodity Indices have historically traded in "contango" markets. Contango markets are those in which the prices of contracts are higher in the distant delivery months than in the nearer delivery months. The absence of backwardation in the commodity markets could result in negative "roll yields", which could adversely affect the value of a Commodity Index underlying Commodity Linked Securities and, accordingly, decrease the amount received by Securityholders upon redemption or exercise.

2.1.7 Commodity Indices may include contracts that are not traded on regulated futures exchanges.

Commodity Indices are typically based solely on futures contracts traded on regulated futures exchanges. However, a Commodity Index may include over-the-counter contracts (such as swaps and forward contracts) traded on trading facilities that are subject to lesser degrees of regulation or, in some cases, no substantive regulation. As a result, trading in such contracts, and the manner in which prices and volumes are reported by the relevant trading facilities, may not be subject to the provisions of, and the protections afforded by, for example, the U.S. Commodity Exchange Act of 1936, or other applicable statutes and related regulations, that govern trading on regulated U.S. futures exchanges, or similar statutes and regulations that govern trading on regulated UK futures exchanges. In addition, many electronic trading facilities have only recently initiated trading and do not have significant trading histories. As a result, the trading of contracts on such facilities, and the inclusion of such contracts in a Commodity Index, may be subject to certain risks not presented by, for example, U.S. or UK exchange-traded futures contracts, including risks related to the liquidity and price histories of the relevant contracts.

2.1.8 Historical values of Relevant Commodities, Commodity Indices and the components in a Commodity Index should not be taken as an indication of future performance.

The actual performance of a Relevant Commodity, Commodity Index or the components included in a Commodity Index underlying Commodity Linked Securities, as well as the amount payable or deliverable upon redemption or exercise, may bear little relation to the historical values of that Relevant Commodity, Commodity Index or the components included in that Commodity Index, which in most cases have been highly volatile.

2.1.9 Changes in the Treasury Bill rate of interest may affect the value of a Commodity Index underlying Commodity Linked Securities.

If the value of a Commodity Index is linked, in part, to the Treasury Bill rate of interest that could be earned on cash collateral invested in specified Treasury Bills, changes in the Treasury Bill rate of interest may affect the amount payable or deliverable on any Commodity Linked Securities linked to that Commodity Index upon redemption or exercise and, therefore, the market value of such Commodity Linked Securities. Assuming the trading prices of the commodity components included in the Commodity Index remain constant, an increase in the Treasury Bill rate of interest will increase the value of the Commodity Index and, therefore, the value of the Commodity Linked Securities. A decrease in the Treasury Bill rate of interest will adversely impact the value of the Commodity Index and, therefore, the value of the Commodity Linked Securities.

2.1.10 Securityholders will not have rights in any Relevant Commodity (unless expressly provided for in the Final Terms) or components of any Commodity Index.

A Securityholder will not have rights that investors in a Relevant Commodity or in the components included in a Commodity Index underlying Commodity Linked Securities may have. The Securities will be paid in cash, and you will have no right to receive delivery of any Relevant Commodity unless expressly provided for in the applicable Final Terms.

2.1.11 The Issuer is not responsible for the public disclosure of information relating to a Commodity Index, which may change over time.

This Issuer has no ability to control or predict the actions of the sponsor of a Commodity Index, including any errors in, or discontinuation of disclosure regarding the methods or policies relating to the calculation of, a Commodity Index. The sponsor of a Commodity Index is typically not under any obligation to continue to calculate the Commodity Index or required to calculate any successor indices. If the sponsor discontinues or suspends the calculation of a Commodity Index, it may become difficult to determine the market value of the Commodity Linked Securities linked to that Commodity Index or the amount payable or deliverable upon redemption or exercise. The Determination Agent may designate a successor index selected in its sole discretion. If the Determination Agent determines in its sole discretion that no successor index comparable to the discontinued or suspended Commodity Index exists, the amount received by Securityholders upon redemption or exercise of the Commodity Linked Securities linked to that Commodity Index will be determined by the Determination Agent in its sole discretion. See "Adjustments to Commodity Index" in this Product Annex.

2.1.12 The policies of the sponsor of a Commodity Index and changes that affect the composition and valuation of a Commodity Index or the components included in a Commodity Index could affect the amount payable or deliverable on the Commodity Linked Securities and their market value.

The policies of the sponsor of a Commodity Index concerning the calculation of the level of a Commodity Index, additions, deletions or substitutions of index components and the manner in which changes affecting the index components are reflected in a Commodity Index could affect the value of the Commodity Index and, therefore, the amount payable or deliverable on the Commodity Linked Securities upon redemption or exercise and the market value of the Commodity Linked Securities prior to redemption or expiration.

Additional commodity futures contracts may satisfy the eligibility criteria for inclusion in a Commodity Index, and the commodity futures contracts currently included in a Commodity Index may fail to satisfy such criteria. The weighting factors applied to each futures contract included in a Commodity Index may change, based on changes in commodity production and volume statistics. In addition, the sponsor of a Commodity Index may modify the methodology for determining the composition and weighting of a Commodity Index, for calculating its value in order to assure that the relevant Commodity Index represents an adequate measure of market performance or for other reasons, or for calculating the value of the relevant Commodity Index. The sponsor of a Commodity Index may also discontinue or suspend calculation or publication of a Commodity Index, in which case it may become difficult to determine the market value of that Commodity Index. Any such changes could adversely affect the value of the Commodity Linked Securities.

If events such as these occur, or if the value of a Relevant Commodity or a Commodity Index is not available or cannot be calculated because of a market disruption event, the Determination Agent may be required to estimate in a commercially reasonable manner determined in its sole discretion of the value of such Relevant Commodity or Commodity Index. See "Commodity Market Disruption Event and Disruption Fallback" and "Adjustments to Commodity Index" in this Product Annex.

2.1.13 If a Commodity Market Disruption Event has occurred or exists on a pricing date, the determination of the value of a Relevant Commodity or Commodity Index may be delayed or postponed and as a consequence the redemption or exercise of the Commodity Linked Securities.

The determination of the value of a Relevant Commodity or Commodity Index on a pricing date may be delayed or postponed if the Determination Agent determines that a Commodity Market Disruption Event with respect to that Relevant Commodity or Commodity Index has occurred or is continuing on such valuation date. As a result, the relevant settlement date, exercise date(s) or expiration date, as the case may be, of the Commodity Linked Securities could also be delayed or postponed. Where a Commodity Market Disruption Event occurs on a pricing date and continues for longer than a set period of consecutive days, the Determination Agent will estimate in a commercially reasonable manner determined in its sole discretion of the value of the Relevant Commodity or Commodity Index for such valuation date. See "Commodity Market Disruption Event and Disruption Fallback" in this Product Annex.

2.1.14 Data sourcing and calculation associated with Commodity Indices may adversely affect the market price of Commodity Linked Securities.

The annual composition of Commodity Indices are typically recalculated in reliance upon historic price, liquidity and production data that are subject to potential errors in data sources or other errors that may affect the weighting of the index components. Any discrepancies that require revision are not applied retroactively but will be reflected in the weighting calculations of the Commodity Index for the following year. Additionally, sponsors of a Commodity Index may not discover every discrepancy. Furthermore, the annual weightings for a Commodity Index are typically determined by the sponsor of the Commodity Index under the supervision of the supervisory committee, which has a significant degree of discretion in exercising its supervisory duties with respect to the Commodity Index and has no obligation to take the needs of any parties to transactions

involving the Commodity Indices (including Securityholders) into consideration when reweighting or making any other changes to the Commodity Index.

2.1.15 The sponsor of a Commodity Index may be required to replace a futures contract or other component in a Commodity Index if the existing futures contract or other component is terminated or replaced.

The sponsor of a Commodity Index will typically select futures contracts and other price sources as the reference contracts for the physical commodities in the Commodity Index. Data concerning these underlying components will be used to calculate the level of the Commodity Index. If a component were to be terminated or replaced in accordance with the methodology of the Commodity Index, a comparable futures contract or other price source would be selected by the index sponsor or supervisory committee, if available, to replace that component. The termination or replacement of any component may have an adverse impact on the value of any Commodity Index in which the relevant component is included.

2.2 Additional Risks Associated with Commodity Linked Securities linked to Aluminium, Copper, Lead, Nickel, Tin or Zinc

2.2.1 Commodity Linked Securities may be subject to certain risks specific to aluminium, copper, lead, nickel, tin or zinc as a commodity.

Aluminium, copper, lead, nickel, tin and zinc are industrial metals. Consequently, in addition to factors affecting commodities generally that are described above, Commodity Linked Securities that are linked to the price of aluminium, copper, lead, nickel, tin or zinc may be subject to a number of additional factors specific to industrial metals, and in particular aluminium, copper, lead, nickel, tin or zinc, that might cause price volatility. These may include, among others:

- changes in the level of industrial activity using industrial metals, and in particular aluminium, copper, lead, nickel, tin or zinc, including the availability of substitutes such as man-made or synthetic substitutes;
- disruptions in the supply chain, from mining to storage to smelting or refining;
- adjustments to inventory;
- variations in production costs, including storage, labour and energy costs;
- costs associated with regulatory compliance, including environmental regulations; and
- changes in industrial, government and consumer demand, both in individual consuming nations and internationally.

These factors interrelate in complex ways, and the effect of one factor on the market value of Commodity Linked Securities linked to the price of aluminium, copper, lead, nickel, tin or zinc, may offset or enhance the effect of another factor.

2.3 The London Metal Exchange's use of or omission to use price controls may result in limited appreciation but unlimited depreciation in the price of aluminium, copper, lead, nickel futures contracts traded on the London Metal Exchange (the "LME") and,

therefore, the value of Commodity Linked Securities linked to the price of such aluminium, copper, lead, nickel futures contracts.

U.S. exchanges have regulations that limit the amount of fluctuation in some futures contract prices that may occur during a single business day. These limits are generally referred to as "daily price fluctuation limits". In contrast, futures contracts on aluminium, copper, lead, nickel that are traded on the LME are not subject to daily price fluctuation limits to restrict the extent of daily fluctuations in the prices of such contracts. In a declining market, therefore, it is possible that prices for one or more contracts traded on the LME would continue to decline without limitation within a trading day or over a period of trading days. A steep decline in the price of the futures contract could have a significant adverse impact on the value of any Commodity Linked Securities linked to such aluminium, copper, lead, nickel futures contracts.

Moreover, the LME has discretion to impose "backwardation limits" by permitting short sellers who are unable to effect delivery of an underlying commodity and/or borrow such commodity at a price per day that is no greater than the backwardation limit to defer their delivery obligations by paying a penalty in the amount of the backwardation limit to buyers for whom delivery was deferred. Backwardation limits tend to either constrain appreciation or cause depreciation of the prices of futures contracts expiring in near delivery months. Impositions of such backwardation limits could adversely affect the value of any Commodity Linked Securities linked to such aluminium, copper, lead, nickel futures contracts.

2.3.1 Contracts traded on the LME are exposed to concentration risks beyond those characteristic of futures contracts on U.S. futures exchanges.

Futures contracts traded on U.S. futures exchanges generally call for delivery of the physical commodities to which such contracts relate in stated delivery months. In contrast, contracts traded on the LME may call for delivery on a daily, weekly or monthly basis. As a result, there may be a greater risk of a concentration of positions in contracts trading on the LME on particular delivery dates than for futures contracts traded on U.S. futures exchanges, since, for example, contracts calling for delivery on a daily, weekly or monthly basis could call for delivery on the same or approximately the same date. Such a concentration of positions, in turn, could cause temporary aberrations in the prices of contracts traded on the LME for delivery dates to which such positions relate. To the extent such aberrations are in evidence on a given pricing date with respect to the price of any such futures contract, they could adversely affect the value of any Commodity Linked Securities linked to such futures contracts.

2.4 Additional Risks Associated with Commodity Linked Securities linked to Cocoa, Coffee, Corn, Cotton, Soybeans, Soybean Oil, Sugar or Wheat

2.4.1 Commodity Linked Securities may be subject to certain risks specific to cocoa, coffee, corn, cotton, soybeans, soybean oil, sugar or wheat as a commodity.

Cocoa, coffee, corn, cotton, soybeans, soybean oil, sugar and wheat are agricultural commodities. Cocoa, coffee, cotton and sugar are soft commodities; corn, soybeans and wheat are grains. Consequently, in addition to factors affecting commodities generally that are described above, Commodity Linked Securities that are linked to the price of cocoa, coffee, corn, cotton, soybeans, soybean oil, sugar or wheat may be subject to a number of additional factors specific to agricultural commodities and softs or grains, and in particular

cocoa, coffee, corn, cotton, soybeans, soybean oil, sugar or wheat, that might cause price volatility. These may include, among others:

- weather conditions, including floods, drought and freezing conditions;
- changes in government policies;
- changes in global demand for food or clothing;
- planting decisions; and
- changes in bio-diesel or ethanol demand;
- changes in demand for agricultural products, softs or grains, and in particular cocoa, coffee, corn, cotton, soybeans, soybean oil, sugar or wheat, both with end users and as inputs into various industries.

These factors interrelate in complex ways, and the effect of one factor on the market value of Commodity Linked Securities linked to the price of cocoa, coffee, corn, cotton, soybeans, soybean oil, sugar or wheat, may offset or enhance the effect of another factor.

2.5 Additional Risks Associated with Commodity Linked Securities Linked to Crude Oil, Heating Oil, Natural Gas or Unleaded Gasoline

2.5.1 Commodity Linked Securities may be subject to certain risks specific to crude oil, heating oil, natural gas or unleaded gasoline as a commodity.

Crude oil, heating oil, natural gas and unleaded gasoline are energy-related commodities. Consequently, in addition to factors affecting commodities generally that are described above, Commodity Linked Securities linked to the price of crude oil, heating oil, natural gas or unleaded gasoline may be subject to a number of additional factors specific to energy-related commodities, and in particular crude oil, heating oil, natural gas or unleaded gasoline, that might cause price volatility. These may include, among others:

- changes in the level of industrial and commercial activity with high levels of energy demand;
- disruptions in the supply chain or in the production or supply of other energy sources;
- price changes in alternative sources of energy;
- adjustments to inventory;
- variations in production and shipping costs;
- costs associated with regulatory compliance, including environmental regulations; and
- changes in industrial, government and consumer demand, both in individual consuming nations and internationally.

These factors interrelate in complex ways, and the effect of one factor on the market value of Commodity Linked Securities linked to the price of crude oil, heating oil, natural gas or unleaded gasoline, may offset or enhance the effect of another factor.

2.6 Additional Risks Associated with Commodity Linked Securities Linked to Gold, Silver, Platinum or Palladium

2.6.1 Commodity Linked Securities may be subject to certain risks specific to gold, silver, platinum or palladium as a commodity.

Gold, silver, platinum and palladium are precious metals. Consequently, in addition to factors affecting commodities generally that are described above, Commodity Linked Securities linked to the price of gold, silver, platinum or palladium may be subject to a number of additional factors specific to precious metals, and in particular gold, silver, platinum or palladium, that might cause price volatility. These may include, among others:

- disruptions in the supply chain, from mining to storage to smelting or refining;
- adjustments to inventory;
- variations in production costs, including storage, labour and energy costs;
- costs associated with regulatory compliance, including environmental regulations;
- changes in industrial, government and consumer demand, both in individual consuming nations and internationally;
- precious metal leasing rates;
- currency exchange rates;
- level of economic growth and inflation; and
- degree to which consumers, governments, corporate and financial institutions hold physical gold as a safe haven asset (hoarding) which may be caused by a banking crisis/recovery, a rapid change in the value of other assets (both financial and physical) or changes in the level of geopolitical tension.

These factors interrelate in complex ways, and the effect of one factor on the market value of Commodity Linked Securities linked to the price of gold, silver, platinum or palladium, may offset or enhance the effect of another factor.

2.7 Additional Risks Associated with Securities Linked to an Index that Includes Lean Hogs or Live Cattle

2.7.1 Commodity Linked Securities may be subject to certain risks specific to lean hogs or live cattle as a commodity.

Lean hogs and live cattle are a type of livestock. Consequently, in addition to factors affecting commodities generally that are described above, Commodity Linked Securities linked to the price of lean hogs or live cattle may be subject to a number of additional factors specific to livestock, and in particular lean hogs or live cattle, that might cause price volatility. These may include, among others:

- weather conditions, including floods, drought and freezing conditions;
- disease and famine;
- changes in government policies; and

- changes in end-user demand for livestock.

These factors interrelate in complex ways, and the effect of one factor on the market value of Commodity Linked Securities linked to the price of lean hogs or live cattle, may offset or enhance the effect of another factor.

2.8 Commodity Indices – General Information

All information contained in this Product Annex and the applicable Final Terms regarding any Commodity Index, including, without limitation, its make up, its method of calculation and changes in its components is derived from publicly available information. Such information reflects the policies of, and is subject to change by, the index sponsors.

Commodity Indices are sponsored, calculated and published by index sponsors. In connection with any offering of Securities, neither the Issuer nor the Guarantor have participated in the preparation of any information relating to any Commodity Index or made any due diligence inquiry with respect to the index sponsors. Neither the Issuer nor the Guarantor makes any representation or warranty as to the accuracy or completeness of such information or any other publicly available information regarding any Commodity Index or the index sponsors.

Securityholders should make their own investigation into any Commodity Index and the index sponsors. The index sponsors are not involved in any offer of Securities in any way and have no obligation to consider the interests of any Securityholder. The index sponsors have no obligation to continue to publish any Commodity Index and may discontinue or suspend publication of a Commodity Index at any time in their sole discretion.

Some index sponsors and their affiliates actively trade futures contracts and options on futures contracts on the commodities that underlie Commodity Indices, as well as commodities, including commodities included in Commodity Indices. Some index sponsors and their affiliates also actively enter into or trade and market securities, swaps, options, derivatives, and related instruments which are linked to the performance of commodities or are linked to the performance of Commodity Indices. Some index sponsors and their affiliates may underwrite or issue other securities or financial instruments linked to one or more Commodity Indices, and may license the Commodity Indices for publication or for use by unaffiliated third parties. These activities could present conflicts of interest and could affect the value of the Commodity Indices. For instance, a market maker in a financial instrument linked to the performance of a Commodity Index may expect to hedge some or all of its position in that financial instrument. Purchase (or selling) activity in the underlying index components in order to hedge the market maker's position in the financial instrument may affect the market price of the futures contracts or other components included in the Commodity Index, which in turn may affect the value of the Commodity Index. With respect to any of the activities described above, the index sponsors and their affiliates have no obligation to take the needs of any buyers, sellers or holders of the Securities into consideration at any time.

Historical performance of a Commodity Index is not an indication of future performance. Future performance of a Commodity may differ significantly from historical performance, either positively or negatively.

A Commodity Index is composed of one or more futures contracts on physical commodities. Futures contracts on physical commodities and commodity indices are traded on regulated futures exchanges, and physical commodities and other derivatives on physical commodities and

commodity indices are traded in the over-the-counter market and on various types of physical and electronic trading facilities and markets. An exchange-traded futures contract provides for the purchase and sale of a specified type and quantity of a commodity or financial instrument during a stated delivery month for a fixed price. A futures contract on an index of commodities provides for the payment and receipt of cash based on the level of the index at settlement or liquidation of the contract. A futures contract provides for a specified settlement month in which the cash settlement is made or in which the commodity or financial instrument is to be delivered by the seller (whose position is therefore described as "short") and acquired by the purchaser (whose position is therefore described as "long").

There is no purchase price paid or received on the purchase or sale of a futures contract. Instead, an amount of cash or cash equivalents must be deposited with the broker as "initial margin". This amount varies based on the requirements imposed by the exchange clearing houses, but may be lower than 5 per cent. of the notional value of the contract. This margin deposit provides collateral for the obligations of the parties to the futures contract.

By depositing margin, which may vary in form depending on the exchange, with the clearing house or broker involved, a market participant may be able to earn interest on its margin funds, thereby increasing the total return that it may realize from an investment in futures contracts. The market participant normally makes to, and receives from, the broker subsequent daily payments as the price of the futures contract fluctuates. These payments are called "variation margin" and are made as the existing positions in the futures contract become more or less valuable, a process known as "marking to the market".

Futures contracts are traded on organized exchanges, known as "designated contract markets" in the United States. At any time prior to the expiration of a futures contract, subject to the availability of a liquid secondary market, a trader may elect to close out its position by taking an opposite position on the exchange on which the trader obtained the position. This operates to terminate the position and fix the trader's profit or loss. Futures contracts are cleared through the facilities of a centralized clearing house and a brokerage firm, referred to as a "futures commission merchant", which is a member of the clearing house. The clearing house guarantees the performance of each clearing member that is a party to a futures contract by, in effect, taking the opposite side of the transaction. Clearing houses do not guarantee the performance by clearing members of their obligations to their customers.

Unlike equity securities, futures contracts, by their terms, have stated expirations and, at a specified point in time prior to expiration, trading in a futures contract for the current delivery month will cease. As a result, a market participant wishing to maintain its exposure to a futures contract on a particular commodity with the nearest expiration must close out its position in the expiring contract and establish a new position in the contract for the next delivery month, a process referred to as "rolling". For example, a market participant with a long position in November crude oil futures that wishes to maintain a position in the nearest delivery month will, as the November contract nears expiration, sell November futures, which serves to close out the existing long position, and buy December futures. This will "roll" the November position into a December position, and, when the November contract expires, the market participant will still have a long position in the nearest delivery month.

Futures exchanges and clearing houses in the United States are subject to regulation by the Commodities Futures Trading Commission. Exchanges may adopt rules and take other actions that affect trading, including imposing speculative position limits, maximum price fluctuations and

trading halts and suspensions and requiring liquidation of contracts in certain circumstances. Futures markets outside the United States are generally subject to regulation by comparable regulatory authorities. The structure and nature of trading on non-U.S. exchanges, however, may differ from this description.

PART B – ADDITIONAL TERMS AND CONDITIONS FOR COMMODITY LINKED SECURITIES

*The terms and conditions applicable to Commodity Linked Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the "**Commodity Linked Conditions**"), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Commodity Linked Conditions set out below, the Commodity Linked Conditions shall prevail. In the event of any inconsistency between (i) the Base Conditions and/or the Commodity Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail. This Commodity Linked Annex is a Product Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities specified to be Commodity Linked Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.*

These Commodity Linked Conditions apply to Commodity Linked Securities linked to (i) a single Relevant Commodity, (ii) a Commodity Index, (iii) a Basket of Commodities or (iv) a basket of various products which includes a Relevant Commodity or Commodity Index.

1 Determination of Relevant Commodity Price for Commodity Linked Securities

The Relevant Commodity Price for a Relevant Commodity or a Commodity Index for any Pricing Date shall be the price, expressed as a price per unit of the Relevant Commodity or the price of the Commodity Index, determined by the Determination Agent with respect to that Pricing Date in respect of which:

(i) the Commodity Reference Price is as specified in the applicable Final Terms;

(ii) the Specified Price is as specified in the applicable Final Terms;

(iii) the Delivery Date (if any) is as specified in the applicable Final Terms; and

(iv) the Pricing Date(s) is/are date(s) as specified in the applicable Final Terms.

2 Commodity Market Disruption Event and Disruption Fallback

If, in the opinion of the Determination Agent, a Commodity Market Disruption Event has occurred and is continuing on any Pricing Date (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published by the Price Source), the Relevant Commodity Price for that Pricing Date will be determined by the Determination Agent in accordance with the first applicable Disruption Fallback that provides a Relevant Commodity Price.

3 Common Pricing

With respect to Securities relating to a Basket of Commodities, if "Common Pricing" has been selected in the applicable Final Terms as:

(i) "Applicable" then, no date will be a Pricing Date unless such date is a day on which all referenced Commodity Reference Prices (for which such date would otherwise be a Pricing Date) are scheduled to be published or announced.

(ii) "Inapplicable" then, if the Determination Agent determines that a Commodity Market Disruption Event has occurred or exists on the Pricing Date in respect of any Relevant Commodity and/or Commodity Index in the basket (the "Affected Commodity"), the Relevant Commodity Price of each Relevant Commodity and/or Commodity Index within the basket which is not affected by the occurrence of a Commodity Market Disruption Event shall be determined on its scheduled Pricing Date and the Relevant Commodity Price for the Affected Commodity shall be determined in accordance with the first applicable Disruption Fallback that provides a Relevant Commodity Price.

4 Correction to Published Prices

For purposes of determining or calculating the Relevant Commodity Price, if the price published or announced on a given day and used or to be used by the Determination Agent to determine the Relevant Commodity Price in respect of that day is subsequently corrected and the correction is published or announced by the person responsible for that publication or announcement within 30 calendar days after the original publication or announcement, the Determination Agent may, in its sole discretion, recalculate the Relevant Commodity Price for that day, using such corrected price. The Determination Agent shall notify the Issuer of any such correction, the revised Relevant Commodity Price and, if any amount (the "**Actual Amount**") has been paid or delivered to Securityholders on the basis of the original Relevant Commodity Price, the amount that should have been paid or delivered to the Securityholders on the basis of the corrected Relevant Commodity Price (the "**Adjusted Amount**"). Upon being notified of the Adjusted Amount, the Issuer may (but shall not be obliged to) take such action as it considers necessary or appropriate to either pay or deliver additional amounts (if the Adjusted Amount is greater than the Actual Amount) or recover amounts (if the Adjusted Amount is less than the Actual Amount), from the person to whom the Actual Amounts were paid or delivered. Notwithstanding the foregoing, under no circumstances shall the Issuer be obligated to recover any monies from any Relevant Clearing System. The Determination Agent shall not be obliged to make any determination under this Commodity Linked Condition and shall have no liability to any person for any determination made or not made under this Commodity Linked Condition.

Notwithstanding the foregoing, where the Determination Agent, in its sole discretion, determines that the price published or announced on a given day and used or to be used by it to determine the Relevant Commodity Price in respect of that day is expected to be subsequently corrected, then the Determination Agent may, in its sole discretion, delay the determination or calculation of the Relevant Commodity Price in respect of such day and instead notify the Issuer of the expected correction. If the Determination Agent notifies the Issuer of an expected correction to a Relevant Commodity Price, the Issuer shall not make any payments or deliveries, until the Determination Agent determines or calculates the correct Relevant Commodity Price and the day on which such payments or delivered are due shall be delayed to the same extent as was the determination or calculation of the correct Relevant Commodity Price. No additional amounts shall be payable or deliverable as a result of any such delay.

5 Adjustments to Commodity Index

With respect to a Commodity Index:

(i) If the Commodity Index is permanently cancelled or the Commodity Reference Price is not calculated and announced by the sponsor of such Commodity Index or any of its affiliates (together the "**Sponsor**") but (i) is calculated and announced by a successor sponsor (the

"**Successor Sponsor**") acceptable to the Determination Agent, or (ii) replaced by a successor index (the "**Successor Index**") using, in the determination of the Determination Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Relevant Commodity Price, then the Relevant Commodity Price will be deemed to be the price so calculated and announced by that Successor Sponsor or that Successor Index, as the case may be.

(ii) If the Determination Agent determines that (i) the Sponsor makes a material change in the formula for or the method of calculating the Relevant Commodity Price or in any other way materially modifies such Commodity Index (other than a modification prescribed in that formula or method to maintain the Relevant Commodity Price in the event of changes in constituent commodities and weightings and other routine events), or (ii) the Sponsor permanently cancels the Commodity Index or (iii) the Sponsor fails to calculate and announce the Commodity Index for a continuous period of three Trading Days and the Determination Agent determines that there is no Successor Sponsor or Successor Index (such events (i) (ii) and (iii) to be collectively referred to as "**Index Adjustment Events**"), then the Determination Agent may at its option (in the case of (i)) and shall (in the case of (ii) and (iii)) calculate the Relevant Commodity Price using in lieu of the published level for that Commodity Index (if any), the level for that Commodity Index as at the relevant determination date as determined by the Determination Agent in accordance with the formula for and method of calculating that Commodity Index last in effect prior to the relevant Index Adjustment Event, but using only those futures contracts that comprised that Commodity Index immediately prior to the relevant Index Adjustment Event (other than those futures contracts that have ceased to be listed on any relevant exchange).

(iii) Any other adjustment specified in the applicable Final Terms.

6 Adjustments to payment dates, exercise dates and settlement dates

Notwithstanding anything to the contrary in the Base Conditions, if, as a result of a delay or postponement pursuant to the occurrence of a Commodity Market Disruption Event or Index Adjustment Event, a Relevant Commodity Price used to determine (i) whether any right of exercise, Call Option, Put Option or any other right may be exercised or (ii) any amount payable or deliverable on any Interest Payment Date Redemption Date, Optional Cash Redemption Date, Optional Physical Redemption Date, Early Cash Redemption Date, Early Cancellation Date, Specified Early Cash Redemption Date, the Specified Early Cash Cancellation Date, Specified Early Physical Redemption Date, the Specified Early Physical Cancellation Date, Early Cancellation Date, Early Physical Cancellation Date, Exercise Date, Expiration Date, Exercise Cash Settlement Date or Physical Delivery Date (as the case may be) or on any other date specified in the applicable Final Terms, is unavailable such determination and/or date will, subject to the applicable Final Terms, be delayed or postponed to fall on the second Business Day following the determination of the Relevant Commodity Price under the Disruption Fallback provision or Adjustments to Commodity Index provision as determined by Determination Agent.

No additional amounts shall be payable or deliverable by the Issuer or Guarantor to any Securityholder as a result of any such delay or postponement.

7 Commodity Business Day Convention

If any date applicable to a Commodity Linked Security that is specified to be subject to adjustment in accordance with a Commodity Business Day Convention would otherwise fall on a day that is not a

Commodity Business Day, such date will be adjusted according to the Commodity Business Day Convention specified in the applicable Final Terms.

If the Commodity Business Day Convention is:

(i) the "Following", such date shall be postponed to the next day that is a Commodity Business Day;

(ii) the "Modified Following", such date shall be postponed to the next day that is a Commodity Business Day, unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Commodity Business Day;

(iii) the "Nearest", such date will be the first preceding day that is a Commodity Business Day if the relevant date otherwise falls on a day other than a Sunday or a Monday and will be the first following day that is a Commodity Business Day if the relevant date otherwise falls on a Sunday or a Monday; or

(iv) the "Preceding", such date shall be brought forward to the immediately preceding Commodity Business Day.

8 Physical Settlement

With respect to a Commodity Linked Security, if (i) "Physical Settlement" is specified in the applicable Final Terms or (ii) "Securityholder Settlement Option" or "Issuer Settlement Option" is specified in the applicable Final Terms and the relevant Securityholder or the Issuer, as the case may be, has elected Physical Settlement to be applicable in accordance with Condition 5 or 6 of the Base Conditions, then such Commodity Linked Security (a "Physically Delivered Commodity Linked Security") will be settled as set out in Condition 7.2 of the Base Conditions or as otherwise set out in the Final Terms.

With respect to any Physically Delivered Commodity Linked Security:

(i) the method of delivery of the Entitlement;

(ii) the Relevant Clearing System through which the Issuer will endeavour to deliver (or procure delivery of) the Entitlement to the Securityholder; and

(iii) the Final Physical Redemption Date, Optional Physical Redemption Date or Exercise Physical Settlement Date and the definitions of Final Physical Redemption Entitlement, Optional Physical Redemption Entitlement, Specified Early Physical Redemption Entitlement, Early Physical Cancellation Date or Exercise Physical Settlement Entitlement, Settlement Disruption Event and Disruption Cash Settlement Price, Delivery Entitlement Instruction,

are each set out in the applicable Final Terms or otherwise as specified in the Base Conditions.

With respect to any Physically Delivered Commodity Linked Security, a Delivery Entitlement Instruction shall, in addition to specifying all the matters stipulated in the Base Conditions, include such other information (if any) as set out in the applicable Final Terms to enable the Issuer to endeavour to deliver (or procure delivery of) the Entitlement to the Securityholder. Failure to include such other information may, at the sole discretion of the Determination Agent, constitute a Settlement Disruption Event.

PART C – DEFINITIONS AND INTERPRETATIONS APPLICABLE TO COMMODITY LINKED SECURITIES

1 Certain general definitions relating to Commodity Linked Securities

"**Basket of Commodities**" means, in relation to a particular Security, a basket composed of Relevant Commodities and/or Commodity Indices in the relative proportions specified in the applicable Final Terms.

"**Commodity Business Day**" means, (a) in respect of a Commodity Linked Security for which the Commodity Reference Price is a price announced or published by an Exchange, a day that is (or would have been, but for the occurrence of a Commodity Market Disruption Event) a day on which that Exchange is open for trading during its regular trading session, notwithstanding any such Exchange closing prior to its scheduled closing time and (b) in respect of a Commodity Linked Security for which the Commodity Reference Price is not a price announced or published by an Exchange, a day in respect of which the relevant Price Source published (or would have published, but for the occurrence of a Commodity Market Disruption Event) a price.

"**Commodity Index**" means, in relation to a Commodity Linked Security, the index comprising one or more commodities or commodity futures contracts, as specified in the applicable Final Terms.

"**Commodity Linked Security**" means a Security, in respect of which (i) in relation to Notes and Certificates (other than Exercisable Certificates), payments of interest and/or repayment of principal and/or the exercise of any Put Option or Call Option; or (ii) in relation to Exercisable Certificates and Warrants, the exercise of such Security or the amount payable or deliverable on exercise; and/or (iii) any additional amounts payable or deliverable in respect of such Security, as indicated in the applicable Final Terms, will be calculated by reference to and/or contingent upon the price of a Relevant Commodity, Commodity Index or a Basket of Commodities, each as specified in the applicable Final Terms.

"**Commodity Reference Price**" means, in respect of a Relevant Commodity or Commodity Index, the reference price as specified in the applicable Final Terms and determined by the Determination Agent. The specified Commodity Reference Price may be defined in the applicable Final Terms or be interpreted by reference to Section 3 of this Part C.

"**Delivery Date**" means, in respect of a Commodity Reference Price, the relevant date or month for delivery of the Relevant Commodity as specified in the applicable Final Terms and determined by the Determination Agent as follows:

(a) if a date is, or a month and year are, is specified, that date or that month and year;

(b) if a Nearby Month is specified, the month of expiration of the relevant Futures Contract; and

(c) if a method is specified for the purpose of determining the Delivery Date, the date or month and year determined pursuant to that method.

"**Exchange**" means each exchange or principal trading market specified in the applicable Final Terms or Commodity Reference Price.

"**Nearby Month**" means, in respect of a Delivery Date and a Pricing Date, when preceded by a numerical adjective, the month of expiration of the Futures Contract identified by that numerical adjective, so that, for example, (A) "First Nearby Month" means the month of expiration of the first Futures Contract to

expire following that Pricing Date; (B) "Second Nearby Month" means the month of expiration of the second Futures Contract to expire following that Pricing Date; and (C) "Sixth Nearby Month" means the month of expiration of the sixth Futures Contract to expire following that Pricing Date.

"**Pricing Date**" means, in respect of a Commodity Reference Price, each date specified as such in the applicable Final Terms, which date is a day in respect of which a Relevant Commodity Price is to be determined.

"**Price Source**" means, in respect of a Commodity Reference Price, the publication (or such other origin of reference, including an Exchange) containing (or reporting) the Specified Price (or prices from which the Specified Price is calculated) as specified in the relevant Commodity Reference Price or the applicable Final Terms.

"**Relevant Commodity**" means, in respect of a Commodity Linked Security, the commodity specified in the applicable Final Terms.

"**Relevant Commodity Price**" means, in respect of a Relevant Commodity or Commodity Index, for any Pricing Date, the price, expressed as a price per unit of the Relevant Commodity or the price of the Commodity Index, determined by the Determination Agent with respect to that Pricing Date for the specified Commodity Reference Price.

"**Specified Price**" means, in respect of a Commodity Reference Price, the price as specified in the applicable Final Terms.

2 Terms relating to Commodity Market Disruption Events and Disruption Fallback

"**Commodity Market Disruption Event**" means, in respect of a Relevant Commodity or Commodity Index, the occurrence of any of the following events:

(a) with respect to a Relevant Commodity:

(i) Price Source Disruption;

(ii) Trading Disruption;

(iii) Disappearance of Commodity Reference Price;

(iv) Material Change in Formula;

(v) Material Change in Content; or

(vi) any additional Commodity Market Disruption Events specified in the applicable Final Terms.

(b) with respect to a Commodity Index:

(i) a temporary or permanent failure by the applicable exchange or other price source to announce or publish (a) the final settlement price for the Commodity Reference Price or (b) closing price for any futures contract included in the Commodity Reference Price;

(ii) a material limitation, suspension or disruption of trading in one or more of the futures contracts included in the Commodity Reference Price; or

(iii) the closing price for any futures contract included in the Commodity Reference Price is a "limit price", which means that the closing price for such contract for a day has increased or

decreased from the previous day's closing price by the maximum amount permitted under applicable exchange rules.

"**Delayed Publication or Announcement**" means, in respect of a Disruption Fallback, that the Relevant Commodity Price for a Pricing Date will be determined based on the Specified Price in respect of the original day scheduled as such Pricing Date that is published or announced by the relevant Price Source retrospectively on the first succeeding Commodity Business Day on which the Commodity Market Disruption Event ceases to exist, unless that Commodity Market Disruption Event continues to exist (measured from and including the original day that would otherwise have been the Pricing Date), or the Relevant Commodity Price continues to be unavailable, for two consecutive Commodity Business Days.

"**Determination Agent Determination**" means, in respect of a Disruption Fallback, the Determination Agent will determine the Relevant Commodity Price (or a method for determining the Relevant Commodity Price), taking into consideration the latest available quotation for the relevant Commodity Reference Price and any other information that in its sole discretion it deems relevant.

"**Disappearance of Commodity Reference Price**" means, in respect of a Commodity Market Disruption Event, (A) the permanent discontinuation of trading, in the relevant Futures Contract on the relevant Exchange; (B) the disappearance of, or of trading in, the Relevant Commodity; or (C) the disappearance or permanent discontinuance or unavailability of a Commodity Reference Price, notwithstanding the availability of the related Price Source or the status of trading in the relevant Futures Contract or the Relevant Commodity.

"**Disruption Fallback**" means a source or method that may give rise to an alternative basis for determining the Relevant Commodity Price in respect of a specified Commodity Reference Price when a Commodity Market Disruption Event occurs or exists on a day that is a Pricing Date. A Disruption Fallback is applicable (in the order specified, if any) if it is specified in the applicable Final Terms or, if no Disruption Fallback is specified in the applicable Final Terms, the following Disruption Fallbacks shall be deemed to have been specified:

(a) with respect to a Relevant Commodity (in the following order):

  (i) Fallback Reference Price (if applicable);

  (ii) Delayed Publication or Announcement and Postponement (each to operate concurrently with the other and each subject to a period of two consecutive Commodity Business Days of disruption (measured from and including the original day that would otherwise have been the Pricing Date); provided, however, that the price determined by Postponement shall be the Relevant Commodity Price only if Delayed Publication or Announcement does not yield a Relevant Commodity Price within that two consecutive Commodity Business Days); and

  (iii) Determination Agent Determination.

(b) with respect to a Commodity Index, the following fallback determination mechanism:

  (i) with respect to each futures contract included in the Commodity Reference Price which is not affected by the Commodity Market Disruption Event, the Relevant Commodity Price will be based on the closing prices of each such contract on the applicable determination date;

  (ii) with respect to each futures contract included in the Commodity Reference Price which is affected by the Commodity Market Disruption Event, the Relevant Commodity Price will be

based on the closing prices of each such contract on the first day following the applicable determination date on which no Commodity Market Disruption Event is occurring with respect to such contract;

(iii) subject to Clause (iv) below, the Determination Agent shall determine the Relevant Commodity Price by reference to the closing prices determined in Clauses (i) and (ii) above using the then-current method for calculating the Relevant Commodity Price; and

(iv) where a Commodity Market Disruption Event with respect to one or more futures contracts included in the Commodity Reference Price continues to exist (measured from and including the first day following the applicable determination date) for five consecutive Trading Days, the Determination Agent shall determine the Relevant Commodity Price in a commercially reasonable manner.

"**Fallback Reference Price**" means, in respect of a Disruption Fallback, that the Determination Agent will determine the Relevant Commodity Price based on the price for that Pricing Date of the first alternate Commodity Reference Price, if any, specified in the applicable Final Terms and not subject to a Commodity Market Disruption Event.

"**Futures Contract**" means, in respect of a Commodity Reference Price, the contract for future delivery of a contract size in respect of the relevant Delivery Date relating to the Relevant Commodity referred to in that Commodity Reference Price.

"**Material Change in Content**" means, in respect of a Commodity Market Disruption Event, the occurrence since the Trade Date of the Commodity Linked Security of a material change in the content, composition or constitution of the Relevant Commodity or relevant Futures Contract.

"**Material Change in Formula**" means, in respect of a Commodity Market Disruption Event, the occurrence since the Trade Date of the Commodity Linked Security of a material change in the formula for or method of calculating the relevant Commodity Reference Price.

"**Postponement**" means, in respect of a Disruption Fallback, that the Pricing Date will be deemed, for purposes of the application of this Disruption Fallback only, to be the first succeeding Commodity Business Day on which the Commodity Market Disruption Event ceases to exist, unless that Commodity Market Disruption Event continues to exist for two consecutive Commodity Business Days (measured from and including the original day that would otherwise have been the Pricing Date).

"**Price Source Disruption**" means, in respect of a Commodity Market Disruption Event, (A) the failure of the Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price) for the relevant Commodity Reference Price; or (B) the temporary or permanent discontinuance or unavailability of the Price Source.

"**Trading Day**" means, a day when:

(i) the Determination Agent is open for business in London and New York; and

(ii) the exchanges of all futures contracts included in the Commodity Index are open for trading.

"**Trading Disruption**" means, in respect of a Commodity Market Disruption Event, the material suspension of, or the material limitation imposed on, trading in the Futures Contract or the Relevant Commodity on the Exchange or in any additional futures contract, options contract or commodity on any Exchange as specified in the applicable Final Terms. For these purposes:

(a) a suspension of the trading in the Futures Contract or the Relevant Commodity on any Commodity Business Day shall be deemed to be material only if:

(i) all trading in the Futures Contract or the Relevant Commodity is suspended for the entire Pricing Date; or

(ii) all trading in the Futures Contract or the Relevant Commodity is suspended subsequent to the opening of trading on the Pricing Date, trading does not recommence prior to the regularly scheduled close of trading in such Futures Contract or such Relevant Commodity on such Pricing Date and such suspension is announced less than one hour preceding its commencement; and

(b) a limitation of trading in the Futures Contract or the Relevant Commodity on any Commodity Business Day shall be deemed to be material only if the relevant Exchange establishes limits on the range within which the price of the Futures Contract or the Relevant Commodity may fluctuate and the closing or settlement price of the Futures Contract or the Relevant Commodity on such day is at the upper or lower limit of that range.

3 Commodity Reference Prices

3.1 Section 1: Commodity Reference Prices

Subject to Part B (*Additional Terms and Conditions for Commodity Linked Securities*), for purposes of determining the Relevant Commodity Price for a Relevant Commodity or Commodity Index:

3.1.1 Agricultural Products

(a) **Azuki Beans**

"AZUKI BEANS-TGE" means that the price for a Pricing Date will be that day's Specified Price per bag of deliverable grade azuki beans on the TGE of the Futures Contract, stated in Japanese Yen, as made public by the TGE and displayed on Reuters Screen page "0#JRB:" on that Pricing Date.

(b) **Barley**

"BARLEY-WCE" means that the price for a Pricing Date will be that day's Specified Price per tonne of deliverable grade Canadian feed barley on the WCE of the Futures Contract, stated in Canadian Dollars, as made public by the WCE and displayed on Reuters Screen page "0#AB:" on that Pricing Date.

(c) **Canola**

"CANOLA-WCE" means that the price for a Pricing Date will be that day's Specified Price per ton of deliverable grade non-commercially clean Canadian canola on the WCE of the Futures Contract, stated in Canadian Dollars, as made public by the WCE and displayed on Reuters Screen page "0#RS:" on that Pricing Date.

(d) **Cocoa**

"COCOA-NYBOT" means that the price for a Pricing Date will be that day's Specified Price per metric ton of deliverable grade cocoa beans on the NYBOT of the Futures

Contract, stated in U.S. Dollars, as made public by the NYBOT and displayed on Reuters Screen page "0#CC:" on that Pricing Date.

(e) **Coffee**

"COFFEE ARABICA-NYBOT" means that the price for a Pricing Date will be that day's Specified Price per pound of deliverable grade washed arabica coffee on the NYBOT of the Futures Contract, stated in U.S. cents, as made public by the NYBOT and displayed on Reuters Screen page "0#KC:" on that Pricing Date.

(f) **Corn**

"CORN-CBOT" means that the price for a Pricing Date will be that day's Specified Price per bushel of deliverable grade corn on the CBOT of the Futures Contract, stated in U.S. cents, as made public by the CBOT and displayed on Reuters Screen page "0#C:" on that Pricing Date.

(g) **Cotton**

"COTTON NO. 2-NYBOT" means that the price for a Pricing Date will be that day's Specified Price per pound of deliverable grade cotton No. 2 on the NYBOT of the Futures Contract, stated in U.S. cents, as made public by the NYBOT and displayed on Reuters Screen page "0#CT:" on that Pricing Date.

(h) **Livestock**

(i) "FEEDER CATTLE-CME" means that the price for a Pricing Date will be that day's Specified Price per pound of deliverable grade medium and large frame #1 feeder steers on the CME of the Futures Contract, stated in U.S. cents, as made public by the CME and displayed on Reuters Screen page "0#FC:" on that Pricing Date.

(ii) "LIVE CATTLE-CME" means that the price for a Pricing Date will be that day's Specified Price per pound of deliverable grade live steers on the CME of the Futures Contract, stated in U.S. cents, as made public by the CME and displayed on Reuters Screen page "0#LC:" on that Pricing Date.

(iii) "LEAN HOGS-CME" means that the price for a Pricing Date will be that day's Specified Price per pound of deliverable grade lean value hog carcasses on the CME of the Futures Contract, stated in U.S. cents, as made public by the CME and displayed on Reuters Screen page "0#LH:" on that Pricing Date.

(i) **Lumber**

"LUMBER-CME" means that the price for a Pricing Date will be that day's Specified Price per thousand board feet (mbf) of deliverable grade random length lumber on the CME of the Futures Contract, stated in U.S. Dollars, as made public by the CME and displayed on Reuters Screen page "0#LB:" on that Pricing Date.

(j) **Oats**

"OATS-CBOT" means that the price for a Pricing Date will be that day's Specified Price per bushel of deliverable grade oats on the CBOT of the Futures Contract, stated

in U.S. cents, as made public by the CBOT and displayed on Reuters Screen page "0#O:" on that Pricing Date.

(k) **Orange Juice**

"FROZEN CONCENTRATED ORANGE JUICE NO. 1-NYBOT" means that the price for a Pricing Date will be that day's Specified Price per pound of deliverable grade orange solids on the NYBOT of the Futures Contract, stated in U.S. cents, as made public by the NYBOT and displayed on Reuters Screen page "0#OJ:" on that Pricing Date.

(l) **Palm Oil**

(i) "PALM OIL-BURSA MALAYSIA" means that the price for a Pricing Date will be that day's Specified Price per metric ton of deliverable grade crude palm oil on the Bursa Malaysia of the Futures Contract, stated in Malaysian Ringgit, as made public by the Bursa Malaysia, and displayed on Reuters Screen page "0#PO:" on that Pricing Date.

(ii) "PALM KERNEL OIL-BURSA MALAYSIA" means that the price for a Pricing Date will be that day's Specified Price per metric ton of deliverable grade crude palm kernel oil on the Bursa Malaysia of the Futures Contract, stated in Malaysian Ringgit, as made public by the Bursa Malaysia and displayed on Reuters Screen page "0#KPO:" on that Pricing Date.

(m) **Rice**

"RICE-CBOT" means that the price for a Pricing Date will be that day's Specified Price per hundredweight of deliverable grade rough rice on the CBOT of the Futures Contract, stated in U.S. cents, as made public by the CBOT and displayed on Reuters Screen page "0#RR:" on that Pricing Date.

(n) **Rubber**

"RUBBER-TOCOM" means that the price for a Pricing Date will be that day's Specified Price per kilogram of rubber on the TOCOM of the Futures Contract for the Delivery Date, stated in Japanese Yen, as made public by the TOCOM and displayed on Reuters Screen page "0#JRU:" on that Pricing Date.

(o) **Soybeans**

(i) "SOYBEANS-CBOT" means that the price for a Pricing Date will be that day's Specified Price per bushel of deliverable grade soybeans on CBOT of the Futures Contract, stated in U.S. cents, as made public by the CBOT and displayed on Reuters Screen page "0#S:" on that Pricing Date.

(ii) "SOYBEAN MEAL-CBOT" means that the price for a Pricing Date will be that day's Specified Price per ton of deliverable grade soybean meal on the CBOT of the Futures Contract, stated in U.S. Dollars, as made public by the CBOT and displayed on Reuters Screen page "0#SM:" on that Pricing Date.

(iii) "SOYBEAN OIL-CBOT" means that the price for a Pricing Date will be that day's Specified Price per pound of deliverable grade crude soybean oil on the CBOT of the Futures Contract, stated in U.S. cents, as made public by the CBOT and displayed on Reuters Screen page "0#BO:" on that Pricing Date.

(p) **Sugar**

"SUGAR # 11 (WORLD)-NYBOT" means that the price for a Pricing Date will be that day's Specified Price per pound of deliverable grade cane sugar on the NYBOT of the Futures Contract, stated in U.S. cents, as made public by the NYBOT and displayed on Reuters Screen page "0#SB:" on that Pricing Date.

(q) **Wheat**

(i) "WHEAT-CBOT" means that the price for a Pricing Date will be that day's Specified Price per bushel of deliverable grade wheat on the CBOT of the Futures Contract, stated in U.S. cents, as made public by the CBOT and displayed on Reuters Screen page "0#W:" on that Pricing Date.

(ii) "WHEAT HRW-KCBOT" means that the price for a Pricing Date will be that day's Specified Price per bushel of deliverable grade hard red winter wheat on the KCBOT of the Futures Contract, stated in U.S. cents, as made public by the KCBOT and displayed on Reuters Screen page "0#KW:" on that Pricing Date.

(r) **Wool**

"GREASY WOOL (21 MICRON)-SFE" means that the price for a Pricing Date will be that day's Specified Price per kilogram of deliverable grade merino combing fleece on the SFE of the Futures Contract, stated in Australian cents, as made public by the SFE and displayed on Reuters Screen page "0#YGS:" on that Pricing Date.

3.1.2 Energy

(a) **Coal**

(i) "COAL-TFS API 2-ARGUS/MCCLOSKEY'S" means that the price for a Pricing Date will be that day's Specified Price per tonne of steam coal 6,000 kcal/kg, up to 1 per cent. sulphur NAR basis, cif ARA, stated in U.S. Dollars, published under the heading "International Coal Indexes incorporating the TFS APITM Indices: Monthly Coal Price Indexes: TFS API 2 (cif ARA)" in the issue of Argus/McCloskey's Coal Price Index Report that reports prices effective on that Pricing Date.

(ii) "COAL-TFS API 4-ARGUS/MCCLOSKEY'S" means that the price for a Pricing Date will be that day's Specified Price per tonne of steam coal 6,000 kcal/kg, up to 1 per cent. sulphur NAR basis, fob Richards Bay, stated in U.S. Dollars, published under the heading "International Coal Indexes incorporating the TFS APITM Indices: Monthly Coal Price Indexes: TFS API 4 (fob Richards Bay)" in the issue of Argus/McCloskey's Coal Price Index Report that reports prices effective on that Pricing Date.

(b) **Electricity**

(i) "ELECTRICITY-MONTH FUTURES BASE-EEX" means that the price for a Pricing Date will be that day's Specified Price per MWh of base electricity on the EEX of the Futures Contract, stated in Euros, published at www.eex.de, under the headings "Info Center: Download: Market Data: Derivatives-Results

Derivatives Market (Year): F1BM" or any successor headings, that reports prices effective on that Pricing Date.

(ii) "ELECTRICITY-QUARTER FUTURES BASE-EEX" means that the price for a Pricing Date will be that day's Specified Price per MWh of base electricity on the EEX of the Futures Contract, stated in Euros, published at www.eex.de, under the headings "Info Center: Download: Market Data: Derivatives-Results Derivatives Market (Year): F1BQ" or any successor headings, that reports prices effective on that Pricing Date.

(iii) "ELECTRICITY-YEAR FUTURES BASE-EEX" means that the price for a Pricing Date will be that day's Specified Price per MWh of base electricity on the EEX of the Futures Contract, stated in Euros, published at www.eex.de, under the headings "Info Center: Download: Market Data: Derivatives-Results Derivatives Market (Year): F1BY" or any successor headings, that reports prices effective on that Pricing Date.

(c) **Gas Oil**

"GAS OIL-IPE" means that the price for a Pricing Date will be that day's Specified Price per metric ton of gas oil on the IPE of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the IPE on that Pricing Date.

(d) **Gasoline**

"GASOLINE-NEW YORK-NYMEX" means that the price for a Pricing Date will be that day's Specified Price per gallon of New York Harbor unleaded gasoline on the NYMEX of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX on that Pricing Date.

(e) **Heating Oil**

"HEATING OIL-NEW YORK-NYMEX" means that the price for a Pricing Date will be that day's Specified Price per gallon of New York Harbor No. 2 heating oil on the NYMEX of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX on that Pricing Date.

(f) **Jet Fuel/Kerosene**

"JET FUEL-CARGOES CIF NWE/BASIS ARA-PLATTS EUROPEAN" means that the price for a Pricing Date will be that day's Specified Price per metric ton of jet fuel, stated in U.S. Dollars, published under the heading "Cargoes CIF NWE/Basis ARA: Jet" in the issue of Platts European that reports prices effective on that Pricing Date.

(g) **Natural Gas**

(i) "NATURAL GAS-NYMEX" means that the price for a Pricing Date will be that day's Specified Price per MMBTU of natural gas on the NYMEX of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX on that Pricing Date.

(ii) "NATURAL GAS-HENRY HUB-NYMEX" means that the price for a Pricing Date will be that day's Specified Price per MMBTU of natural gas on the NYMEX of

the Henry Hub Natural Gas Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX on that Pricing Date.

(h) **Oil**

(1) "OIL-BRENT-IPE" means that the price for a Pricing Date will be that day's Specified Price per barrel of Brent blend crude oil on the IPE of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the IPE on that Pricing Date.

(2) "OIL-WTI-NYMEX" means that the price for a Pricing Date will be that day's Specified Price per barrel of West Texas Intermediate light sweet crude oil on the NYMEX of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX on that Pricing Date.

3.1.3 Metals

(i) Aluminium

(1) "ALUMINIUM-LME CASH" means that the price for a Pricing Date will be that day's Specified Price per tonne of high grade Primary Aluminium on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(2) "ALUMINIUM-LME 3 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of high grade Primary Aluminium on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(3) "ALUMINIUM-LME 15 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of high grade Primary Aluminium on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(4) "ALUMINIUM-LME 27 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of high grade Primary Aluminium on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(ii) Copper

(1) "COPPER-LME CASH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Copper Grade A on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(2) "COPPER-LME 3 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Copper Grade A on the LME for the

applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(3) "COPPER-LME 15 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Copper Grade A on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(4) "COPPER-LME 27 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Copper Grade A on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(5) "COPPER-COMEX" means that the price for a Pricing Date will be that day's Specified Price per pound of high grade copper on the COMEX of the Futures Contract for the Delivery Date, stated in U.S. cents, as made public by the COMEX on that Pricing Date.

(iii) Gold

(1) "GOLD-A.M. FIX" means that the price for a Pricing Date will be that day's morning Gold fixing price per troy ounce of Gold for delivery in London through a member of the LBMA authorized to effect such delivery, stated in U.S. Dollars, as determined by the London Gold Market and displayed on Reuters Screen page "GOFO" that displays prices effective on that Pricing Date.

(2) "GOLD-P.M. FIX" means that the price for a Pricing Date will be that day's afternoon Gold fixing price per troy ounce of Gold for delivery in London through a member of the LBMA authorized to effect such delivery, stated in U.S. Dollars, as calculated by the London Gold Market and displayed on Reuters Screen page "GOFO" that displays prices effective on that Pricing Date.

(iv) Lead

(1) "LEAD-LME CASH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Standard Lead on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(2) "LEAD-LME 3 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Standard Lead on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(3) "LEAD-LME 15 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Standard Lead on the LME for the applicable

Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(v) Nickel

(1) "NICKEL-LME CASH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Primary Nickel on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(2) "NICKEL-LME 3 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Primary Nickel on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(3) "NICKEL-LME 15 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Primary Nickel on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(4) "NICKEL-LME 27 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Primary Nickel on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(vi) Palladium

(1) "PALLADIUM-A.M. FIX" means that the price for a Pricing Date will be that day's morning Palladium fixing price per troy ounce gross of Palladium for delivery in Zurich through a member of the LPPM authorized to effect such delivery, stated in U.S. Dollars, as calculated by the LPPM and displayed on Reuters Screen page "STBL" that displays prices effective on that Pricing Date.

(2) "PALLADIUM-P.M. FIX" means that the price for a Pricing Date will be that day's afternoon Palladium fixing price per troy ounce gross of Palladium for delivery in Zurich through a member of the LPPM authorized to effect such delivery, stated in U.S. Dollars, as calculated by the LPPM and displayed on Reuters Screen page "STBL" that displays prices effective on that Pricing Date.

(vii) Platinum

(1) "PLATINUM-A.M. FIX" means that the price for a Pricing Date will be that day's morning Platinum fixing price per troy ounce gross of Platinum for delivery in Zurich through a member of the LPPM authorized to effect such delivery, stated in U.S. Dollars, as calculated by the LPPM and displayed on Reuters Screen page "STBL" that displays prices effective on that Pricing Date.

(2) "PLATINUM-P.M. FIX" means that the price for a Pricing Date will be that day's afternoon Platinum fixing price per troy ounce gross of Platinum for delivery in Zurich through a member of the LPPM authorized to effect such delivery, stated in U.S. Dollars, as calculated by the LPPM and displayed on Reuters Screen page "STBL" that displays prices effective on that Pricing Date.

(3) "PLATINUM-NYMEX" means that the price for a Pricing Date will be that day's Specified Price per troy ounce of Platinum on the NYMEX of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX on that Pricing Date.

(4) "PLATINUM-TOCOM" means that the price for a Pricing Date will be that day's Specified Price per gram of fine Platinum on the TOCOM of the Futures Contract for the Delivery Date, stated in Japanese Yen, as made public by the TOCOM on that Pricing Date.

(viii) Silver

"SILVER-FIX" means that the price for a Pricing Date will be that day's Silver fixing price per troy ounce of Silver for delivery in London through a member of the LBMA authorized to effect such delivery, stated in U.S. cents, as calculated by the London Silver Market and displayed on Reuters Screen page "SIFO" that displays prices effective on that Pricing Date.

(ix) Tin

(1) "TIN-LME CASH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Tin on the LME for the Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(2) "TIN-LME 3 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Tin on the LME for the Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(3) "TIN-LME 15 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Tin on the LME for the Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(x) Zinc

(1) "ZINC-LME CASH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Special High Grade Zinc on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(2) "ZINC-LME 3 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Special High Grade Zinc on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and

displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(3) "ZINC-LME 15 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Special High Grade Zinc on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(4) "ZINC-LME 27 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Special High Grade Zinc on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

3.1.4 Composite Commodity Indices

(i) S&P GSCI

(1) "S&P GSCI™ Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSCITR" that displays prices effective on that Pricing Date.

(2) "S&P GSCI™ Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSCIP" that displays prices effective on that Pricing Date.

(3) "S&P GSCI™ Energy Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Energy Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSENTR" that displays prices effective on that Pricing Date.

(4) "S&P GSCI™ Energy Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Energy Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSENP" that displays prices effective on that Pricing Date.

(5) "S&P GSCI™ Petroleum Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Petroleum Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSPTTR" that displays prices effective on that Pricing Date.

(6) "S&P GSCI™ Petroleum Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Petroleum Index Excess Return Index, stated in U.S. Dollars, published by Standard &

Poor's or its successor, and displayed on Reuters Screen page ".SPGSPTP" that displays prices effective on that Pricing Date.

(7) "S&P GSCI™ Non-Energy Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Non-Energy Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSNETR" that displays prices effective on that Pricing Date.

(8) "S&P GSCI™ Non-Energy Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Non-Energy Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSNEP" that displays prices effective on that Pricing Date.

(9) "S&P GSCI™ Reduced Energy Index (CPW 2) Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Reduced Energy Index (CPW 2) Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSRETR" that displays prices effective on that Pricing Date.

(10) "S&P GSCI™ Reduced Energy Index (CPW 2) Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Reduced Energy Index (CPW 2) Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSREP" that displays prices effective on that Pricing Date.

(11) "S&P GSCI™ Light Energy Index (CPW 4) Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Light Energy Index (CPW 4) Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSLETR" that displays prices effective on that Pricing Date.

(12) "S&P GSCI™ Light Energy Index (CPW 4) Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Light Energy Index (CPW 4) Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSLEP" that displays prices effective on that Pricing Date.

(13) "S&P GSCI™ Ultra-Light Energy Index (CPW 8) Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Ultra-Light Energy Index (CPW 8) Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSUETR" that displays prices effective on that Pricing Date.

(14) "S&P GSCI™ Ultra-Light Energy Index (CPW 8) Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Ultra-Light Energy Index (CPW 8) Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSUEP" that displays prices effective on that Pricing Date.

(15) "S&P GSCI™ Energy and Metals Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Energy and Metals Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSEMTR" that displays prices effective on that Pricing Date.

(16) "S&P GSCI™ Energy and Metals Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Energy and Metals Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSEMP" that displays prices effective on that Pricing Date.

(17) "S&P GSCI™ Industrial Metals Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Industrial Metals Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSINTR" that displays prices effective on that Pricing Date.

(18) "S&P GSCI™ Industrial Metals Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Industrial Metals Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSINP" that displays prices effective on that Pricing Date.

(19) "S&P GSCI™ Precious Metals Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Precious Metals Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSPMTR" that displays prices effective on that Pricing Date.

(20) "S&P GSCI™ Precious Metals Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Precious Metals Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSPMP" that displays prices effective on that Pricing Date.

(21) "S&P GSCI™ Agriculture Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Agriculture Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSAGTR" that displays prices effective on that Pricing Date.

(22) "S&P GSCI™ Agriculture Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Agriculture Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSAGP" that displays prices effective on that Pricing Date.

(23) "S&P GSCI™ Livestock Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Livestock Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its

successor, and displayed on Reuters Screen page ".SPGSLVTR" that displays prices effective on that Pricing Date.

(24) "S&P GSCI™ Livestock Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Livestock Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSLVP" that displays prices effective on that Pricing Date.

(25) "S&P GSCI™ Non-Livestock Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Non-Livestock Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSNLTR" that displays prices effective on that Pricing Date.

(26) "S&P GSCI™ Non-Livestock Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Non-Livestock Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSNLP" that displays prices effective on that Pricing Date.

(27) "S&P GSCI™ Agriculture and Livestock Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Agriculture and Livestock Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSALTR" that displays prices effective on that Pricing Date.

(28) "S&P GSCI™ Agriculture and Livestock Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Agriculture and Livestock Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSALP" that displays prices effective on that Pricing Date.

(29) "S&P GSCI™ Non-Precious Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Non-Precious Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSXPTR" that displays prices effective on that Pricing Date.

(30) "S&P GSCI™ Non-Precious Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Non-Precious Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSXPP" that displays prices effective on that Pricing Date.

(31) "S&P GSCI™ Grains Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Grains Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSGRTR" that displays prices effective on that Pricing Date.

(32) "S&P GSCI™ Grains Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Grains Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSGRP" that displays prices effective on that Pricing Date.

(33) "S&P GSCI™ Crude Oil Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Crude Oil Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSCLTR" that displays prices effective on that Pricing Date.

(34) "S&P GSCI™ Crude Oil Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Crude Oil Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSCLP" that displays prices effective on that Pricing Date.

(35) "S&P GSCI™ Brent Crude Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Brent Crude Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSBRTR" that displays prices effective on that Pricing Date.

(36) "S&P GSCI™ Brent Crude Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Brent Crude Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSBRP" that displays prices effective on that Pricing Date.

(37) "S&P GSCI™ Heating Oil Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Heating Oil Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSHOTR" that displays prices effective on that Pricing Date.

(38) "S&P GSCI™ Heating Oil Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Heating Oil Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSHOP" that displays prices effective on that Pricing Date.

(39) "S&P GSCI™ Unleaded Gasoline Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Unleaded Gasoline Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSHUTR" that displays prices effective on that Pricing Date.

(40) "S&P GSCI™ Unleaded Gasoline Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Unleaded Gasoline Index Excess Return Index, stated in U.S. Dollars, published by

Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSHUP" that displays prices effective on that Pricing Date.

(41) "S&P GSCI™ GasOil Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ GasOil Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSGOTR" that displays prices effective on that Pricing Date.

(42) "S&P GSCI™ GasOil Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ GasOil Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSGOP" that displays prices effective on that Pricing Date.

(43) "S&P GSCI™ Natural Gas Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Natural Gas Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSNGTR" that displays prices effective on that Pricing Date.

(44) "S&P GSCI™ Natural Gas Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Natural Gas Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSNGP" that displays prices effective on that Pricing Date.

(45) "S&P GSCI™ Live Cattle Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Live Cattle Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSLCTR" that displays prices effective on that Pricing Date.

(46) "S&P GSCI™ Live Cattle Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Live Cattle Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSLCP" that displays prices effective on that Pricing Date.

(47) "S&P GSCI™ Lean Hogs Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Lean Hogs Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSLHTR" that displays prices effective on that Pricing Date.

(48) "S&P GSCI™ Lean Hogs Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Lean Hogs Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSLHP" that displays prices effective on that Pricing Date.

(49) "S&P GSCI™ Feeder Cattle Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Feeder Cattle Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSFCTR" that displays prices effective on that Pricing Date.

(50) "S&P GSCI™ Feeder Cattle Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Feeder Cattle Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSFCP" that displays prices effective on that Pricing Date.

(51) "S&P GSCI™ Wheat Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Wheat Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSWHTR" that displays prices effective on that Pricing Date.

(52) "S&P GSCI™ Wheat Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Wheat Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSWHP" that displays prices effective on that Pricing Date.

(53) "S&P GSCI™ Kansas Wheat Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Kansas Wheat Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSKWTR" that displays prices effective on that Pricing Date.

(54) "S&P GSCI™ Kansas Wheat Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Kansas Wheat Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSKWP" that displays prices effective on that Pricing Date.

(55) "S&P GSCI™ Corn Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Corn Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSCNTR" that displays prices effective on that Pricing Date.

(56) "S&P GSCI™ Corn Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Corn Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSCNP" that displays prices effective on that Pricing Date.

(57) "S&P GSCI™ Soybeans Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Soybeans Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its

successor, and displayed on Reuters Screen page ".SPGSSOTR" that displays prices effective on that Pricing Date.

(58) "S&P GSCI™ Soybeans Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Soybeans Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSSOP" that displays prices effective on that Pricing Date.

(59) "S&P GSCI™ Sugar Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Sugar Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSSBTR" that displays prices effective on that Pricing Date.

(60) "S&P GSCI™ Sugar Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Sugar Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSSBP" that displays prices effective on that Pricing Date.

(61) "S&P GSCI™ Coffee Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Coffee Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSKCTR" that displays prices effective on that Pricing Date.

(62) "S&P GSCI™ Coffee Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Coffee Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSKCP" that displays prices effective on that Pricing Date.

(63) "S&P GSCI™ Cocoa Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Cocoa Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSCCTR" that displays prices effective on that Pricing Date.

(64) "S&P GSCI™ Cocoa Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Cocoa Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSCCP" that displays prices effective on that Pricing Date.

(65) "S&P GSCI™ Cotton Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Cotton Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSCTTR" that displays prices effective on that Pricing Date.

(66) "S&P GSCI™ Cotton Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Cotton Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSCTP" that displays prices effective on that Pricing Date.

(67) "S&P GSCI™ Silver Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Silver Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSSITR" that displays prices effective on that Pricing Date.

(68) "S&P GSCI™ Silver Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Silver Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSSIP" that displays prices effective on that Pricing Date.

(69) "S&P GSCI™ Gold Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Gold Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSGCTR" that displays prices effective on that Pricing Date.

(70) "S&P GSCI™ Gold Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Gold Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSGCP" that displays prices effective on that Pricing Date.

(71) "S&P GSCI™ Aluminum Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Aluminum Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSIATR" that displays prices effective on that Pricing Date.

(72) "S&P GSCI™ Aluminum Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Aluminum Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSIAP" that displays prices effective on that Pricing Date.

(73) "S&P GSCI™ Zinc Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Zinc Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSIZTR" that displays prices effective on that Pricing Date.

(74) "S&P GSCI™ Zinc Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Zinc Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor,

and displayed on Reuters Screen page ".SPGSIZP" that displays prices effective on that Pricing Date.

(75) "S&P GSCI™ Nickel Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Nickel Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSIKTR" that displays prices effective on that Pricing Date.

(76) "S&P GSCI™ Nickel Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Nickel Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSIKP" that displays prices effective on that Pricing Date.

(77) "S&P GSCI™ Copper Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Copper Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSICTR" that displays prices effective on that Pricing Date.

(78) "S&P GSCI™ Copper Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Copper Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSICP" that displays prices effective on that Pricing Date.

(79) "S&P GSCI™ Lead Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Lead Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSILTR" that displays prices effective on that Pricing Date.

(80) "S&P GSCI™ Lead Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Lead Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSILP" that displays prices effective on that Pricing Date.

(81) "S&P GSCI™ Platinum Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Platinum Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSPLTR" that displays prices effective on that Pricing Date.

(82) "S&P GSCI™ Platinum Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Platinum Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSPLP" that displays prices effective on that Pricing Date.

(83) "S&P GSCI™ Soybean Oil Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Soybean Oil Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSBOTR" that displays prices effective on that Pricing Date.

(84) "S&P GSCI™ Soybean Oil Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Soybean Oil Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSBOP" that displays prices effective on that Pricing Date.

(85) "S&P GSCI™ Palladium Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Palladium Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSPATR" that displays prices effective on that Pricing Date.

(86) "S&P GSCI™ Palladium Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Palladium Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSPAP" that displays prices effective on that Pricing Date.

(87) "S&P GSCI™ 1 Month Forward Total Return Index " means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ 1 Month Forward Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG1MCITR" that displays prices effective on that Pricing Date.

(88) "S&P GSCI™ 1 Month Forward Excess Return Index " means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ 1 Month Forward Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG1MCIP " that displays prices effective on that Pricing Date.

(89) "S&P GSCI™ 2 Month Forward Total Return Index " means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ 2 Month Forward Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG2MCITR" that displays prices effective on that Pricing Date.

(90) "S&P GSCI™ 2 Month Forward Excess Return Index " means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ 2 Month Forward Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG2MCIP " that displays prices effective on that Pricing Date.

(91) "S&P GSCI™ 3 Month Forward Total Return Index " means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ 3 Month Forward Total Return Index, stated in U.S. Dollars, published by Standard &

Poor's or its successor, and displayed on Reuters Screen page ".SG3MCITR" that displays prices effective on that Pricing Date.

(92) "S&P GSCI™ 3 Month Forward Excess Return Index " means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ 3 Month Forward Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG3MCIP " that displays prices effective on that Pricing Date.

(93) "S&P GSCI™ 4 Month Forward Total Return Index " means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ 4 Month Forward Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG4MCITR" that displays prices effective on that Pricing Date.

(94) "S&P GSCI™ 4 Month Forward Excess Return Index " means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ 4 Month Forward Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG4MCIP " that displays prices effective on that Pricing Date.

(95) "S&P GSCI™ 5 Month Forward Total Return Index " means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ 5 Month Forward Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG5MCITR" that displays prices effective on that Pricing Date.

(96) "S&P GSCI™ 5 Month Forward Excess Return Index " means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ 5 Month Forward Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG5MCIP " that displays prices effective on that Pricing Date.

(ii) DJ-UBS Commodity Indices

(1) "DJUBS ComTSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Commodity Index Total ReturnSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSTR" that displays prices effective on that Pricing Date.

(2) "DJUBS ComSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Commodity Index Excess ReturnSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBS" that displays prices effective on that Pricing Date.

(3) "DJUBSCI-F1TSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Commodity Index Total Return 1 Month ForwardSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSF1T" that displays prices effective on that Pricing Date.

(4) "DJUBSCI-F1SM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Commodity Index Excess Return 1 Month ForwardSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSF1" that displays prices effective on that Pricing Date.

(5) "DJUBSCI-F2TSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Commodity Index Total Return 2 Month ForwardSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSF2T" that displays prices effective on that Pricing Date.

(6) "DJUBSCI-F2SM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Commodity Index Excess Return 2 Month ForwardSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSF2" that displays prices effective on that Pricing Date.

(7) "DJUBSCI-F3TSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Commodity Index Total Return 3 Month ForwardSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSF3T" that displays prices effective on that Pricing Date.

(8) "DJUBSCI-F3SM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Commodity Index Excess Return 3 Month ForwardSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSF3" that displays prices effective on that Pricing Date.

(9) "DJUBS EneTSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Energy Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSENTR" that displays prices effective on that Pricing Date.

(10) "DJUBS EneSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Energy Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSEN" that displays prices effective on that Pricing Date.

(11) "DJUBS PetTSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Petroleum Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSPETR" that displays prices effective on that Pricing Date.

(12) "DJUBS PetSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Petroleum Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG

or its successor, and displayed on Reuters Screen page "DJUBSPE" that displays prices effective on that Pricing Date.

(13) "DJUBS LvstckTSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Livestock Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSLITR" that displays prices effective on that Pricing Date.

(14) "DJUBS LvstckSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Livestock Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSLI" that displays prices effective on that Pricing Date.

(15) "DJUBS GrainsTSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Grains Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSGRTR" that displays prices effective on that Pricing Date.

(16) "DJUBS GrainsSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Grains Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSGR" that displays prices effective on that Pricing Date.

(17) "DJUBS IndMtlTSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Industrial Metals Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSINTR" that displays prices effective on that Pricing Date.

(18) "DJUBS IndMtlSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Industrial Metals Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSIN" that displays prices effective on that Pricing Date.

(19) "DJUBS PrcMtlTSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Precious Metals Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSPRTR" that displays prices effective on that Pricing Date.

(20) "DJUBS PrcMtlSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Precious Metals Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSPR" that displays prices effective on that Pricing Date.

(21) "DJUBS SftsTSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Softs Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSSOTR" that displays prices effective on that Pricing Date.

(22) "DJUBS SoftsTSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Softs Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSSO" that displays prices effective on that Pricing Date.

(23) "DJUBS ExEngy TRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS ExEnergy Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSXETR" that displays prices effective on that Pricing Date.

(24) "DJUBS ExEngySM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS ExEnergy Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSXE" that displays prices effective on that Pricing Date.

(25) "DJUBS Agri TRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Agriculture Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSAGTR" that displays prices effective on that Pricing Date.

(26) "DJUBS AgriSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Agriculture Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSAG" that displays prices effective on that Pricing Date.

(27) "DJUBS50/50 EnAgTSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS 50/50 Energy & Agriculture Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSEATR" that displays prices effective on that Pricing Date.

(28) "DJUBS50/50 EnAgSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS 50/50 Energy & Agriculture Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSEA" that displays prices effective on that Pricing Date.

(29) "DJUBS AluminTRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Aluminum Total Return Sub-

IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSALTR" that displays prices effective on that Pricing Date.

(30) "DJUBS AluminumSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Aluminum Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSAL" that displays prices effective on that Pricing Date.

(31) "DJUBS SoybenOlTRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Soybean Oil Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSBOTR" that displays prices effective on that Pricing Date.

(32) "DJUBS SoybeanOilSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Soybean Oil Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSBO" that displays prices effective on that Pricing Date.

(33) "DJUBS CornTRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Corn Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSCNTR" that displays prices effective on that Pricing Date.

(34) "DJUBS CornSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Corn Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSCN" that displays prices effective on that Pricing Date.

(35) "DJUBS CoffeeTRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Coffee Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSKCTR" that displays prices effective on that Pricing Date.

(36) "DJUBS CoffeeSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Coffee Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSKC" that displays prices effective on that Pricing Date.

(37) "DJUBS CrudeOilTRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Crude Oil Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSCLTR" that displays prices effective on that Pricing Date.

(38) "DJUBS CrudeOilSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Crude Oil Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSCL" that displays prices effective on that Pricing Date.

(39) "DJUBS CottonTRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Cotton Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSCTTR" that displays prices effective on that Pricing Date.

(40) "DJUBS CottonSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Cotton Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSCT" that displays prices effective on that Pricing Date.

(41) "DJUBS GoldTRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Gold Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSGCTR" that displays prices effective on that Pricing Date.

(42) "DJUBS GoldSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Gold Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSGC" that displays prices effective on that Pricing Date.

(43) "DJUBS CopperTRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Copper Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSHGTR" that displays prices effective on that Pricing Date.

(44) "DJUBS CopperSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Copper Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSHG" that displays prices effective on that Pricing Date.

(45) "DJUBS HeatOilTRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Heating Oil Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSHOTR" that displays prices effective on that Pricing Date.

(46) "DJUBS HeatOilSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Heating Oil Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and

UBS AG or its successor, and displayed on Reuters Screen page "DJUBSHO" that displays prices effective on that Pricing Date.

(47) "DJUBS UnledGasTRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Unleaded Gas Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSRBTR" that displays prices effective on that Pricing Date.

(48) "DJUBS UnleadGasSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Unleaded Gas Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSRB" that displays prices effective on that Pricing Date.

(49) "DJUBS LiveCattleTRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Live Cattle Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSLCTR" that displays prices effective on that Pricing Date.

(50) "DJUBS LiveCattleSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Live Cattle Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSLC" that displays prices effective on that Pricing Date.

(51) "DJUBS LeanHogsTRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Lean Hogs Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSLHTR" that displays prices effective on that Pricing Date.

(52) "DJUBS LeanHogsSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Lean Hogs Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSLH" that displays prices effective on that Pricing Date.

(53) "DJUBS NatrlGasTRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Natural Gas Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSNGTR" that displays prices effective on that Pricing Date.

(54) "DJUBS NaturalGasSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Natural Gas Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSNG" that displays prices effective on that Pricing Date.

(55) "DJUBS NickelTRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Nickel Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSNITR" that displays prices effective on that Pricing Date.

(56) "DJUBS NickelSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Nickel Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSNI" that displays prices effective on that Pricing Date.

(57) "DJUBS SoybeansTRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Soybean Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSSYTR" that displays prices effective on that Pricing Date.

(58) "DJUBS SoybeansSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Soybean Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSSY" that displays prices effective on that Pricing Date.

(59) "DJUBS SugarTRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Sugar Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSSBTR" that displays prices effective on that Pricing Date.

(60) "DJUBS SugarSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Sugar Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSSB" that displays prices effective on that Pricing Date.

(61) "DJUBS SilverTRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Silver Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSSITR" that displays prices effective on that Pricing Date.

(62) "DJUBS SilverSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Silver Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSSI" that displays prices effective on that Pricing Date.

(63) "DJUBS WheatTRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Wheat Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its

successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSWHTR" that displays prices effective on that Pricing Date.

(64) "DJUBS WheatSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Wheat Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSWH" that displays prices effective on that Pricing Date.

(65) "DJUBS ZincTRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Zinc Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSZSTR" that displays prices effective on that Pricing Date.

(66) "DJUBS ZincSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Zinc Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSZS" that displays prices effective on that Pricing Date.

(67) "DJUBS CocoaTRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Cocoa Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSCCTR" that displays prices effective on that Pricing Date.

(68) "DJUBS CocoaSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Cocoa Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSCC" that displays prices effective on that Pricing Date.

(69) "DJUBS PlatinumTRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Platinum Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSPLTR" that displays prices effective on that Pricing Date.

(70) "DJUBS PlatinumSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Platinum Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSPL" that displays prices effective on that Pricing Date.

(71) "DJUBS LeadTRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Lead Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSPBTR" that displays prices effective on that Pricing Date.

(72) "DJUBS LeadSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Lead Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSPB" that displays prices effective on that Pricing Date.

(73) "DJUBS TinTRSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Tin Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSSNTR" that displays prices effective on that Pricing Date.

(74) "DJUBS TinSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Tin Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSSN" that displays prices effective on that Pricing Date.

(iii) Rogers International Commodity Indices

(1) "RICI®-Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the RICI® - Index Total Return, stated in U.S. Dollars, calculated by CQG, Inc. or its successor, and displayed on Reuters Screen page ".ROGRTR" that displays prices effective on that Pricing Date.

(2) "RICI®-Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the RICI® - Index Excess Return, stated in U.S. Dollars, calculated by CQG, Inc. or its successor, and displayed on Reuters Screen page ".ROGRER" that displays prices effective on that Pricing Date.

(3) "RICI®-Agriculture Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the RICI® - Agriculture Index Total Return, stated in U.S. Dollars, calculated by CQG, Inc. or its successor, and displayed on Reuters Screen page ".ROGRAGTR" that displays prices effective on that Pricing Date.

(4) "RICI®-Agriculture Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the RICI® - Agriculture Index Excess Return, stated in U.S. Dollars, calculated by CQG, Inc. or its successor, and displayed on Reuters Screen page ".ROGRAGER" that displays prices effective on that Pricing Date.

(5) "RICI®-Energy Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the RICI® - Energy Index Total Return, stated in U.S. Dollars, calculated by CQG, Inc. or its successor, and displayed on Reuters Screen page ".ROGRENTR" that displays prices effective on that Pricing Date.

(6) "RICI®-Energy Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the RICI® - Energy Index Excess Return, stated in U.S. Dollars, calculated by CQG, Inc. or its successor, and displayed on

Reuters Screen page ".ROGRENER" that displays prices effective on that Pricing Date.

(7) "RICI®-Metals Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the RICI® - Metals Index Total Return, stated in U.S. Dollars, calculated by CQG, Inc. or its successor, and displayed on Reuters Screen page ".ROGRIMTR" that displays prices effective on that Pricing Date.

(8) "RICI®-Metals Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the RICI® - Metals Index Excess Return, stated in U.S. Dollars, calculated by CQG, Inc. or its successor, and displayed on Reuters Screen page ".ROGRIMER" that displays prices effective on that Pricing Date.

3.1.5 Emissions

(i) ECX

(1) "**CER CFI-ICE FUTURES**" means that the price for a Pricing date will be that day's official settlement price per metric tonne of EU Credits on ICE Futures of the ICE ECX CER Futures Contract for the Delivery Date, stated in Euros, as made public by ICE Futures on that Pricing Date.

(2) "**EU ALLOWANCE-ECX CFI-ICE FUTURES**" means that the price for a Pricing Date will be that day's official settlement price per metric tonne of EU Allowances on ICE Futures of the ICE ECX EUA Futures Contract for the Delivery Date, stated in Euros, as made public by ICE Futures on that Pricing Date.

(3) "**CER-ECX CFI-ICE DAILY FUTURES**" means that the price for a Pricing Date will be that day's official settlement price on ICE Futures of the ICE ECX CER Daily Futures Contract for spot delivery, stated in Euros per metric tonne of Certified Emission Reductions, as made public by ICE Futures on that Pricing Date.

(4) "**EU ALLOWANCE-ECX CFI-ICE DAILY FUTURES**" means that the price for a Pricing Date will be that day's official settlement price on ICE Futures of the ICE ECX EUA Daily Futures Contract for spot delivery, stated in Euros per metric tonne of EU Allowances, as made public by ICE Futures on that Pricing Date.

(ii) BLUENEXT

(1) "BLUENEXT SPOT EUA" means that the price for a Pricing Date will be that day's closing price on BlueNext of the BlueNext Spot EUA Contract 2008-2012, stated in Euros per metric tonne of EU Allowances, as made public by BLUENEXT on that Pricing Date.

(2) "BLUENEXT SPOT CER" means that the price for a Pricing Date will be that day's closing price on BlueNext of the BlueNext Spot CER Contract 2008-2012, stated in Euros per metric tonne of EU Credits, as made public by BlueNext on that Pricing Date.

Section 1: Definitions Relating To Commodity Reference Prices

(a) **Price Sources**

"Argus/McCloskey's" and "Argus/McCloskey's Coal Price Index Report" each means the Argus/McCloskey's Coal Price Index Report, or any successor publication, published by Argus Media Limited or its successor and The McCloskey Group Limited.

"Platts European" means Platts European Marketscan, or any successor publication, published by The McGraw-Hill Companies Inc. or its successor.

"Reuters" means Reuters or its successor.

"Reuters Screen" means, when used in connection with any designated page and Commodity Reference Price, the display page so designated on Reuters (or such other page as may replace that page on that service for the purpose of displaying rates or prices comparable to that Commodity Reference Price).

(b) **Exchanges and Principal Trading Markets**

"Bursa Malaysia" means the Bursa Malaysia Derivatives Bhd or its successor.

"CBOT" means the Chicago Board of Trade or its successor.

"CME" means the Chicago Mercantile Exchange or its successor.

"EEX" means the European Energy Exchange AG, or its successor, which reports market prices on its website at http://www.eex.de or its successor.

"IPE" means The International Petroleum Exchange of London Ltd., a wholly owned subsidiary of IntercontinentalExchange™, or its successor.

"KCBOT" means the Kansas City Board of Trade or its successor.

"LBMA" means The London Bullion Market Association or its successor.

"LME" means The London Metal Exchange Limited or its successor.

"London Gold Market" means the market in London on which members of the LBMA, amongst other things, quote prices for the buying and selling of Gold.

"London Silver Market" means the market in London on which members of the LBMA, amongst other things, quote prices for the buying and selling of Silver.

"LPPM" means The London Platinum and Palladium Market in London on which members quote prices for the buying and selling of Platinum and Palladium.

"NYBOT" means the New York Board of Trade or its successor.

"NYMEX" means the NYMEX Division, or its successor, of the New York Mercantile Exchange, Inc. or its successor.

"SFE" means the Sydney Futures Exchange Limited (ACN 000 943 377) or its successor.

"TGE" means the Tokyo Grain Exchange or its Successor.

"TOCOM" means The Tokyo Commodity Exchange or its successor.

"WCE" means the Winnipeg Commodity Exchange Inc. or its successor.

(c) **General**

"MMBTU", "MMBtu" and "mmbtu" each means one million British thermal units.

"MWH", "MWh" and "mwh" each means megawatt hour.

EQUITY LINKED ANNEX

TABLE OF CONTENTS

PART A – DESCRIPTION AND RISK FACTORS

1. Brief description of Equity Linked Securities

2. Risk Factors relating to Equity Linked Securities

2.1 Certain Considerations Associated with Share Linked Securities

2.2 Certain Considerations Associated with Securities relating to a Share or shares issued or created by a Share Company and listed on a recognised exchange that is a fund, pooled investment vehicle, collective investment scheme, partnership, trust or other similar legal arrangement ("**ETF**")

2.3 Certain Considerations Associated with Securities relating to American Depositary Receipts ("**ADR**") and Global Depositary Receipts ("**GDR**") (or Basket of ADRs and/or GDRs)

PART B – ADDITIONAL TERMS AND CONDITIONS FOR EQUITY LINKED SECURITIES

1. Index Modification, Cancellation, Disruption or Adjustment Event

2. Share Adjustments or Disruptions

3. Consequences of Disrupted Days following a Market Disruption Event

4. Adjustments

5. FX Disruption Event

6. Dividends and Rights Issue Provisions for Market Access Products

7. Notice of Adjustments

8. Additional Disruption Events

PART C – DEFINITIONS APPLICABLE TO EQUITY LINKED SECURITIES

1. Definitions relating to Equity Linked Securities

PART A – DESCRIPTION AND RISK FACTORS

1 Brief description of Equity Linked Securities

Equity Linked Securities are Securities where (i) in relation to Notes and Certificates (other than Exercisable Certificates), the payments of interest and/or repayment of principal and/or amount deliverable on redemption and/or the exercise of any Put Option or Call Option; or (ii) in relation to Exercisable Certificates and Warrants, the exercise of the Securities or the amount payable or deliverable on exercise; or (iii) any additional amounts payable or deliverable in respect of such Securities, as indicated in the applicable Final Terms, will be calculated by reference to and/or contingent upon the performance of a share, fund, unit, depositary, receipt, interest, equity interest or other equity unit, an equity index or a basket of shares, equity interests, equity units or equity indices over a period of time or on certain dates.

2 Risk Factors relating to Equity Linked Securities

Equity Linked Securities have a different risk profile to ordinary unsecured debt securities. The return on an Equity Linked Security is linked to the performance of a Share or an Index or a Basket of Shares or a Basket of Indices underlying that Equity Linked Security. Investing in an Equity Linked Security is not equivalent to investing directly in any underlying Share or the components of any underlying Index.

This section describes additional factors to which prospective investors should have regard when considering an investment in Equity Linked Securities. Prospective investors are also referred to the factors set out in the section headed "Risk Factors" of the Base Prospectus.

2.1 Certain Considerations Associated with Share Linked Securities

In the case of Share Linked Securities, no issuer of, or other legal arrangement giving rise to, such Shares will have participated in the preparation of the applicable Final Terms or in establishing the terms of the relevant Securities and none of BCCL, the Bank or any Manager will make any investigation or enquiry in connection with such offering with respect to any information concerning any such issuer of, or such other legal arrangement giving rise to, Shares contained in such Final Terms or in the documents from which such information was extracted. Consequently, there can be no assurance that all events occurring prior to the relevant issue date (including events that would affect the accuracy or completeness of the publicly available information described in any applicable Final Terms) that would affect the trading price of the relevant Share(s) will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning such an issuer of, other legal arrangement giving rise to, Shares could affect the trading price of the Share and therefore the trading price of the Equity Linked Securities.

Due to the character of the particular markets on which most equity securities or debt instruments are traded, the absence of last sale information and the limited availability of quotations for such equity securities may make it difficult for many investors to obtain timely, accurate data for the price or yield of such equity securities or debt instrument.

Except as otherwise provided in the Conditions relating to Physically Delivered Securities that are Equity Linked Securities, Securityholders will not have any voting rights or rights to receive

dividends or distributions or any other rights with respect to the relevant Shares to which such Securities relate.

Fluctuations in the value of the relevant Index or basket of underlying Indices (including the prices of any Component included in such Index or Basket of Indices) will affect the value of the related Equity Linked Securities.

Where the Equity Linked Securities are Physically Delivered Securities, the Determination Agent may determine that a Settlement Disruption Event is subsisting and may exercise its right to pay the relevant Settlement Amount in lieu of delivering the relevant Reference Assets. Such a determination may have an adverse effect on the value of the relevant Equity Linked Securities.

2.2 Certain Considerations Associated with Securities relating to a Share or Shares issued or created by a Share Company and listed on a recognised exchange that is a fund, pooled investment vehicle, collective investment scheme, partnership, trust or other similar legal arrangement ("ETF")

Where the Securities are linked to an ETF or a basket of ETFs and the investment objective of such ETF(s) is to track the performance of an index, the investors of such Securities are exposed to the performance of such ETF(s) rather than the underlying share or indices such ETF(s) tracks. The investors will bear the risk that such ETFs may not reflect the actual return such investors would obtain if they actually owned the shares or the indices underlying such ETFs. Accordingly, investors who purchase Equity Linked Securities that are linked to ETF(s) may receive a lower payment upon redemption or exercise or cancellation of such Securities than such investors would have received if they had invested in the shares or the indices underlying such ETF(s) directly.

No assurance can be given that such managers will succeed in meeting the investment objectives of the ETF, that any analytical model used thereby will prove to be correct or that any assessments of the short-term or long-term prospects, volatility and correlation of the types of investments in which such ETF has or may invest will prove accurate.

2.3 Certain Considerations Associated with Securities relating to American Depositary Receipts ("ADR") and Global Depositary Receipts ("GDR") (or Basket of ADRs and/or GDRs)

Investors who purchase Equity Linked Securities that are linked to ADRs or GDRs may receive a Settlement Amount that does not reflect the actual return such investors would obtain if they actually owned the shares underlying such ADRs or GDRs. Accordingly, investors who purchase Securities that are linked to ADRs or GDRs may receive a lower payment upon redemption, exercise or cancellation of such Securities than such investors would have received if they had invested in the shares underlying such ADRs or GDRs directly.

The issuer of the shares underlying the ADRs or GDRs may make distributions in respect of their shares that are not passed on to the owners of ADRs or GDRs, which can affect the value of the Equity Linked Securities linked to such ADRs and GDRs.

In respect of Physically Delivered Securities that are linked to ADRs or GDRs, in the event that investors receive ADRs or GDRs as a result of physical settlement, depending on the jurisdiction under which such ADRs or GDRs have been issued and the jurisdiction to which the agreement relating to such ADRs or GDRs is subject, it cannot be ruled out that the corresponding

jurisdiction does not recognise the investor holding such ADRs or GDRs as the actual beneficial owners of the underlying shares.

PART B – ADDITIONAL TERMS AND CONDITIONS FOR EQUITY LINKED SECURITIES

*The terms and conditions applicable to Equity Linked Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the "**Equity Linked Conditions**"), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Equity Linked Conditions set out below, the Equity Linked Conditions shall prevail. In the event of any inconsistency between (i) the Base Conditions and/or the Equity Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail. This Equity Linked Annex is a Product Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities specified to be Equity Linked Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.*

1 Index Modification, Cancellation, Disruption or Adjustment Event

The following provisions will apply to all Index Linked Securities.

1.1 Index Adjustment Events

If:

1.1.1 on or prior to any date on which the level of an Index is to be calculated, including without limitation any Averaging Date or Valuation Date (a "**Determination Date**"), in respect of Index-Linked Securities, the relevant Index Sponsor announces that it will make a material change in the formula for or the method of calculating that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation and other routine events) (an "**Index Modification**") or permanently cancels the Index and no successor Index exists (an "**Index Cancellation**"); or

1.1.2 on any Determination Date in respect of Index Linked Securities the Index Sponsor fails to calculate and announce a relevant Index (an "**Index Disruption**" and together with an Index Modification and an Index Cancellation, an "**Index Adjustment Event**"),

then the Determination Agent shall on each relevant Determination Date determine if such Index Adjustment Event has a material effect on the relevant Securities and if so shall calculate the level of that Index by using, in lieu of a published level for the relevant Index, the level for that Index as at that Determination Date as determined by the Determination Agent in accordance with the formula for and method of calculating that Index last in effect prior to that Index Adjustment Event, but using only those securities that constituted the relevant Index immediately prior to that Index Adjustment Event (other than those securities that have since ceased to be listed on any relevant Exchange).

In the event that the Determination Agent determines that it can no longer continue to calculate such Index, the Determination Agent may, in its sole discretion, deem such Index Adjustment Event to constitute an Additional Disruption Event for the purposes of these provisions and shall adjust, redeem, cancel and/or take any other necessary action in accordance with the applicable provisions of Condition 5 or 6 of the Base Conditions as the case may be in respect of the Securities.

1.2 Successor Index Sponsor or Substitution of Index with substantially similar calculation

If an Index is (1) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor ("**Successor Index Sponsor**") acceptable to the Determination Agent or (2) replaced by a successor index ("**Successor Index**") using, in the determination of the Determination Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then (x) the index as calculated and announced by the Successor Index Sponsor or (y) the Successor Index, will be deemed to be the Index.

1.3 Correction of an Index

If the level of an Index published on any Determination Date and used or to be used by the Determination Agent to determine the relevant Index value is subsequently corrected and the correction is published by the Index Sponsor or a Successor Index Sponsor prior to the second Exchange Business Day preceding the Redemption Date, any Optional Cash Redemption Date, any Optional Physical Redemption Date, any Early Cash Redemption Date, any Early Cancellation Date, any Early Physical Cancellation Date, any Specified Early Cash Redemption Date, the Specified Early Cash Cancellation Date, any Specified Early Physical Redemption Date, the Specified Early Physical Cancellation Date, any Exercise Date, the Expiration Date, any Exercise Cash Settlement Date or any Physical Delivery Date the Determination Agent shall recalculate the relevant Settlement Amount, Entitlement or other relevant amount, as the case may be, using such corrected level of the relevant Index. The Determination Agent shall notify the Issuer and the Issue and Paying Agent shall notify the Securityholders of (1) that correction and (2) the amount, if any, that is payable or deliverable as a result of that correction.

1.4 Error in Index Calculation

Notwithstanding anything to the contrary in these Equity Linked Conditions, if, on any Determination Date there is, in the reasonable opinion of the Determination Agent, a manifest error in the calculation of an Index by the Index Sponsor (as manifested in the level of the Index published by the Index Sponsor), the Determination Agent may calculate the level of such Index in lieu of using the level published on such date by the Index Sponsor. Such calculation will be determined in accordance with the methodology and formula for calculating the Index used by the Index Sponsor.

Where the Determination Agent calculates the level of the Index in accordance with the preceding paragraph, it shall give notice in writing to the Securityholder in accordance with the Base Conditions of the Index level so calculated no later than ten Business Days after the relevant Determination Date.

If the Index Sponsor continues to calculate the Index with manifest error for more than three Scheduled Trading Days then the Determination Agent may make such adjustments to the terms of the Security as it may in its sole discretion determine including, without limitation, selecting an alternative index to replace the Index and/or replicating the constituents of the relevant Index and/or calculating the relevant Index in accordance with the formula for and method of calculating that Index last in effect prior to the relevant event and/or adjusting the constituents and weightings of the Index.

For the avoidance of doubt, where a correction to the level of the Index is published by the Index Sponsor as described in Equity Linked Condition 1.3 above after the Determination Agent has

calculated the level of the Index pursuant to this Equity Linked Condition 1.4, the Determination Agent may, notwithstanding any such calculation, recalculate the relevant Settlement Amount, Entitlement or other relevant amount, as the case may be, using such corrected level of the relevant Index. The Determination Agent shall give notice in writing to the Securityholder in accordance with Condition 16 of the Base Conditions of such recalculation no later than ten Business Days after the correction to the level of the Index is published by the Index Sponsor.

Where such correction is published after the Determination Agent has adjusted the terms of the Security pursuant to this Equity Linked Condition 1.4, Equity Linked Condition 1.3 shall not apply and the terms of the adjustment in accordance with this Equity Linked Condition 1.4 shall prevail.

1.5 Futures Price Valuation

If "Futures Price Valuation" is specified as applicable in respect of an Index in the relevant Final Terms, then notwithstanding any other provisions of these Equity Linked Conditions the following provisions will apply to the valuation of that Index on the Valuation Date:

1.5.1 For the purposes of determining the level of the Index, on the Valuation Date:

(i) in respect of a Security linked to an Index, the level of the Index will be the Official Settlement Price on the Valuation Date; and

(ii) in respect of a Security linked to a basket of Indices, the level in respect of each Index for which Futures Price Valuation is stated to be applicable will be the Official Settlement Price (weighted or adjusted to that Index as provided for in the Final Terms) on the Valuation Date.

Where:

"**Official Settlement Price**" means the official settlement price (however described under the rules of the relevant exchange or its clearing house) of any of the relevant Exchange-traded Contracts published by the exchange or its clearing house.

"**Exchange-traded Contract**" in relation to an Index means a contract specified as such for that Index in the related Final Terms. For this purpose, the parties shall specify the futures or options contract by reference to (A) the Index to which it relates, (B) the delivery month of such contract and (C) the exchange on which it is traded.

"**Valuation Date**" means, for the purposes of this Equity Linked Condition 1.5 only, a day on which the Official Settlement Price is published and, in all cases except for Equity Linked Condition 1.5.3 below, irrespective of whether such day is a Disrupted Day.

1.5.2 **Adjustments of the Exchange-traded Contract**. In the event that the terms of the Exchange-traded Contract are changed or modified by the relevant exchange or clearing house, the Determination Agent shall, if necessary, adjust the Settlement Amount or the Entitlement or any other term of the Security as the Determination Agent deems fit to preserve the economic equivalent of any payment or payments (assuming satisfaction of each applicable condition precedent) in respect of the Security that would have been required after the date of such change.

1.5.3 **Non-Commencement or Discontinuance of the Exchange-traded Contract**. If there is no Official Settlement Price as a result of the fact that trading in the Exchange-traded Contract never commences or is permanently discontinued at any time on or prior to a

Valuation Date, the Official settlement Price for that Valuation Date shall be deemed to be the level of the relevant Index at the close of the regular trading session on the relevant Exchange on the Valuation Date. If this Equity Linked Condition 1.5.3 applies, then the relevant Valuation Date shall mean the date that, but for the non-commencement or discontinuance of the Exchange-traded Contract, would have been the date of publishing the Official Settlement Price unless such day is a Disrupted Day, in which case the provisions of Equity Linked Condition 3 shall apply.

1.5.4 **Corrections of the Official Settlement Price**. If the Official Settlement Price for any Valuation Date is corrected and the correction is published by the relevant exchange or clearing house within one settlement cycle for the related Exchange-traded Contract after the original publication, either party may notify the other party of that correction and the Determination Agent will determine the amount that is payable as a result of that correction and, to the extent necessary, will adjust the terms of the Index-linked Security to account for such correction.

2 Share Adjustments or Disruptions

The following conditions will apply to all Share Linked Securities.

2.1 Potential Adjustment Events

The Issuer may at any time determine and declare that a Potential Adjustment Event has occurred. Following such declaration by the Issuer of any Potential Adjustment Event, the Determination Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Shares and, if so, will (i) make the corresponding adjustment(s), relevant to the exercise, settlement, payment or other terms of the Securities as the Determination Agent determines appropriate to account for the diluting or concentrative effect of such Potential Adjustment Event (the "**Adjustment(s)**") and (ii) determine the effective date(s) of the Adjustment(s). The Determination Agent may (but need not) determine the appropriate Adjustment(s) by reference to the Adjustment(s) in respect of such Potential Adjustment Event made by an options exchange to options on the relevant Shares traded on that options exchange.

Any adjustment to the terms of the Securities following a Potential Adjustment Event shall take into account the economic cost of any taxes, duties, levies, fees or registration payable by or on behalf of the Issuer or any of its relevant Affiliates or a foreign investor charged on subscription, acquisition or receipt of any Shares or other securities received as a result of the Potential Adjustment Event, such calculations to be determined and carried out by the Determination Agent in good faith.

Notwithstanding the above, the Issuer may alternatively, on giving notice to the Securityholders in accordance with Condition 16 of the Base Conditions, elect, in lieu of the Determination Agent making an Adjustment in respect of a Potential Adjustment Event, to deliver to each Securityholder one or more additional Securities (the "**Adjustment Event Securities**") and/or pay to each Securityholder a cash amount (the "**Adjustment Event Amount**") to account for the diluting or concentrative effect of such Potential Adjustment Event. Where the Issuer elects to deliver Adjustment Event Securities, such Adjustment Event Securities will be issued on the same (or substantially the same) terms as the relevant Securities as the Determination Agent may

determine. In such notice the Issuer will set out the amount of Securities to be delivered and/or cash to be paid and the manner in which such delivery and/or payment is to be made.

For the avoidance of doubt, if the Issuer determines and declares that a certain event constitutes a Potential Adjustment Event, then Equity Linked Condition 6 below shall not apply in respect of such event.

2.2 Merger Events

Following the occurrence of any Merger Event (as determined by the Determination Agent in its sole discretion), the Issuer shall, in its sole discretion, deem such Merger Event to constitute an Additional Disruption Event for the purposes of these provisions and shall adjust, redeem, cancel and/or take any other necessary action in accordance with the applicable provisions of Conditions 5 or 6 of the Base Conditions as the case may be in respect of the Securities.

2.3 Nationalisation, Insolvency and Delisting

Following the occurrence of any Nationalisation, Insolvency or Delisting (as determined by the Determination Agent in its sole discretion), the Issuer shall, in its sole discretion, deem such Nationalisation, Insolvency or Delisting, as the case may be, to constitute an Additional Disruption Event for the purposes of these provisions and shall adjust, redeem, cancel and/or take any other necessary action in accordance with the applicable provisions of Condition 5 or 6 of the Base Conditions as the case may be in respect of the Securities.

2.4 Tender Offers

Following the occurrence of any Tender Offer (as determined by the Determination Agent in its absolute discretion), the Issuer shall, in its sole discretion, deem such Tender Offer to constitute an Additional Disruption Event for the purposes of these provisions and shall adjust, redeem, cancel and/or take any other necessary action in accordance with the applicable provisions of Condition 5 or 6 of the Base Conditions as the case may be in respect of the Securities.

2.5 Substitution of Shares

2.5.1 If "Substitution of Shares - Standard" is specified as applicable in the applicable Final Terms, if any Share shall be affected by a Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting, as the case may be, (the "**Affected Shares**") then without prejudice to the rights that the Issuer has under the Securities (as described above), the Issuer or the Determination Agent on its behalf shall have the discretion to substitute the Affected Shares with substitute shares (the "**Substitute Shares**") as selected by the Determination Agent in its sole discretion for inclusion in the Basket of Shares as of the Announcement Date or the Tender Offer Date, as the case may be.

The Substitute Shares shall have such criteria as the Determination Agent deems appropriate including, but not limited to, the following:

(i) the Substitute Shares shall be of same broad economic sector as the Share Company of the Affected Shares;

(ii) the issuer of the Substitute Share shall be of a similar international standing and creditworthiness as the Share Company of the Affected Shares; and

(iii) the Substitute Share shall not be a Share already in the Basket of Shares.

The Initial Price of the Substitute Shares shall be determined in accordance with the following:

Initial Price = Substitute Price x (Affected Share(k)/Affected Share(j))

where:

"**Substitute Price**" means the official closing price per Share of the relevant Substitute Shares as of the Valuation Time on the dates on which the Affected Share(j) is determined or if such date is not a Scheduled Trading Date on the relevant Exchange in respect of the Substitute Shares, the following Scheduled Trading Date of the Substitute Shares;

"**Affected Share(k)**" means the "Initial Price" of the relevant Affected Shares as specified in the applicable Final Terms; and

"**Affected Share(j)**" means the last closing price per Share of the Affected Shares on or prior to the Announcement Date or the Tender Offer Date (as the case may be).

The Determination Agent shall notify the Securityholders as soon as practicable after the selection of the Substitute Shares and the failure by the Determination Agent to give such notice shall not however prejudice or invalidate the Substitute Shares being included as of the time and date specified above.

If Physical Settlement is specified in the Settlement Method in the applicable Final Terms or is elected by the Issuer or Securityholder pursuant to Condition 5 or 6 of the Base Conditions (as the case may be), Entitlement Substitution shall be deemed to be applicable with respect to a series of Share Linked Securities.

2.5.2 If "Substitution of Shares – ETF underlying" is specified as applicable in the applicable Final Terms, on the occurrence of a Merger Event, Tender Offer, Nationalisation, Insolvency Filing, Insolvency, Delisting or the Share is otherwise terminated or an announcement has been made for it to be terminated for whatever reason, as the case may be, (together, the "**Extraordinary Events**" and each an "**Extraordinary Event**"), then without prejudice to the rights that the Issuer has under the Securities, the Issuer or the Determination Agent on its behalf shall have the discretion to substitute the Share with a Replacement Security (as defined and more particularly set out below) as selected by the Determination Agent in its sole discretion as of the Announcement Date or the Tender Offer Date or such other date as the Determination Agent may deem appropriate, as the case may be.

If an Extraordinary Events occurs, the Determination Agent shall have the discretion to substitute the Share with shares, units or other interests of an exchange-traded fund or other financial security, index or instrument (each a "**Replacement Security**") that the Determination Agent determines, in its sole discretion, is comparable to the discontinued Share (or discontinued Replacement Security). If a Replacement Security is selected, that Replacement Security will be substituted for the discontinued Share (or discontinued Replacement Security) at such time and on such date as the Determination Agent determines and deemed to be the Share for all purposes of the Securities Notes after the substitution.

Upon the substitution by the Determination Agent of a Replacement Security, the Determination Agent may adjust any variable in the terms of the Securities (including, without limitation, any variable relating to the price of the shares, units or other interests in

the Share, the number of such shares, units or other interests outstanding, created or redeemed or any dividend or other distribution made in respect of such shares, units or other interests), as, in the good faith judgment of the Determination Agent, may be and for such time as may be necessary to render the Replacement Security comparable to the shares or other interests of the discontinued Share (or discontinued Replacement Security) for purposes of the Securities.

Upon any substitution by the Determination Agent of a Replacement Security, the Determination Agent shall notify the Securityholders as soon as practicable after the selection of the Replacement Security and the failure to give such notice by the Determination Agent shall not however invalidate the Replacement Security being selected and substituted as of the time and date as specified above.

3 Consequences of Disrupted Days following a Market Disruption Event

If, in the opinion of the Determination Agent, any Valuation Date is a Disrupted Day, then:

3.1.1 in the case of a Share Linked Security referencing a Share, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day, in which case that eighth Scheduled Trading Day shall be deemed to be the Valuation Date notwithstanding the fact that it is a Disrupted Day, and the Determination Agent shall determine in a commercially reasonable manner the relevant Exchange traded or quoted price (the "Traded Price") for such Share that would have prevailed on that eighth Scheduled Trading Day but for that Disrupted Day; or

3.1.2 in the case of an Index Linked Security referencing an Index, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the original date that, but for the Disrupted Days, would have been the Valuation Date (the "**Scheduled Valuation Date**") is a Disrupted Day. In that case (1) the eighth Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (2) the Determination Agent shall determine the level of the Index in the manner set out in the applicable Final Terms or, if not set out or not practicable, shall determine the level of the Index as of the Valuation Time on the eighth Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Traded Price as of the Valuation Time on that eighth Scheduled Trading Day of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that eighth Scheduled Trading Day, its determination made in a commercially reasonable manner of the Traded Price for the relevant security as of the Valuation Time on that eighth Scheduled Trading Day); or

3.1.3 in the case of a Security referencing a Basket or Baskets of Indices and/or Shares, the Valuation Date for each Index or Share, as the case may be, not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each Index or Share affected by the occurrence of a Disrupted Day (each an "**Affected Index**" or an "**Affected Share**", as the case may be) shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Index or Affected Share, unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is

a Disrupted Day relating to that Affected Index or Affected Share. In that case (1) that eighth Scheduled Trading Day shall be deemed to be the Valuation Date for that Affected Index or Affected Share, notwithstanding the fact that such day is a Disrupted Day, and (2) in relation to (i) the Affected Share, the Determination Agent shall determine the relevant Traded Price for such Share that would have prevailed on that eight Scheduled Trading Day but for the Disrupted Day and (ii) the Affected Index, the Determination Agent shall determine the level for such Index in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using the level for that Index as of the Valuation Time on the eighth Scheduled Trading Day determined in accordance with the formula for and method of calculating that Affected Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on that eighth Scheduled Trading Day of each security comprised in that Affected Index or if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that eighth Scheduled Trading Day, its determination made in a commercially reasonable manner of the Traded Price for the relevant security as of the Valuation Time on that eighth Scheduled Trading Day.)

4 Adjustments

If the Issuer requests that the Determination Agent determine whether an appropriate adjustment can be made in accordance with Condition 5 or 6 of the Base Conditions, as the case may be, the Issuer shall not be obliged to make any adjustment that it does not think is appropriate and none of the Determination Agent, the Issuer or any other party shall be liable for the Issuer making or failing to make any such adjustment.

In particular, notwithstanding that an adjustment is required to be made by the provisions set out in these Equity Linked Conditions in respect of any event affecting a Share Company or its Shares, or an Index or its Index Sponsor, the Issuer reserves the right not to make that adjustment if, at the time the adjustment is to be made pursuant thereto, an option on the relevant Share or Index is traded on any Futures or Options Exchange and no adjustment is made by that Futures or Options Exchange to the entitlement under that traded option in respect of that event.

5 FX Disruption Event

5.1 If "FX Disruption Event" is specified as applying in the applicable Final Terms, upon the occurrence of an FX Disruption Event, the Issuer may in its sole and absolute discretion take any one or more of the actions described below:

5.1.1 make payment of the relevant Settlement Amount and/or any other amount payable by the Issuer pursuant to the Conditions in the Specified Currency instead of the Settlement Currency the amount payable in the Specified Currency being determined by the Determination Agent in its sole and absolute discretion; or

5.1.2 deduct an amount calculated by the Determination Agent in its sole and absolute discretion as representing the applicable charge or deduction arising in connection with the FX Disruption Event from the relevant Settlement Amount and/or any other amount payable by the Issuer pursuant to the Conditions; or

5.1.3 postpone the relevant Redemption Date, Optional Cash Redemption Date, Early Cash Redemption Date, Early Cancellation Date, Exercise Cash Settlement Date, payment of the Disruption Cash Settlement Price and/or payment of any other amount payable by the Issuer pursuant to the Conditions until in the determination of the Determination Agent an FX Disruption Event is no longer subsisting.

5.2 Upon the occurrence of an FX Disruption Event, the Issuer shall give notice as soon as practicable to the Securityholders in accordance with Condition 16 of the Base Conditions stating the occurrence of the FX Disruption Event, giving details thereof and the action proposed to be taken in relation thereto.

6 Dividends and Rights Issue Provisions for Market Access Products

In the case of Share Linked Securities which are Cash Settled Securities referencing a Share, if "Market Access Dividend" and "Rights Issue Provisions" are specified as applying in the applicable Final Terms, the following provisions shall apply to such Securities:

6.1 Cash Dividends

6.1.1 In the event that on or after the Issue Date a Cash Dividend is declared by the Share Company, notwithstanding any provisions in these Equity Linked Conditions to the contrary, the Determination Agent shall calculate (A) the relevant Distributed Amount and (B) the relevant Expected Dividend Date.

6.1.2 The Issuer shall give notice to Securityholders in accordance with Condition 16 of the Base Conditions of the Cash Dividend and the Expected Dividend Date.

6.1.3 Subject as provided below, the Issuer shall pay to each Securityholder on the Cash Dividend Payment Date an amount equal to its *pro rata* share of the Cash Dividend Amount on the Cash Dividend Payment Date, provided that if the relevant Dividend Date has not occurred prior to the earlier of (A) the date that falls six months after the Expected Dividend Date or (B) the Redemption Date, Optional Cash Redemption Date, Optional Physical Redemption Date, Early Cash Redemption Date, Specified Early Cash Redemption Date, Specified Early Physical Redemption Date, Early Cancellation Date, Early Physical Cancellation Date, Exercise Cash Settlement Date or Physical Delivery Date, as applicable, the Issuer shall not be obliged to pay the relevant Cash Dividend Amount and the Issuer shall have no further obligation in respect thereof.

6.1.4 In order to receive the Cash Dividend Amount, in relation to Securities represented by a Global Bearer Security, a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary, Common Safekeeper, custodian or nominee on behalf of a Relevant Clearing System (other than DTC), a Securityholder must deliver to the Relevant Clearing System with a copy to the Issue and Paying Agent a duly completed notice (a "**Cash Dividend Notice**") in the applicable form set out in Schedule 9 to the Master Agency Agreement on or prior to the Cash Dividend Notice Cut-off Date. A Cash Dividend Notice may only be delivered in such manner as is acceptable to the Relevant Clearing System.

6.1.5 In order to receive the Cash Dividend Amount, in relation to Securities represented by a Rule 144A Global Security held by a custodian for, and registered in the name of DTC, a Securityholder must deliver through computerised instruction through DTC (via its DWAC

function) to the New York Agent with a copy to the Issue and Paying Agent a duly completed notice (a "**Cash Dividend Notice**") in the applicable form set out in Schedule 9 to the Master Agency Agreement on or prior to the Cash Dividend Notice Cut-off Date.

6.1.6 In the case of Securities represented by a Global Bearer Security, a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary, Common Safekeeper, custodian or nominee on behalf of a Relevant Clearing System (other than DTC), upon receipt of a Cash Dividend Notice, the Relevant Clearing System, shall (subject to its rules and procedures) verify that the person delivering the Cash Dividend Notice is the Securityholder of the Securities described therein according to the books of the Relevant Clearing System. Subject thereto, the Relevant Clearing System will (subject to its rules and procedures) confirm to the Issue and Paying Agent the Series number and number of Securities the subject of such notice, the relevant account details and the details for the payment of the Cash Dividend Amount of each Security that is the subject of such notice. Upon receipt of such confirmation, the Issue and Paying Agent will inform the Issuer thereof and the Issuer shall pay the relevant Cash Dividend Amount to the relevant Securityholder's account at the Relevant Clearing System specified by such Securityholder in the Cash Dividend Notice.

6.1.7 In the case of Securities represented by a Rule 144A Global Security held by a custodian for, and registered in the name of DTC, upon receipt of a Cash Dividend Notice, the New York Agent shall verify that the person delivering the Cash Dividend Notice is the Securityholder according to the records of DTC. Subject thereto, the New York Agent shall notify the Issuer of the Series number and the number of Securities the subject of such notice, the account details and the details for the payment of the Cash Dividend Amount of each Security that is the subject of such notice and the Issuer shall pay the relevant Cash Dividend Amount to the relevant Securityholder's account at DTC specified by such Securityholder in the Cash Dividend Notice.

6.1.8 In the event that a Securityholder fails to deliver a duly completed Cash Dividend Notice on or prior to the Cash Dividend Notice Cut-off Date as provided above, such Securityholder's right to receive the Cash Dividend Amount in respect of its Securities shall lapse and the relevant Issuer shall have no further liability in respect thereof.

6.1.9 A Cash Dividend Notice may not be withdrawn after receipt thereof by the Relevant Clearing System or the New York Agent, as the case may be, and after delivery of a Cash Dividend Notice the relevant Securityholder may not transfer the Securities which are the subject of such Cash Dividend Notice until after the payment of the relevant Cash Dividend Amounts in respect of the relevant Securities.

Securityholders should note that in the event that a duly completed Cash Dividend Notice is duly delivered as provided above, the Issuer's only obligation in respect thereof is to pay the relevant Cash Dividend Amount(s) to the account (in the case of Securities represented by a Permanent Global Security, Regulation S Global Security or Rule 144A Global Security, with the Relevant Clearing System, as applicable) specified in such Cash Dividend Notice and to no other person or account.

6.2 Stock Dividends

6.2.1 In the event that a Stock Dividend is declared by the Share Company on or after the Issue Date, notwithstanding any provision in these Equity Linked Conditions to the contrary, the Determination Agent shall calculate (A) the relevant Share Number, (B) the relevant Ex-Dividend Date, and (C) the relevant Expected Stock Delivery Date.

6.2.2 The Determination Agent shall give notice to the Securityholders in accordance with Condition 16 of the Base Conditions of the Stock Dividend, the Ex-Dividend Date and the Expected Stock Delivery Date.

6.2.3 In the event that the Stock Delivery Date falls on or prior to the Stock Dividend Cut-off Date the Issuer shall, subject as provided below, deliver to each Securityholder, an amount of Securities equal to the New Security Amount in respect of each Security held by him as soon as practicable after the Stock Delivery Date.

6.2.4 In the event that the Stock Delivery Date falls after the Stock Dividend Cut-off Date, the Issuer shall, subject as provided below, pay to each Securityholder the Cash Amount in respect of each Security held by him on the Cash Amount Payment Date, provided that if the relevant Stock Delivery Date has not occurred on or prior to the relevant Redemption Date, Optional Cash Redemption Date, Optional Physical Redemption Date, Early Cash Redemption Date, Specified Early Physical Redemption Date, Early Cancellation Date, Exercise Cash Settlement Date or Physical Delivery Date, as applicable, the Issuer shall not be obliged to pay the relevant Cash Amount(s) and the Issuer shall have no further obligation in respect thereof.

6.2.5 In order to receive the New Security Amount or the Cash Amount, as the case may be, in relation to Securities represented by a Global Bearer Security, a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary, Common Safekeeper, custodian or nominee on behalf of a Relevant Clearing System (other than DTC), a Securityholder must deliver to the Relevant Clearing System with a copy to the Issue and Paying Agent a duly completed notice (a "**Stock Dividend Notice**") in the applicable form set out in Schedule 9 to the Master Agency Agreement on or prior to the Stock Dividend Notice Cut-off Date. A Stock Dividend Notice may only be delivered in such manner as is acceptable to the Relevant Clearing System.

6.2.6 In order to receive the New Security Amount or the Cash Amount, as the case may be, in relation to Securities represented by a Rule 144A Global Security held by a custodian for, and registered in the name of DTC, a Securityholder must deliver through computerised instruction through DTC (via its DWAC function) to the New York Agent with a copy to the Issue and Paying Agent a duly completed notice (a "**Stock Dividend Notice**") in the applicable form set out in Schedule 9 to the Master Agency Agreement on or prior to the Stock Dividend Notice Cut-off Date.

6.2.7 In the case of Securities represented by a Global Bearer Security, a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary, Common Safekeeper, custodian or nominee on behalf of a Relevant Clearing System (other than DTC), upon receipt of a Stock Dividend Notice, the Relevant Clearing System, as the case may be, shall (subject to its rules and procedures) verify that the person delivering the Stock Dividend Notice is the Securityholder of the Securities described therein according to the books of the Relevant Clearing System. Subject thereto, the Relevant Clearing System will (subject to

its rules and procedures) confirm to the Issue and Paying Agent the Series number and number of Securities the subject of such notice, the relevant account details and the details for the delivery of the New Security Amount or payment of the Cash Amount, as the case may be, of each Security that is the subject of such notice. Upon receipt of such confirmation, the Issue and Paying Agent will inform the Issuer thereof and the Issuer shall deliver the New Security Amount to the relevant Securityholder's securities account or pay the relevant Cash Amount to the relevant Securityholder's cash account, as the case may be, at the Relevant Clearing System specified by such Securityholder in the Stock Dividend Notice.

6.2.8 In the case of Securities represented by a Rule 144A Global Security held by a custodian for, and registered in the name of DTC, upon receipt of a Stock Dividend Notice, the New York Agent shall verify that the person delivering the Stock Dividend Notice is the Securityholder according to the records of DTC. Subject thereto, the New York Agent shall notify the Issuer of the Series number and the number of Securities the subject of such notice, the account details and the details for the delivery of the New Security Amount or payment of the Cash Amount, as the case may be, of each Security that is the subject of such notice and the Issuer shall deliver the New Security Amount to the relevant Securityholder's securities account or pay the relevant Cash Amount to the relevant Securityholder's cash account at DTC specified by such Securityholder in the Stock Dividend Notice.

6.2.9 In the event that a Securityholder fails to deliver a Stock Dividend Notice prior to the Stock Dividend Notice Cut-off Date as provided above, such Securityholder's right to receive the New Security Amount or the Cash Amount in respect of its Securities shall lapse and the Issuer shall have no further liability in respect thereof.

6.2.10 A Stock Dividend Notice may not be withdrawn after receipt thereof by the Relevant Clearing System or the New York Agent, as the case may be, and after delivery of the Stock Dividend Notice the relevant Securityholder may not transfer the Securities which are the subject of such Stock Dividend Notice until after the delivery of the New Security Amounts or payment of the Cash Amounts, as the case may be, in respect of the relevant Securities.

6.2.11 Delivery of the New Security Amount in respect of each Security is subject to compliance with all applicable securities laws, and in the event that any such delivery of the New Security Amount would result in non compliance with any applicable securities laws, in lieu of such delivery, the Issuer shall pay to the relevant Securityholder the Cash Amount.

Securityholders should note that in the event that a duly completed Stock Dividend Notice is duly delivered as provided above, the Issuer's only obligation in respect thereof is to deliver the relevant New Security Amount(s) or to pay the relevant Cash Amount(s), as the case may be, in each case as provided above and to no other person or account.

6.3 Rights Issue

6.3.1 In the event that the Determination Agent determines that a Rights Issue Event has occurred on or after the Issue Date notwithstanding any provision in these Equity Linked Conditions to the contrary, the Determination Agent shall determine (A) the relevant Rights Date, (B) the relevant Ex-Rights Date, (C) the relevant Rights Share Number, (D) the relevant Subscription Price and (E) the Expected Rights Delivery Date.

6.3.2 The Issuer shall give notice to the Securityholders in accordance with Condition 16 of the Base Conditions of the occurrence of a Rights Issue Event, the Subscription Price and the Expected Rights Delivery Date.

6.3.3 In the event that the Rights Delivery Date falls on or prior to the Rights Cut-off Date, the Issuer shall, subject as provided below, deliver to each Securityholder an amount of Securities equal to the Rights Security Amount in respect of each Security held by him as soon as practicable after the Rights Delivery Date.

6.3.4 In the event that the Rights Delivery Date falls after the Rights Cut-off Date, the Issuer shall, subject as provided below, pay to each Securityholder the Rights Cash Amount in respect of each Security held by him on the Rights Cash Amount Payment Date, provided that if the relevant Rights Delivery Date has not occurred on or prior to the relevant Redemption Date, Optional Cash Redemption Date, Optional Physical Redemption Date, Early Cash Redemption Date, Specified Early Physical Redemption Date, Early Cancellation Date, Exercise Cash Settlement Date or Physical Delivery Date, as applicable, the Issuer shall have no obligation to pay the relevant Rights Cash Amount(s) and the Issuer shall have no further obligation in respect thereof.

6.3.5 In order to receive the Rights Security Amount or the Rights Cash Amount, as the case may be, in relation to Securities represented by a Global Bearer Security, a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary, Common Safekeeper, custodian or nominee on behalf of a Relevant Clearing System (other than DTC), a Securityholder must (A) deliver to the Relevant Clearing System with a copy to the Issue and Paying Agent a duly completed notice (a "**Common Depositary Rights Notice**") in the applicable form set out in out in Schedule 9 to the Master Agency Agreement and (B) pay to the Issuer the relevant Rights Amount, in each case on or prior to the Rights Subscription Cut-off Date. A Rights Notice may only be delivered in such manner as is acceptable to the Relevant Clearing System.

6.3.6 In order to receive the Rights Security Amount or the Rights Cash Amount, as the case may be, in relation to Securities represented by a Rule 144A Global Security held by a custodian for, and registered in the name of DTC, a Securityholder must (A) deliver through computerised instruction through DTC (via its DWAC function) to the New York Agent with a copy to the Issue and Paying Agent a duly completed notice (a "**DTC Rights Notice**") in the applicable form set out in out in Schedule 9 to the Master Agency Agreement and (B) pay to the Issuer the relevant Rights Amount, in each case on or prior to the Rights Subscription Cut-off Date.

6.3.7 In the case of Securities represented by a Global Bearer Security, a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary, Common Safekeeper, custodian or nominee on behalf of a Relevant Clearing System (other than DTC), upon receipt of a Rights Notice, the Relevant Clearing System shall (subject to its rules and procedures) verify that the person delivering the Rights Notice is the Securityholder of the Securities described therein according to the books of the Relevant Clearing System. Subject thereto, the Relevant Clearing System will (subject to its rules and procedures) confirm to the Issue and Paying Agent the Series number and number of Securities the subject of such notice, the relevant account details and the details for the delivery of the Rights Security Amount or payment of the Rights Cash Amount, as the case may be, of each Security that is the subject of such notice. Upon receipt of such confirmation, the Issue and

Paying Agent will inform the Issuer thereof and subject to the receipt of the relevant Rights Amount the Issuer shall deliver the Rights Security Amount to the relevant Securityholder's securities account or pay the relevant Rights Cash Amount to the relevant Securityholder's cash account, as the case may be, at the Relevant Clearing System specified by such Securityholder in the Rights Notice.

6.3.8 In the case of Securities represented by a Rule 144A Global Security held by a custodian for, and registered in the name of DTC, upon receipt of a Rights Notice, the New York Agent shall verify that the person delivering the Rights Notice is the Securityholder according to the records of DTC. Subject thereto, the New York Agent shall notify the Issuer of the Series number and the number of Securities the subject of such notice, the details and the account details for the delivery of the Rights Security Amount or payment of the Rights Cash Amount, as the case may be, of each Security that is the subject of such notice and subject to the receipt of the relevant Rights Amount the Issuer shall deliver the Rights Security Amount to the relevant Securityholder's securities account or pay the relevant Rights Cash Amount to the relevant Securityholder's cash account at DTC specified by such Securityholder in the Rights Notice.

6.3.9 In the event that a Securityholder fails to deliver a duly completed Rights Notice and pay the relevant Rights Amount prior to the Rights Subscription Notice Cut-off Date as provided above, such Securityholder's rights to receive the Rights Security Amount or the Rights Cash Amount, as the case may be, in respect of its Securities shall lapse and the Issuer shall have no further liability in respect thereof.

6.3.10 A Rights Notice may not be withdrawn after receipt thereof by the Relevant Clearing System or the New York Agent and after delivery of a Rights Notice the relevant Securityholder may not transfer the Securities which are the subject of such Rights Notice until after the delivery of the Rights Security Amounts or payment of the Rights Cash Amounts, as the case may be, in respect of the relevant Securities.

6.3.11 Delivery of the Rights Security Amount in respect of each Security is subject to compliance with all applicable securities laws, and in the event that any such delivery of the Rights Security Amount would result in non compliance with any applicable securities laws, in lieu of such delivery, the Issuer shall pay to the relevant Securityholder the Rights Cash Amount.

Securityholders should note that in the event that a duly completed Rights Notice is duly delivered and the relevant Rights Amount(s) are paid by or on behalf of the relevant Securityholder in each case as provided above, the Issuer's only obligation in respect of such Rights Notice is to deliver the relevant Rights Security Amount(s) or pay the relevant Rights Cash Amount(s) as provided above and to no other person or account.

6.4 General

6.4.1 Any determination as to whether a Cash Dividend Notice, a Stock Dividend Notice or a Rights Notice is duly completed and in proper form shall be made, in the case of Securities represented by a Global Bearer Security, a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary, Common Safekeeper, custodian or nominee on behalf of a Relevant Clearing System (other than DTC) or, in the case of Securities represented by a Rule 144A Global Security held by a custodian on behalf of DTC, the New

York Agent, in each case, in consultation with the Issue and Paying Agent, and shall be conclusive and binding on the Issuer, the Guarantor, the Agents and the relevant Securityholder. Subject as set out below, any Cash Dividend Notice, Stock Dividend Notice or Rights Notice so determined to be incomplete or not in proper form, or which is not copied to the Issue and Paying Agent immediately after being delivered or sent to the Relevant Clearing System or the New York Agent, as the case may be, as provided above, shall be null and void.

6.4.2 If a Cash Dividend Notice, a Stock Dividend Notice or a Rights Notice is subsequently corrected to the satisfaction of the Relevant Clearing System or the New York Agent, as the case may be, in consultation with the Issue and Paying Agent, it shall be deemed to be a new Cash Dividend Notice, Stock Dividend Notice or Rights Notice, as the case may be, submitted at the time such correction was delivered to the Relevant Clearing System or the New York Agent, as the case may be, with a copy to the Issue and Paying Agent.

6.4.3 The Relevant Clearing System or the New York Agent, as the case may be, shall (subject to its rules and procedures) notify the Securityholder submitting a Cash Dividend Notice, a Stock Dividend Notice or a Rights Notice if, in consultation with the Issue and Paying Agent, it has determined that such Cash Dividend Notice, Stock Dividend Notice or Rights Notice, as the case may be, is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, (where the Issuer is BCCL) the Guarantor, the Issue and Paying Agent, the Relevant Clearing System or the New York Agent shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Securityholder.

6.4.4 Copies of the Cash Dividend Notice, Stock Dividend Notice and Rights Notice may be obtained during normal business hours from the specified offices of the Agents.

6.4.5 In the event that a Stock Dividend is declared by the Share Company as provided in Equity Linked Condition 6.2 above or the Determination Agent determines that a Rights Issue Event has occurred as provided in Equity Linked Condition 5.3 above, the Issuer shall not be bound by the provisions in the Conditions with respect to giving of notice or issuing of new Securities or payment of Cash Amount or Rights Cash Amount, as the case may be, if the Issuer determines in its sole and absolute discretion that (1) there is insufficient investment quota available to the Issuer or any of its relevant Affiliates to take up the Stock Dividend or Rights Issue or the Issuer or any of its relevant Affiliates is otherwise restricted in obtaining, holding or dealing in the Shares resulting from the Stock Dividend or Rights Issue Event, or (2) the Issuer or any of its relevant Affiliates is not given sufficient notice of the Stock Dividend or Rights Issue Event by the Share Company or any other relevant agents or intermediaries to enable the Issuer to notify the Securityholders and perform any action required in connection with such Stock Dividend or Rights Issue Event.

7 Notice of Adjustments

All determinations made by the Determination Agent pursuant to these Equity Linked Conditions shall be conclusive and binding on the Securityholders, the Guarantor (where the Securities are issued by BCCL), the Issue and Paying Agent and the Issuers, except in the case of manifest error. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from

which such adjustment is effective by publication in accordance with Condition 16 of the Base Conditions, provided that failure to give, or non-receipt of, such notice will not affect the validity or binding nature of such adjustment.

8 Additional Disruption Events

Each of Increased Cost of Stock Borrow, Loss of Stock Borrow, Fund Disruption Event and Insolvency Filing shall constitute Additional Disruption Events with respect to a series of Equity Linked Securities if so specified in the relevant Final Terms.

PART C – DEFINITIONS APPLICABLE TO EQUITY LINKED SECURITIES

1 Definitions Relating To Equity Linked Securities

"**Announcement Date**" means (A) in respect of a Merger Event or Nationalisation or Delisting, the date of the first public announcement of a firm intention, in the case of a Merger Event, to merge or to make an offer and, in the case of a Nationalisation, to nationalise (whether or not amended or on the terms originally announced) and, in the case of a Delisting, the date of the first public announcement by the Exchange that the relevant shares will cease to be listed, traded or publicly quoted, that leads to the Merger Event or the Nationalisation or Delisting, as the case may be and (B) in respect of an Insolvency, the date of the first public announcement of the termination, dissolution or institution of a proceeding, presentation of a petition or passing of a resolution (or other analogous procedure in any jurisdiction) that leads to the Insolvency, in each case as determined by the Determination Agent.

"**Averaging Date**" means, in respect of a Valuation Date or Actual Exercise Date (as the case may be) each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Determination Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day, then:

(a) if "Omission" is specified as applying in the applicable Final Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant level, price or amount provided that, if through the operation of this provision no Averaging Date would occur in respect of such Valuation Date or Actual Exercise Date, then the provisions of the definition of "Valuation Date" and Equity Linked Condition 3 (as applicable) will apply for purposes of determining the relevant level, price or amount on the final Averaging Date with respect to that Valuation Date or Actual Exercise Date as if such Averaging Date were a Valuation Date that was a Disrupted Day; or

(b) if "Postponement" is specified as applying in the applicable Final Terms, then the provisions of the definition of "Valuation Date" and Equity Linked Condition 3 (as applicable) will apply for the purposes of determining the relevant level, price or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or

(c) if "Modified Postponement" is specified as applying in the applicable Final Terms then:

(i) where the Securities reference a single Reference Asset, the Averaging Date shall be the first succeeding Valid Date (as defined below). If the first succeeding Valid Date has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of such Valuation Date or Actual Exercise Date, then (A) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date), and (B) the Determination Agent shall determine the relevant level or price for that Averaging Date in accordance with sub-paragraph (a) of the definition of "Valuation Date" and these Equity Linked Condition 3(as applicable); and

(ii) where the Securities reference a basket or portfolio of Reference Assets, the Averaging Date for each Reference Asset not affected by the occurrence of a Disrupted Day shall be

the originally designated Averaging Date (the "**Scheduled Averaging Date**") and the Averaging Date for a Reference Asset affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Reference Asset. If the first succeeding Valid Date in relation to such Reference Asset has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of such Valuation Date or Actual Exercise Date, then (A) that eighth Scheduled Trading Day shall be deemed the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date) in respect of such Reference Asset, and (B) the Determination Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with sub-paragraph (b) of the definition of "Valuation Date" and Equity Linked Condition 3 (as applicable),

for the purposes of this definition, "**Valid Date**" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in relation to the Valuation Date or Actual Exercise Date does not or is not deemed to occur.

"**Basket of Indices**" means, in relation to a Series of Securities, a basket composed of each Index specified in the applicable Final Terms in the relative proportions indicated in the applicable Final Terms.

"**Basket of Shares**" means, in relation to a Series of Securities, a basket composed of Shares of each Share Company specified in the applicable Final Terms in the relative proportions and numbers of Shares specified.

"**Cash Amount**" means, in respect of a Security and a Stock Dividend, an amount calculated by the Determination Agent equal to the share of (a) the market value of the Distributed Shares determined by the Determination Agent in its sole and absolute discretion less (b) Taxes and Expenses, attributable to such Security on a per Specified Denomination basis or on a per Calculation Amount per Security basis (as determined on or about the relevant Stock Delivery Date), as the case may be, such amount, if an FX Disruption Event has not occurred on or prior to the relevant Stock Delivery Date, to be converted into the Settlement Currency at the Dividend Exchange Rate on the Stock Delivery Date.

"**Cash Amount Payment Date**" means, in respect of a Stock Dividend, the date falling ten Business Days after the relevant Stock Delivery Date.

"**Cash Dividend**" means any cash dividend to be paid by the Share Company in respect of the Shares.

"**Cash Dividend Amount**" means, in respect of a Security, an amount calculated by the Determination Agent equal to the share of (a) the Distributed Amount less (b) Taxes and Expenses, attributable to such Security on a per Specified Denomination basis or on a per Calculation Amount per Security basis (as determined on or about the relevant Dividend Date), as the case may be, such amount, if an FX Disruption Event has not occurred on or prior to the relevant Dividend Date, to be converted into the Settlement Currency at the Dividend Exchange Rate on the Dividend Date.

"**Cash Dividend Notice Cut-Off Date**" means the day falling three Business Days prior to the Expected Dividend Date.

"**Cash Dividend Payment Date**" means, in respect of a Cash Dividend, the fifth Business Day following the Dividend Date in respect of such Cash Dividend.

"**Component**" means, in relation to an Index, any Share which comprises such Index.

"**Delisting**" means in respect of any Shares, that the relevant Exchange announces that pursuant to the rules of such Exchange, the Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any member state of the European Union).

"**Disrupted Day**" means:

(a) except with respect to a Multi-exchange Index, any Scheduled Trading Day on which a relevant Exchange or Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred, and

(b) with respect to any Multi-exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor fails to publish the level of the Index; (ii) the Related Exchange fails to open for trading during its regular trading session; or (iii) a Market Disruption Event has occurred.

"**Distributed Amount**" means, in respect of a Cash Dividend, the amount of such dividend payable by the Share Company in respect of one Share, as determined by the Determination Agent in its sole and absolute discretion.

"**Distributed Shares**" means the Share Number less one.

"**Dividend Date**" means, in respect of a Cash Dividend, the date on which such Cash Dividend would be received by a foreign investor in the Shares as determined by the Determination Agent in its sole and absolute discretion.

"**Dividend Exchange Rate**" means the rate specified as such in the applicable Final Terms.

"**Early Closure**" means:

(a) except with respect to a Multi-exchange Index, the closure on any Exchange Business Day of the relevant Exchange (or in the case of an Index Linked Security, any relevant Exchange(s) relating to Components that comprise 20 per cent. or more of the level of the relevant Index) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or any Related Exchange(s) at least one hour prior to the earlier of (a) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (b) the submission deadline of orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day, and

(b) with respect to any Multi-exchange Index, the closure on any Exchange Business Day of the Exchange in respect of any Component or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of: (i) the actual closing time for the regular trading session on such Exchange or Related Exchange (as the case may be) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into such Exchange or Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day.

"**Equity Linked Security**" means a Security that is a Share Linked Security or an Index Linked Security or a combination of both.

"**Exchange**" means:

(a) (i) in respect of an Index relating to Index Linked Securities other than a Multi-exchange Index, each exchange or quotation system specified as such for such Index or Indices in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Components underlying such Index or Indices has temporarily relocated provided that the Determination Agent has determined that there is comparable liquidity relative to the Components underlying such Index or Indices on such temporary substitute exchange or quotation system as on the original Exchange, and (ii) with respect to any Multi-exchange Index, and in respect of each Component, the principal stock exchange on which such Component is principally traded, as determined by the Determination Agent; and

(b) in respect of a Share relating to Share Linked Securities, each Exchange or quotation system specified as such for such Share in the applicable Final Terms, any successor to such Exchange or quotation system or any substitute exchange or quotation system to which trading in the Share has temporarily relocated provided that the Determination Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange.

"**Exchange Business Day**" means:

(a) except with respect to a Multi-exchange Index, any Scheduled Trading Day on which each Exchange is open for trading during its regular trading sessions, notwithstanding any such Exchange closing prior to its Scheduled Closing Time, and

(b) with respect to a Multi-exchange Index, any Scheduled Trading Day on which: (i) the Index Sponsor publishes the level of the Index; and (ii) the Related Exchange is open for trading during its regular trading session, notwithstanding any Exchange or the Related Exchange closing prior to its Scheduled Closing Time.

"**Exchange Disruption**" means:

(a) except with respect to a Multi-exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Determination Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Shares on the Exchange (or in the case of Index Linked Securities, on any relevant Exchange(s) relating to Components that comprise 20 per cent. or more of the level of the relevant Index), or (ii) to effect transactions in, or obtain market values for, futures and options contracts relating to the Components or the relevant Index on any relevant Related Exchange, and

(b) with respect to any Multi-exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Determination Agent) the ability of market participants in general to effect transactions in, or obtain market values for: (i) any Component on the Exchange in respect of such Component; or (ii) futures or options contracts relating to the Index on the Related Exchange.

"**Ex-Dividend Date**" means, in respect of a Stock Dividend, the date on which the Shares are to trade on the Exchange ex-dividend, as determined by the Determination Agent in its sole and absolute discretion.

"**Exercise Business Day**" means, with respect to (a) Cash Settled Securities, a day that is a Business Day and (b) Physically Delivered Securities, a day that is a Business Day and a Scheduled Trading Day.

"**Expected Dividend Date**" means, in respect of a Cash Dividend, the date on which such Cash Dividend is expected to be paid by the Share Company, as determined by the Determination Agent in its sole and absolute discretion.

"**Expected Rights Delivery Date**" means, in respect of a Rights Issue, the date on which the Share Company is expected to make delivery of the new Shares to holders of Shares pursuant to the relevant Rights Issue, as determined by the Determination Agent in its sole and absolute discretion.

"**Expected Stock Delivery Date**" means, in respect of a Stock Dividend, the date on which the Share Company is expected to make delivery of the Stock Dividend, as determined by the Determination Agent in its sole and absolute discretion.

"**Expenses**" means, in respect of a Security, all taxes, duties and/or expenses, including any applicable depository charges, transaction charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising in connection with the redemption of such Security and/or delivery or transfer of the Relevant Assets.

"**Ex-Rights Date**" means, in respect of a Rights Issue Event, the date on which the Shares are to trade on the Exchange ex-rights, as determined by the Determination Agent.

"**FX Disruption Event**" means:

(a) the determination by the Determination Agent of the occurrence of any event on or prior to the relevant Payment Date that has or would have the effect of preventing or delaying the Issuer and/or any of its Affiliates directly or indirectly from:

  (i) converting the Specified Currency into the Settlement Currency through customary legal channels;

  (ii) converting the Specified Currency into the Settlement Currency at a rate at least as favourable as the rate for domestic institutions located in the Specified Jurisdiction;

  (iii) delivering the Settlement Currency from accounts inside the Specified Jurisdiction to accounts outside the Specified Jurisdiction; or

  (iv) delivering the Specified Currency between accounts inside the Specified Jurisdiction or to a party that is a non-resident of the Specified Jurisdiction; or

(b) the Determination Agent determines that the government of the Specified Jurisdiction has given public notice of its intention to impose any capital controls which the Determination Agent determines are likely to materially affect the Issuer's ability to hedge its obligations with respect to the Securities or to unwind such hedge.

"**Fund Disruption Event**" means any of the following:

(a) the Shares are reclassified or the Share Company is acquired by, or aggregated into, another fund, depositary bank, pooled investment vehicle, collective investment scheme, partnership, trust or other similar legal arrangement, whose mandate, risk-profile and/or benchmarks are different from the mandate, risk-profile and/or benchmark of the Share Company as stated as of the Trade Date;

(b) there is a material change in the Share Company, the constitutional documents of the Share Company, the mandate, risk profile or investment guidelines or objectives of the Share Company as stated as of the Trade Date;

(c) there is a material breach of the investment, borrowing or stock lending restrictions of the Share Company;

(d) the director, trustee and/or investment manager of the Share Company, in accordance with the provisions of the constitutional documents of the Share Company, requires the Issuer to redeem or transfer such Shares held by the Issuer or its Affiliates;

(e) the currency denomination of the Shares is amended in accordance with the constitutional documents of the Share Company;

(f) any change in the regulatory or tax treatment applicable to the Share Company or the Shares, as applicable, which could have a negative effect on the Issuer or its Affiliates if it were the holder of such Shares;

(g) the activities of the Share Company, the director, the trustee and/or the investment manager of the Share Company or any service provider of the Share Company is placed under review by its regulators for reasons of wrongdoing, breach of any rule or regulation or other similar reason or any disciplinary action is taken in respect of such director, trustee and/or investment manager or service provider, as the case may be, by its regulators;

(h) a change in the national, international, financial, political, economic conditions or currency exchange rate or exchange controls;

(i) a material change or prospective material change in the size, nature, management, frequency of trading of the Shares or any other characteristics of the Share Company;

(j) the occurrence or existence of any event, circumstance or cause beyond the control of the Issuer that has had or would be expected to have a material adverse effect on (i) the hedge positions of the Issuer and/or its Affiliates or their ability to hedge their positions or (ii) the cost which the Issuer and/or its Affiliates incurs in hedging its position, in each case with respect to the Share Company;

(k) in relation to the events (a) to (f) above, there is an announcement by or on behalf of the Share Company or by the Exchange that such an event will occur; or

(l) an illegality occurs or the relevant authorisation or licence is revoked in respect of the directors, the trustee and/or the investment manager of the Share Company and/or the Share Company.

"**Futures or Options Exchange**" means the relevant exchange in options or futures contracts on the relevant Share or Shares or the relevant Index or Indices, as the case may be, as determined by the Determination Agent in its absolute discretion.

"**Hedging Shares**" means the number of Shares (in the case of Share Linked Securities) or Components comprised in an Index (in the case of Index Linked Securities) that the Issuer deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Securities.

"**Increased Cost of Stock Borrow**" means that the Issuer and/or any of its Affiliates would incur a rate to borrow any Share (in the case of Share Linked Securities) or any security/commodity comprised in an Index (in the case of Index Linked Securities) that is greater than the Initial Stock Loan Rate.

"**Index**" means an index or indices (including, but not limited to, a proprietary index created by the Issuer or an associate of the Issuer) specified in the applicable Final Terms.

"**Index Linked Security**" means a Security, payments or deliveries in respect of which will be contingent on and/or calculated by reference to an Index or a Basket of Indices, as the case may be, as specified in the applicable Final Terms.

"**Index Sponsor**" means, in relation to an Index, the corporation or entity that is responsible for setting and reviewing the rules and procedures, and the methods of calculation and adjustments, if any, related to such Index.

"**Initial Stock Loan Rate**" means, in respect of a Share (in the case of Share Linked Securities) or a Component comprised in an Index (in the case of Index Linked Securities), the initial stock loan rate specified in relation to such Share in the applicable Final Terms.

"**Insolvency**" means by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution termination or winding-up of or any analogous proceeding affecting a Share Company (i) all the Shares of that Share Company are required to be transferred to a trustee, liquidator or other similar official or (ii) the holders of the Shares of that Share Company become legally prohibited from transferring them or (iii) the Share Company is dissolved, terminated or ceases to exist, as the case may be.

"**Insolvency Filing**" means that a Share Company institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgement of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, or it has a resolution passed or an announcement published for its dissolution or termination, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Company shall not be deemed an Insolvency Filing.

"**Loss of Stock Borrow**" means that the Issuer and/or any Affiliate is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any Share (in the case of Share Linked Securities) or any Components comprised in an Index (in the case of Index Linked Securities) in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate.

"**Market Disruption Event**" means:

(i) except with respect to a Multi-exchange Index, the occurrence or existence of:

  (a) a Trading Disruption which the Determination Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time;

  (b) an Exchange Disruption, which the Determination Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time;

  (c) an Early Closure; or

  (d) any event, which the Determination Agent determines is material, which disrupts or impairs the ability of the Issuer or of any market participants to effect transactions in, or obtain market values for, futures, options or derivatives contracts relating to the Reference Asset (including any proprietary index created by the Issuer or an associate of the Issuer);

(ii) with respect to a Multi-exchange Index, when both of the following are satisfied:

  (a) the occurrence or existence, in respect of any Component, of:

(I) a Trading Disruption in respect of such Component, which the Determination Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component is principally traded;

(II) an Exchange Disruption in respect of such Component, which the Determination Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component is principally traded; OR

(III) an Early Closure in respect of such Component; AND

(b) the aggregate of all Components in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of the Index; OR

(iii) In all cases, the occurrence or existence, in respect of futures or options contracts relating to the Index, of: (a) a Trading Disruption; (b) an Exchange Disruption, which in either case the Determination Agent determines is material, at any time during the one hour period that ends at the Valuation Time in respect of the Related Exchange; or (c) an Early Closure, in each case in respect of such futures or options contracts.

In addition:

(1) for the purposes of determining whether a Market Disruption Event exists in respect of an Index which is not a Multi-exchange Index at any time, if a Market Disruption Event occurs in respect of a security included in such Index at any time, then the relevant percentage contribution of that security to the level of such Index shall be based in a comparison of (x) the portion of the level of such Index attributable to that security and (y) the overall level of such Index, in each case immediately before the Market Disruption Event occurred; and

(2) for the purposes of determining whether a Market Disruption Event exists in respect of an Index which is a Multi-exchange Index at any time, if a Market Disruption Event occurs in respect of a Component included in such Index at any time, then the relevant percentage contribution of that Component to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that Component to (y) the overall level of the Index, in each case using the official opening weightings as published by the Index Sponsor as part of the market "opening data".

"**Maximum Stock Loan Rate**" means, in respect of a Share (in the case of Share Linked Securities) or a Component comprised in an Index (in the case of Index Linked Securities), the rate specified as such in the applicable Final Terms.

"**Merger Date**" means, in respect of a Merger Event, the date upon which all holders of the relevant Shares (other than, in the case of a takeover offer, Shares owned or controlled by the offeror) have agreed or have irrevocably become obliged to transfer their Shares.

"**Merger Event**" means in respect of any relevant Shares, any:

(a) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer 20 per cent. or more of such Shares outstanding;

(b) consolidation, amalgamation, merger or binding share exchange of the Share Company with or into another entity (other than a consolidation, amalgamation, merger or binding share exchange in which such Share Company is the continuing entity and which results in a reclassification or change of less than 20 per cent. of the relevant Shares outstanding);

(c) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity for such Shares that results in a transfer of or an irrevocable commitment to transfer 20 per cent. or more of such Shares (other than such Shares owned or controlled by the offeror); or

(d) consolidation, amalgamation, merger or binding share exchange of the Share Company or its subsidiaries with or into another entity in which the Share Company is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event

if, in each case, the date on which the Determination Agent determines that such event occurs is on or before, in the case of Physically Delivered Securities, the Physical Delivery Date, or in any other case, the Determination Date in respect of the relevant Security.

"**Multi-exchange Index**" means any Index specified as such in the applicable Final Terms.

"**Nationalisation**" means that all the Shares or all the assets or substantially all the assets of the Share Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity.

"**New Security Amount**" means, in respect of each Security, an amount of Securities calculated by the Determination Agent equal to the share of (a) the Distributed Shares less (b) Shares with a market value determined by the Determination Agent in its sole and absolute discretion on such day selected by the Determination Agent falling on or after the relevant Stock Delivery Date equal to the sum of Taxes and Expenses, attributable to such Security on a per Specified Denomination basis or on a per Calculation Amount per Security basis (as determined on or about the relevant Stock Delivery Date), as the case may be, provided that where a Securityholder delivers a Stock Dividend Notice in respect of more than one Security, the New Security Amount shall be aggregated in respect of such Securities, provided further that the aggregate New Security Amounts will be rounded down to the nearest whole number and a cash adjustment (calculated by the Determination Agent in its sole and absolute discretion) shall be paid by the Issuer in lieu of the amount of Securities so rounded down.

"**Number of Shares**" means in the case of (i) a Share Linked Security referencing a Share, the number of Shares specified as such in the applicable Final Terms and (ii) a Share Linked Security referencing a Basket of Shares, the number of Shares of each Share Company comprised in the Basket of Securities, as specified in the applicable Final Terms.

"**Payment Date**" means a day on which a payment is due in respect of the Equity Linked Securities.

"**Potential Adjustment Event**" means any of the following:

(a) a subdivision, consolidation or reclassification of the relevant Shares (other than a Merger Event) or a free distribution or dividend of any such Shares to existing holders of the relevant Shares by way of bonus, capitalisation or similar issue;

(b) a distribution, issue or dividend to existing holders of the relevant Shares of (i) additional Shares, or (ii) other share capital or securities granting the right to payment of dividends and/or the

proceeds of dissolution, liquidation or termination of the Share Company equally or proportionately with such payments to Securityholders of such Shares, (iii) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Company as a result of a spin-off or other similar transaction or (iv) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other) at less than the prevailing market price as determined by the Determination Agent;

(c) an amount per Share which the Determination Agent determines should be characterised as an extraordinary dividend;

(d) a call by the Share Company in respect of the relevant Shares that are not fully paid;

(e) a repurchase by the Share Company or any of its subsidiaries of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;

(f) in respect of the Share Company, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Share Company pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrant, debt instruments or stock rights at a price below their market value, as determined by the Determination Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or

(g) any other similar event that may have a diluting or concentrative effect on the theoretical value of the relevant Shares.

"**Related Exchange**" means, subject to the proviso below, in respect of a Reference Asset, each exchange or quotation system specified as such for such Reference Asset in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures and options contracts relating to such Reference Asset has temporarily relocated (provided that the Determination Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Reference Asset on such temporary substitute exchange or quotation system as on the original Related Exchange), provided, however that where "All Exchanges" is specified as the Related Exchange in the applicable Final Terms, "Related Exchange" shall mean each exchange or quotation system where trading has a material effect (as determined by the Determination Agent) on the overall market for futures or options contracts relating to such Reference Asset.

"**Relevant Settlement Day**" means a Scheduled Trading Day and Clearing System Business Day.

"**Rights Amount**" means, in respect of a Security and a Rights Issue Event, an amount calculated by the Determination Agent equal to the share of the Subscription Price, attributable to such Security on a per Specified Denomination basis or on a per Calculation Amount per Security basis, as the case may be, provided that where a Securityholder delivers a Rights Notice in respect of more than one Security, the Rights Amount shall be aggregated in respect of such Securities.

"**Rights Cash Amount**" means, in respect of a Security and a Rights Issue Event, an amount calculated by the Determination Agent equal to the share of (a) the market value of the number of Shares equal to the Rights Share Number determined by the Determination Agent in its sole and absolute discretion less (b) Taxes and Expenses, attributable to such Security on a per Specified Denomination basis or on a per Calculation Amount per Security basis (as determined on or about the relevant Rights Delivery Date), as the case may be, such amount, if an FX Disruption Event has not occurred on or prior to the relevant

Rights Delivery Date, to be converted into the Settlement Currency at the Dividend Exchange Rate on the Rights Delivery Date. "**Rights Cash Amount Payment Date**" means, in respect of a Rights Issue Event, the date falling ten Business Days after the relevant Rights Delivery Date.

"**Rights Cut-off Date**" means the day falling four calendar months prior to the Redemption Date, Optional Cash Redemption Date, Optional Physical Redemption Date, Early Cash Redemption Date, Early Cancellation Date, Specified Early Cash Redemption Date, the Specified Early Cash Cancellation Date, Specified Early Physical Redemption Date, the Specified Early Physical Cancellation Date, Early Physical Cancellation Date, Exercise Cash Settlement Date or Physical Delivery Date, as applicable.

"**Rights Date**" means, in respect of a Rights Issue Event, the date by which the relevant rights must be subscribed, as determined by the Determination Agent in its sole and absolute discretion.

"**Rights Delivery Date**" means, in respect of a Rights Issue, the date on which the Rights Security Amounts would be received by a foreign investor in Shares, as determined by the Determination Agent in its sole and absolute discretion.

"**Rights Issue**" means, in the determination of the Determination Agent, a rights issue (howsoever described) by the Share Company.

"**Rights Issue Event**" means, in the determination of the Determination Agent, the announcement of a Rights Issue by the Share Company.

"**Rights Notice**" means a Common Depositary Rights Notice, a DTC Rights Notice, or a Register Rights Notice.

"**Rights Security Amount**" means, in respect of each Security, an amount of Securities calculated by the Determination Agent with an aggregate market value equal to the difference of (a) the Rights Share Number less (b) the number of Shares with an aggregate market value, as determined by the Determination Agent in its sole and absolute discretion on such day selected by the Determination Agent falling on or after the relevant Rights Delivery Date, equal to the sum of the Taxes and Expenses, attributable to such Security on a per Specified Denomination basis or on a per Calculation Amount per Security basis (as determined on or about the Rights Delivery Date), as the case may be, provided that where a Securityholder delivers a Rights Notice in respect of more than one Security, the Rights Security Amount shall be aggregated in respect of such Securities, provided further that the aggregate Rights Security Amounts will be rounded down to the nearest whole number and a cash adjustment (calculated by the Determination Agent is its sole and absolute discretion) shall be paid by the Issuer in lieu of the amount of Securities so rounded down.

"**Rights Share Number**" means, in respect of a Rights Issue Event, the number of new Shares that a Securityholder of one Share may subscribe pursuant to the relevant Rights Issue, as determined by the Determination Agent in its sole and absolute discretion.

"**Rights Subscription Cut-off Date**" means a day falling ten Business Days prior to the relevant Rights Date.

"**Scheduled Closing Time**" means, in respect of any Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after-hours or other trading outside regular trading session hours.

"**Scheduled Trading Day**" means:

(a) except with respect to a Multi-exchange Index, any day on which each Exchange and each Related Exchange are scheduled to open for trading for their respective regular trading sessions, provided that a day shall be a Scheduled Trading Day if it is known at any time before that day each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions on that day. Conversely, a day shall not be a Scheduled Trading Day if it is known at any time before that day that the Exchange or Related Exchange is not scheduled to be open for trading for its regular trading session on that day; and

(b) with respect to any Multi-exchange Index, any day on which (i) the Index Sponsor is scheduled to publish the level of the Index and (ii) the Related Exchange is scheduled to be open for trading for its regular trading session, provided that a day shall be a Scheduled Trading Day if it is known at any time before that day that the Related Exchange is scheduled to be open for trading for its regular trading session on that day. Conversely, a day shall not be a Scheduled Trading Day if it is known at any time before that day that the Related Exchange is not scheduled to be open for trading for its regular trading session on that day.

"**Scheduled Valuation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.

"**Share**" means, in relation to an Equity Linked Security, a share, a unit, a depositary receipt, an interest or an equity unit to which such Security relates.

"**Share Company**" means, in the case of an Equity Linked Security, the company, the depositary bank, the fund, the pooled investment vehicle, the collective investment scheme, the partnership, the trust or other legal arrangement that has issued or gave rise to the relevant Share.

"**Share Linked Security**" means, a Security, payments or deliveries in respect of which will be contingent on and/or calculated by reference to a Share or a Basket of Shares, as the case may be, as specified in the applicable Final Terms.

"**Share Number**" means, in respect of a Stock Dividend, the number of Shares that a holder of one Share would hold after such Stock Dividend, as determined by the Determination Agent in its sole and absolute discretion.

"**Specified Currency**" means the currency specified in the applicable Final Terms.

"**Specified Jurisdiction**" means the jurisdiction specified in the applicable Final Terms provided that if the Specified Currency is specified to be euro in the applicable Final Terms, Specified Jurisdiction is to mean any of the Eurozone countries.

"**Stock Delivery Date**" means, in respect of a Stock Dividend, the date on which the Stock Dividend would be received by a foreign investor in the Shares, as determined by the Determination Agent in its sole and absolute discretion.

"**Stock Dividend**" means any dividend in the form of Shares to be delivered by the Share Company in respect of the Shares.

"**Stock Dividend Cut-Off Date**" means the day falling four calendar months prior to the Redemption Date, Optional Cash Redemption Date, Optional Physical Redemption Date, Early Cash Redemption Date, Specified Early Physical Redemption Date, the Specified Early Physical Cancellation Date, Specified Early

Cash Redemption Date, the Specified Early Cash Cancellation Date, Early Cancellation Date, Early Physical Cancellation Date, Exercise Cash Settlement Date or Physical Delivery Date, as applicable.

"**Stock Dividend Notice Cut-Off Date**" means the day falling 10 Business Days prior to the relevant Expected Stock Delivery Date.

"**Subscription Price**" means, in respect of a Rights Issue Event, an amount calculated by the Determination Agent in its sole and absolute discretion equal to the amount that a holder of a Share would have to pay to exercise its rights to subscribe for one new Share under the relevant Rights Issue.

"**Tender Offer**" means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent and less than 100 per cent of the outstanding voting shares of the Share Company as determined by the Determination Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Determination Agent deems relevant.

"**Tender Offer Date**" means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained (as determined by the Determination Agent).

"**Trading Disruption**" means:

(a) except with respect to a Multi-exchange Index, any suspension of, impairment of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or Related Exchange or otherwise (i) relating to the Share on the Exchange, or in the case of an Index Linked Security, on any relevant Exchange(s) relating to any Component that comprise 20 per cent or more of the level of the relevant Index or Indices, or (ii) in futures or options contracts relating to the Shares or the relevant Index or Indices on any relevant Related Exchange; and

(b) with respect to any Multi-exchange Index, any suspension of, impairment of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or Related Exchange or otherwise (i) relating to any Component on the Exchange in respect of such Component; or (ii) in futures or options contracts relating to the Index (or any Component thereof) on the Related Exchange.

For the avoidance of doubt, the following events shall be deemed to be a suspension or limitation of trading for the purposes of a Trading Disruption, as determined by the Determination Agent: (i) a price change exceeding limits set by the relevant Exchange; (ii) an imbalance of orders or (iii) a disparity in bid prices and ask prices.

"**Valuation Date**" means, unless otherwise specified in the applicable Final Terms, in the case of:

(a) a particular Series of Securities that references a Share or an Index, the date specified as such in the applicable Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day) unless there is a Disrupted Day in respect of such Share or Index on that date in which event Equity Linked Condition 3 (as applicable) will apply; and

(b) a particular Series of Securities that references a Basket of Shares and/or a Basket of Indices, the date specified as such in the applicable Final Terms (or, if such date is not a Scheduled Trading Date for a Share or an Index in such Basket of Shares or Basket of Indices (as the case may be),

the date determined in the manner set out in the applicable Final Terms, or, if not set out, the next following Scheduled Trading Day for all Shares and/or Indices in such Basket of Shares and/or Basket of Indices) unless there is a Disrupted Day in respect of any relevant Share or Index on that date in which event Equity Linked Condition 3 (as applicable) will apply,

provided that in each case, where the Securities are redeemed pursuant to Condition 5, the date will be the second Business Day preceding the relevant Redemption Date, Optional Redemption Date, the Exercise Cash Settlement Date or Early Cash Redemption Date.

"**Valuation Time**" means the time specified as such in the applicable Final Terms, or if no such time is specified, Scheduled Closing Time on the relevant Exchange on the Valuation Date or Averaging Date, as the case may be, in relation to each Index or Share to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time. In relation to a Multi-exchange Index, "Valuation Time" means (i) for the purposes of determining whether a Market Disruption Event has occurred: (a) in respect of any Component, the Scheduled Closing Time on the Exchange in respect of such Component, and (b) in respect of any options contracts or future contracts on the relevant Index, the close of trading on the Related Exchange; and (ii) in all other circumstances, the time at which the official closing level of the relevant Index is calculated and published by the Index Sponsor.

ITALIAN SECURITIES ANNEX

Table of Contents

PART A – DESCRIPTION AND RISK FACTORS

1. Brief description of Italian Securities

2. Risk Factors relating to Italian Securities

2.1 Option Risk

2.2 Valuation of Italian Securities in the secondary market

2.3 Potential conflicts of interest relating to distributors

2.4 Possible illiquidity of Italian Securities in the secondary market where there is no offer to institutional investors

2.5 Securities providing for the application of a cap to the Reference Asset

2.6 Certain considerations relating to public offers of the Italian Securities

2.7 Listing of Certificates

2.8 Securities with foreign exchange risks – emerging market jurisdictions

PART B – ADDITIONAL TERMS AND CONDITIONS FOR ITALIAN SECURITIES

1. Amendments to Condition 6.4 of the Base Conditions

PART C – DEFINITIONS AND INTERPRETATION APPLICABLE TO ITALIAN SECURITIES

1. Definitions

PART A – DESCRIPTION

1 Brief description of Italian Securities

Italian Securities are Securities that are Bearer Securities, that are Warrants or Exercisable Certificates (the "**Italian Securities**") and that are to be listed on the Italian Stock Exchange and admitted to trading on the electronic "Securitised Derivatives Market" (the "**SeDeX**") organised and managed by the Italian Stock Exchange, or in respect of which the Issuer reserves the right to apply for listing on the Italian Stock Exchange and admission to trading on the SeDeX. The Settlement Method specified in the applicable Final Terms for Italian Securities will be Cash Settlement and Italian Securities will not bear interest. Securities which are Italian Securities shall be identified as such in the applicable Final Terms.

2 Risk Factors relating to Italian Securities

This section describes additional factors to which prospective investors should have regard when considering an investment in Italian Securities. Prospective investors are also referred to the factors set out in the section headed "Risk Factors" of the Base Prospectus.

2.1 Option Risk

Italian Securities are derivative financial instruments which may include an option right and which, therefore, have many characteristics in common with options. Transactions in options involve a high level of risk. An investor who intends to trade in options must first of all understand the functioning of the types of contracts which he intends to trade in (for example, call options and put options). An investment in options constitutes a highly volatile investment and there is a high likelihood that the option may have no value whatsoever at expiration. In such case, the investor would lose the entire amount used to purchase the options (known as the "premium").

An investor who is considering the purchase of a call option over a Reference Asset, the market price of which is much lower than the price at which the exercise of the option would be opportune (known as "deep out of the money"), must consider that the possibility that the exercise of the option will become profitable is remote. Likewise, an investor who is considering the purchase of a put option over a Reference Asset, the market price of which is much higher than the price at which the exercise of the option would be opportune, must consider that the possibility that the exercise of the option will become profitable is remote.

The Italian Securities include some options on Reference Asset(s). The possible amount paid on exercise or any early termination will depend on the value of such options. Prior to the expiration of an Italian Securities, a variation in the value of the relevant options may involve a reduction in the value of such Italian Securities.

2.2 Valuation of Italian Securities in the secondary market

Investors should note that, in certain circumstances immediately following an issue of Italian Securities, the secondary market price of the Italian Securities may be less than the Issue Price if the Issue Price included commissions and/or fees paid by the Issuer to distributor(s).

2.3 Potential conflicts of interest relating to distributors

Potential conflicts of interest may arise where the Italian Securities are offered to the public, as the manager(s) and any distributors will act pursuant to a mandate granted by the Issuer and will receive commissions and/or fees on the basis of the services performed and the outcome of the placement of the Italian Securities.

Any further risk factors relating to additional conflicts of interest with respect to the Italian Securities will be specified in the applicable Final Terms.

2.4 Possible illiquidity of Italian Securities in the secondary market where there is no offer to institutional investors

There may be less liquidity in the secondary market for Italian Securities if the Italian Securities are exclusively offered to retail investors without any offer to institutional investors.

After listing of the Securities on the SeDeX, the Issuer (or an entity on behalf of the Issuer) will display continuous "bid" and "offer" prices for Italian Securities, in accordance with the rules of the SeDex.

The appointment of an entity acting as market-maker or liquidity provider with respect to the Italian Securities on the secondary market, may, under certain circumstances, have a relevant impact on the price of the Italian Securities on the secondary market.

2.5 Securities providing for the application of a cap to the Reference Asset

The Italian Securities may provide for the application of a maximum value to the value that the coupon, amounts payable to investors and/or the performance of the Reference Asset may reach (Cap).

In such case, the value of the floating coupon or of the amounts payable to investors will not be higher than a predetermined maximum value and will contribute to the yield of the Italian Securities only within such limit. Accordingly, in such case, the favourable performance of the Reference Asset will only partially be considered.

2.6 Certain considerations relating to public offers of the Italian Securities

If the Italian Securities are distributed by means of a public offer, under certain circumstances indicated in the relevant Final Terms, the Issuer and/or the other entities indicated in the Final Terms, will have the right to withdraw the offer, and the latter will be deemed to be null and void according to the terms indicated in the relevant Final Terms.

In such case, investors who have already paid or delivered the subscription amounts of the Italian Securities will be entitled to the reimbursement of such amounts but will not receive any interest accrued from the moment in which the amounts have been paid or delivered and the moment in which they have been reimbursed.

Furthermore, under certain circumstances indicated in the relevant Final Terms, the Issuer and/or the other entities indicated in the Final Terms, will have the right to postpone the closing of the offer period and, if the case, the Issue Date of the Italian Securities.

In such case, investors who have already paid or delivered the subscription amounts of the Italian Securities before the communication of the postponement of the Issue Date of the Italian Securities, will not benefit of the interests accrued pursuant to the Italian Securities, which they

would otherwise have been entitled to, if the Italian Securities had been issued on the original Issue Date.

2.7 Listing of Securities

In respect of Italian Securities, the Issuer shall use all reasonable endeavours to maintain the listing on the SeDeX, PROVIDED THAT if it becomes impracticable or unduly burdensome or unduly onerous to maintain such listing, then the Issuer may apply to de-list such Italian Securities, Provided Further That it shall use all reasonable endeavours to obtain and maintain as soon as reasonably practicable after such de-listing an alternative admission to listing, trading and/or quotation by a stock exchange, market or quotation system within or outside the European Union, as it may decide.

If such an alternative admission is not available or is, in the opinion of the Issuer, impracticable or unduly burdensome, an alternative admission will not be obtained.

2.8 Securities with foreign exchange risks – emerging market jurisdictions

Prospective investors should also note that the risks set out in the risk factor entitled "Securities with foreign exchange risks" on page 30 of the Base Prospectus may be amplified in respect of the currencies of emerging market jurisdictions.

PART B – ADDITIONAL TERMS AND CONDITIONS FOR ITALIAN SECURITIES

*The terms and conditions applicable to Italian Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the "**Italian Conditions**"), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Italian Conditions set out below, the Italian Conditions shall prevail. In the event of any inconsistency between (i) the Base Conditions and/or the Italian Conditions and (ii) the Final Terms, the Final Terms shall prevail. This Italian Annex is a Relevant Annex for the purposes of the Base Conditions and any Securities specified to be Italian Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.*

Italian Securities will only be issued by the Bank. BCCL will not issue Italian Securities and references in the Conditions of Italian Securities to the "Issuer" shall refer only to the Bank.

1 Amendments to Condition 6.4 of the Base Conditions

The fifth line of paragraph (a)(i) and third line of paragraph (a)(ii) of Condition 6.4 of the Base Conditions (*Exercise or Cancellation of Securities that are Warrants or Exercisable Certificates – Automatic Exercise - Application of Automatic Exercise*) shall be amended with respect to Italian Securities by the addition of the words "and to the provisions of Condition 6.4(c)" after the words "subject to the Exercise Parameters" in the brackets on that line.

The following new Condition 6.4(c) shall be added after Condition 6.4(b) of the Base Conditions (*Exercise or Cancellation of Securities that are Warrants or Exercisable Certificates – Automatic Exercise – Conditions to Settlement following Automatic Exercise*):

"(c) **Italian Securities**

Prior to the Renouncement Notice Cut-Off Time specified in the applicable Final Terms, each Securityholder may renounce Automatic Exercise of the relevant Security by the giving of a duly completed Renouncement Notice in accordance with the Rules of the Relevant Stock Exchange, applicable from time to time, to the Relevant Clearing System with a copy to the Issuer and the Paying Agent. Once delivered a Renouncement Notice shall be irrevocable. If a duly completed Renouncement Notice is validly delivered prior to the Renouncement Notice Cut-off Time, the relevant Securityholder will not be entitled to receive any amounts payable by the Issuer in respect of relevant Securities and the Issuer shall have no further liability in respect of such amounts.

Any determination as to whether a Renouncement Notice is duly completed and in proper form shall be made by the Relevant Clearing System (in consultation with the Issuer and Paying Agent) and shall be conclusive and binding on the Issuer, the Paying Agent and the relevant Securityholder. Subject as set out below, any Renouncement Notice so determined to be incomplete or not in proper form shall be null and void. If such Renouncement Notice is subsequently corrected to the satisfaction of the Relevant Clearing System in consultation with the Issuer and Paying Agent, it shall be deemed to be a new Renouncement Notice submitted at the time such correction was delivered to the Relevant Clearing System, with a copy to the Issuer and the Paying Agent."

PART C – DEFINITIONS AND INTERPRETATION APPLICABLE TO ITALIAN SECURITIES

1 Definitions

"**Renouncement Notice Cut-off Date**" means the date specified as the Renouncement Notice Cut-Off Date in the applicable Final Terms.

"**Italian Stock Exchange**" means Borsa Italiana S.p.A.

"**Renouncement Notice Cut-Off Time**" means the time on the Renouncement Notice Cut-Off Date that is specified in the applicable Final Terms.

"**Renouncement Notice**" means the notice to be completed according with the Rules of the Relevant Stock Exchange and delivered to the Relevant Clearing Systems, which allows the Securityholder renounce to the Automatic Exercise of the Securities.

"**Relevant Clearing System**" means, as appropriate, Euroclear, Clearstream, Monte Titoli and/or such other clearing system specified in any applicable Relevant Annex or in the applicable Final Terms, as the case may be through which interests in Securities are to be held and/or through an account at which the Securities are to be cleared.

"**Rules**" means the Clearstream Rules, the Euroclear Rules, the Italian Stock Exchange Rules and/or the terms and conditions and any procedures governing the use of such other Relevant Clearing System as may be specified in the Final Terms relating to a particular issue of Securities.

PART G – COMMODITY LINKED ANNEX

In respect of French Securities, Part A "Description and Risk Factors",Part B "Additional Terms and Conditions for Commodity Linked Securities" and Part C "Definitions and Interpretation Applicable to Commodity Linked Securities" shall be amended as follows:

1 Description and Risk Factors

1.1 The Issuer is not responsible for the public disclosure of information relating to a Commodity Index, which may change over time.

The expression "in its sole discretion" in paragraph 2.1.11 of the Risk Factors relating to Commodity Linked Securities (*The Issuer is not responsible for the public disclosure of information relating to a Commodity Index, which may change over time*.) shall not apply to French Securities.

1.2 The policies of the sponsor of a Commodity Index and changes that affect the composition and valuation of a Commodity Index or the components included in a Commodity Index could affect the amount payable or deliverable on the Commodity Linked Securities and their market value.

The expression "in its sole discretion" in paragraph 2.1.12 of the Risk Factors relating to Commodity Linked Securities (*The policies of the sponsor of a Commodity Index and changes that affect the composition and valuation of a Commodity Index or the components included in a Commodity Index could affect the amount payable or deliverable on the Commodity Linked Securities and their market value.*) shall not apply to French Securities.

1.3 If a Commodity Market Disruption Event has occurred or exists on a pricing date, the determination of the value of a Relevant Commodity or Commodity Index may be delayed or postponed and as a consequence the redemption or exercise of the Commodity Linked Securities.

The expression "in its sole discretion" in paragraph 2.1.13 of the Risk Factors relating to Commodity Linked Securities (*If a Commodity Market Disruption Event has occurred or exists on a pricing date, the determination of the value of a Relevant Commodity or Commodity Index may be delayed or postponed and as a consequence the redemption or exercise of the Commodity Linked Securities.*) shall not apply to French Securities.

2 Additional Terms and Conditions for Commodity Linked Securities

2.1 Condition 4 (*Correction to Published Prices*)

The expression "in its sole discretion" in Condition 4 of the Additional Terms and Conditions for Commodity Linked Securities (*Correction to Published Prices*) shall not apply to French Securities.

In the last sentence of the first paragraph of Condition 4 of the Additional Terms and Conditions for Commodity Linked Securities (*Correction to Published Prices*), the sentence "and shall have no liability to any person for any determination made or not made under this Commodity Linked Condition" shall not apply to French Securities.

2.2 Condition 8 (*Physical Settlement*)

The expression "at the sole discretion of" in Condition 8 of the Additional Terms and Conditions for Commodity Linked Securities (*Physical Settlement*) shall be replaced by "as determined by".

3 Definitions and Interpretation Applicable to Commodity Linked Securities

The expression "in its sole discretion" in the Definition of "Determination Agent Determination" of the Definitions and Interpretation Applicable to Commodity Linked Securities shall not apply to French Securities.

PART I – EQUITY LINKED ANNEX

In respect of French Securities, Part B "Additional Terms and Conditions for Equity Linked Securities" and Part C "Definitions Applicable to Equity Linked Securities" shall be amended as follows:

1 Additional Terms and Conditions for Equity Linked Securities

1.1 Condition 1.1 (*Index Adjustment Events*)

The expression "in its sole discretion" in the last paragraph of Condition 1.1 of the Additional Terms and Conditions for Equity Linked Securities (*Index Adjustment Events*) shall not apply to French Securities.

1.2 Condition 1.4 (*Error in Index Calculation*)

The third paragraph of Condition 1.4 of the Additional Terms and Conditions for Equity Linked Securities (*Error in Index Calculation*) shall be replaced by the following:

"If the Index Sponsor continues to calculate the Index with manifest error for more than three Scheduled Trading Days then the Determination Agent may make, subject to the prior consent of the General Meeting of the Securityholders, such adjustments to the terms of the Security as it may determine including, without limitation, selecting an alternative index to replace the Index and/or replicating the constituents of the relevant Index and/or calculating the relevant Index in accordance with the formula for and method of calculating that Index last in effect prior to the relevant event and/or adjusting the constituents and weightings of the Index."

1.3 Condition 1.5 (*Futures Price Valuation*)

The Condition 1.5.4 of the Additional Terms and Conditions for Equity Linked Securities (*Futures Price Valuation*) shall be replaced by the following:

"**Corrections of the Official Settlement Price**. If the Official Settlement Price for any Valuation Date is corrected and the correction is published by the relevant exchange within one settlement cycle for the related Exchange-traded Contract after the original publication, either party may notify the other party of that correction and the Determination Agent will determine the amount that is payable as a result of that correction and, to the extent necessary, will adjust, subject to the prior consent of the of the General Meeting of the Securityholders, the terms of the Index-linked Security to account for such correction."

1.4 Condition 2.1 (*Potential Adjustment Events*)

At the end of the item (i) in the first paragraph of Condition 2.1 of the Additional Terms and Conditions for Equity Linked Securities (*Potential Adjustment Events*) the following expression shall be added in respect of French Securities:

> "(provided that any amendment to the Conditions shall be subject to the prior consent of the General Meeting of the Securityholders)".

1.5 Condition 2.2 (*Merger Events*)

The expressions "in its sole discretion" in Condition 2.2 of the Additional Terms and Conditions for Equity Linked Securities (*Merger Events*) shall not apply to French Securities.

1.6 Condition 2.3 (*Nationalisation, Insolvency and Delisting*)

The expressions "in its sole discretion" in Condition 2.3 of the Additional Terms and Conditions for Equity Linked Securities (*Nationalisation, Insolvency and Delisting*) shall not apply to French Securities.

1.7 Condition 2.4 (*Tender Offers*)

The expressions "in its absolute discretion" and "in its sole discretion" in Condition 2.4 of the Additional Terms and Conditions for Equity Linked Securities (*Tender Offers*) shall not apply to French Securities.

1.8 Condition 2.5 (*Substitution of Shares*)

The expressions "the discretion" in Condition 2.5 of the Additional Terms and Conditions for Equity Linked Securities (*Substitution of Shares*) shall be replaced by "the option" in respect of French Securities.

The expressions "in its sole discretion" in Condition 2.5 of the Additional Terms and Conditions for Equity Linked Securities (*Substitution of Shares*) shall not apply to French Securities.

1.9 Condition 4 (*Adjustments*)

The expression "and none of the Determination Agent, the Issuer or any other party shall be liable for the Issuer making or failing to make any such adjustment" in the first paragraph of Condition 4 of the Additional Terms and Conditions for Equity Linked Securities (*Adjustments*) shall not apply to French Securities.

1.10 Conditions 5.1.1 and 5.1.2 (*FX Disruption Event*)

The expression "in its sole and absolute discretion" in Conditions 5.1.1 and 5.1.2 of the Additional Terms and Conditions for Equity Linked Securities (*FX Disruption Event*) shall not apply to French Securities.

1.11 Condition 6.4.5 (*General*)

The expression "in its sole and absolute discretion" in Condition 6.4.5 of the Additional Terms and Conditions for Equity Linked Securities (*General*) shall not apply to French Securities.

2 Definitions Applicable to Equity Linked Securities

2.1 Various definitions

The expression "in its sole and absolute discretion" in the definition of "Cash Amount", "Distributed Amount", "Dividend Date", "Ex-Dividend Date", "Expected Dividend Date", "Expected Rights Delivery Date", "Expected Stock Delivery Date", "New Security Amount", "Rights Cash Amount", "Rights Date", "Rights Delivery Date", "Rights Security Amount", "Rights Share Number", "Share Number", "Stock Delivery Date", "Subscription Price" in Section 1 of the Definitions Applicable to Equity Linked Securities (*Definitions Relating to Equity Linked Securities*) shall not apply to French Securities.

2.2 Futures or Options Exchange

The expression "in its absolute discretion" in the definition "Futures or Options Exchange" in Section 1 of the Definitions Applicable to Equity Linked Securities (*Definitions Relating to Equity Linked Securities*) shall not apply to French Securities.

PART J – FX LINKED ANNEX

In respect of French Securities, Part A "Description and Risk Factors" and Part B "Additional Terms and Conditions for FX Linked Securities" shall be amended as follows:

1 Description and Risk Factors

Risk Factors relating to FX Linked Securities

At the end of the third paragraph of "Risk Factors relating to FX Linked Securities" of the Risk Factors section, the following expression shall be added in respect of French Securities:

> "(provided that any amendment to the Conditions shall be subject to the prior consent of the General Meeting of the Securityholders)".

2 Additional Terms and Conditions for FX Linked Securities

2.1 Condition 2 (*Consequences of the occurrence of FX Disruption Events*)

The expression "subject to the prior consent of the General Meeting of the Securityholders" shall be inserted after "adjust" in item (ii) in Condition 2 of the Additional Terms and Conditions for FX Linked Securities (*Consequences of the occurrence of FX Disruption Events*).

The expression "at its sole discretion" in item (iii) (l) in Condition 2 of the Additional Terms and Conditions for FX Linked Securities (*Consequences of the occurrence of FX Disruption Events*) shall not apply to French Securities.

2.2 Condition 5.3 (*Index Adjustment Events)*

The expression "in its sole discretion" in the last paragraph of in Condition 5.3 of the Additional Terms and Conditions for FX Linked Securities (*Index Adjustment Events*) shall not apply to French Securities.

2.3 Condition 5.4 (*Error in Index Calculation)*

The expression "in its sole discretion" in the last paragraph of in Condition 5.4 of the Additional Terms and Conditions for FX Linked Securities (*Error in Index Calculation*) shall not apply to French Securities.

2.4 Condition 5.5 (*Correction to Published Prices)*

The expressions "in its sole discretion" in Condition 5.5 of the Additional Terms and Conditions for FX Linked Securities (*Correction to Published Prices*) shall not apply to French Securities.

In the last sentence of the first paragraph of Condition 5.5 of the Additional Terms and Conditions for FX Linked Securities (*Correction to Published Prices*), the sentence "and shall have no liability to any person for any determination made or not made under this FX Linked Condition" shall not apply to French Securities.

PART K – INFLATION LINKED ANNEX

In respect of French Securities, Part B "Additional Terms and Conditions for Inflation Linked Securities" shall be amended as follows:

1 Additional Terms and Conditions for Inflation Linked Securities

1.1 Condition 1.3.1 (*Successor Index*)

The expression "without limitation" in Condition 1.3.1 of the Additional Terms and Conditions for Inflation Linked Securities (*Successor Index*) shall be replaced by ", subject to the prior consent of the General Meeting of the Securityholders,".

1.2 Condition 1.3.2 (*Substitute Index Level*)

The expression "without limitation" in Condition 1.3.2 of the Additional Terms and Conditions for Inflation Linked Securities (*Substitute Index Level*) shall be replaced by ", subject to the prior consent of the General Meeting of the Securityholders,".

1.3 Condition 1.3.3 (*Index Level Adjustment Correction*)

The expression ", subject to the prior consent of the General Meeting of the Securityholders," shall be added after the words "the Determination Agent may make any adjustment" at the end of the first sentence in paragraph (b) in Condition 1.3.3 of the Additional Terms and Conditions for Inflation Linked Securities (*Index Level Adjustment Correction*).

The expression ", subject to the prior consent of the General Meeting of the Securityholders," shall be added after the words "(B) request the Issuer to make any adjustment" at the end of the first sentence in paragraph (c) in Condition 1.3.3 of the Additional Terms and Conditions for Inflation Linked Securities (*Index Level Adjustment Correction*).

1.4 Condition 1.3.4 (*Rebasing*)

The second sentence of Condition 1.3.4 of the Additional Terms and Conditions for Inflation Linked Securities (*Rebasing*) shall be replaced by the following:

> "If the rebased index is to be used, notwithstanding the foregoing, the Determination Agent may make (A) if "Related Bond" is specified as applicable in the applicable Final Terms, any adjustments as are made pursuant to the terms and conditions of the Related Bond, if any, to the Rebased Index Levels so that the Rebased Index Levels reflect the same rate of inflation as the Index before the rebasing and/or (B) if "Related Bond" is specified as not applicable in the applicable Final Terms or a Related Bond Redemption Event has occurred, the Determination Agent may make adjustments, to the levels of the Rebased Index so that the Rebased Index Levels reflect the same rate of inflation as the Index before it was rebased and in each case the Issuer may make, subject to the prior consent of the General Meeting of the Securityholders, any adjustments to any amount payable under the Securities and/or any other term of the Securities as the Determination Agent may deem necessary."

1.5 Condition 1.3.5 (*Index Modification*)

Paragraph (a) in Condition 1.3.5 of the Additional Terms and Conditions for Inflation Linked Securities (*Index Modification*), shall be replaced by the following:

"If on or prior to the Cut-off Date in respect of any Payment Date, the Determination Agent determines that an Index Modification has occurred the Determination Agent may (A) if "Related Bond" is specified as applicable in the applicable Final Terms, make any adjustments, subject to the prior consent of the General Meeting of the Securityholders, to the Index, any Relevant Level and/or any other relevant term of the Securities (including, without limitation, any amount payable under the Securities), consistent with any adjustments made to the Related Bond as the Determination Agent deems necessary, or (B) if "Related Bond" is specified as not applicable in the Final Terms or a Related Bond Redemption Event has occurred make only those adjustments, subject to the prior consent of the General Meeting of the Securityholders, to the relevant Index, any Relevant Level and/or any other term of the Securities (including, without limitation, any amount payable under the Securities), as the Determination Agent deems necessary for the modified Index to continue as the Index and to account for the economic effect of the Index Modification."

PART L - MUTUAL FUND LINKED ANNEX

In respect of French Securities, Part A "Description and Risk Factors" and Part B "Additional Terms and Conditions for Mutual Fund Linked Securities" shall be amended as follows:

1 Description and Risk Factors

Hedging Provider

In Section 2.3.13 "Hedging Provider" of the Description and Risk Factors section, the expression "is in the sole discretion of" shall be replaced by "pertains solely to".

2 Additional Terms and Conditions for Mutual Fund Linked Securities

2.1 Condition 1.5 (*Miscellaneous*)

The paragraph following Condition 1.5 of the Additional Terms and Conditions for Mutual Fund Linked Securities (*Miscellaneous*) shall be replaced by the following:

"The determination as to the occurrence of a Fund Event shall be made by the Determination Agent. If an event or factual circumstance is capable of constituting either a Fund Event or a Potential Adjustment of Payment Event, the Determination Agent will determine whether such event or circumstance shall constitute a Fund Event or a Potential Adjustment of Payment Event."

2.2 Condition 2 (*Consequences of a Fund Event*)

In the sub-paragraph 2.1.1 of Condition 2 of the Additional Terms and Conditions for Mutual Fund Linked Securities (*Consequences of a Fund Event*), the expression "in its sole discretion" shall not apply to French Securities.

In the sub-paragraph 2.3 of Condition 2 of the Additional Terms and Conditions for Mutual Fund Linked Securities (*Consequences of a Fund Event*), the expression "and accepts no liability therefor" shall not apply to French Securities.

2.3 Condition 3 (*Potential Adjustment of Payment Events*)

The expression "at the sole discretion of" in the last paragraph of Condition 3 of the Additional Terms and Conditions for Mutual Fund Linked Securities (*Potential Adjustment of Payment Events*) shall be replaced by "made by".

The expression "acting in its sole discretion" in the last paragraph of Condition 3 of the Additional Terms and Conditions for Mutual Fund Linked Securities (*Potential Adjustment of Payment Events*) shall not apply to French Securities.

2.4 Condition 4 (*Consequences of a Potential Adjustment of Payment Event*)

The expressions "in its sole discretion" and "and accepts no liability therefor" in the last paragraph of Condition 4 of the Additional Terms and Conditions for Mutual Fund Linked Securities (*Consequences of a Potential Adjustment of Payment Event*) shall not apply to French Securities.

PART M – PROPRIETARY EQUITY INDEX, US WARRANTS PRODUCT, DANISH, DUTCH, FINNISH, ITALIAN, NORWEGIAN, SPANISH AND SWEDISH SECURITIES ANNEXES

In respect of French Securities, the sections "Proprietary Equity Index Annex", "US Warrants Product Annex", "Danish Securities Annex", "Dutch Securities Annex", "Finnish Securities Annex", "Italian Securities Annex", Norwegian Securities Annex", "Spanish Securities Annex" and "Swedish Securities Annex" shall not apply.

BOOK-ENTRY PROCEDURES FOR RULE 144A GLOBAL SECURITIES DEPOSITED WITH DTC

The Rule 144A Global Securities will be issued in the form of Global Registered Securities, without Coupons or Talons. Upon issuance, one or more Global Securities will be deposited with either (i) a custodian for DTC and registered in the name of Cede & Co., as nominee of DTC, or (ii) a common depositary on behalf of Euroclear and Clearstream.

Ownership of beneficial interests in a Global Security deposited with DTC will be limited to persons who have accounts with DTC ("**DTC Participants**") or persons who hold interests through DTC Participants. The Issuers expect that under procedures established by DTC:

- upon deposit of a Global Security with DTC's custodian, DTC will credit portions of the nominal amount, calculation amount or number of Securities, as applicable, represented by the Global Security to the accounts of the DTC Participants designated by the Manager; and
- ownership of beneficial interests in a Global Security will be shown on, and transfer of ownership of those interests will be effected only through, records maintained by DTC (with respect to interests of DTC Participants) and the records of DTC Participants (with respect to other owners of beneficial interests in the Global Security).

Beneficial interests in a Global Security may not be exchanged for Definitive Securities except in the limited circumstances described below.

Any Global Security and beneficial interests in the Global Security will be subject to restrictions on transfer as described under "Clearance, Settlement and Transfer Restrictions - Transfer Restrictions for Registered Securities."

Book-Entry Procedures for Global Securities

All interests in Global Securities will be subject to the operations and procedures of DTC. The following summary of those operations and procedures are provided solely for the convenience of investors. The operations and procedures of DTC are controlled by DTC and may be changed at any time. Neither the Issuers nor the Manager is responsible for those operations or procedures.

DTC has advised the Issuers that it is:

- a limited purpose trust company organised under the New York Banking Law;
- a "banking organisation" within the meaning of the New York Banking Law;
- a member of the Federal Reserve System;
- a "clearing corporation" within the meaning of the New York Uniform Commercial Code; and
- a "clearing agency" registered pursuant to the provisions of section 17A of the US Securities Exchange Act of 1934, as amended (the "**Exchange Act**").

DTC was created to hold securities for its participants and to facilitate the clearance and settlement of securities transactions between its participants through electronic book-entry changes to the accounts of its participants, thereby eliminating the need for physical transfer and delivery of certificates. DTC's Participants include securities brokers and dealers, including the initial purchasers; banks and trust

companies; clearing corporations and other organisations. Indirect access to DTC's system is also available to others such as banks, brokers, dealers and trust companies; these indirect participants clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly. Investors who are not DTC Participants may beneficially own securities held by or on behalf of DTC only through DTC Participants or indirect participants in DTC.

So long as DTC's nominee is the registered owner of a Registered Global Security, that nominee will be considered the sole owner or holder of the Securities represented by that Registered Global Security for all purposes under the Master Agency Agreement. Except as provided below, owners of beneficial interests in a Registered Global Security:

- will not be entitled to have Securities represented by a Registered Global Security registered in their names;
- will not receive or be entitled to receive Definitive Securities; and
- will not be considered the owners or holders of the Securities under the Master Agency Agreement for any purpose, including with respect to the giving of any direction, instruction or approval to the Agent under the Master Agency Agreement.

As a result, each investor who owns a beneficial interest in a Registered Global Security must rely on the procedures of DTC to exercise any rights of a holder of Securities under the Master Agency Agreement (and, if the investor is not a participant or an indirect participant in DTC, on the procedures of the DTC Participant through which the investor owns its interest).

Payments of principal, premium (if any), additional amounts (if any) and interest (if any) with respect to the Securities represented by a Registered Global Security will be made by the New York Agent to DTC's nominee as the registered holder of the Registered Global Securities. Neither the Issuers nor the New York Agent will have any responsibility or liability for the payment of amounts to owners of beneficial interests in a Global Security, for any aspect of the records relating to or payments made on account of those interests by DTC, or for maintaining, supervising or reviewing any records of DTC relating to those interests.

Payments by DTC Participants and indirect participants in DTC to the owners of beneficial interests in a Registered Global Security will be governed by standing instructions and customary industry practice and will be the responsibility of those DTC Participants or indirect participants and DTC.

Transfers between DTC Participants will be effected under DTC's procedures and will be settled in same-day funds.

Registered Definitive Securities

Registered Definitive Securities will be issued and delivered to each person that DTC identifies as a beneficial owner of the related Securities only on the occurrence of one of the following events:

- DTC notifies the relevant Issuer at any time that it is unwilling or unable to continue as depositary for the Registered Global Securities and a successor depositary is not appointed within 90 days;
- DTC ceases to be registered as a clearing agency under the Exchange Act and a successor depositary is not appointed within 90 days; or

- the relevant Issuer, at its option, notifies the New York Agent that it elects to cause the issuance of Registered Definitive Securities.

The laws of some countries and some states in the US require that certain persons take physical delivery in definitive form of securities that they own. Consequently, the ability to transfer beneficial interests in a Registered Global Security to such persons may be limited to that extent. Because DTC can act only on behalf of DTC Participants, the ability of a person having beneficial interests in a Registered Global Security deposited with DTC to pledge such interests to persons or entities that do not participate in the relevant clearing system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests.

CLEARANCE, SETTLEMENT AND TRANSFER RESTRICTIONS

Book-Entry Ownership

Bearer Securities

The Issuers may make applications to Euroclear and/or Clearstream and/or Clearstream Frankfurt for acceptance in their respective book-entry systems in respect of any Series of Bearer Securities. In respect of Bearer Securities, a Temporary Global Security and/or a Permanent Global Security in bearer form without Coupons may be deposited with a common depositary for Euroclear and/or Clearstream (or with Clearstream Frankfurt in the case of CBF Securities) or an alternative clearing system as agreed between the Issuers and the Managers. Transfers of interests in such Temporary Global Securities or Permanent Global Securities will be made in accordance with the normal Euromarket debt securities operating procedures of Euroclear and Clearstream or, if appropriate, the alternative clearing system.

Registered Securities

The Issuer may make applications to Euroclear and/or Clearstream for acceptance in their respective book-entry systems in respect of the Securities to be represented by a Regulation S Global Security. Each Regulation S Global Security deposited with a common depositary for, and registered in the name of, a nominee of Euroclear and/or Clearstream will have an ISIN and a Common Code.

The Issuer, and the NY Registrar appointed for such purpose that is an eligible DTC participant, may make application to DTC for acceptance in its book-entry settlement system of the Registered Securities represented by a Rule 144A Global Security. Each such Rule 144A Global Security will have a CUSIP number. Each Rule 144A Global Security will be subject to restrictions on transfer contained in a legend appearing on the front of such Rule 144A Global Security, as set out under ''Transfer Restrictions for Registered Securities''. In certain circumstances, as described below in ''Transfer Restrictions for Registered Securities'', transfers of interests in a Rule 144A Global Security may be made as a result of which such legend may no longer be required.

In the case of a Tranche of Registered Securities to be cleared through the facilities of DTC, the Custodian, with whom the Rule 144A Global Securities are deposited, and DTC, will electronically record the aggregate nominal amount or number of Securities, as applicable, represented by the Rule 144A Global Securities held within the DTC system. Investors may hold their beneficial interests in a Rule 144A Global Security directly through DTC if they are participants in the DTC system, or indirectly through organisations which are participants in such system.

Payments of the principal of, and interest on, each Rule 144A Global Security registered in the name of DTC's nominee will be to, or to the order of, its nominee as the registered owner of such Rule 144A Global Security. The Issuer expects that the nominee, upon receipt of any such payment, will immediately credit DTC participants' accounts with payments in amounts proportionate to their respective beneficial interests in the nominal amount, calculation amount or number of the Securities, as applicable, represented by the relevant Rule 144A Global Security as shown on the records of DTC or the nominee. The Issuer also expects that payments by DTC participants to owners of beneficial interests in such Rule 144A Global Security held through such DTC participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the

responsibility of such DTC participants. None of the Issuers, the Guarantor, the Issue and Paying Agent, any Paying Agent or any Transfer Agent will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, ownership interests in any Rule 144A Global Security or for maintaining, supervising or reviewing any records relating to such ownership interests.

All Registered Securities will initially be in the form of Regulation S Global Securities and/or Rule 144A Global Securities. Definitive Securities will only be available, in the case of Securities in the form of Notes or Exercisable Certificates initially represented by a Regulation S Global Security, in amounts or numbers specified in the applicable Final Terms, and, in the case of Securities initially represented by a Rule 144A Global Security, in minimum amounts of US$100,000 (or its equivalent rounded upwards as agreed between the Issuer and the relevant Manager(s)), or higher integral multiples of US$1,000, in certain limited circumstances described below.

Payments through DTC

Payments in US dollars of principal and interest in respect of a Rule 144A Global Security registered in the name of a nominee of DTC will be made to the order of such nominee as the registered holder of such Security. Payments of principal and interest in a currency other than US dollars in respect of Securities evidenced by a Rule 144A Global Security registered in the name of a nominee of DTC will be made or procured to be made by the Paying Agent in such currency in accordance with the following provisions. The amounts in such currency payable by the Paying Agent or its agent to DTC with respect to Notes held by DTC or its nominee will be received from the Company by the Paying Agent who will make payments in such currency by wire transfer of same day funds to the designated bank account in such currency of those DTC participants entitled to receive the relevant payment who have made an irrevocable election to DTC, in the case of payments of interest, on or prior to the third business day in New York City after the Record Date for the relevant payment of interest and, in the case of payments of principal, at least 12 business days in New York City prior to the relevant payment date, to receive that payment in such currency. The Paying Agent will convert amounts in such currency into US dollars and deliver such US dollar amount in same day funds to DTC for payment through its settlement system to those DTC participants entitled to receive the relevant payment who did not elect to receive such payment in such currency. The Master Agency Agreement sets out the manner in which such conversions are to be made.

Transfers of Registered Securities

Transfers of interests in Global Securities within Euroclear, Clearstream and DTC will be in accordance with the usual rules and operating procedures of the relevant clearing system. The laws of some states in the United States require that certain persons take physical delivery in definitive form of securities. Consequently, the ability to transfer interests in a Rule 144A Global Security to such persons may be limited. Because DTC can only act on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Rule 144A Global Security to pledge such interest to persons or entities that do not participate in DTC, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate in respect of such interest.

Beneficial interests in a Regulation S Global Security may only be held through Euroclear or Clearstream. In the case of Registered Securities to be cleared through Euroclear, Clearstream and/or DTC, transfers may be made at any time by a holder of an interest in a Regulation S Global Security to a transferee who wishes to take delivery of such interest through a Rule 144A Global Security for the same Series of Securities provided that any such transfer made on or prior to the expiration of the Distribution Compliance Period relating to the Securities represented by such Regulation S Global Security will only be made upon receipt by the Registrar or any Transfer Agent of a written certificate from Euroclear or

Clearstream as the case may be, (based on a written certificate from the transferor of such interest) to the effect that such transfer is being made to a person whom the transferor, and any person acting on its behalf, reasonably believes is a QIB within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States. Any such transfer made thereafter of the Securities represented by such Regulation S Global Security will only be made upon request through Euroclear or Clearstream by the holder of an interest in the Regulation S Global Security to the Issue and Paying Agent of details of that account at DTC to be credited with the relevant interest in the Rule 144A Global Security. Transfers at any time by a holder of any interest in the Rule 144A Global Security to a transferee who takes delivery of such interest through a Regulation S Global Security will only be made upon delivery to any Registrar or Transfer Agent of a certificate setting forth compliance with the provisions of Regulation S and giving details of the account at Euroclear or Clearstream, as the case may be, and DTC to be credited and debited, respectively, with an interest in each relevant Global Security.

Subject to compliance with the transfer restrictions applicable to the Registered Securities described below and under ''Transfer Restrictions for Registered Securities'', cross-market transfers between DTC, on the one hand, and directly or indirectly through Euroclear or Clearstream accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Custodian, the Registrar and the Issue and Paying Agent.

On or after the Issue Date for any Series, transfers of Securities of such Series between accountholders in Euroclear and/or Clearstream and transfers of Securities of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Euroclear or Clearstream and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Euroclear and Clearstream, on the other, transfers of interests in the relevant Global Securities will be effected through the Issue and Paying Agent, the custodian, the relevant Registrar and any applicable Transfer Agent receiving instructions (and where appropriate certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. Transfers will be effected on the later of (i) three business days after the trade date for the disposal of the interest in the relevant Global Security resulting in such transfer and (ii) two business days after receipt by the Issue and Paying Agent or the Registrar, as the case may be, of the necessary certification or information to effect such transfer. In the case of cross-market transfers, settlement between Euroclear or Clearstream accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

For a further description of restrictions on transfer of Registered Securities, see ''Transfer Restrictions for Registered Securities''.

DTC has advised the Issuers that it will take any action permitted to be taken by a holder of Registered Securities (including, without limitation, the presentation of Rule 144A Global Securities for exchange as described above) only at the direction of one or more participants in whose account with DTC interests in Rule 144A Global Securities are credited and only in respect of such portion of the aggregate nominal amount or aggregate number of Securities, as applicable, represented by the relevant Rule 144A Global Securities as to which such participant or participants has or have given such direction. However, in the circumstances described above, DTC will surrender the relevant Rule 144A Global Securities in exchange

for Definitive Securities (which will, in the case of Restricted Securities, bear the legend applicable to transfers pursuant to Rule 144A).

DTC has advised the Issuers as follows: DTC is a limited purpose trust company organised under the laws of the State of New York, a ''banking organisation'' under the laws of the State of New York, a member of the US Federal Reserve System, a ''clearing corporation'' within the meaning of the New York Uniform Commercial Code and a ''clearing agency'' registered pursuant to the provisions of section 17A of the Exchange Act. DTC was created to hold securities for its participants and facilitate the clearance and settlement of securities transactions between participants through electronic computerised book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to DTC is available to others, such as banks, securities brokers, dealers and trust companies, that clear through or maintain a custodial relationship with a DTC direct participant, either directly or indirectly.

Although Euroclear, Clearstream and DTC have agreed to the foregoing procedures in order to facilitate transfers of beneficial interests in the Global Securities among participants and accountholders of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. Neither the Issuer, nor any Paying Agent nor any Transfer Agent will have any responsibility for the performance by Euroclear, Clearstream or DTC or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

While a Rule 144A Global Security is lodged with DTC or the Custodian, Restricted Securities represented by Definitive Securities will not be eligible for clearing or settlement through Euroclear, Clearstream or DTC.

Definitive Securities

Registration of title to Registered Securities in a name other than a depositary or its nominee for Clearstream and Euroclear or for DTC will be permitted only in the circumstances set out in Condition 1 of the Base Conditions. In such circumstances, the Issuer will cause sufficient individual Securities to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Securityholder(s). A person having an interest in a Global Security must provide the Registrar with:

(i) a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such Definitive Securities; and

(ii) in the case of a Rule 144A Global Security only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange, or in the case of a simultaneous resale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Definitive Securities issued pursuant to this paragraph (ii) shall bear the legends applicable to transfers pursuant to Rule 144A.

Pre-issue Trades Settlement

It is expected that delivery of Securities will be made against payment therefor on the relevant Issue Date, which could be more than three business days following the date of pricing. Under Rule 15c6-1 of the Exchange Act, trades in the US secondary market generally are required to settle within three business days (''**T+3**''), unless the parties to any such trade expressly agree otherwise. Accordingly, in

the event that an Issue Date is more than three business days following the relevant date of pricing, purchasers who wish to trade Registered Securities in the United States between the date of pricing and the date that is three business days prior to the relevant Issue Date will be required, by virtue of the fact that such Securities initially will settle beyond T+3, to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement. Settlement procedures in other countries will vary. Purchasers of Securities may be affected by such local settlement practices and, in the event that an Issue Date is more than three business days following the relevant date of pricing, purchasers of Securities who wish to trade Securities between the date of pricing and the date that is three business days prior to the relevant Issue Date should consult their own adviser.

Transfer Restrictions for Registered Securities

Restricted Securities

Each purchaser of Restricted Securities, by accepting delivery of this Base Prospectus, will be deemed to have represented, agreed and acknowledged that:

(1) It is (a) a QIB, (b) acquiring such Restricted Securities for its own account or for the account of a QIB and (c) aware, and each beneficial owner of such Restricted Securities has been advised, that the sale of such Restricted Securities to it is being made in reliance on Rule 144A.

(2) (i) It understands that such Restricted Securities and the Guarantee (if any) have not been and will not be registered under the Securities Act and may not be offered, sold, pledged or otherwise transferred except (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believes is a QIB purchasing for its own account or for the account of a QIB, (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or (c) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), in each case in accordance with any applicable securities laws of any State of the United States and (ii) it will, and each subsequent holder of the Restricted Securities is required to, notify any purchaser of the Restricted Securities from it of the resale restrictions on the restricted securities.

(3) The Rule 144A Global Security representing such Restricted Securities will, unless the Issuer determines otherwise in accordance with applicable law, bear a legend in or substantially in the following from:

> THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY AND THE GUARANTEE (IF ANY) IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (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 EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A "QIB") THAT IS ACQUIRING THIS NOTE FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QIBS, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER RULE 144 UNDER THE SECURITIES ACT

("RULE 144"), IF AVAILABLE, OR (4) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 FOR RESALES OF THE SECURITIES.

A Rule 144A Global Security held by a Custodian on behalf of DTC shall also bear the following legend:

"UNLESS THIS RULE 144A GLOBAL SECURITY IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

(4) The Issuers, the Registrar, Luxembourg Registrar, the Manager and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any Restricted Securities for the account of one or more QIBs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

(5) It understands that the Restricted Securities will be represented by a Rule 144A Global Security. Before any interest in a Rule 144A Global Security may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Regulation S Global Security or as the case may be, Global Security, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws.

For as long as any Restricted Securities are outstanding and are "restricted securities" within the meaning of Rule 144 under the Securities Act, the Bank has agreed that any holder of such Securities or prospective purchaser designated by such holder of Securities will have the right to obtain from the Bank during any period in which the Bank is neither subject to section 13 or 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, upon request, the information required by Rule 144A(d)(4) under the Securities Act.

Prospective purchasers are hereby notified that sellers of Registered Securities may be relying on the exemption from the provisions of section 5 of the Securities Act provided by Rule 144A.

Unrestricted Securities

Each purchaser of Unrestricted Securities and each subsequent purchaser of such Unrestricted Securities in re-sales prior to the expiration of the Distribution Compliance Period, by accepting delivery of the Base Prospectus and the Unrestricted Securities, will be deemed to have represented, agreed and acknowledged that:

(1) It is, or at the time Unrestricted Securities are purchased will be, the beneficial owner of such Unrestricted Securities and (a) it is not a US person and it is located outside the United States (within the meaning of Regulation S) and (b) it is not an affiliate of the Issuer, the Guarantor, or a person acting on behalf of such an affiliate.

(2) It understands that such Unrestricted Securities and the Guarantee (if any) have not been and will not be registered under the Securities Act and that, prior to the expiration of the Distribution Compliance Period, it will not offer, sell, pledge or otherwise transfer such Unrestricted Securities except (a) in accordance with Rule 144A under the Securities Act to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or the account of a QIB or (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with any applicable securities laws of any State of the United States.

(3) It understands that such Unrestricted Securities, unless otherwise determined by the Issuer in accordance with applicable law, will bear a legend to the following effect:

> "THE SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL SECURITY AND THE GUARANTEE (IF ANY) IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (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 REGISTRATION UNDER THE SECURITIES ACT."

(4) It understands that the Issuer, the Guarantor, the Registrars, the Luxembourg Registrar, the Agents, the Manager and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

(5) It understands that the Unrestricted Securities will be represented by a Regulation S Global Security or, as the case may be, a Global Security. Prior to the expiration of the Distribution Compliance Period, before any interest in a Regulation S Global Security may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in a Restricted Security, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Master Agency Agreement) as to compliance with the applicable securities laws.

Global Bearer Securities that are Warrants or Exercisable Certificates

The following legend will appear on each Global Bearer Security that is a Warrant or an Exercisable Certificate:

"THE SECURITIES REPRESENTED BY THIS GLOBAL SECURITY (THE "SECURITIES") HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS AND TRADING IN THE SECURITIES HAS NOT BEEN APPROVED BY THE COMMODITIES FUTURES TRADING COMMISSION UNDER THE UNITED STATES COMMODITY EXCHANGE ACT OF 1936, AS AMENDED. THE SECURITIES, OR INTERESTS THEREIN, MAY NOT AT ANY TIME BE OFFERED, SOLD, RESOLD, TRADED, PLEDGED, EXERCISED, TRANSFERRED OR DELIVERED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OF, ANY US PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT).

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 OF 1986, AS AMENDED."

GENERAL INFORMATION APPLICABLE TO CREST SECURITIES AND CDIs

CREST Securities

CREST Securities may be issued and held in uncertificated registered form in accordance with the Uncertificated Regulations and, as such, are dematerialised and not constituted by any physical document of title. Securities which are CREST Securities shall be specified as such in the applicable Final Terms.

CREST Securities issued under the Programme will be cleared through CREST and are participating securities for the purposes of the Uncertificated Regulations. The Operator is in charge of maintaining the Operator register of corporate securities. Title to the CREST Securities is recorded and will pass on registration in the Operator register of corporate securities. As at the date of this Supplement, the relevant Operator for the purposes of the Uncertificated Regulations is Euroclear UK & Ireland Limited.

The address of Euroclear UK & Ireland Limited is 33 Cannon Street, London EC4M 5SB, United Kingdom.

CDI Securities

Investors may hold indirect interests in Cleared Securities issued under the Programme by holding CDIs through CREST. CDIs represent indirect interests in the Underlying Securities to which they relate and holders of CDIs will not be the legal owners of the Underlying Securities. Securities which are expected to constitute Underlying Securities for the purpose of CDIs shall be specified as such in the applicable Final Terms.

CDIs may be issued by the CREST Depository and held through CREST in dematerialised uncertificated form in accordance with the CREST Deed Poll. CDIs in respect of Underlying Securities will be constituted and issued to investors pursuant to the terms of the CREST Deed Poll.

Following their delivery into Euroclear (directly or through another clearing system using bridging arrangements with Euroclear), interests in Underlying Securities may be delivered, held and settled in CREST by means of the creation of dematerialised CDIs representing the interests in the relevant Underlying Securities. Interests in the Underlying Securities will be credited to the CREST Nominee's account with Euroclear and the CREST Nominee will hold such interests as nominee for the CREST Depository which will issue CDIs to the relevant CREST participants.

Each CDI will be treated as one Underlying Security, for the purposes of determining all rights and obligations and all amounts payable in respect thereof. The CREST Depository will pass on to holders of CDIs any interest or other amounts received by it as holder of the Underlying Securities on trust for such CDI holder. CDI holders will also be able to receive from the CREST Depository notices of meetings of holders of Underlying Securities and other relevant notices issued by the Issuer.

Transfers of interests in Underlying Securities by a CREST participant to a participant of Euroclear or another Relevant Clearing System will be effected by cancellation of the CDIs and transfer of an interest in such Securities underlying the CDIs to the account of the relevant participant with Euroclear or such other Relevant Clearing System. The CDIs will have the same securities identification number as the ISIN of the Underlying Securities and will not require a separate listing on the Official List.

The rights of the holders of CDIs will be governed by the arrangements between CREST, the Relevant Clearing System and the Issuer including the CREST Deed Poll (in the form contained in Chapter 3 of the CREST International Manual (which forms part of the CREST Manual)) executed by the CREST Depository. These rights may be different from those of holders of Securities which are not represented by CDIs.

The attention of prospective investors in CDIs is drawn to the terms of the CREST Deed Poll, the CREST Manual and the CREST Rules, copies of which are available from Euroclear UK & Ireland Limited at 33 Cannon Street, London EC4M 5SB or by calling +442078490000 or from the Euroclear UK & Ireland Limited website at https://www.euroclear.com/site/public/EUI.

TAXATION

General Taxation Information

The information provided below does not purport to be a complete summary of tax law and practice currently applicable to the Securities. Transactions involving Securities (including purchases, transfers, redemptions, cancellations and/or exercise), the accrual or receipt of any interest or premium payable on the Securities, the delivery of any Entitlement and the death of a holder of any Security may have tax consequences for potential purchasers which may depend, amongst other things, upon the tax residence and/or status of the potential purchaser. Potential purchasers of Securities are therefore advised to consult their own tax advisers as to the tax consequences of transactions involving Securities and the effect of any tax laws in any jurisdiction in which they may be tax resident or otherwise liable to tax. In particular, no representation is made as to the manner in which payments under the Securities would be characterised by any relevant taxing authority.

The following summaries do not consider the tax treatment of payments or deliveries in respect of Reference Assets. The taxation provisions applicable to such items may be different (and in some cases significantly different) from those described in the summary below.

Purchasers and/or sellers of Securities may be required to pay stamp taxes and other charges in addition to the issue price or purchase price (if different) of the Securities and in connection with the transfer or delivery of any Reference Asset(s).

Prospective investors are referred to Conditions 7 and 9.6 of the Base Conditions.

United Kingdom Taxation

The comments are of a general nature based on current United Kingdom tax law and HM Revenue and Customs ("HMRC") published practice and are a summary of the understanding of the Bank of current law and practice in the United Kingdom relating only to certain aspects of United Kingdom taxation. They are not intended to be exhaustive. They relate only to persons who are the beneficial owners of Securities and do not apply to certain classes of taxpayers (such as persons carrying on a trade of dealing in Securities, certain professional investors and persons connected with the Issuer or the Guarantor) to whom special rules may apply.

Prospective Securityholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.

1 United Kingdom Taxation relating to the Securities in the form of Notes

1.1 Withholding tax

(i) *Payments of interest by the Bank only*

The Bank, provided that it continues to be a bank within the meaning of section 991 of the Income Tax Act 2007 (the "**Act**"), and provided that the interest on Securities in the form of

Notes is paid in the ordinary course of its business within the meaning of section 878 of the Act, will be entitled to make payments of interest without withholding or deduction for or on account of United Kingdom tax.

(ii) *Payments of interest in respect of Securities which are listed on a recognised stock exchange*

Payments of interest under Securities in the form of Notes may be made without withholding or deduction for or on account of United Kingdom tax provided that such Securities carry a right to interest, and are and remain listed on a "recognised stock exchange", as defined in section 1005 of the Act. The London Stock Exchange is a recognised stock exchange. Securities in the form of Notes will satisfy this requirement if they are admitted to trading on the relevant recognised stock exchange, and are (in the case of the UK) included in the Official List or (in a country outside the UK where there is a recognised stock exchange) are officially listed in accordance with provisions corresponding to those generally applicable in EEA states.

Provided, therefore, that Securities in the form of Notes are and remain so listed, interest on such Securities will be payable without withholding or deduction for or on account of United Kingdom tax whether or not the Issuer carries on a banking business in the United Kingdom and whether or not the interest is paid in the ordinary course of its business.

(iii) *Payments of interest to certain Securityholders*

Interest on Securities in the form of Notes may also be paid without withholding or deduction for or on account of United Kingdom tax where at the time the payment is made, the Issuer reasonably believes that either:

(a) the person beneficially entitled to the interest payable on such Securities is within the charge to United Kingdom corporation tax as regards the payment of such interest; or

(b) the payment is made to one of the classes of exempt bodies or persons set out in section 936 of the Act,

provided that HMRC has not given a direction (in circumstances where it has reasonable grounds to believe that such payment of interest will not be an "excepted payment" at the time the payment is made) that the interest should be paid under deduction of tax.

(iv) *Securities with a maturity of less than 365 days*

Interest on Securities in the form of Notes having a maturity of less than one year from the date of issue and which are not issued under arrangements the effect of which is to render such Securities part of a borrowing with a total term of a year or more may also be paid without deduction for or on account of United Kingdom income tax.

(v) *Other withholdings*

In other cases, an amount may have to be withheld from payments of interest on Securities in the form of Notes for or on account of United Kingdom income tax at the basic rate, subject to the availability of other exemptions or reliefs or to any direction to the contrary from HMRC in respect of such relief as may be available under an applicable double taxation treaty.

In addition, an amount for or on account of United Kingdom income tax at the basic rate may have to be withheld on payments on Securities in the form of Notes where such payments do not constitute interest for United Kingdom tax purposes but instead constitute either annual payments or, in the case of Securities in the form of Notes which are capable of physical settlement, manufactured payments for United Kingdom tax purposes, in each case subject to the availability of exemptions or reliefs or subject to any direction to the contrary from HMRC in respect of such relief as may be available under an applicable double taxation treaty.

1.2 Reporting requirements

Persons in the United Kingdom paying interest to, or receiving interest on behalf of, another person who is an individual may be required to provide certain information to HM Revenue & Customs regarding the identity of the payee or the person entitled to the interest. In certain circumstances, such information may be exchanged with tax authorities in other countries.

The provisions referred to above may also apply, in certain circumstances, to payments of amounts due on redemption of Notes that constitute "deeply discounted securities" (as defined in Chapter 8 of Part 4 of the Income Tax (Trading and Other Income) Act 2005). However, HMRC's published practice indicates that no such information will be required in relation to such redemption amounts where they are paid before 5 April 2011.

Prospective holders of Securities in the form of Notes are also directed to the disclosure below in respect of the EU Directive on the Taxation of Savings Income.

2 United Kingdom Taxation relating to the Securities in the form of Certificates

2.1 Withholding Tax

Payments of interest under Securities in the form of Certificates issued by the Bank may be made without deduction of United Kingdom income tax where the payments are made in the ordinary course of the Bank's business or where the Securities are listed in a recognised stock exchange (which includes the London Stock Exchange) (in each case, as further described in relation to Securities in the form of Notes above).

Payments of interest under Securities in the form of Certificates issued by BCCL may be made without deduction of United Kingdom income tax where the Securities are listed on a recognised stock exchange (which includes the London Stock Exchange) (as further described in relation to Securities in the form of Notes above).

In other cases, an amount may have to be withheld from payments which are regarded as interest for tax purposes under Securities in the form of Certificates for or on account of United Kingdom income tax at the basic rate, subject to the availability of other exemptions or reliefs or to any direction to the contrary from HMRC in respect of such relief as may be available under an applicable double taxation treaty.

In addition, an amount for or on account of United Kingdom income tax at the basic rate may have to be withheld on payments on Securities in the form of Certificates where such payments do not constitute interest for United Kingdom tax purposes but instead constitute either annual payments or, in the case of Securities in the form of Certificates which are capable of physical settlement, manufactured payments for United Kingdom tax purposes, subject to the availability of

reliefs or exemptions (including exemption in a case where the Certificates fall within the derivative contract rules in Part 7 of the Corporation Tax Act 2009) or subject to any direction to the contrary from HMRC in respect of such relief as may be available under an applicable double taxation treaty.

2.2 Reporting requirements

Prospective holders of Securities in the form of Certificates are referred to the reporting requirements which are discussed above under "United Kingdom Taxation relating to the Securities in the form of Notes – Withholding Tax – Reporting requirements." The same reporting requirements may apply to Securities in the form of Certificates. Prospective holders of Securities in the form of Certificates are also directed to the disclosure below in respect of the EU Directive on the Taxation of Savings Income, which may apply in respect of such Securities.

3 United Kingdom Taxation relating to the Securities in the form of Warrants

3.1 Withholding tax

No United Kingdom income tax should be required to be deducted or withheld from any payments made on the issue, exercise, cancellation, sale or other disposition of Securities in the form of Warrants, unless the applicable Final Terms provide that the Securities will carry a right to interest or to other payments which constitute either annual payments or, in the case of Securities in the form of Warrants which are capable of physical settlement, manufactured payments for United Kingdom tax purposes. Where Securities in the form of Warrants carry such a right to interest or to such other payments, amounts may have to be withheld from payments of interest on such Securities for or on account of United Kingdom income tax at the basic rate, subject to the availability of reliefs or exemptions (including exemption in a case where the Warrants fall within the derivative contract rules in Part 7 of the Corporation Tax Act 2009) or subject to any direction to the contrary from HMRC in respect of such relief as may be available under an applicable double taxation treaty (as further described in relation to Securities in the form of Notes above).

3.2 Reporting requirements

Prospective holders of Securities in the form of Warrants which carry a right to interest are referred to the reporting requirements which are discussed at paragraph 1.2 above of the section entitled "United Kingdom Taxation relating to the Securities in the form of Notes" and to the disclosure below in respect of the EU Directive on the Taxation of Savings Income, which may apply in respect of such Securities.

4 United Kingdom Stamp Duty and Stamp Duty Reserve Tax ("SDRT")

Depending upon the terms and conditions of the relevant Securities (including, but not limited to, whether the Securities are in bearer or registered form or whether they are CREST Securities or CDIs), UK stamp duty or SDRT may be payable on the issue or on the subsequent transfer of such Securities. If any such stamp duty or SDRT is expected to arise, then this will generally be disclosed in the Final Terms of such Securities.

European Union Taxation

EU Directive on the Taxation of Savings Income

Under European Council Directive 2003/48/EC on the taxation of savings income (the "**Directive**"), each EU Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State; however, for a transitional period, Austria and Luxembourg will (unless they elect otherwise) instead apply a withholding system in relation to such payments, deducting tax at rates rising over time to 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU territories to the exchange of information relating to such payments.

A number of non-EU countries, including Switzerland, and certain dependent or associated territories of certain Member States have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual or certain other persons in a Member State. In addition, the Member States have entered into reciprocal provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident in one of those territories.

Prospective holders of Securities should note that the European Commission has announced proposals to amend the Directive. If implemented, the proposed amendments would, *inter alia*, extend the scope of the Directive to (i) payments made through certain intermediate structures (whether or not established in a Member State) for the ultimate benefit of an EU resident individual, and (ii) a wider range of income similar to interest.

United States Taxation

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, HOLDERS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF FEDERAL TAX ISSUES IN THIS BASE PROSPECTUS IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY HOLDERS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON HOLDERS UNDER THE INTERNAL REVENUE CODE; (B) SUCH DISCUSSION IS INCLUDED HEREIN BY THE ISSUER IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF CIRCULAR 230) BY THE ISSUER OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) HOLDERS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

The following is a summary of certain material U.S. federal income tax consequences of the acquisition, ownership and disposition of Securities by a U.S. Holder (as defined below). This summary does not address the material U.S. federal income tax consequences of every type of Security which may be issued under the Programme, and the applicable Final Terms or Relevant Annex may contain additional or modified disclosure concerning the material U.S. federal income tax consequences relevant to such type of Security as appropriate. This summary deals only with purchasers of Securities that are U.S. Holders and that will hold the Securities as capital assets. The discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition, ownership or disposition of Securities by particular investors, and does not address state, local, foreign or other tax laws. This summary also does not discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as financial institutions, insurance companies, investors liable for the alternative minimum tax, individual retirement accounts and other tax-deferred accounts, tax-exempt

organisations, dealers in securities or currencies, investors that will hold the Securities as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes or investors whose functional currency is not the U.S. dollar). Moreover, the summary deals only with Securities with a term of 30 years or less. The U.S. federal income tax consequences of owning Securities with a longer term may be discussed in the applicable Final Terms or Relevant Annex.

The following summary does not discuss Securities that are not characterized as debt instruments, or that are characterized as contingent payment debt instruments for U.S. federal income tax purposes, nor does it discuss the tax consequences of the ownership, disposition, or exercise of Warrants or Exercisable Certificates or the consequences of conversion or exchange of Convertible or Exchangeable Obligations. This summary also does not discuss physically-settled Securities or certain US dollar denominated inflation-linked Securities that qualify for special treatment under applicable US tax law. In the event the Issuer issues any such Securities, Warrants or Exercisable Certificates, the applicable Final Terms or Relevant Annex may describe their material U.S. federal income tax consequences.

As used herein, the term "**U.S. Holder**" means a beneficial owner of Securities that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation created or organised under the laws of the United States or any State thereof, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has elected to be treated as a domestic trust for U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in a partnership that holds Securities will depend on the status of the partner and the activities of the partnership. Prospective purchasers that are partnerships should consult their tax adviser concerning the U.S. federal income tax consequences to their partners of the acquisition, ownership and disposition of Securities by the partnership.

The summary is based on the tax laws of the United States including the Internal Revenue Code of 1986, as amended, its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as of the date hereof and all subject to change at any time, possibly with retroactive effect.

Bearer Securities are not being offered to U.S. Holders. A U.S. Holder who owns a Bearer Security may be subject to limitations under United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the United States Internal Revenue Code.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF OWNING THE SECURITIES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

1 U.S. Federal Income Tax Characterisation of the Securities

The characterization of a Series or Tranche of Securities may be uncertain and will depend on the terms of those Securities. The determination of whether an obligation represents debt, equity, or some other instrument or interest is based on all the relevant facts and circumstances. There may be no statutory, judicial or administrative authority directly addressing the characterization of some of the types of

Securities that are anticipated to be issued under the Programme or of instruments similar to such Securities.

Depending on the terms of a particular Series or Tranche of Securities, such Securities may not be characterised as debt for U.S. federal income tax purposes despite the form of the Security as debt instruments. For example, Securities of a Series or Tranche may be more properly characterised as prepaid forward contracts or some other type of financial instrument. Additional alternative characterisations may also be possible. Further possible characterisations, if applicable, may be discussed in the applicable Final Terms or other Offering Documents.

The following summary applies to Securities that are properly treated as debt for U.S. federal income tax purposes. However, no rulings will be sought from the IRS regarding the characterisation of any of the Securities issued hereunder for U.S. federal income tax purposes. Each holder should consult its own tax adviser about the proper characterisation of the Securities for U.S. federal income tax purposes and consequences to such holder of acquiring, owning or disposing of the Securities.

2 Payments of Interest

2.1 General

Interest on a Security, whether payable in U.S. dollars or a currency, composite currency or basket of currencies other than U.S. dollars (a "**foreign currency**"), other than interest on a "Discount Security" that is not "qualified stated interest" (each as defined below under "*Original Issue Discount — General*"), will be taxable to a U.S. Holder as ordinary income at the time it is received or accrued, depending on the holder's method of accounting for tax purposes. Interest paid by the Issuer on the Securities and OID, if any, accrued with respect to the Securities (as described below under "*Original Issue Discount*") generally should constitute income from sources outside the United States. Prospective purchasers should consult their tax advisers concerning the applicability of the foreign tax credit and source of income rules to income attributable to the Securities.

3 Original Issue Discount

3.1 General

The following is a summary of the principal U.S. federal income tax consequences of the ownership of Securities issued with original issue discount ("**OID**").

A Security, other than a Security with a term of one year or less (a "**Short-Term Security**"), will be treated as issued with OID (a "**Discount Security**") if the excess of the Security's "stated redemption price at maturity" over its issue price is equal to or more than a *de minimis* amount (0.25 per cent. of the Security's stated redemption price at maturity multiplied by the number of complete years to its maturity). An obligation that provides for the payment of amounts other than qualified stated interest before maturity (an "**instalment obligation**") will be treated as a Discount Security if the excess of the Security's stated redemption price at maturity over its issue price is equal to or greater than 0.25 per cent. of the Security's stated redemption price at maturity multiplied by the weighted average maturity of the Security. A Security's weighted average maturity is the sum of the following amounts determined for each payment on a Security (other than a payment of qualified stated interest): (i) the number of complete years from the issue date until the payment is made multiplied by (ii) a fraction, the numerator of which is the

amount of the payment and the denominator of which is the Security's stated redemption price at maturity. Generally, the issue price of a Security will be the first price at which a substantial amount of Securities included in the issue of which the Security is a part is sold to persons other than bond houses, brokers, or similar persons or organisations acting in the capacity of underwriters, placement agents, or wholesalers. The stated redemption price at maturity of a Security is the total of all payments provided by the Security that are not payments of "qualified stated interest". A qualified stated interest payment is generally any one of a series of stated interest payments on a Security that are unconditionally payable at least annually at a single fixed rate (with certain exceptions for lower rates paid during some periods), or a variable rate (in the circumstances described below under "*Variable Interest Rate Securities*"), applied to the outstanding principal amount of the Security. Solely for the purposes of determining whether a Security has OID, the Issuer will be deemed to exercise any call option that has the effect of decreasing the yield on the Security, and the U.S. Holder will be deemed to exercise any put option that has the effect of increasing the yield on the Security.

U.S. Holders of Discount Securities must include OID in income calculated on a constant-yield method before the receipt of cash attributable to the income, and generally will have to include in income increasingly greater amounts of OID over the life of the Discount Securities. The amount of OID includible in income by a U.S. Holder of a Discount Security is the sum of the daily portions of OID with respect to the Discount Security for each day during the taxable year or portion of the taxable year on which the U.S. Holder holds the Discount Security. The daily portion is determined by allocating to each day in any "accrual period" a pro rata portion of the OID allocable to that accrual period. Accrual periods with respect to a Security may be of any length selected by the U.S. Holder and may vary in length over the term of the Security as long as (i) no accrual period is longer than one year and (ii) each scheduled payment of interest or principal on the Security occurs on either the final or first day of an accrual period. The amount of OID allocable to an accrual period equals the excess of (a) the product of the Discount Security's adjusted issue price at the beginning of the accrual period and the Discount Security's yield to maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) over (b) the sum of the payments of qualified stated interest on the Security allocable to the accrual period. The "adjusted issue price" of a Discount Security at the beginning of any accrual period is the issue price of the Security increased by (x) the amount of accrued OID for each prior accrual period and decreased by (y) the amount of any payments previously made on the Security that were not qualified stated interest payments.

3.2 Acquisition Premium

A U.S. Holder that purchases a Discount Security for an amount less than or equal to the sum of all amounts payable on the Security after the purchase date, other than payments of qualified stated interest, but in excess of its adjusted issue price (any such excess being "**acquisition premium**") and that does not make the election described below under "*Election to Treat All Interest as Original Issue Discount*", is permitted to reduce the daily portions of OID by a fraction, the numerator of which is the excess of the U.S. Holder's adjusted basis in the Security immediately after its purchase over the Security's adjusted issue price, and the denominator of which is the excess of the sum of all amounts payable on the Security after the purchase date, other than payments of qualified stated interest, over the Security's adjusted issue price.

3.3 Short-Term Securities

In general, an individual or other cash basis U.S. Holder of a Short-Term Security is not required to accrue OID (as specially defined below for the purposes of this paragraph) for U.S. federal income tax purposes unless it elects to do so (but may be required to include any stated interest in income as the interest is received). Accrual basis U.S. Holders and certain other U.S. Holders are required to accrue OID on Short-Term Securities on a straight-line basis or, if the U.S. Holder so elects, under the constant-yield method (based on daily compounding). In the case of a U.S. Holder not required and not electing to include OID in income currently, any gain realised on the sale or retirement of the Short-Term Security will be ordinary income to the extent of the OID accrued on a straight-line basis (unless an election is made to accrue the OID under the constant-yield method) through the date of sale or retirement. U.S. Holders who are not required and do not elect to accrue OID on Short-Term Securities will be required to defer deductions for interest on borrowings allocable to Short-Term Securities in an amount not exceeding the deferred income until the deferred income is realised.

For purposes of determining the amount of OID subject to these rules, all interest payments on a Short-Term Security are included in the Short-Term Security's stated redemption price at maturity. A U.S. Holder may elect to determine OID on a Short-Term Security as if the Short-Term Security had been originally issued to the U.S. Holder at the U.S. Holder's purchase price for the Short-Term Security. This election will apply to all obligations with a maturity of one year or less acquired by the U.S. Holder on or after the first day of the first taxable year to which the election applies, and may not be revoked without the consent of the IRS.

3.4 Fungible Issue

The Issuer may, without the consent of the Holders of outstanding Securities, issue additional Securities with identical terms. These additional Securities, even if they are treated for non-tax purposes as part of the same series as the original Securities, in some cases may be treated as a separate series for U.S. federal income tax purposes. In such a case, the additional Securities may be considered to have been issued with OID even if the original Securities had no OID, or the additional Securities may have a greater amount of OID than the original Securities. These differences may affect the market value of the original Securities if the additional Securities are not otherwise distinguishable from the original Securities.

3.5 Market Discount

A Security, other than a Short-Term Security, generally will be treated as purchased at a market discount (a "**Market Discount Security**") if the Security's stated redemption price at maturity or, in the case of a Discount Security, the Security's "revised issue price", exceeds the amount for which the U.S. Holder purchased the Security by at least 0.25 per cent. of the Security's stated redemption price at maturity or revised issue price, respectively, multiplied by the number of complete years to the Security's maturity (or, in the case of a Security that is an instalment obligation, the Security's weighted average maturity). If this excess is not sufficient to cause the Security to be a Market Discount Security, then the excess constitutes "*de minimis* market discount". For this purpose, the "revised issue price" of a Security generally equals its issue price, increased by the amount of any OID that has accrued on the Security and decreased by the amount of any payments previously made on the Security that were not qualified stated interest payments.

Under current law, any gain recognised on the maturity or disposition of a Market Discount Security (including any payment on a Security that is not qualified stated interest) will be treated as ordinary income to the extent that the gain does not exceed the accrued market discount on the Security. Alternatively, a U.S. Holder of a Market Discount Security may elect to include market discount in income currently over the life of the Security. This election will apply to all debt instruments with market discount acquired by the electing U.S. Holder on or after the first day of the first taxable year to which the election applies. This election may not be revoked without the consent of the Internal Revenue Service (the "**IRS**"). A U.S. Holder of a Market Discount Security that does not elect to include market discount in income currently will generally be required to defer deductions for interest on borrowings incurred to purchase or carry a Market Discount Security that is in excess of the interest and OID on the Security includible in the U.S. Holder's income, to the extent that this excess interest expense does not exceed the portion of the market discount allocable to the days on which the Market Discount Security was held by the U.S. Holder.

Under current law, market discount will accrue on a straight-line basis unless the U.S. Holder elects to accrue the market discount on a constant-yield method. This election applies only to the Market Discount Security with respect to which it is made and is irrevocable.

3.6 Variable Interest Rate Securities

Floating Rate Securities and certain other securities that provide for interest at variable rates ("**Variable Interest Rate Securities**") generally will bear interest at a "qualified floating rate" and thus will be treated as "variable rate debt instruments" under Treasury regulations governing accrual of OID. However, certain *Variable Rate Securities*, as the term is used in this Base Prospectus, may not qualify as a "variable rate debt instrument", but instead will be treated as a contingent payment debt obligation for US federal income tax purposes. A Variable Interest Rate Security will qualify as a "variable rate debt instrument" if (a) its issue price does not exceed the total noncontingent principal payments due under the Variable Interest Rate Security by more than a specified *de minimis* amount, (b) it provides for stated interest, paid or compounded at least annually, at (i) one or more qualified floating rates, (ii) a single fixed rate and one or more qualified floating rates, (iii) a single objective rate, or (iv) a single fixed rate and a single objective rate that is a qualified inverse floating rate, and (c) it does not provide for any principal payments that are contingent (other than as described in (a) above).

A "**qualified floating rate**" is any variable rate where variations in the value of the rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the Variable Interest Rate Security is denominated. A fixed multiple of a qualified floating rate will constitute a qualified floating rate only if the multiple is greater than 0.65 but not more than 1.35. A variable rate equal to the product of a qualified floating rate and a fixed multiple that is greater than 0.65 but not more than 1.35, increased or decreased by a fixed rate, will also constitute a qualified floating rate. In addition, two or more qualified floating rates that can reasonably be expected to have approximately the same values throughout the term of the Variable Interest Rate Security (e.g. two or more qualified floating rates with values within 25 basis points of each other as determined on the Variable Interest Rate Security's issue date) will be treated as a single qualified floating rate. Notwithstanding the foregoing, a variable rate that would otherwise constitute a qualified floating rate but which is subject to one or more restrictions such as a maximum numerical limitation (i.e., a cap) or a minimum numerical limitation (i.e. a floor) may, under certain circumstances, fail to be treated as a qualified floating rate.

An "**objective rate**" is a rate that is not itself a qualified floating rate but which is determined using a single fixed formula and which is based on objective financial or economic information (e.g. one or more qualified floating rates or the yield of actively traded personal property). A rate will not qualify as an objective rate if it is based on information that is within the control of the Issuer (or a related party) or that is unique to the circumstances of the Issuer (or a related party), such as dividends, profits or the value of the Issuer's stock (although a rate does not fail to be an objective rate merely because it is based on the credit quality of the Issuer). Other variable interest rates may be treated as objective rates if so designated by the IRS in the future. Despite the foregoing, a variable rate of interest on a Variable Interest Rate Security will not constitute an objective rate if it is reasonably expected that the average value of the rate during the first half of the Variable Interest Rate Security's term will be either significantly less than or significantly greater than the average value of the rate during the final half of the Variable Interest Rate Security's term. A "**qualified inverse floating rate**" is any objective rate where the rate is equal to a fixed rate minus a qualified floating rate, as long as variations in the rate can reasonably be expected to inversely reflect contemporaneous variations in the qualified floating rate. If a Variable Interest Rate Security provides for stated interest at a fixed rate for an initial period of one year or less followed by a variable rate that is either a qualified floating rate or an objective rate for a subsequent period and if the variable rate on the Variable Interest Rate Security's issue date is intended to approximate the fixed rate (e.g. the value of the variable rate on the issue date does not differ from the value of the fixed rate by more than 25 basis points), then the fixed rate and the variable rate together will constitute either a single qualified floating rate or objective rate, as the case may be.

A qualified floating rate or objective rate in effect at any time during the term of the instrument must be set at a "current value" of that rate. A "current value" of a rate is the value of the rate on any day that is no earlier than 3 months prior to the first day on which that value is in effect and no later than 1 year following that first day.

If a Variable Interest Rate Security that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof qualifies as a "variable rate debt instrument", then any stated interest on the Security which is unconditionally payable in cash or property (other than debt instruments of the Issuer) at least annually will constitute qualified stated interest and will be taxed accordingly. Thus, a Variable Interest Rate Security that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof and that qualifies as a "variable rate debt instrument" will generally not be treated as having been issued with OID unless the Variable Interest Rate Security is issued at a "true" discount (i.e., at a price below the Security's stated principal amount) in excess of a specified *de minimis* amount. OID on a Variable Interest Rate Security arising from "true" discount is allocated to an accrual period using the constant yield method described above by assuming that the variable rate is a fixed rate equal to (i) in the case of a qualified floating rate or qualified inverse floating rate, the value, as of the issue date, of the qualified floating rate or qualified inverse floating rate, or (ii) in the case of an objective rate (other than a qualified inverse floating rate), a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Security.

In general, any other Variable Interest Rate Security that qualifies as a "variable rate debt instrument" will be converted into an "equivalent" fixed rate debt instrument for purposes of determining the amount and accrual of OID and qualified stated interest on the Variable Interest Rate Security. Such a Variable Interest Rate Security must be converted into an "equivalent" fixed rate debt instrument by substituting any qualified floating rate or qualified inverse floating rate

provided for under the terms of the Variable Interest Rate Security with a fixed rate equal to the value of the qualified floating rate or qualified inverse floating rate, as the case may be, as of the Variable Interest Rate Security's issue date. Any objective rate (other than a qualified inverse floating rate) provided for under the terms of the Variable Interest Rate Security is converted into a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Security. In the case of a Variable Interest Rate Security that qualifies as a "variable rate debt instrument" and provides for stated interest at a fixed rate in addition to either one or more qualified floating rates or a qualified inverse floating rate, the fixed rate is initially converted into a qualified floating rate (or a qualified inverse floating rate, if the Variable Interest Rate Security provides for a qualified inverse floating rate). Under these circumstances, the qualified floating rate or qualified inverse floating rate that replaces the fixed rate must be such that the fair market value of the Variable Interest Rate Security as of the Variable Interest Rate Security's issue date is approximately the same as the fair market value of an otherwise identical debt instrument that provides for either the qualified floating rate or qualified inverse floating rate rather than the fixed rate. Subsequent to converting the fixed rate into either a qualified floating rate or a qualified inverse floating rate, the Variable Interest Rate Security is converted into an "equivalent" fixed rate debt instrument in the manner described above.

Once the Variable Interest Rate Security is converted into an "equivalent" fixed rate debt instrument pursuant to the foregoing rules, the amount of OID and qualified stated interest, if any, are determined for the "equivalent" fixed rate debt instrument by applying the general OID rules to the "equivalent" fixed rate debt instrument and a U.S. Holder of the Variable Interest Rate Security will account for the OID and qualified stated interest as if the U.S. Holder held the "equivalent" fixed rate debt instrument. In each accrual period, appropriate adjustments will be made to the amount of qualified stated interest or OID assumed to have been accrued or paid with respect to the "equivalent" fixed rate debt instrument in the event that these amounts differ from the actual amount of interest accrued or paid on the Variable Interest Rate Security during the accrual period.

If a Variable Interest Rate Security, such as a Security the payments on which are determined by reference to an index, does not qualify as a "variable rate debt instrument", then the Variable Interest Rate Security will be treated as a contingent payment debt obligation. The proper U.S. federal income tax treatment of Variable Interest Rate Securities that are treated as contingent payment debt obligations will be more fully described in the applicable Final Terms or Relevant Annex.

4 Securities Purchased at a Premium

A U.S. Holder that purchases a Security for an amount in excess of its nominal amount, or for a Discount Security, its stated redemption price at maturity, may elect to treat the excess as "amortisable bond premium", in which case the amount required to be included in the U.S. Holder's income each year with respect to interest on the Security will be reduced by the amount of amortisable bond premium allocable (based on the Security's yield to maturity) to that year. Any election to amortise bond premium will apply to all bonds (other than bonds the interest on which is excludable from gross income for U.S. federal income tax purposes) held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and is irrevocable without the consent of the IRS. See also "*Original Issue Discount — Election to Treat All Interest as Original Issue Discount*" below.

5 Election to Treat All Interest as Original Issue Discount

A U.S. Holder may elect to include in gross income all interest that accrues on a Security using the constant-yield method described above under "*Original Issue Discount — General*," with certain modifications. For purposes of this election, interest includes stated interest, OID, *de minimis* OID, market discount, *de minimis* market discount and unstated interest, as adjusted by any amortisable bond premium (described above under "*Securities Purchased at a Premium*") or acquisition premium. This election will generally apply only to the Security with respect to which it is made and may not be revoked without the consent of the IRS. If the election to apply the constant-yield method to all interest on a Security is made with respect to a Market Discount Security, the electing U.S. Holder will be treated as having made the election discussed above under "*Original Issue Discount — Market Discount*" to include market discount in income currently over the life of all debt instruments with market discount held or thereafter acquired by the U.S. Holder. U.S. Holders should consult their tax advisers concerning the propriety and consequences of this election.

6 Substitution of Issuer

The terms of the Securities provide that, in certain circumstances, the obligations of the Issuer under the Securities may be assumed by another entity. Any such assumption might be treated for U.S. federal income tax purposes as a deemed disposition of Securities by a U.S. Holder in exchange for new securities issued by the new obligor. As a result of this deemed disposition, a U.S. Holder could be required to recognize capital gain or loss for U.S. federal income tax purposes equal to the difference, if any, between the issue price of the new securities (as determined for U.S. federal income tax purposes), and the U.S. Holder's tax basis in the Securities. U.S. Holders should consult their tax advisers concerning the U.S. federal income tax consequences to them of a change in obligor with respect to the Securities.

7 Purchase, Sale and Retirement of Securities

A U.S. Holder's tax basis in a Security will generally be its cost, increased by the amount of any OID or market discount included in the U.S. Holder's income with respect to the Security and the amount, if any, of income attributable to *de minimis* OID and *de minimis* market discount included in the U.S. Holder's income with respect to the Security, and reduced by (i) the amount of any payments that are not qualified stated interest payments, and (ii) the amount of any amortisable bond premium applied to reduce interest on the Security.

A U.S. Holder will generally recognise gain or loss on the sale or retirement of a Security equal to the difference between the amount realised on the sale or retirement and the tax basis of the Security. The amount realised does not include the amount attributable to accrued but unpaid interest, which will be taxable as interest income to the extent not previously included in income. Except to the extent described above under "*Original Issue Discount — Market Discount*" or "*Original Issue Discount — Short Term Securities*" or attributable to changes in exchange rates (as discussed below), gain or loss recognised on the sale or retirement of a Security will be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder's holding period in the Securities exceeds one year. Gain or loss realised by a U.S. Holder on the sale or retirement of a Security generally will be U.S. source.

8 Foreign Currency Securities

8.1 Interest

If an interest payment is denominated in, or determined by reference to, a foreign currency, the amount of income recognised by a cash basis U.S. Holder will be the U.S. dollar value of the interest payment, based on the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars.

An accrual basis U.S. Holder may determine the amount of income recognised with respect to an interest payment denominated in, or determined by reference to, a foreign currency in accordance with either of two methods. Under the first method, the amount of income accrued will be based on the average exchange rate in effect during the interest accrual period (or, in the case of an accrual period that spans two taxable years of a U.S. Holder, the part of the period within the taxable year).

Under the second method, the U.S. Holder may elect to determine the amount of income accrued on the basis of the exchange rate in effect on the last day of the accrual period (or, in the case of an accrual period that spans two taxable years, the exchange rate in effect on the last day of the part of the period within the taxable year). Additionally, if a payment of interest is actually received within five business days of the last day of the accrual period, an electing accrual basis U.S. Holder may instead translate the accrued interest into U.S. dollars at the exchange rate in effect on the day of actual receipt. Any such election will apply to all debt instruments held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and will be irrevocable without the consent of the IRS.

Upon receipt of an interest payment (including a payment attributable to accrued but unpaid interest upon the sale or retirement of a Security) denominated in, or determined by reference to, a foreign currency, the U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

8.2 OID

OID for each accrual period on a Discount Security that is denominated in, or determined by reference to, a foreign currency, will be determined in the foreign currency and then translated into U.S. dollars in the same manner as stated interest accrued by an accrual basis U.S. Holder, as described above. Upon receipt of an amount attributable to OID (whether in connection with a payment on the Security or a sale or disposition of the Security), a U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

8.3 Market Discount

Market discount on a Security that is denominated in, or determined by reference to, a foreign currency, will be accrued in the foreign currency. If the U.S. Holder elects to include market discount in income currently, the accrued market discount will be translated into U.S. dollars at the average exchange rate for the accrual period (or portion thereof within the U.S. Holder's

taxable year). Upon the receipt of an amount attributable to accrued market discount, the U.S. Holder may recognise U.S. source exchange gain or loss (which will be taxable as ordinary income or loss) determined in the same manner as for accrued interest or OID. A U.S. Holder that does not elect to include market discount in income currently will recognise, upon the disposition or maturity of the Security, the U.S. dollar value of the amount accrued, calculated at the spot rate on that date, and no part of this accrued market discount will be treated as exchange gain or loss.

8.4 Bond Premium

Bond premium (including acquisition premium) on a Security that is denominated in, or determined by reference to, a foreign currency, will be computed in units of the foreign currency, and any such bond premium that is taken into account currently will reduce interest income in units of the foreign currency. On the date bond premium offsets interest income, a U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the amount offset multiplied by the difference between the spot rate in effect on the date of the offset, and the spot rate in effect on the date the Securities were acquired by the U.S. Holder. A U.S. Holder that does not elect to take bond premium (other than acquisition premium) into account currently will recognise a market loss when the Security matures.

8.5 Sale or Retirement

As discussed above under "*Purchase, Sale and Retirement of Securities*", a U.S. Holder will generally recognise gain or loss on the sale or retirement of a Security equal to the difference between the amount realised on the sale or retirement and its tax basis in the Security. A U.S. Holder's tax basis in a Security that is denominated in a foreign currency will be determined by reference to the U.S. dollar cost of the Security. The U.S. dollar cost of a Security purchased with foreign currency will generally be the U.S. dollar value of the purchase price on the date of purchase, or the settlement date for the purchase, in the case of Securities traded on an established securities market, as defined in the applicable Treasury Regulations, that are purchased by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects).

The amount realised on a sale or retirement for an amount in foreign currency will be the U.S. dollar value of this amount on the date of sale or retirement, or the settlement date for the sale, in the case of Securities traded on an established securities market, as defined in the applicable Treasury Regulations, sold by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects). Such an election by an accrual basis U.S. Holder must be applied consistently from year to year and cannot be revoked without the consent of the IRS.

A U.S. Holder will recognise U.S. source exchange rate gain or loss (taxable as ordinary income or loss) on the sale or retirement of a Security equal to the difference, if any, between the U.S. dollar values of the U.S. Holder's purchase price for the Security (or, if less, the principal amount of the Security) (i) on the date of sale or retirement and (ii) the date on which the U.S. Holder acquired the Security. Any such exchange rate gain or loss will be realised only to the extent of total gain or loss realised on the sale or retirement (including any exchange gain or loss with respect to the receipt of accrued but unpaid interest).

8.6 Disposition of Foreign Currency

Foreign currency received as interest on a Security or on the sale or retirement of a Security will have a tax basis equal to its U.S. dollar value at the time the foreign currency is received. Foreign

currency that is purchased will generally have a tax basis equal to the U.S. dollar value of the foreign currency on the date of purchase. Any gain or loss recognised on a sale or other disposition of a foreign currency (including its use to purchase Securities or upon exchange for U.S. dollars) will be U.S. source ordinary income or loss for a U.S. Holder.

8.7 Certain Reporting Requirements

Under recently enacted legislation, individuals that own "specified foreign financial assets" with an aggregate value in excess of $50,000 in taxable years beginning after March 18, 2010 will generally be required to file an information report with respect to such assets with their tax returns. "Specified foreign financial assets" include any financial accounts maintained by foreign financial institutions, as well as any of the following, but only if they are not held in accounts maintained by financial institutions: (i) stocks and securities issued by non-U.S. persons, (ii) financial instruments and contracts held for investment that have non-U.S. issuers or counterparties and (iii) interests in foreign entities. U.S. Holders that are individuals are urged to consult their tax advisers regarding the application of this legislation to their ownership of the Securities.

9 Backup Withholding and Information Reporting

In general, payments of interest and accrued OID on, and the proceeds of a sale, redemption or other disposition of, the Securities, payable to a U.S. Holder by a U.S. paying agent or other U.S. intermediary will be reported to the IRS and to the U.S. Holder as may be required under applicable regulations. Backup withholding will apply to these payments if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to report all interest and dividends required to be shown on its U.S. federal income tax returns. Certain U.S. Holders are not subject to backup withholding. U.S. Holders should consult their tax advisers as to their qualification for exemption from backup withholding and the procedure for obtaining an exemption.

10 Reportable Transactions

A U.S. taxpayer that participates in a "reportable transaction" will be required to disclose its participation to the IRS. The scope and application of these rules is not entirely clear. A U.S. Holder may be required to treat a foreign currency exchange loss from the Securities as a reportable transaction if the loss exceeds U.S.$50,000 in a single taxable year, if the U.S. Holder is an individual or trust, or higher amounts for other non-individual U.S. Holders. In the event the acquisition, holding or disposition of Securities constitutes participation in a reportable transaction for purposes of these rules, a U.S. Holder will be required to disclose its investment by filing Form 8886 with the IRS. A penalty in the amount of U.S.$10,000 in the case of a natural person and U.S.$50,000 in all other cases is generally imposed on any taxpayer that fails to timely file an information return with the IRS with respect to a transaction resulting in a loss that is treated as a reportable transaction. Accordingly, if a U.S. Holder realises a loss on any Security (or, possibly, aggregate losses from the Securities) satisfying the monetary thresholds discussed above, the U.S. Holder could be required to file an information return with the IRS, and failure to do so may subject the U.S. Holder to the penalties described above. In additions, the Issuer and its advisers may also be required to disclose the transaction to the IRS, and to maintain a list of U.S. Holders, and to furnish this list and certain other information to the IRS upon written request. Prospective purchasers are urged to

consult their tax advisers regarding the application of these rules to the acquisition, holding or disposition of Securities.

11 Cayman Islands Taxation

The following is a discussion on certain Cayman Islands income tax consequences of an investment in the Securities. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

1 Under existing Cayman Islands laws:

1.1 Payments of interest and principal on the Securities will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of interest and principal to any holder of the Securities, nor will gains derived from the disposal of the Securities be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax.

1.2 No stamp duty is payable in respect of the issue of Securities in bearer form. Securities in bearer form themselves will be stampable if they are executed in or brought into the Cayman Islands.

1.3 No stamp duty is payable in respect of the issue of Securities in registered form. An instrument of transfer in respect of a Security in registered form is stampable if executed in or brought into the Cayman Islands.

BCCL has been incorporated under the laws of the Cayman Islands as an exempted company with limited liability and, as such, has obtained an undertaking from the Governor in Cabinet (formerly known as the Governor in Council) of the Cayman Islands in the following form:

The Tax Concessions Law

(Revised)

Undertaking as to Tax Concessions

In accordance with the provision of section 6 of The Tax Concessions Law (Revised), the following undertaking is hereby given to Barclays Capital (Cayman) Limited being a company certified by the Registrar of Companies to be a company registered as an exempted company under section 180 of the Companies Law (Cap. 22):

(1) That no law which is hereafter enacted in the Islands imposing any tax to be levied on profits or income or gains or appreciations shall apply to the aforesaid company or its operations; and

(2) That the aforesaid tax or any tax in the nature of estate duty or inheritance tax shall not be payable on the shares, debentures or other obligations of the aforesaid exempted company.

This Undertaking shall be for a period of twenty years from the 29th day of August, 1989.

2 French Taxation

This summary is based on tax laws and taxation practice, as in effect and applied as at the date of this Base Prospectus and is intended to provide general information only. Tax laws, taxation practices and their interpretation are constantly under change, which changes may sometimes have a retroactive effect and may change the conclusions set out in this summary.

Stamp duty

The purchase or sale of French Securities is not subject to stamp duty in France.

Income Tax and Withholding tax

Prospective purchasers of French Securities who are French resident for tax purposes or who would hold such French Securities through a permanent establishment or fixed base in France should be aware that transactions involving the French Securities including any purchase or disposal of, or other dealings in the French Securities, may have French tax consequences. The tax consequences regarding interest, premium on redemption and capital gains in particular may depend, amongst other things, upon the status of the prospective purchaser (i.e. legal entities or individuals). Prospective purchasers of French Securities should consult their own advisers about the tax implications of holding French Securities and of any transactions involving French Securities.

Implementation in France of the EU Savings Directive

The EU Council Directive 2003/48/EC on taxation of savings income in the form of interest payments was implemented into French law under Article 242 ter of the French tax code, which imposes on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State, including, among other things, the identity and address of the beneficial owner and a detailed list of the different categories of interest paid to that beneficial owner.

3 Italian Taxation

The following is a summary of current Italian law and practice relating to the taxation of the Italian Securities. The statements herein regarding taxation are based on the laws in force in Italy as at the date of this Base Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Italian Securities and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules.

Prospective investors are advised to consult their own tax advisers concerning the overall tax consequences of their interest in the Italian Securities.

Pursuant to Article 67 of Presidential Decree No. 917 of 22 December 1986 and Legislative Decree No. 461 of 21 November 1997, as subsequently amended, where the Italian resident Securityholder is (i) an individual not engaged in an entrepreneurial activity to which the Securities are connected, (ii) a non-commercial partnership, (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, capital gains accrued under the sale or the exercise of the

Securities are subject to a 12.5% substitute tax (*imposta sostitutiva*). The recipient may opt for three different taxation criteria:

(1) Under the tax declaration regime (*regime della dichiarazione*), which is the default regime for taxation of capital gains realised by Italian resident individuals not engaged in an entrepreneurial activity to which the Securities are connected, the *imposta sostitutiva* on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any capital loss that may be off-set, realised by the Italian resident individual holding the Securities not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Securities carried out during any given tax year. Italian resident individuals holding the Securities not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay *imposta sostitutiva* on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

(2) As an alternative to the tax declaration regime, Italian resident individuals holding the Securities not in connection with an entrepreneurial activity may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Securities (the "*risparmio amministrato*" regime provided for by Article 6 of the Legislative Decree No. 461 of 21 November 1997; such decree, as subsequently amended, "Decree No. 461"). Such separate taxation of capital gains is allowed subject to (i) the Securities being deposited with Italian banks, SIMs or certain authorised financial intermediaries and (ii) an express valid election for the *risparmio amministrato* regime being punctually made in writing by the relevant Securityholder. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Securities, net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Securityholder or using funds provided by the Securityholder for this purpose. Under the *risparmio amministrato* regime, where a sale or redemption of the Securities results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the *risparmio amministrato* regime, the Securityholder is not required to declare the capital gains in the annual tax return.

(3) Any capital gains realised or accrued by Italian resident individuals holding the Securities not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Securities, to an authorised intermediary and have validly opted for the so-called "*risparmio gestito*" regime (regime provided for by Article 7 of Decree No. 461) will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 12.5 per cent. substitute tax, to be paid by the managing authorised intermediary. Under this *risparmio gestito* regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the *risparmio gestito* regime, the Securityholder is not required to declare the capital gains realised in the annual tax return.

Where an Italian resident Securityholder is a company or similar commercial entity, or the Italian permanent establishment of a foreign commercial entity to which the Securities are effectively connected, capital gains arising from the Securities will not be subject to *imposta sostitutiva*, but must be included in the relevant Securityholder's income tax return and are therefore subject to Italian corporate

tax (and, in certain circumstances, depending on the "status" of the Securityholder, also as a part of the net value of production for IRAP purposes).

Capital gains realised by non-Italian resident Securityholders are not subject to Italian taxation provided that the Securities (i) are transferred on regular markets, or (ii) if not transferred on regular markets, are held outside of Italy.

3.1 Atypical securities

In accordance with a different interpretation of current tax law, it is possible that the Securities would be considered as 'atypical' securities pursuant to Article 8 of Law Decree No. 512 of 30 September 1983 as implemented by Law No. 649 of 25 November 1983. In this event, payments relating to Securities may be subject to an Italian withholding tax, levied at the rate of 27 per cent.

The 27 per cent withholding tax mentioned above does not apply to payments made to a non-Italian resident holder and to an Italian resident holder which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership, or (iii) a commercial private or public institution.

3.2 Transfer Tax

Article 37 of Law Decree No 248 of 31 December 2007 ("Decree No. 248"), converted into Law No. 31 of 28 February 2008, published on the Italian Official Gazette No. 51 of 29 February 2008, has abolished the Italian transfer tax provided for by Royal Decree No. 3278 of 30 December,1923, as amended and supplemented by the Legislative Decree No. 435 of 21 November 1997.

Following the repeal of the Italian transfer tax, as from 31 December 2007 contracts relating to the transfer of securities are subject to the registration tax as follows: (i) public deeds and notarized deeds are subject to fixed registration tax at rate of EUR 168; (ii) private deeds are subject to registration tax only in case of use or voluntary registration.

3.3 EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income (the "Savings Directive"), Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

On 15 September 2008 the European Commission issued a report to the Council of the European Union on the operation of the Savings Directive, which included the Commission's advice on the need for changes to the Savings Directive. On 13 November 2008 the European Commission published a more detailed proposal for amendments to the Savings Directive, which included a number of suggested changes. The European Parliament approved an amended version of this proposal on 24 April 2009. If any of the proposed changes are made in relation to the Savings Directive, they may amend or broaden the scope of the requirements described above.

3.4 Implementation in Italy of the Savings Directive

Italy has implemented the Savings Directive through Legislative Decree No. 84 of 18 April 2005 (Decree No. 84). Under Decree No. 84, subject to a number of important conditions being met, in the case of interest paid to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian qualified paying agents shall not apply the withholding tax and shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner. Such information is transmitted by the Italian Tax Authorities to the competent foreign tax authorities of the State of residence of the beneficial owner.

PURCHASE AND SALE

Pursuant to the Master Subscription Agreement dated 6 August 2010, each Manager (being, at the date of this Base Prospectus, each of Barclays Bank PLC and Barclays Capital Inc. in their respective capacity as a Manager) has agreed with the Issuers the basis on which it may from time to time agree to purchase Securities. Any such agreement will extend to those matters stated under "Summary" and "Terms and Conditions of the Securities" above. In the Master Subscription Agreement, each of the Issuers has agreed to reimburse the relevant Manager for certain of its expenses in connection with the Securities issued under the Programme.

No representation is made that any action has been or will be taken by BCCL, the Bank or the Managers in any jurisdiction that would permit a public offering of any of the Securities or possession or distribution of the Base Prospectus or any other offering material or any Final Terms in relation to any Securities in any country or jurisdiction where action for that purpose is required. No offers, sales, re-sales or deliveries of any Securities, or distribution of any offering material relating to any Securities, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on BCCL, the Bank and/or the Managers.

SELLING RESTRICTIONS

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive or for which the provisions of the Prospectus Directive have direct effect under local law because that Member State failed to implement the Prospectus Directive in time (each, a "**Relevant Member State**"), each Manager has represented and agreed, and each further Manager appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Securities to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Securities to the public in that Relevant Member State:

(a) in (or in Germany, where the offer starts within) the period beginning on the date of publication of a prospectus in relation to those Securities which has been approved by the competent authority in that Relevant Member State in accordance with the Prospectus Directive or, where appropriate, published in another Member State and notified to the competent authority in that Relevant Member State in accordance with Article 18 of the Prospectus Directive and ending on the date which is 12 months after the date of such publication;

(b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;

(c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or

(d) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive or to supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Securities to the public" in relation to any Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

United States of America

US Tax Selling Restrictions

Securities issued in bearer form for US tax purposes ("**Bearer Instruments**") may not be offered, sold or delivered within the United States or its possessions or to a United States person except as permitted under US Treasury Regulation section 1.163-5(c)(2)(i)(D) (the "**D Rules**").

Each Issuer and Manager has represented and agreed (and each additional Manager named in a set of Final Terms will be required to represent and agree) that in addition to the relevant US Securities Selling Restrictions set forth below:

(a) except to the extent permitted under the D Rules, (x) it has not offered or sold, and during the restricted period it will not offer or sell, Bearer Instruments to a person who is within the United States or its possessions or to a United States person and (y) such Manager has not delivered and agrees that it will not deliver within the United States or its possessions definitive Bearer Instruments that will be sold during the restricted period;

(b) it has and agrees that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Bearer Instruments are aware that Bearer Instruments may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person (except to the extent permitted under the D Rules);

(c) if it is a United States person, it is acquiring the Bearer Instruments for purposes of resale in connection with their original issuance, and if it retains Bearer Instruments for its own account, it will do so in accordance with the requirements of the D Rules;

(d) with respect to each affiliate or distributor that acquires Bearer Instruments from a Manager for the purpose of offering or selling such Bearer Instruments during the restricted period, the Manager either repeats and confirms the representations and agreements contained in sub clauses (a), (b) and (c) above on such affiliate's or distributor's behalf or agrees that it will obtain from such affiliate or distributor for the benefit of each Issuer and Manager the representations and agreements contained in such sub clauses; and

(e) it has not and agrees that it will not enter into any written contract (other than confirmation or other notice of the transaction) pursuant to which any other party to the contract (other than one of its affiliates or another Manager) has offered or sold, or during the restricted period will offer or sell, any Bearer Instruments except where pursuant to the contract the relevant Manager has

obtained or will obtain from that party, for the benefit of each Issuer and Manager, the representations contained in, and that party's agreement to comply with, the provisions of sub clauses (a), (b), (c) and (d).

Terms used in this section shall have the meanings given to them by the Internal Revenue Code and the US Treasury Regulations thereunder, including the D Rules.

US Securities Selling Restrictions

Notes and Certificates

The Notes, Certificates, the Guarantee (if any) and in certain cases, the Entitlements have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, US persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Each Manager has agreed (and each further Manager named in a set of Final Terms will be required to agree) that it will not offer or sell Notes or Certificates (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of an identifiable tranche of which such Notes or Certificates are part, as determined and certified to the Agent by such Manager (in the case of a non-syndicated issue) or the relevant lead Manager (in the case of a syndicated issue), within the United States or to, or for the account or benefit of, US persons except to certain qualified institutional buyers as defined in Rule 144A ("**QIBs**") in reliance on Rule 144A, and it will have sent to each Manager to which it sells Notes or Certificates during the Distribution Compliance Period (other than resales pursuant to Rule 144A) a confirmation or other notice setting out the restrictions on offers and sales of the Notes or Certificates within the United States or to, or for the account or benefit of, US persons. Terms used in the preceding sentence have the meanings given to them by Regulation S. Neither such Manager nor its affiliates, nor any persons acting on its or their behalf, have engaged or will engage in any directed selling efforts (as defined in Regulation S) with respect to the Securities, and such Manager, its affiliates and all persons acting on its or their behalf have complied and will comply with the offering restrictions requirement of Regulation S.

The Notes and Certificates are being offered and sold outside the United States to non-US persons in reliance on Regulation S. The Master Subscription Agreement provides that a Manager may directly or through its US broker-dealer affiliates arrange for the offer and resale of Registered Securities within the United States only to QIBs.

In addition, until 40 days after the commencement of the offering of any identifiable tranche of Notes and Certificates, an offer or sale of such Notes or Certificates within the United States by any dealer (whether or not participating in the offering of such tranche of Notes or Certificates) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

The Base Prospectus has been prepared by the Issuers for use in connection with the offer and sale of Securities outside the United States and for the resale of the Registered Securities in the United States and for the listing of Securities on the Relevant Stock Exchange. The Issuers and the Managers reserve the right to reject any offer to purchase the Securities, in whole or in part, for any reason. The Base Prospectus does not constitute an offer to any person in the United States or to any US person other than any QIB to whom an offer has been made directly by a Manager or its US broker-dealer affiliate. Distribution of the Base Prospectus by any non-US person outside the United States or by any QIB in the

United States to any US person or to any other person within the United States, other than any QIB and those persons, if any, retained to advise such non-US person or QIB with respect thereto, is unauthorised and any disclosure without the prior written consent of the Issuers of any of its contents to any of such US person or other person within the United States, other than any QIB and those persons, if any, retained to advise such non-US person or QIB, is prohibited.

Each issue of Notes or Certificates shall be subject to such additional US selling restrictions as the Issuers and the relevant Manager may agree as a term of the issue and purchase of such Notes or Certificates, which additional selling restrictions shall be set out in the applicable Final Terms.

Warrants and Exercisable Certificates (other than Warrants or Exercisable Certificates to be sold within the United States pursuant to Rule 144A)

No Warrants or Exercisable Certificates of any Series nor the Guarantee (if any) have been, or will be, registered under the Securities Act or any state securities laws and trading in the Securities has not been approved by the US Commodity Futures Trading Commission under the United States Commodity Exchange Act of 1936, as amended (the "**Commodity Exchange Act**"). The Warrants and/or Exercisable Certificates are only being offered and sold pursuant to the registration exemption contained in Regulation S under the Securities Act. No Warrants or Exercisable Certificates of any Series, or interests therein, may at any time be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or directly or indirectly offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered to, or for the account or benefit of, any US person. Terms used in the preceding sentence have the meanings given to them by Regulation S. Consequently, any offer, sale, re-sale, trade, pledge, exercise, redemption, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a US person will not be recognised.

Each Manager of an issue of Warrants or Exercisable Certificates will be required to agree that it, its affiliates and any person acting on its or their behalf will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver, directly or indirectly, Warrants or Exercisable Certificates of such Series in the United States or to, or for the account or benefit of, any US person or to others for offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any such US person. Each Manager of an issue of Warrants or Exercisable Certificates will be required to agree that it, its affiliates, and any person acting on its or their behalf will not offer or sell the Warrants or Exercisable Certificates at any time except in accordance with Rule 903 of Regulation S, and that neither it, its affiliates, nor any persons acting on its or their behalf will engage in any directed selling efforts with respect to the Warrants or Exercisable Certificates and it and they will comply with the offering restrictions requirements of Regulation S. The terms used in this paragraph have the meanings given to them by Regulation S. Any person purchasing Warrants or Exercisable Certificates of any Series must agree with the relevant Manager or the seller of such Securities that (i) it is not located in the United States and was not solicited to purchase the Securities while present in the United States, (ii) it will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver, directly or indirectly, any Securities of such Series so purchased in the United States or to, or for the account or benefit of, any US person or to others for offer, sale, resale, trade or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any US person, (iii) it is not purchasing any Securities of such Series for the account or benefit of any US person and (iv) it will not make offers, sales, re-sales, trades, pledges, exercises, redemptions, transfers or deliveries of any Securities of such Series (otherwise acquired), directly or indirectly, in the United States or to, or for the account or benefit of, any US person. Each Manager of an issue of Warrants or Exercisable Certificates will also be required to agree, and any person purchasing Securities of such

Series must agree, to send each person who purchases any Securities of such Series from it, at or prior to confirmation of sale of any Securities, a written confirmation (which shall include the definitions of United States and US persons set forth herein) stating that the Securities and the Guarantee (if any) have not been registered under the Securities Act, or any state securities laws, and trading in the Securities and the Guarantee (if any) has not been approved by the US Commodity Futures Trading Commission under the Commodity Exchange Act, and stating that such purchaser agrees that it will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver the Securities, directly or indirectly, in the United States or to, or for the account or benefit of, any US person. Any person exercising a Warrant or an Exercisable Certificate will be required to represent, *inter alia*, that it is not a US person, the Security is not being exercised within the United States or on behalf of a US person and no cash, securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a US person in connection with any exercise thereof. See " Condition 6 of the Base Conditions - Exercise or Cancellation of Securities that are Warrants or Exercisable Certificates".

US Commodities Selling Restrictions

(a) *Type 1 US Commodities Restrictions*

Type 1 US Commodities Restrictions will generally apply in the case of Notes or Certificates that may implicate the US commodities laws but that may, in limited circumstances agreed between the relevant Issuer and the relevant Manager, be purchased, or redeemed when held, by or on behalf of certain persons in the United States.

If the Final Terms for Notes or Certificates of any Series indicates that Type 1 US Commodities Restrictions apply, the US Commodities Restrictions will be as follows:

Trading in the Notes or Certificates has not been approved by the US Commodity Futures Trading Commission under the Commodity Exchange Act. Except in limited circumstances agreed between the Issuer and the relevant Manager, the Notes or Certificates may not at any time be offered, sold or delivered in the United States or to, or for the account or benefit of, US persons, nor may any US person, except in limited circumstances agreed between the Issuer and the relevant Manager, at any time trade or maintain a position in the Notes or Certificates. The redemption of a Note or the payment of the relevant Settlement Amount or other similar amount on redemption of a Note or Certificate will be conditional on certification that (a) neither the person holding the Notes or Certificates that are being redeemed, nor any person on whose behalf the Notes or Certificates that are being redeemed are held, is a US person or a person within the United States or (b) the person redeeming the Notes or Certificates, and each person on whose behalf the Notes or Certificates are being redeemed or who is the beneficial owner thereof, is an Eligible Contract Participant (as such term is defined in the Commodity Exchange Act), or such other form of certification as may be agreed between the Issuer or one of its affiliates and the Securityholder to equivalent effect.

Each Manager has represented and agreed (and each additional Manager named in a set of Final Terms will be required to represent and agree) (a) that it has not, except in limited circumstances agreed between the Issuer and such Manager, acquired, and will not, except in such limited circumstances, at any time acquire, any Notes or Certificates for the account or benefit of any US person and (b) that it has not, except in limited circumstances agreed between the Issuer and such Manager, offered, sold, traded or delivered, and will not, except in such limited circumstances, at any time offer, sell, trade or deliver, any Notes or

Certificates, whether acquired in connection with the distribution of the Notes or Certificates or otherwise, in the United States or to, or for the account or benefit of, US persons. Barclays Capital Inc. may act as agent for Barclays Bank PLC in respect of such offers and sales and receive certain consideration from Barclays Bank PLC in connection therewith.

Terms in the two immediately preceding paragraphs not otherwise defined have the meanings given to them by Regulation S. Thus, as used herein, the term "United States" includes the territories, the possessions and all other areas subject to the jurisdiction of the United States of America, and the term "US person" includes a resident of the United States, a corporation, partnership or other entity created or organised in or under the laws of the United States or an estate or trust the income of which is subject to United States federal income taxation regardless of its source.

Alternative or additional selling restrictions may apply where so indicated in the Final Terms for Notes or Certificates of any Series.

(b) *Type 2 US Commodities Restrictions*

Type 2 US Commodities Restrictions will generally apply in the case of Notes or Certificates that may implicate the US commodities laws resulting in a prohibition on purchase or holding by persons in the United States.

If the Final Terms for Notes or Certificates of any Series indicates that Type 2 US Commodities Restrictions apply, the US Commodities Restrictions will be as follows:

Trading in the Notes or Certificates has not been approved by the US Commodity Futures Trading Commission under the Commodity Exchange Act. The Notes or Certificates may not at any time be offered, sold or delivered in the United States or to, or for the account or benefit of, US persons, nor may any US person at any time trade or maintain a position in the Notes or Certificates. The redemption of a Note or Certificate or the payment of the relevant Settlement Amount or other similar amount on redemption of a Note or Certificate will be conditional on certification as to non US beneficial ownership.

Each Manager has represented and agreed (and each additional Manager named in a set of Final Terms will be required to represent and agree) (a) that it has not acquired, and will not at any time acquire, any Notes or Certificates for the account or benefit of any US person and (b) that it has not offered, sold, traded or delivered, and will not at any time offer, sell, trade or deliver, any Notes or Certificates, whether acquired in connection with the distribution of the Notes or Certificates or otherwise, in the United States or to, or for the account or benefit of, US persons.

Terms in the two immediately preceding paragraphs not otherwise defined have the meanings given to them by Regulation S.

US Retirement Plan Selling Restrictions

The Notes may not be sold or transferred to, and each purchaser by its purchase of the Notes shall be deemed to have represented and covenanted that it is not acquiring the Notes for or on behalf of, and will not transfer the Notes to, any pension or welfare plan as defined in Section 3 of the ERISA, that is subject to Title I of ERISA or any plan or arrangement that is subject to Section 4975 of the Internal Revenue Code or of an entity the assets of which are considered assets of such a plan, except that such

purchase for or on behalf of a plan shall be permitted when, in the sole judgment of the relevant Manager, and to the extent:

(a) such purchase is made by or on behalf of a bank collective investment fund maintained by the purchaser in which no plan (together with any other plans maintained by the same employer or employee organization) has an interest in excess of 10% of the total assets in such collective investment fund, and the other applicable conditions of Prohibited Transaction Class Exemption ("**PTCE**") 91-38 issued by the US Department of Labor are satisfied;

(b) such purchase is made by or on behalf of an insurance company pooled separate account maintained by the purchaser in which, at any time while the Notes are outstanding, no plan (together with any other plans maintained by the same employer or employee organization) has an interest in excess of 10% of the total of all assets in such pooled separate account, and the other applicable conditions of PTCE 90-1 issued by the US Department of Labor are satisfied;

(c) such purchase is made on behalf of a plan by (A) an investment adviser registered under the US Investment Advisers Act of 1940, as amended (the "**Investment Advisers Act**"), that had as of the last day of its most recent fiscal year total assets under its management and control in excess of $85 million and had stockholders' or partners' equity in excess of $1 million as shown in its most recent balance sheet prepared in accordance with generally accepted accounting principles, or (B) a bank as defined in Section 202(a)(2) of the Investment Advisers Act with equity capital in excess of $1 million as of the last day of its most recent fiscal year, or (C) an insurance company which is qualified under the laws of more than one state to manage, acquire or dispose of any assets of a pension or welfare plan, which insurance company has as of the last day of its most recent fiscal year, net worth in excess of $1 million and which is subject to supervision and examination by a State authority having supervision over insurance companies and, in any case, such investment adviser, bank or insurance company is otherwise a qualified professional asset manager, as such term is used in PTCE 84-14 issued by the US Department of Labor, and the assets of such plan when combined with the assets of other plans established or maintained by the same employer (or affiliate thereof) or employee organisation and managed by such investment adviser, bank or insurance company, do not represent more than 20% of the total client assets managed by such investment adviser, bank or insurance company at the time of the transaction, and the other applicable conditions of such exemption are otherwise satisfied;

(d) such plan is a governmental plan (as defined in Section 3(3) of ERISA) which is not subject to the provisions of Title I of ERISA or Section 4975 of the Internal Revenue Code;

(e) such purchase is made by or on behalf of an insurance company using the assets of its general account, the reserves and liabilities for the general account contracts held by or on behalf of any plan, together with any other plans maintained by the same employer (or its affiliates) or employee organisation, do not exceed 10% of the total reserves and liabilities of the insurance company general account (exclusive of separate account liabilities), plus surplus as set forth in the National Association of Insurance Commissioners Annual Statement filed with the state domicile of the insurer, in accordance with PTCE 95-60, and the other applicable conditions of such exemption are otherwise satisfied;

(f) such purchase is made by an in-house asset manager within the meaning of Part IV(a) of PTCE 96-23, such manager has made or properly authorized the decision for such plan to purchase the Notes, under circumstances such that PTCE 96-23 is applicable to the purchase and holding of the Notes; or

(g) such purchase will not otherwise give rise to a transaction described in Section 406 of ERISA or Section 4975(c)(1) of the Internal Revenue Code for which a statutory or administrative exemption is unavailable.

United Kingdom

Each Manager has represented and agreed, and each further Manager appointed under the Programme will be required to represent and agree, that:

(a) in relation to any Securities issued by BCCL which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Securities other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Securities would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Securities in circumstances in which Section 21(1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Securities in, from or otherwise involving the United Kingdom.

France

Each Manager has represented and agreed that:

(a) *Offer to the public in France*

it has only made and will only make an offer of any Securities to the public in France when a prospectus has been approved by the competent authority of a Member State of the European Economic Area which has implemented the EU Prospectus Directive 2003/71/EC, on the date of notification of such approval to the *Autorité des marchés financiers*, all in accordance with Articles L.412-1 and L.621 8 of the French *Code monétaire et financier* and the *Règlement général* of the AMF, and ending at the latest on the date which is 12 months after the date of the approval of the Base Prospectus; or

(b) *Private Placement in France*

it has not offered or sold and will not offer or sell, directly or indirectly, any Securities to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Securities and such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to

portfolio management for the account of third parties, and/or (b) qualified investors (*investisseurs qualifiés*), as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French *Code monétaire et financier*.

If necessary, these French selling restrictions will be supplemented in the relevant Final Terms.

Republic of Italy

To the extent that an offer of Italian Securities to be made under this Base Prospectus has not been registered in Italy, as specified in the relevant Final Terms, in accordance with the applicable laws and regulations (and, in particular, pursuant to Articles 14, 17 and 18 of the Prospectus Directive and Articles 94 and 98 of Legislative Decree No. 58 of 24 February 1998, as amended (the Financial Services Act), as implemented by the CONSOB Regulation 14 May 1999, n. 11971, as amended (the Regulation No. 11971) (a Registered Offer), no Italian Securities may be offered, sold or delivered, nor may copies of this Base Prospectus or of any other document relating to the Italian Securities be distributed in the Republic of Italy, except:

(i) to qualified investors (*investitori qualificati*), as defined pursuant to Article 100 of the Financial Services Act and Article 34-ter, first paragraph. letter b) of Regulation No. 11971; or

(ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Regulation No. 11971.

Any Registered Offer or any offer, sale or delivery of the Italian Securities or distribution of copies of the Base Prospectus or any other document relating to the Italian Securities in the Republic of Italy under (i) or (ii) above must be:

(i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation 29 October 2007, No. 16190 of (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the "**Banking Act**"); and

(ii) in compliance with Article 129 of the Banking Act, as amended, and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy; and

(iii) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or other Italian authority.

Please note that in accordance with Article 100-bis of the Financial Services Act, where no exemption from the rules on public offerings under (i) and (ii) above applies, the subsequent distribution of the Italian Securities on the secondary market in Italy must be made in compliance with the public offer and the prospectus requirement rules provided under the Financial Services Act and Regulation No. 11971. Failure to comply with such rules may result in the sale of such Italian Securities being declared null and void and in the liability of the intermediary transferring the financial instruments for any damages suffered by the investors.

Singapore

THIS DOCUMENT HAS NOT BEEN REGISTERED AS A PROSPECTUS WITH THE MONETARY AUTHORITY OF SINGAPORE. ACCORDINGLY, THIS DOCUMENT AND ANY OTHER DOCUMENT OR MATERIAL IN

CONNECTION WITH THE OFFER OR SALE, OR INVITATION FOR SUBSCRIPTION OR PURCHASE, OF INTERESTS MAY NOT BE CIRCULATED OR DISTRIBUTED, NOR MAY INTERESTS BE OFFERED OR SOLD, OR BE MADE THE SUBJECT OF AN INVITATION FOR SUBSCRIPTION OR PURCHASE, WHETHER DIRECTLY OR INDIRECTLY, TO PERSONS IN SINGAPORE OTHER THAN (I) TO AN INSTITUTIONAL INVESTOR UNDER SECTION 274 OF THE SECURITIES AND FUTURES ACT, CHAPTER 289 OF SINGAPORE (THE "**SFA**"), (II) TO A RELEVANT PERSON PURSUANT TO SECTION 275(1), OR ANY PERSON PURSUANT TO SECTION 275(1A), AND IN ACCORDANCE WITH THE CONDITIONS SPECIFIED IN SECTION 275 OF THE SFA, OR (III) OTHERWISE PURSUANT TO, AND IN ACCORDANCE WITH THE CONDITIONS OF, ANY OTHER APPLICABLE PROVISION OF THE SFA.

WHERE INTERESTS ARE SUBSCRIBED OR PURCHASED UNDER SECTION 275 BY A RELEVANT PERSON WHICH IS:

(a) A CORPORATION (WHICH IS NOT AN ACCREDITED INVESTOR (AS DEFINED IN SECTION 4A OF THE SFA)) THE SOLE BUSINESS OF WHICH IS TO HOLD INVESTMENTS AND THE ENTIRE SHARE CAPITAL OF WHICH IS OWNED BY ONE OR MORE INDIVIDUALS, EACH OF WHOM IS AN ACCREDITED INVESTOR; OR

(b) A TRUST (WHERE THE TRUSTEE IS NOT AN ACCREDITED INVESTOR) WHOSE SOLE PURPOSE IS TO HOLD INVESTMENTS AND EACH BENEFICIARY OF THE TRUST IS AN INDIVIDUAL WHO IS AN ACCREDITED INVESTOR,

SECURITIES (AS DEFINED IN SECTION 239(1) OF THE SFA) OF THAT CORPORATION OR THE BENEFICIARIES' RIGHTS AND INTEREST (HOWSOEVER DESCRIBED) IN THAT TRUST SHALL NOT BE TRANSFERRED WITHIN SIX MONTHS AFTER THAT CORPORATION OR THAT TRUST HAS ACQUIRED THE INTERESTS PURSUANT TO AN OFFER MADE UNDER SECTION 275 EXCEPT:

(1) TO AN INSTITUTIONAL INVESTOR OR TO A RELEVANT PERSON DEFINED IN SECTION 275(2) OF THE SFA, OR TO ANY PERSON ARISING FROM AN OFFER REFERRED TO IN SECTION 275(1A) OR SECTION 276(4)(i)(B) OF THE SFA;

(2) WHERE NO CONSIDERATION IS OR WILL BE GIVEN FOR THE TRANSFER;

(3) WHERE THE TRANSFER IS BY OPERATION OF LAW; OR

(4) AS SPECIFIED IN SECTION 276(7) OF THE SFA.

Hong Kong

Notes

Each Manager has represented and agreed (and each additional Manager named in a set of Final Terms will be required to represent and agree) that:

(a) it has not offered or sold, and will not offer or sell, in Hong Kong, by means of any document, any Notes other than (i) to persons whose ordinary business is to buy or sell shares or debentures (whether as principal or agent), or (ii) in other circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) (the "**CO**"), or (iii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) (the "**SFO**") and any rules made under the SFO, or (iv) in other circumstances which do not result in the document being a "prospectus" within the meaning of the CO; and

(b) it has not issued, or had in its possession for the purposes of issue, and will not issue, or have in its possession for the purposes of issue (in each case whether in Hong Kong or elsewhere), any advertisement, invitation or document relating to the Notes which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the SFO and any rules made under the SFO.

Certificates and Warrants

No person, other than a person permitted to do so under the securities laws of Hong Kong, has issued or had in its possession for the purposes of issue, or will issue, or have in its possession for the purposes of issue any advertisement, invitation or document relating to the Certificates or Warrants, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong other than with respect to the Certificates or Warrants which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the SFO and any rules made thereunder.

Japan

The Securities have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No 25 of 1948, as amended) (the "**Financial Instruments and Exchange Law**"). Accordingly, each Manager has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Securities in Japan or to, or for the benefit of, any resident of Japan or to others for reoffering or resale, directly or indirectly, in Japan or to any resident of Japan except in circumstances which will result in compliance with the Financial Instruments and Exchange Law and all applicable other laws, regulations and ministerial guidelines in Japan. As used in this paragraph, "resident of Japan" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Korea

Each Manager has represented, warranted and agreed, and any additional Manager named in the applicable Final Terms will be required to represent warrant and agree that the Securities have not been and will not be registered under the Financial Investment Services and Capital Markets Act of Republic of Korea and that Securities have not been and will not be offered, delivered or sold directly or indirectly in Korea or to any resident of Korea (as defined under the Foreign Exchange Transactions Law of Korea and the regulations thereunder) or to others for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea, except as otherwise permitted under the applicable laws and regulations of Korea. Each Manager has undertaken, and any additional Manager named in the applicable Final Terms will be required to undertake to ensure that any securities dealer to which it sells Securities confirms that it is purchasing such Securities as principal and agrees with such Manager that it will comply with the restrictions described above.

Taiwan

The Securities may not be sold, offered or issued to Taiwan resident investors or in Taiwan unless they are made available, (i) outside Taiwan for purchase outside Taiwan by such inventors and/or (ii) in Taiwan through bank trust departments, licensed securities brokers and/or insurance company investment linked insurance policies pursuant to the Taiwan Rules Governing Offshore Structured Products.

Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia ("**Australian Corporations Act**")) in relation to the Securities has been or will be lodged with the Australian Securities and Investments Commission ("**ASIC**"). Each Manager has represented and agreed and each further Manager appointed under the Programme will be required to represent and agree that unless the applicable Final Terms (or another supplement to any Prospectus) otherwise provides, it:

(a) has not offered or invited applications, and will not offer or invite applications for the issue, sale or purchase of the Securities in Australia (including, without limitation, an offer or invitation which is received by a person in Australia); and

(b) has not distributed or published, and will not distribute or publish, any draft, preliminary or definitive offering circular or other offering material or advertisement relating to the Securities in Australia,

unless:

(i) the offer or invitation is not made to a "retail client" (as defined for the purposes of Chapter 7 of the Australian Corporations Act);

(ii) the aggregate consideration payable by each offeree is at least A$500,000 (or its equivalent in other currencies but disregarding monies lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors under Part 6D.2 or Chapter 7 of the Australian Corporations Act;

(iii) such action complies with all applicable laws, regulations and directives (including, without limitation, the licensing requirements of Chapter 7 of the Australian Corporations Act); and

(iv) such action does not require any document to be lodged with ASIC.

Switzerland

The Securities may not be publicly distributed in Switzerland. This Base Prospectus shall not be despatched, copied to or otherwise made available to, and the Securities may not be offered for sale to any person in Switzerland, except to Qualified Investors as defined in article 10 of the Swiss Act on Collective Investment Schemes ("**CISA**"), i.e. to (a) prudentially regulated financial intermediaries such as banks, securities dealers and fund management companies, (b) regulated insurance institutions, (c) public entities and retirement benefits institutions with professional treasury department, (d) companies with professional treasury departments, (e) High-Net-Worth Individuals (as defined below) and (f) investors who have concluded a written discretionary management agreement with a financial intermediary as defined under lit. a) or with an independent asset manager that is governed by the

Money Laundering Act of October 10, 1997 and by the code of conduct employed by a specific industry body, such code of conduct being recognised by the supervisory authority as the minimum standard. The discretionary management agreement with such independent asset manager shall comply with the recognized standards of a specific industry body. "**High-Net-Worth Individual**" is a private individual who confirms in writing at the time of the investment to own a minimum of CHF 2 million of financial investments, whether directly or indirectly.

This document is neither a prospectus according to article 652a or article 1156 of the Swiss Code of Obligations nor a simplified prospectus according to article 5 of the CISA nor a listing prospectus according to the Listing Rules of the SIX Swiss Exchange.

Cayman Islands

No invitation will be made to the public in the Cayman Islands to subscribe for any of the Securities.

Russian Federation

Each Manager is required to represent, warrant and agree (and each additional Manager named in a set of Final Terms will be required to represent and agree) that it has not offered or sold or transferred or otherwise disposed of, and will not offer, transfer or sell any Securities as part of their initial distribution or at any time thereafter to or for the benefit of any persons (including legal entities) resident, incorporated, established or having their usual residence in the Russian Federation or to any person located within the territory of the Russian Federation, unless and to the extent otherwise permitted by Russian law; it being understood and agreed that the Managers may distribute the Base Prospectus to persons in the Russian Federation in a manner that does not constitute advertisement (as defined in Russian law) of Securities and may sell Securities to Russian persons in a manner that does not constitute "placement" or "public circulation" of the Securities in the Russian Federation (as defined in Russian law).

Argentina

No offering of the securities has been registered with the Argentine Securities and Exchange Commission (Comisión Nacional de Valores, or the "CNV"). The CNV has neither approved nor disapproved the securities, nor has the CNV passed upon or endorsed the merits of any offering or the accuracy or adequacy of the Base Prospectus. As a result, the securities may not be publicly offered or sold within Argentina. This Base Prospectus does not constitute an offer to sell any of the securities referred to herein to any prospective purchaser of the securities in Argentina, nor does it constitute a solicitation of any prospective purchaser of the securities in Argentina of an offer to buy any of the securities referred to herein, under circumstances in which such offer or solicitation, as applicable, would be unlawful.

Brazil

The securities have not been, and will not be, registered with the Brazilian Securities Commission (Comissão de Valores Mobiliários, or the "CVM"). The securities may not be offered or sold in Brazil, except in circumstances that do not constitute a public offering or unauthorized distribution of securities in Brazil or an undue solicitation of investors under Brazilian laws and regulations. Any documents or

other materials relating to any offering of the securities, as well as the information contained herein, may not be supplied in Brazil as part of any public offering, unauthorised distribution or undue solicitation of investors, and may not be used in connection with any offer for subscription, sale or unauthorised distribution of the securities or undue solicitation of investors in Brazil.

Chile

Neither Barclays Bank PLC nor the securities are registered in the Securities Registry maintained by the Chilean Securities and Insurance Superintendency (Superintendencia de Valores y Seguros de Chile, or the "SVS") pursuant to the Chilean Securities Market Law 18,045, as amended and restated, and supplemental rules enacted thereunder ("Law 18,045"). Accordingly, the securities may not be offered in Chile except in circumstances that do not constitute a public offer of securities in Chile within the meaning of Article 4 of Law 18,045.

The Base Prospectus is confidential and personal to each offeree and does not constitute an offer to any other person or to the general public in Chile to acquire the securities. Distribution of the Base Prospectus in Chile to any person other than the offeree is unauthorised, and any disclosure of any of the content of the Base Prospectus within Chile without our prior written consent is prohibited.

Each prospective investor in Chile, by accepting the delivery of the Base Prospectus, agrees to the foregoing and will not make photocopies or any other reproduction, either physical or electronic, of the Base Prospectus or any other documents referred to herein.

Colombia

The securities have not been, and will not be, registered in the National Securities and Issuers Registry (Registro Nacional de Valores y Emisores) of Colombia or traded on the Colombian Stock Exchange (Bolsa de Valores de Colombia). Therefore, the securities may not be publicly offered in Colombia or traded on the Colombian Stock Exchange.

The Base Prospectus is for the sole and exclusive use of the addressee as an offeree in Colombia, and the Base Prospectus shall not be interpreted as being addressed to any third party in Colombia or for the use of any third party in Colombia, including any shareholders, administrators or employees of the addressee.

The recipient of the securities acknowledges that certain Colombian laws and regulations (specifically foreign exchange and tax regulations) are applicable to any transaction or investment made in connection with the securities being offered and represents that it is the sole party liable for full compliance with any such laws and regulations

Costa Rica

The securities are not intended for the Costa Rican public or the Costa Rican market and are not registered, and will not be registered, with the General Superintendence of Securities ("SUGEVAL") as part of any public offering of securities in Costa Rica. The Base Prospectus relates to an individual, private offering that is made in Costa Rica in reliance upon an exemption from registration with the SUGEVAL pursuant to articles 7 and 8 of the Regulations on the Public Offering of Securities (Reglamento se Oferta Pública de Valores). The information contained in the Base Prospectus is confidential, and the Base Prospectus is not to be reproduced or distributed to third parties in Costa Rica.

Jamaica

The Financial Services Commission of Jamaica ("**FSC**") has not approved any offering of securities nor has it passed judgment on the accuracy or adequacy of the Base Prospectus and is, therefore, not liable for any statements or omissions contained herein.

Holders in Jamaica of any security purchased pursuant to an exemption provided pursuant to the FSC Guidelines for Exempt Distributions (SR-GUID-08/05-0016), 2008 (the "Guidelines") may not trade in such security, except to another person in Jamaica qualified to purchase the relevant security or pursuant to an exemption provided for in the Guidelines.

Pre-Notification. In accordance with the Guidelines issued by the FSC applicable to the offering of any securities deemed to be an exempt distribution within the jurisdiction of the FSC, the circulation of printed or written material related to any offering of securities (including any circulation of material by electronic means), or the solicitation of any prospective purchaser, is, to the extent practicable, prohibited prior to the registration of such offering with the FSC in Jamaica.

Post-Registration Communication. From the date of delivery of the Notice of Exempt Distribution (Form XD F-1) to the FSC, persons trading in any security purchased pursuant to an exemption provided in the Guidelines may (a) distribute the Base Prospectus describing the securities and such other information as may be required under the Guidelines and (b) solicit expressions of interest from any qualified prospective purchaser, provided that at least three (3) days before the completion of the trade involving the prospective purchaser, a copy of the Base Prospectus describing the securities shall be delivered to such prospective purchaser.

Mexico

The securities have not been, and will not be, registered with the National Securities Registry maintained by the Mexican National Banking and Securities Commission (Comisión Nacional Bancaria y de Valores, or the "**CNBV**"), and therefore the securities may not be publicly offered or sold nor be the subject of intermediation in Mexico, publicly or otherwise, except that the securities may be offered in Mexico to institutional and qualified investors pursuant to the private placement exception set forth in Article 8 of the Mexican Securities Market Law.

Panama

The securities have not been, and will not be, registered with the National Securities Commission of Panama (Comisión Nacional de Valores, or the "CNV") under Decree Law No. 1 of July 8, 1999 (the "Panamanian Securities Act") and may not be publicly offered or sold within Panama, except in certain limited transactions exempted from the registration requirements of the Panamanian Securities Act. The securities do not benefit from the tax incentives accorded to registered securities by the Panamanian Securities Act and are not subject to regulation or supervision by the CNV.

Paraguay

The securities and the Base Prospectus do not constitute a public offering of securities or other financial products and services in Paraguay. You acknowledge that (a) the securities were issued outside of Paraguay, (b) any legal matter arising from any offering of the securities shall not be submitted to any

Paraguayan government authority and (c) the Paraguayan Deposit Insurance legislation does not insure investments in the securities. The Paraguayan Central Bank (Banco Central del Paraguay), the Paraguayan National Stock Exchange Commission (Comisión Nacional de Valores del Paraguay), and the Paraguayan Banking Superintendency (Superintendencia de Bancos del Banco Central del Paraguay) do not regulate any offering of the securities or any obligations that may arise from such offering. You should make your own decision whether any offering meets your investment objectives and risk tolerance level.

Spanish translation: Ni este prospecto ni los valores constituyen el ofrecimiento público de valores u otros productos y servicios financieros en Paraguay. Ud. reconoce y acepta que (a) los valores fueron emitidos fuera del Paraguay; (b) cualquier disputa o conflicto legal que surja en virtud de cualquier oferta de valores no será sometida a autoridad publica Paraguaya alguna; y (c) la Ley de Garantía de Depósitos de su país de residencia no cubre los valores, ni los activos y fondos transferidos a estos efectos. El Banco Central del Paraguay, la Comisión Nacional de Valores del Paraguay y la Superintendencia de Bancos del Banco Central del Paraguay no regulan, ni son responsables de, cualquier oferta de los valores o de cualquier obligación que pueda surgir como resultado de tal oferta. Ud. debe hacer su propia evaluación en cuanto a si cualquier oferta cumple con sus objetivos de inversión y sus niveles de tolerancia de riesgos.

Peru

The securities have not been, and will not be, registered with the National Supervising Commission of Companies (Comisión Nacional Supervisora de Empresas y Valores, or "CONASEV"). If through any private offering an institutional investor acquires securities that are not registered with CONSAEV, such securities may not be sold or transferred by such institutional investor for a period of 12 months from their acquisition date unless (a) such transfer or sale is made to another institutional investor as defined by the Peruvian Securities Market Law (Ley del Mercado de Valores); (b) such securities have been registered under CONASEV's Public Registry or (c) such transfer or sale is made pursuant to an applicable exemption from registration under the Peruvian Securities Market Law.

Notice to Private Pension Funds and Insurance Companies in Peru. Private Pension Funds (Administradoras Privadas de Fondos de Pensiones) and Insurance Companies (Compañías de Seguros) in Peru should seek their own legal advice as to the eligibility of the securities and legal, financial and technical advice as to their capacity to acquire the securities in compliance with the limits set forth by applicable Peruvian law. In particular, to acquire the securities, Peruvian Private Pension Funds should seek to register of the securities with the Peruvian Bank and Insurance Superintendency (Superintendencia de Banca, Seguros y AFP,)and, if applicable, to register the particular placement procedure through which such securities are acquired.

Trinidad & Tobago

The securities have been or will be issued in Trinidad & Tobago on a private placement basis exempt from registration under the Securities Industry Act, 1995 of the laws of Trinidad & Tobago (the "TTSIA") and may not be offered, resold, distributed or otherwise transferred to a person in Trinidad & Tobago if such offer, resale, distribution or transfer would cause or require the securities to be registered under the TTSIA.

The Base Prospectus is personal to each offeree in Trinidad & Tobago and does not constitute an offer to any other person or to the public generally in Trinidad & Tobago to subscribe for or otherwise acquire securities. Distribution of the Base Prospectus to, or access to the Base Prospectus (through the Internet or through any other electronic or written means) by, any other person in Trinidad & Tobago other than the prospective investor, and any person retained to advise such prospective investor with respect to its purchase, is unauthorised, and any disclosure of its contents in Trinidad & Tobago is prohibited. Each prospective investor in Trinidad & Tobago, by accepting delivery of, or accessing, the Base Prospectus, as applicable, agrees to the foregoing and to not make photocopies, electronic copies or otherwise of the Base Prospectus or any documents referred to in the Base Prospectus.

The Trinidad & Tobago Securities and Exchange Commission ("TTSEC") has not in any way evaluated the merits of the securities described in the Base Prospectus and any representation to the contrary is an offence.

The securities are subject to restrictions on transferability and resale and may not be transferred or resold in Trinidad & Tobago except as permitted under the TTSIA and other applicable securities laws in Trinidad & Tobago. The securities will be subject to restrictions on resale and transfer as described below under "Trinidad & Tobago Transfer Restrictions".

Trinidad & Tobago Transfer Restrictions.

In this subsection "Trinidad & Tobago Transfer Restrictions", the terms "offer to the public", "distribution", "offer to sell", "reporting issuer", "prospectus", "sale" and "Sophisticated Purchaser" shall bear the same meanings as are assigned to them in the TTSIA.

The securities shall be offered to Sophisticated Purchasers not exceeding thirty-four (34) persons in the aggregate and the distribution shall be previously notified in writing to the TTSEC in accordance with Section 75(2) of the TTSIA and shall be followed by a report to the TTSEC of such distribution within ten (10) days of same.

The distribution of the securities in Trinidad & Tobago shall not be accompanied by an advertisement other than an announcement of its completion as prescribed by the TTSEC and no selling or promotional expenses shall be paid or incurred in connection with the distribution except for professional services or services performed by Barclays Bank PLC.

Pursuant to Section 75(2) of the TTSIA, Barclays Bank PLC is exempt from filing a prospectus with the TTSEC.

Unless a proposed sale or distribution of the securities by a purchaser is exempt from registration under the TTSIA, no purchaser in Trinidad & Tobago may distribute or offer to sell any security without the prior written consent of Barclays Bank PLC or the applicable distributor, agent or underwriter. Neither Barclays Bank PLC nor the applicable distributor, agent or underwriter shall give its consent to a purchaser to distribute or offer to sell a security:

- if such distribution or offer for sale would cause or require the securities to be registered with the TTSEC as an offer to the public;
- if such distribution or offer for sale would result in Barclays Bank PLC and/or or the applicable distributor, agent or underwriter having to comply with Sections 69 to 71 of the TTSIA; and
- unless such consent is made conditional upon the purchaser ensuring that each purchaser of the security enters into a direct covenant with Barclays Bank PLC and/or the applicable distributor,

agent or underwriter not to distribute or offer to sell any security without their prior written consent.

No purchaser may distribute or offer to sell any securities if such distribution or offer for sale would result in the purchaser of the securities not being a Sophisticated Purchaser or the number of holders to exceed thirty-four Sophisticated Purchasers in the aggregate.

Each purchaser of the securities offered and sold in Trinidad and Tobago will be deemed to have represented and agreed as follows: the purchaser (a) is a Sophisticated Purchaser, (b) is aware that the sale to it is being made in accordance with Section 75(2) of the TTSIA and (c) is acquiring such securities for its own account or for the account of a Sophisticated Purchaser.

Each purchaser understands and acknowledges that the securities are being offered in a transaction not involving any public offering in Trinidad & Tobago within the meaning of the TTSIA, that the securities have not been, and except as described in the Base Prospectus, will not be, registered under the TTSIA and may not be offered, sold or otherwise transferred in Trinidad & Tobago unless exempt from registration under the TTSIA. By acquiring the securities, each purchaser agrees that (a) if in the future such purchaser decides to offer, resell, pledge or otherwise transfer any of the securities, such securities may only be offered, sold, pledged or otherwise transferred pursuant to an exemption from registration and from the filing of a prospectus under the TTSIA, and (b) such purchaser will, and will require each subsequent holder to, notify any person to whom such purchaser or subsequent holder, as applicable, resells the securities, of the resale restrictions referred to in (a) above.

Uruguay

The sale of the securities qualifies as a private placement pursuant to Section 2 of Uruguayan law 18.627. The securities must not be offered or sold to the public in Uruguay, except in circumstances which do not constitute a public offering or distribution under Uruguayan laws and regulations. The securities are not and will not be registered with the Financial Services Superintendency of the Central Bank of Uruguay.

Venezuela

The securities have only been registered with the Securities and Exchange Commission of the United States of America and in accordance with the U.S. Securities Act of 1933, as amended. No public offering may be conducted in Venezuela without prior registration or authorization and in accordance with applicable laws and regulations in Venezuela.

General

These selling restrictions may be modified by the agreement of the Issuer and the relevant Manager, including following a change in a relevant law, regulation or directive. Any such modification will be set out in the Final Terms issued in respect of the issue of Securities to which it relates, in an applicable Relevant Annex or in a supplement to this Base Prospectus.

No action has been taken in any jurisdiction that would permit a public offering of any of the Securities, or possession or distribution of the Base Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Manager has agreed that it will comply with all relevant laws, regulations and directives, and obtain all relevant consents, approvals or permissions, in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms, and neither the Issuer nor any Manager shall have responsibility therefor.

GENERAL INFORMATION

Authorisation and Consents

The update of the Programme and the issue of Securities under the Programme have been duly authorised by resolutions of the Board of Directors of BCCL on 4 August 2010 and resolutions of an authorised committee of the Board of Directors of the Bank on 2 August 2010.

The Issuers have obtained all necessary consents, approvals and authorisations in connection with establishing and updating this Programme and will obtain all such consents, approvals and authorisations in connection with the issue and performance of each Security or Series of Securities issued under this Programme.

Use of Proceeds

Each Issuer intends to apply the net proceeds from the sale of any Securities either for hedging purposes or for general corporate purposes unless otherwise specified in the Final Terms relating to a particular Security or Series of Securities. If, in respect of any particular issue of Securities, there is a particular identified use of proceeds this will be stated in the applicable Final Terms.

Base Prospectus

This Base Prospectus may be used for a period of one year from its date in connection with a public offer of Securities in the EU, or for the listing and admission to trading of Series of Securities. A revised Base Prospectus will be prepared in connection with the listing of any Series of Securities issued after such period unless all consents necessary are obtained for an extension of such period.

If at any time the Bank or BCCL shall be required to prepare a supplement to the Base Prospectus (a "**Supplement**") pursuant to Section 87 of the FSMA, or to give effect to the provisions of Article 16(1) of the Prospectus Directive, the Bank or BCCL will prepare and make available an appropriate amendment or supplement to this Base Prospectus or a further base prospectus which, in respect of any subsequent issue of Securities to be offered to the public or to be admitted to trading on the Regulated Market of the London Stock Exchange, or of any other Relevant Stock Exchange shall constitute a supplemental base prospectus as required by the FSA and Section 87 of the FSMA.

Listing

Any Series of Securities may be admitted to listing and trading on the London Stock Exchange or any other Relevant Stock Exchange as set out in the applicable Final Terms.

Unlisted Securities may also be issued under the Programme.

Relevant Clearing Systems

The Securities issued under the Programme may be accepted for clearance through the Euroclear, Clearstream and Clearstream Frankfurt systems, DTC and any other Relevant Clearing System as set out

in any applicable Relevant Annex or in the applicable Final Terms. The appropriate common code for each Series allocated by Euroclear, Clearstream or Clearstream Frankfurt or CINS or CUSIP number allocated by DTC will be set out in the applicable Final Terms, together with the International Securities Identification Number (the "**ISIN**"*)* for that Series. If the Securities are to be cleared through an additional or alternative clearing system, the appropriate information will be set out in the applicable Final Terms. Transactions will normally be effected for settlement not earlier than three business days after the date of transaction.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of Clearstream Frankfurt is Neue Börsenstrasse 1, Frankfurt am Main, Germany. The address of The Depository Trust Company is 55 Water Street, New York, NY10041-0099, USA. The address of any additional clearing system will be set out in any applicable Relevant Annex or in the applicable Final Terms.

French Securities

French Securities will be inscribed in the books of Euroclear France (acting as central depositary). The address of Euroclear France is 115 rue Réaumur, 75081 Paris Cedex 02, France.

Documents available

For as long as this Base Prospectus remains in effect or any Securities remain outstanding, copies of the following documents will, when available, be made available during usual business hours on a weekday (Saturdays and public holidays excepted) for inspection and in the case of (b), (c), (h), (i) and (j) below shall be available for collection free of charge at the registered office of the relevant Issuer and (i) in respect of Securities other than CREST Securities, at the specified office of the Issue and Paying Agent and, in the case of the Final Terms in respect of any Series, at the specified office of the relevant Paying Agents or Transfer Agents, as the case may be, and (ii) in respect of CREST Securities, at the specified office of the CREST Agent:

(a) the constitutional documents of each of the Issuers;

(b) the documents set out in the "**INCORPORATION BY REFERENCE**" section of this Base Prospectus;

(c) all future annual reports and semi-annual financial statements of the Bank and of BCCL;

(d) the Master Subscription Agreement;

(e) the relevant Agency Agreement;

(f) the Guarantee;

(g) the Deed of Covenant;

(h) the current Base Prospectus in respect of the Programme and any future supplements thereto;

(i) any Final Terms issued in respect of Securities admitted to listing, trading and/or quotation by any listing authority, stock exchange, and/or quotation system since the most recent base prospectus was published; and

(j) any other future documents and/or announcements issued by the Issuers.

Post-issuance information

The Issuers do not intend to provide any post-issuance information in relation to any of the Securities or the performance of any Reference Asset or any other underlying relating to Securities.

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BARCLAYS ITALIAN SECURITIES ANNEX BASE PROSPECTUS SUPPLEMENT

BARCLAYS BANK PLC

(Incorporated with limited liability in England and Wales)

BARCLAYS CAPITAL (CAYMAN) LIMITED

(Incorporated with limited liability in the Cayman Islands)
(Guaranteed by Barclays Bank PLC)

GLOBAL STRUCTURED SECURITIES PROGRAMME

This supplemental base prospectus dated 10 May 2011 (the "**Supplement**") is supplemental to and must be read in conjunction with the Base Prospectus dated 6 August 2010 in respect of the Global Structured Securities Programme (the "**Base Prospectus**") and the supplements dated 17 August 2010, 22 October 2010, 4 November 2010, 12 November 2010, 23 December 2010, 7 March 2011 and 29 March 2011 to the Base Prospectus (together, the "**Prospectus**"), prepared and issued by Barclays Bank PLC and Barclays Capital (Cayman) Limited (each, an "**Issuer**" and together, the "**Issuers**").

This Supplement constitutes a prospectus supplement in respect of the Base Prospectus for the purposes of Directive 2003/71/EC (the "**Prospectus Directive**") and for the purposes of Section 87G of the UK Financial Services and Markets Act, 2000 (the "**FSMA**"). Investors should be aware of their rights under Section 87Q(4) of the FSMA.

Terms defined in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement. To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in the Prospectus, or incorporated by reference into the Base Prospectus, the statements in (a) above shall prevail.

The Issuers and the Guarantor accept responsibility for the information contained in this Supplement and declare that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of the knowledge of the Issuers and the Guarantor, in accordance with the facts and contains no omission likely to affect the import of such information. Save as disclosed in this Supplement, no significant new factor, material mistake or inaccuracy relating to the information included in the Prospectus which is capable of affecting the assessment of the securities issued under the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Prospectus.

This Supplement has been approved by the United Kingdom Financial Services Authority, which is the United Kingdom competent authority for the purposes of the Prospectus Directive and the relevant implementing measures in the United Kingdom, as a prospectus supplement issued in compliance with the Prospectus Directive and the relevant implementing measures in the United Kingdom for the purposes of giving information with regard to the issue of securities under the Prospectus.

The purpose of this Supplement is to detail, *inter alia,* certain amendments to the provisions relating to Italian Securities set out in the Base Prospectus and accordingly:

(a) the section headed "Summary" set out on pages 9 to 17 (inclusive) of the Base Prospectus shall be amended as set out at Schedule 1 attached hereto;

(b) the section headed "Risks Factors" set out on pages 18 to 45 (inclusive) of the Base Prospectus shall be amended as set out at Schedule 2 attached hereto;

(c) the section headed "Information relating to the Issuers" set out on pages 49 to 58 (inclusive) of the Base Prospectus shall be amended as set out at Schedule 3 attached hereto;

(d) the section headed "Italian Securities Annex" set out on pages 577 to 583 (inclusive) of the Base Prospectus shall be amended as set out at Schedule 4 attached hereto;

(e) the section headed "Taxation" set out on pages 699 to 722 (inclusive) of the Base Prospectus shall be amended as set out at Schedule 5 attached hereto; and

(f) the section headed "Purchase and Sale" set out on pages 722 to 741 (inclusive) of the Base Prospectus shall be amended as set out at Schedule 6attached hereto

Arranger

Barclays Capital

The date of this Supplement is 10 May 2011.

SCHEDULE 1

SUMMARY

This Schedule 1 sets out certain amendments to the section headed "Summary" set out on pages 9 to 17 (inclusive) of the Base Prospectus

The section headed "Summary" on pages 9 to 17 (inclusive) of the Base Prospectus shall be amended as follows:

1. the sub-section headed "Issuers:" set out on page 10 of the Base Prospectus shall be amended by the insertion of the words "and Italian Securities" after the words "Only the Bank may issue French Securities";

2. the sub-section headed "Call Option and Nominal Call Event:" set out on page 13 of the Base Prospectus shall be amended by the insertion of the following as a new third paragraph thereof:

   "Exercisable Certificates that are Italian Securities may be cancelled early by the Issuer exercising its Call Option, at their Issuer Call Optional Cash Settlement Amount.";

3. the following shall be inserted as a new sub-section below the sub-section headed "Specified Early Redemption Event" on page 13 of the Base Prospectus:

"Specified Early Cancellation Event:	The Issuer may, or will if automatic early cancellation applies, cancel Warrants and Exercisable Certificates early at their Specified Early Cash Settlement Amount or by delivery of the Specified Early Physical Cancellation Entitlement.";

4. the sub-section headed "Exercise of Securities" beginning on page 13 of the Base Prospectus shall be amended by the insertion of the following as a new third paragraph thereof:

   "If an Early Exercise Trigger Event occurs, Exercisable Certificates that are Italian Securities may be exercised on any of the dates specified in the Trigger Event Notice."; and

5. the sub-section headed "Certain factors are material for the purpose of assessing the risks associated with investing in Securities and which may affect the return on, and value of Securities including:" beginning on page 15 of the Base Prospectus shall be amended by the insertion of the words "(subject to certain conditions)" after the words "in respect of English law Securities, the Issuer may be substituted" on page 16 thereof.

SCHEDULE 2

RISK FACTORS

This Schedule 2 sets out certain amendments to the section headed "Risks relating to the Bank and the Group" set out on pages 18 to 45 (inclusive) of the Base Prospectus

The following sub-paragraph shall be inserted after the sub-paragraph headed "*Financial Services Compensation Scheme*" set out on page 23 to 24 (inclusive) of the Base Prospectus:

*"*Payment Protection Insurance

Payment Protection Insurance ("**PPI**") has been under scrutiny by the UK competition authorities and financial services regulators. The UK Competition Commission ("**CC**") has undertaken an in-depth enquiry into the PPI market which has resulted in the CC introducing a number of remedies including a prohibition on sale of PPI at the point of sale. Furthermore, a judicial review was launched regarding the treatment of PPI complaints by the FSA and Financial Ombudsman Service. The judgment on the judicial review proceedings was announced on 20 April 2011 in favour of the FSA and the Financial Ombudsman Service. On 9 May 2011, the Bank announced that it will not participate in any application for permission to appeal against the judgment and it will begin to process all on-hold and any new complaints from customers about PPI policies that they hold. While important aspects of the handling of PPI complaints, and therefore the cost of doing so, were not as at the date of this Base Prospectus certain, the Bank is taking a provision to cover the cost of future redress and administration of £1 billion in the second quarter 2011."

SCHEDULE 3

INFORMATION RELATING TO THE ISSUERS

This Schedule 3 sets out certain amendments to the section headed "Information relating to the Issuers" set out on pages 49 to 58 (inclusive) of the Base Prospectus

The sub-section headed "THE BANK AND THE GROUP" set out on pages 49 to 56 (inclusive) of the Base Prospectus shall be amended as follows:

(a) the second paragraph of the sub-section entitled "*Payment Protection Insurance ("PPI")"* (as inserted on page 51 of the Base Prospectus via item (D)(ii) of the Combined Supplement 1/2011 dated 7 March 2011) shall be deleted and the following substituted therefor:

"On 10 August 2010, the FSA issued a Policy Statement which amends the DISP (Dispute Resolution: Complaints) rules in the FSA Sourcebook for the handling of such complaints. In October 2010, the British Bankers' Association launched a judicial review of the FSA on the basis that the Policy Statement applies incorrect standards for the management of PPI sales complaints, including retrospective application of rules with higher standards than those in place at the time of sale. These proceedings were also against the Financial Ombudsman Service which seeks to implement the same standards for the resolution of complaints referred to it.

The judgment on the judicial review proceedings was announced on 20 April 2011 in favour of the FSA and the Financial Ombudsman Service. On 9 May 2011, the Bank announced that it will not participate in any application for permission to appeal against the judgment and it will begin to process all on-hold and any new complaints from customers about PPI policies that they hold. While important aspects of the handling of PPI complaints, and therefore the cost of doing so, were not as at the date of this Base Prospectus certain, the Bank is taking a provision to cover the cost of future redress and administration of £1 billion in the second quarter 2011.";and

(b) the sub-section entitled "*Sanctions*" (as inserted on page 51 to 53 of the Base Prospectus via item (D)(vii) of the Combined Supplement 1/2011 dated 7 March 2011) shall be amended by the insertion of the following as a new paragraph:

"London Interbank Offered Rate ("LIBOR")

The FSA, the U.S. Commodity Futures Trading Commission, the SEC and the U.S. Department of Justice are conducting investigations relating to certain past submissions made by the Bank to the British Bankers' Association, which sets LIBOR. The Bank is co-operating with the investigations being conducted by these authorities and is keeping relevant regulators informed. As at the date of this Base Prospectus, it was not possible to predict the ultimate resolution of the issues covered by the various investigations, including the timing and the scale of the potential impact on the Group of any resolution."

SCHEDULE 4

ITALIAN SECURITIES ANNEX

This Schedule 4 sets out certain amendments to the section headed "Italian Securities Annex" set out on pages 577 to 583 (inclusive) of the Base Prospectus

The section headed "**Italian Securities Annex**" on pages 577 to 583 (inclusive) of the Base Prospectus shall be amended as follows:

1. the sub-section headed "**Table of Contents**" on page 577 of the Base Prospectus shall be deleted and the following substituted therefor:

"Part A –DESCRIPTION

1. Brief Description of Italian Securities

2. Risk Factors relating to Italian Securities:

2.1 Valuation of Italian Securities in the secondary market

2.2 Potential conflicts of interest relating to distributors

2.3 Possible illiquidity of Italian Securities in the secondary market where there is no offer to institutional investors

2.4 Certain considerations relating to public offers of the Italian Securities

2.5 Securities with foreign exchange risks – emerging market jurisdictions

2.6 The Securities may be cancelled prior to the Expiration Date

Part B – BASE CONDITIONS

Additional Terms and Conditions for Italian Securities

1. Amendments to Condition 5.4 of the Base Conditions

2. Amendments to Condition 6.2 of the Base Conditions

3. Amendments to Condition 6.4 of the Base Conditions

4. Amendments to Condition 9.6 of the Base Conditions

5. Amendments to Condition 15 of the Base Conditions

6. Amendments to Condition 17 of the Base Conditions

7. Amendments to Condition 24 of the Base Conditions

PART C – COMMODITY LINKED ANNEX

Description and Risk Factors

1. Amendments to the Risk Factor headed "If a Commodity Market Disruption Event has occurred or exists on a pricing date, the determination of the value of a Relevant Commodity or Commodity Index may be delayed or postponed and as a consequence the redemption or exercise of the Commodity Linked Securities"

Additional Terms and Conditions for Commodity Linked Securities

2. Amendments to Commodity Linked Condition 7

Definitions and Interpretation Applicable to Commodity Linked Securities

3. Amendments to the definition of "Disruption Fallback"

PART D – EQUITY LINKED ANNEX

Additional Terms and Conditions for Equity Linked Securities

1. Amendments to Equity Linked Condition 1.2

2. Amendments to Equity Linked Condition 1.5

3. Amendments to Equity Linked Condition 2.1

4. Amendments to Equity Linked Condition 2.5.1

5. Amendments to Equity Linked Condition 3.1

6. Amendments to Equity Linked Condition 5.1

7. Amendments to Equity Linked Condition 8

Definitions and Interpretation Applicable to Equity Linked Securities

1. Amendments to the definition of "Cash Amount"

2. Amendments to the definition of "Expenses"

PART E – FORM OF FINAL TERMS

1. Amendments to Form of Final Terms;

2. the sub-section headed "**Risk Factors relating to Italian Securities**" in "**PART A – DESCRIPTION AND RISK FACTORS**" beginning on page 578 of the Base Prospectus shall be amended as follows:

2.1 the words ", for so long as the rules of the SeDeX so require," shall be inserted after the words "the Issuer (or an entity on behalf of the Issuer) will" on the fourth line of sub-paragraph 2.4 headed "Possible illiquidity of Italian Securities in the secondary market where there is no offer to institutional investors";

2.2 sub-paragraph 2.5 headed "Securities providing for the application of a cap to the Reference Asset" shall be deleted and the following substituted therefor:

"**2.5 The Securities may be cancelled prior to the Expiration Date**

The applicable Final Terms for a particular Series of Italian Securities may provide that the Issuer has a right to cancel the Securities by giving notice during the specified Issuer Call Notice Period. If a Security is so cancelled, depending on the prevailing market conditions and the relevant terms of such Security in relation to the cancellation, the relevant Settlement Amount in respect of such Security may be lower than the purchase price of such Security paid by the Securityholder and may be zero. As a consequence, the Securityholder may not receive the total amount of the capital invested. In addition, investors that choose to reinvest monies they receive through a cancellation may be able to do so only in securities with a lower yield than the cancelled Securities.";

2.3 sub-paragraph 2.6 headed "Certain Considerations relating to Italian Securities" shall be deleted and the following substituted therefor:

"**2.6 Certain considerations relating to public offers of the Italian Securities**

If the Italian Securities are distributed by means of a public offer, under certain circumstances indicated in the applicable Final Terms, the Issuer and/or the other entities indicated in the Final Terms, will have the right to withdraw the offer and the offer will be deemed to be null and void in accordance with the applicable Final Terms. In such a case, investors who have already paid or delivered the subscription amounts in respect of such Securities will be entitled to the reimbursement of such subscription amounts but there may be a time lag in making any reimbursements, no amount will be payable as compensation and the applicant may be subject to reinvestment risk.

Furthermore, under certain circumstances, the Issuer and/or the other entities indicated in such Final Terms, will have the right to postpone the originally-designated issue date. In the event that the issue date is so delayed, no compensation will be payable.";

2.4 sub-paragraph 2.7 headed "**Listing of Securities**" and sub-paragraph 2.8 headed "**Securities with foreign exchange risks – emerging market jurisdictions**" shall be deleted and the following substituted therefor:

"2.7 Securities with foreign exchange risks – emerging market jurisdictions

Prospective investors should be aware that the risks set out in the risk factor headed "Securities with foreign exchange risks" in the section headed "Risk Factors" of the Base Prospectus may be amplified in respect of Italian Securities where any relevant currency is the currency of an emerging market jurisdiction."; and

3. the sub-section headed "**PART B – ADDITIONAL TERMS AND CONDITIONS FOR ITALIAN SECURITIES**" beginning on page 581 of the Base Prospectus shall be deleted and the following substituted therefor:

"PART B – ADDITIONAL TERMS AND CONDITIONS FOR ITALIAN SECURITIES

Italian Securities will only be issued by the Bank. BCCL will not issue Italian Securities and references in the Conditions of Italian Securities to the "Issuer" shall be construed to refer only to the Bank

In respect of Italian Securities, the Base Conditions shall be amended as follows:

1. Amendments to Condition 5.4 of the Base Conditions

Condition 5.4 of the Base Conditions (*Early Redemption or Adjustment following the occurrence of an Additional Disruption Event*) beginning on page 153 of the Base Prospectus shall be amended by the deletion of the words "at its sole and absolute discretion" and the substitution of the words "in good faith and in a reasonable manner" therefor.

2. Amendments to Condition 6.2 of the Base Conditions

Condition 6.2 of the Base Conditions (*Cancellation or Adjustment following the occurrence of an Additional Disruption Event or Cancellation following the occurrence of a Nominal Call Event or Cancellation following the occurrence of a Specified Early Cancellation Event*) beginning on page 157 of the Base Prospectus shall be amended by:

(a) the amendment of the title thereof to read: "Cancellation or Adjustment following the occurrence of an Additional Disruption Event or Cancellation following the occurrence of a Nominal Call Event or Cancellation following the occurrence of a Specified Early Cancellation Event or Cancellation at the option of the Issuer or Cancellation following the occurrence of an Early Exercise Trigger Event";

(b) the deletion of the words "at its sole and absolute discretion" in Condition 6.2(a) thereof and the substitution of the words "in good faith and in a reasonable manner" therefor;

(c) the deletion of the words "at its sole and absolute discretion" in Condition 6.2(a)(i) thereof and the substitution of the words "in good faith and in a reasonable manner" therefor;

(d) the deletion of the word "commercially" in Condition 6.2(a)(i) thereof; and

(e) the insertion of the following as paragraphs (d) and (e) thereof:

"(d) In relation to Italian Securities, if "Call Option" is specified as applicable in the applicable Final Terms, the Issuer may, on giving not less than 15 Business Days' irrevocable notice to Securityholders (such notice an "**Issuer Call Cancellation Notice**") (or such other notice period as may be specified in the applicable Final Terms) (such period, the "**Issuer Call Notice Period**") in accordance with Condition 16, provided that such notice is delivered within the Issuer Call Option Exercise Period, cancel some or all of the Securities in whole but not in part, subject to Conditions 7, 8 and 9 at its Issuer Call Optional Cash Settlement Amount together with accrued interest on the relevant Optional Cash Settlement Date

In the event that any option of the Issuer is exercised with respect to some but not all of the Securities of any Series and any such Securities are Cleared Securities, the rights of accountholders with the Relevant

Clearing System in respect of the Securities will be governed by the standard procedures and Relevant Rules (to be reflected in the records of the Relevant Clearing Systems as either a pool factor or a reduction in number, as applicable at their discretion);

(e) In relation to Italian Securities, if "Early Exercise Trigger Event" is specified as applicable in the applicable Final Terms and an Early Exercise Trigger Event occurs, the Issuer shall give notice (a "**Trigger Event Notice**") to Securityholders in accordance with Condition 16 and any Securityholder may, on any of the dates specified in the relevant Trigger Event Notice, exercise some or all of the Securities held by it by the delivery of a Security Exercise Notice in accordance with Condition 6.3(a) of the Base Conditions. Any such date on which the Securities may be exercised shall also be an "**Eligible Exercise Date**" for the purposes of the Conditions.

Following such exercise, each relevant Security will be settled by the Issuer at its Trigger Early Cash Settlement Amount specified in the applicable Final Terms on the Trigger Early Cash Settlement Date specified in the applicable Final Terms.".

3. Amendments to Condition 6.3 of the Base Conditions

Condition 6.3(a) of the Base Conditions (*Exercise and Cancellation Procedure*) beginning on page 160 of the Base Prospectus shall be amended by the deletion of the words ", Settlement Expenses," in the fourth line of the penultimate paragraph thereof.

4. Amendments to Condition 6.4 of the Base Conditions

Condition 6.4 of the Base Conditions (*Exercise or Cancellation of Securities that are Warrants or Exercisable Certificates – Automatic Exercise - Application of Automatic Exercise*) beginning on page 162 of the Base Prospectus shall be amended by:

(a) the addition of the words "and to the provisions of Condition 6.4(c)" after the words "(subject to the Exercise Parameters)" in Condition 6.4(a)(ii); and

(b) the addition of the following as a new Condition 6.4(c) after Condition 6.4(b) of the Base Conditions:

"(c) Italian Securities

For so long as the Securities are admitted to listing on the Italian Stock Exchange and to trading on the Electronic Securitised Derivatives Market (SeDeX) of Borsa Italiana S.p.A., then at any time prior to the Renouncement Notice Cut-Off Time, any Securityholder may renounce Automatic Exercise of any Securities held by such Securityholder in accordance with the rules of the Italian Stock Exchange applicable from time to time by the giving of a duly completed Renouncement Notice to the Relevant Clearing System with a copy to the Issuer and the Issue and Paying Agent. Once delivered a Renouncement Notice shall be irrevocable and a Securityholder will not transfer the Securities the subject of the Renouncement Notice. If a duly completed Renouncement Notice is validly delivered prior to

the Renouncement Notice Cut-off Time, the relevant Securityholder will not be entitled to receive any amounts payable by the Issuer in respect of relevant Securities and the Issuer shall have no further liability in respect of such amounts.

Any determination as to whether a Renouncement Notice is duly completed and in proper form shall be made by the Relevant Clearing System (in consultation with the Issuer and the Issue and Paying Agent) and shall be conclusive and binding on the Issuer, the Issue and Paying Agent and the relevant Securityholder. Subject as follows, any Renouncement Notice determined to be incomplete or not in proper form shall be null and void. If such Renouncement Notice is subsequently corrected to the satisfaction of the Relevant Clearing System in consultation with the Issuer and the Issue and Paying Agent, it shall be deemed to be a new Renouncement Notice submitted at the time such correction was delivered to the Relevant Clearing System, with a copy to the Issuer and the Issue and Paying Agent.".

5. Amendments to Condition 7.3 of the Base Conditions

Condition 7.3 of the Base Conditions *(Conditions to Settlement)* on page 169 of the Base Prospectus shall be amended by the insertion of the words ", the Trigger Early Cash Settlement Date, the Issuer Call Optional Cash Settlement Date" after the words "the Early Physical Cancellation Date" in the eighth line of the final paragraph thereof.

6. Amendments to Condition 9.6 of the Base Conditions

Condition 9.6 of the Base Conditions (*Taxes, Settlement Expenses and Exercise Price Conditions to Settlement*) on page 177 of the Base Prospectus shall be amended by:

(a) the deletion of the words ", Settlement Expenses" in the heading thereof;

(b) the deletion of the words "and Settlement Expenses" after the words "applicable Taxes" in the third line thereof; and

(c) the deletion of the words "Settlement Expenses," after the words "such applicable Taxes," in the fifth line thereof.

7. Amendments to Condition 15 of the Base Conditions

Condition 15 of the Base Conditions *(Unlawfulness or impracticability)* beginning on page 182 of the Base Prospectus shall be amended by the deletion of the words "at its sole and absolute discretion" and the substitution of the words "in good faith and in a reasonable manner" therefor.

8. Amendments to Condition 17 of the Base Conditions

Condition 17.2 of the Base Conditions *(Substitution)* on page 185 of the Base Prospectus shall be amended by the insertion of the following as a new paragraph three:

"The provisions of this Condition 17.2 shall not apply to the Securities for so long as (a) the Securities are admitted to listing on Borsa Italiana S.p.A. and to trading on the Electronic Securitised Derivatives Market (SeDeX) of Borsa Italiana S.p.A. and (b) the rules of Borsa Italiana S.p.A. so require.";

9. Amendments to Condition 24 of the Base Conditions

Condition 24 of the Base Conditions *(Definitions)* beginning on page 189 of the Base Prospectus shall be amended by:

(a) the deletion of the definition of "Additional Disruption Event" therein and the substitution of the following therefor:

""**Additional Disruption Event**" means, with respect to a Series of Securities, each of Change in Law and Issuer Tax Event. For the avoidance of doubt, in the event of any inconsistency between any applicable Relevant Annex(es) and the applicable Final Terms as to what constitutes an Additional Disruption Event for the purposes of the Securities, the Final Terms shall prevail.";

(b) the deletion of the definition of "Change in Law" therein and the substitution of the following therefor:

""**Change in Law**" means that, on or after the Trade Date (a) due to the adoption or announcement of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines in good faith and in a reasonable manner that it has become illegal for the Issuer and/or any of its Affiliates to hold, acquire, deal in or dispose of the Hedge Positions relating to the Securities or contracts in securities, options, futures, derivatives or foreign exchange relating to such Securities.";

(c) the deletion of the definition of "Disruption Cash Settlement Price" therein and the substitution of the following therefor:

""**Disruption Cash Settlement Price**" means, unless otherwise specified in any applicable Relevant Annex or the applicable Final Terms, an amount per Calculation Amount, determined by the Determination Agent as the pro rata proportion of the market value of the Securities on or about the Disruption Cash Settlement Date (which shall take into account, where some but not all of the Reference Assets comprising the Entitlement have been duly delivered pursuant to Condition 7.2(a), the value of such Reference Assets).";

(d) the deletion of the definition of "Early Cash Settlement Amount" therein and the substitution of the following therefor:

""**Early Cash Settlement Amount**" means, unless otherwise specified in any applicable Relevant Annex or the applicable Final Terms, in respect of any early redemption or cancellation of the Securities, an amount per Calculation Amount determined by the Determination Agent as the pro rata proportion of the market value of the Securities following the event triggering the early redemption or cancellation. In determining the Early Cash Settlement Amount, the Determination Agent may take into account prevailing market prices

and/or exchange rates and/or the price or level of any Reference Asset(s) The Early Cash Settlement Amount will be determined by the Determination Agent on or as soon as reasonably practicable following the event giving rise to the early redemption or cancellation of the Securities. For the purposes of calculating any Early Cash Settlement Amount at any time following an Event of Default, the Determination Agent will ignore the effect of such Event of Default upon the market value of the Securities.";

(e) the deletion of the definition of "Local Market Expenses" therein;

(f) ""the deletion of the definition of "Settlement Amount" therein and the substitution of the following therefor:

""**Settlement Amount**" means the Final Cash Settlement Amount, the Optional Cash Settlement Amount, the Optional Cash Settlement Amount, the Alternate Cash Settlement Amount, the Early Cash Settlement Amount, the Specified Early Cash Settlement Amount, the Trigger Early Cash Settlement Amount, Issuer Call Optional Cash Settlement Amount, the Exercise Cash Settlement Amount, or the Disruption Cash Settlement Price, as applicable.";

(g) the deletion of the definition of "Settlement Expenses" therein;

(h) the deletion of the definition of "Specified Early Cash Settlement Amount" therein and the substitution of the following therefor:

""**Specified Early Cash Settlement Amount**" means, unless otherwise specified in any applicable Relevant Annex or the applicable Final Terms, an amount per Calculation Amount determined by the Determination Agent as the pro rata proportion of the market value of the Securities on or about the date the Specified Early Redemption Notice or Specified Early Cancellation Notice, as possible, is given by the Issuer, and in any event no later than the last day of the Specified Early Redemption Notice Period or Specified Early Cancellation Notice Period, as applicable. In determining the Specified Early Cash Settlement Amount, the Determination Agent may take into account prevailing market prices and/or exchange rates and/or the price or level of any Reference Asset(s)."; and

(i) the insertion of the following definitions in alphabetical order:

""**Issuer Call Notice Period**" as defined in Condition 6.2(d).

"**Issuer Call Optional Cash Settlement Amount**" means, unless otherwise specified in any applicable Relevant Annex or the applicable Final Terms, an amount per Calculation Amount determined by the Determination Agent as the pro rata proportion of the market value of the Securities on or about the date the Issuer Call Cancellation Notice is given by the Issuer and in any event no later than the last day of the relevant Issuer Call Notice Period. In determining the Issuer Call Optional Cash Settlement Amount, the Determination Agent may take into account prevailing market prices and/or exchange rates and/or the price or level of any Reference Asset(s).

"**Issuer Call Option Exercise Period**" means the period specified as such in the applicable Final Terms.

"**Italian Stock Exchange**" means Borsa Italiana S.p.A.

"**Optional Cash Settlement Date**" means the last day of the relevant Issuer Call Notice Period or such other date specified in or determined in accordance with the applicable Final Terms.

"**Relevant Clearing System**" means, as appropriate, Euroclear, Clearstream, Monte Titoli S.p.A. and/or such other clearing system specified in any applicable Relevant Annex or in the applicable Final Terms, as the case may be through which interests in Securities are to be held and/or through an account at which the Securities are to be cleared.

"**Renouncement Notice**" means a notice to be completed in accordance with the Rules of the Italian Stock Exchange and delivered to the Relevant Clearing Systems, which allows the relevant Securityholder to renounce Automatic Exercise of the Securities.

"**Renouncement Notice Cut-Off Time**" means, in respect of a Series of Securities, the time on a designated date, specified as the Renouncement Notice Cut-off Time in the applicable Final Terms, which shall be the latest time at which a Securityholder can deliver a duly completed Renouncement Notice in accordance with the Conditions.

"**Trigger Early Cash Settlement Amount**" is as defined in the applicable Final Terms.

"**Trigger Early Cash Settlement Date**" is as defined in the applicable Final Terms.";

4. "**PART C - DEFINITIONS AND INTERPRETATION APPLICABLE TO ITALIAN SECURITIES**" on page 583 of the Base Prospectus shall be deleted and the following substituted therefor:

"PART C – COMMODITY LINKED ANNEX

In respect of Italian Securities, Part A "Description and Risk Factors", Part B "Additional Terms and Conditions for Commodity Linked Securities" and Part C "Definitions and Interpretation Applicable to Commodity Linked Securities" of the Commodity Linked Annex beginning on page 241 of the Base Prospectus shall be amended as follows:

1. Description and Risk Factors

The word "commercially" shall be deleted from the Risk Factor headed "If a Commodity Market Disruption Event has occurred or exists on a pricing date, the determination of the value of a Relevant Commodity or Commodity Index may be delayed or postponed and as a consequence the redemption or exercise of the Commodity Linked Securities" in Part A of the Commodity Linked Annex.

2. Additional Terms and Conditions for Commodity Linked Securities

The only Commodity Business Day Convention applicable to Italian Securities is the Following Commodity Business Day Convention. Accordingly, the definitions of "Modified Following", "Nearest" and "Preceding" in Commodity Linked Condition 7 *(Commodity Business Day Convention)* on page 259 of the Base Prospectus of the shall not be relevant for the purpose of the Securities.

3. Definitions and Interpretation Applicable to Commodity Linked Securities

The word "commercially" in subsection (b)(iv) of the definition of "Disruption Fallback" in Section 2 *(Terms relating to Commodity Market Disruption Events and Disruption Fallback)* of Part C of the Commodity Linked Annex on page 264 of the Base Prospectus shall be deleted."; and

5. the following text shall be inserted after PART C of such section:

"PART D – EQUITY LINKED ANNEX

In respect of Italian Securities, Part B "Additional Terms and Conditions for Equity Linked Securities" and Part C "Definitions and Interpretation Applicable to Equity Linked Securities" of the Equity Linked Annex beginning on page 377 of the Base Prospectus shall be amended as follows:

1. Additional Terms and Conditions for Equity Linked Securities

(a) the word "substantially" in the title and in the third line of Equity Linked Condition 1.2 *(Successor Index Sponsor or Substitution of Index with substantially similar calculation)* on page 382 of the Base Prospectus shall be deleted;

(b) Equity Linked Condition 1.5 *(Futures Price Valuation)* beginning on page 383 of the Base Prospectus shall be deleted;

(c) Equity Linked Condition 2.1 *(Potential Adjustment Events)* shall be deleted and the following substituted therefor:

"2.1 Potential Adjustment Events

The Issuer may at any time determine and declare that a Potential Adjustment Event has occurred. Following such declaration by the Issuer of any Potential Adjustment Event, the Determination Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Shares and, if so, will (i) make the corresponding adjustment(s), relevant to the exercise, settlement, payment or other terms of the Securities as the Determination Agent determines appropriate to account for the diluting or concentrative effect of such Potential Adjustment Event (the "**Adjustment(s)**") and (ii) determine the effective date(s) of the Adjustment(s). The Determination Agent may (but need not) determine the appropriate Adjustment(s) by reference to the Adjustment(s) in respect of such Potential Adjustment Event made by an options exchange to options on the relevant Shares traded on that options exchange.

Notwithstanding the above, the Issuer may alternatively, on giving notice to the Securityholders in accordance with Condition 16 of the Base Conditions, elect, in lieu of the Determination Agent making an Adjustment in respect of a Potential Adjustment Event, to deliver to each Securityholder one or more additional Securities (the "**Adjustment Event Securities**") and/or pay to each Securityholder a cash amount (the "**Adjustment Event Amount**") to account for the

diluting or concentrative effect of such Potential Adjustment Event. Where the Issuer elects to deliver Adjustment Event Securities, such Adjustment Event Securities will be issued on the same (or substantially the same) terms as the relevant Securities as the Determination Agent may determine. In such notice the Issuer will set out the amount of Securities to be delivered and/or cash to be paid and the manner in which such delivery and/or payment is to be made.

For the avoidance of doubt, if the Issuer determines and declares that a certain event constitutes a Potential Adjustment Event, then Equity Linked Condition 6 below shall not apply in respect of such event.";

(d) Equity Linked Condition 2.5.1 *(Substitution of Shares)* beginning on page 386 of the Base Prospectus shall be deleted and the following substituted therefor:

"2.5.1 If "Substitution of Shares - Standard" is specified as applicable in the applicable Final Terms, if any Share shall be affected by a Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting, as the case may be, (the "**Affected Shares**") then without prejudice to the rights that the Securityholder has under the Securities (as described above), the Issuer or the Determination Agent on its behalf shall have the discretion to substitute the Affected Shares with substitute shares (the "**Substitute Shares**") as selected by the Determination Agent in its sole discretion for inclusion in the Basket of Shares as of the Announcement Date or the Tender Offer Date, as the case may be.

The Substitute Shares shall have such criteria as the Determination Agent deems appropriate including, but not limited to, the following:

(i) the Substitute Shares shall be of same broad economic sector as the Share Company of the Affected Shares;

(ii) the issuer of the Substitute Share shall be of a similar international standing and creditworthiness as the Share Company of the Affected Shares;

(iii) the Substitute Share shall be listed on a stock exchange, market or quotation system which, for so long as the Italian Securities are admitted to listing on Borsa Italiana S.p.A. and to trading on the Electronic Securitised Derivatives Market (SeDeX) of Borsa Italiana S.p.A., is acceptable to Borsa Italiana S.p.A.; and

(iv) the Substitute Share shall not be a Share already in the Basket of Shares.

The Initial Price of the Substitute Shares shall be determined in accordance with the following:

Initial Price = Substitute Price x (Affected Share(k)/Affected Share(j))

where:

"**Substitute Price**" means the official closing price per Share of the relevant Substitute Shares as of the Valuation Time on the dates on which the Affected Share(j) is determined or if such date is not a Scheduled Trading Date on the relevant Exchange in respect of the Substitute Shares, the following Scheduled Trading Date of the Substitute Shares;

"**Affected Share**(k)" means the "Initial Price" of the relevant Affected Shares as specified in the applicable Final Terms; and

"**Affected Share**(j)" means the last closing price per Share of the Affected Shares on or prior to the Announcement Date or the Tender Offer Date (as the case may be).

The Determination Agent shall notify the Securityholders as soon as practicable after the selection of the Substitute Shares and the failure by the Determination Agent to give such notice shall not however prejudice or invalidate the Substitute Shares being included as of the time and date specified above.

If Physical Settlement is specified in the Settlement Method in the applicable Final Terms or is elected by the Issuer or Securityholder pursuant to Condition 5 or 6 of the Base Conditions (as the case may be), Entitlement Substitution shall be deemed to be applicable with respect to a series of Share Linked Securities.";

(e) Equity Linked Condition 3.1 *(Consequences of Disrupted Days following a Market Disruption Event)* beginning on page 387 of the Base Prospectus shall be amended by the deletion of the word "commercially" in:

(i) the fifth line of Condition 3.1.1 thereof;

(ii) the penultimate line of Condition 3.1.2 thereof; and

(iii) the penultimate line of Condition 3.1.3 thereof;

(f) Equity Linked Condition 5 *(FX Disruption Event)* on page 389 of the Base Prospectus shall be amended by the insertion of the words "In respect of Securities other than Italian Securities," at the beginning of sub-paragraph 5.1.2; and

(g) no Additional Disruption Events shall be applicable to Italian Securities. Accordingly, Equity Linked Condition 8 *(Additional Disruption Events)* on page 397 of the Base Prospectus shall not be relevant for the purpose of the Securities.

2. Definitions and Interpretation applicable to Equity Linked Securities

(a) the words "in its sole and absolute discretion" shall be deleted in the definition of "Cash Amount" in Section 1 and the words "in a reasonable manner" substituted therefor;

(b) the words "and Expenses" shall be deleted in the definition of "Cash Amount" in Section 1;

(c) the definition of "Expenses" in Section 1 shall be deleted and the following substituted therefor:

""**Expenses**" means, in respect of a Security, all Taxes arising in connection with the redemption of such Security and/or delivery or transfer of the Relevant Assets."."

PART E – PRO FORMA FINAL TERMS FOR WARRANTS AND EXERCISABLE CERTIFICATES

In respect of Italian Securities, the "Pro Forma Final Terms for Warrants and Exercisable Certificates" (the "**Form of Final Terms**") beginning on page 99 of the Base Prospectus shall be amended as follows:

1. Provisions Relating to Issuer Call Option and Early Exercise

The following paragraphs shall be inserted after item 66 of Part A of the Form of Final Terms:

"**Additional cancellation and exercise provisions for Italian Securities**

41.	Call Option:		[Applicable][N/A] *(if not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Issuer Call Optional Cash Settlement Amount:	[●] *(specify formula or methodology for calculation)* [[●] per Calculation Amount][As defined in Condition 24 of the Base Conditions] [N/A]
	(ii)	Optional Cash Settlement Date:	[As defined in Condition 24 of the Base Conditions] [Other *(specify)*]
	(iii)	Issuer Call Option Exercise Period:	[●] [N/A]
	(iv)	Issuer Call Notice Period:	[As per Condition 6.2(d)] [Other *(specify)*] [N/A]
42.	Early Exercise Trigger Event:		[Applicable (*specify*): [●]] [N/A]

(i)	Trigger Early Cash Settlement Amount:	[[●] (*specify formula or methodology for calculation*)] [Other (*specify*)] [N/A]
(ii)	Trigger Early Cash Settlement Date:	[[●] Business Days following the Actual Exercise Date] [Other (*specify*)] [N/A]""

SCHEDULE 5

TAXATION

This Schedule 5 sets out certain amendments to the section headed "Taxation" set out on pages set out on pages 699 to 722 (inclusive) of the Base Prospectus

The sub-section headed "**3 Italian Taxation**" beginning on page 718 of the Base Prospectus shall be amended as follows:

1. the fifth paragraph shall be deleted and the following substituted therefor:

> "Any capital gains realised by a Securityholder which is an Italian pension fund (subject to the regime provided by article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 11 per cent. ad hoc substitute tax.
>
> Capital gains realised by non-Italian resident Securityholders are not subject to Italian taxation provided that the Italian Securities (i) are transferred on regulated markets, or (ii) if not transferred on regulated markets, are held outside Italy.
>
> The provisions of the applicable tax treaties against double taxation entered into by Italy apply if more favourable and all relevant conditions are met.";

2. the following text shall be inserted after the final paragraph of the sub-section headed "**Atypical Securities**":

> "The withholding is levied by the Italian intermediary appointed by the Issuer, intervening in the collection of the relevant income or in the negotiation or repurchasing of Italian Securities.
>
> **Inheritance and gift taxes**
>
> Pursuant to Law Decree No. 262 of 3 October 2006, (Decree No. 262), converted into Law No. 286 of 24 November 2006, the transfers of any valuable asset (including shares, bonds or other securities) as a result of death or donation are taxed as follows:
>
> (a) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding EUR 1,000,000;
>
> (b) transfers in favour of relatives to the fourth degree and relatives-in-law to the third degree, are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding EUR 100,000; and
>
> (c) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift."; and

3. the paragraph headed "EU Savings Directive" shall be deleted.

SCHEDULE 6

PURCHASE AND SALE

This Schedule 6 sets out certain amendments to the section headed "Purchase and Sale" set out on pages 722 to 741 (inclusive) of the Base Prospectus

The sub-section headed "**Republic of Italy**" beginning on page 730 of the Base Prospectus shall be amended as follows:

1. all references to "Italian Securities" shall be deleted and replaced with "Securities"**;**

2. the words "Article 34-ter of" shall be inserted before the words "Regulation No.11971" in sub-paragraph (ii) of the first paragraph thereof; and

3. the final paragraph shall be deleted and the following substituted therefor:

> "Please note that in accordance with Article 100-bis of the Financial Services Act, where no exemption from the rules on public offerings applies, Securities which are initially offered and placed in Italy or abroad to qualified investors only but in the following year are continuously (*sistematicamente*) distributed on the secondary market in Italy become subject to the public offer and the prospectus requirement rules provided under the Financial Services Act and Regulation No. 11971. Failure to comply with such rules may result in the sale of such Securities being declared null and void and in the liability of the intermediary transferring the financial instruments for any damages suffered by the investors."

NOTA DI SINTESI

La presente Nota di Sintesi è stata predisposta ai sensi dell'articolo 5(2) della Direttiva Prospetti e deve essere letta come introduzione al presente Prospetto di Base relativo ai Titoli di seguito descritti. Qualsiasi decisione di investire nei Titoli dovrebbe basarsi sull'esame, nel loro insieme, delle sezioni del Prospetto di Base che si riferiscono ai relativi Titoli, compresi i documenti inclusi mediante riferimento.

*A seguito dell'attuazione delle disposizioni della Direttiva Prospetti in uno Stato Membro dello Spazio Economico Europeo (**"Stato Membro SEE"**), nessuna responsabilità civile sarà attribuita in tale Stato Membro SEE ai soggetti responsabili in uno qualsiasi degli Stati Membri, unicamente in relazione alla presente Nota di Sintesi, ivi compresa qualsiasi traduzione della stessa, salvo che essa risulti fuorviante, imprecisa o contraddittoria se letta congiuntamente alle altre parti del Prospetto di Base. Qualora venga intrapresa un'azione legale in merito alle informazioni contenute nel presente Prospetto di Base avanti all'autorità giudiziaria di uno Stato Membro SEE, il ricorrente potrebbe dover sostenere, prima dell'inizio del procedimento, i costi della traduzione del relativo Prospetto di Base, ai sensi della legislazione nazionale dello Stato Membro SEE nel quale tale azione è stata intrapresa. Salvo indicazione contraria, le espressioni che in questa Nota di Sintesi iniziano con la lettera maiuscola mantengono lo stesso significato che hanno nelle Condizioni di Base illustrate nel presente Prospetto di Base.*

Descrizione Generale degli Emittenti

LA BANCA E IL GRUPPO

Barclays Bank PLC (la "**Banca**") è una *public limited company* (società per azioni quotata) costituita in Inghilterra e Galles col numero di registrazione 1026167. La responsabilità degli azionisti della Banca è limitata. La sua sede legale e sede centrale si trova a 1 Churchill Place, Londra, E14 5HP. La Banca è stata costituita in data 7 agosto 1925 ai sensi del *Colonial Bank Act* del 1925, e il 4 ottobre 1971 è stata registrata come società per azioni a responsabilità limitata (*company limited by shares*) ai sensi del *Companies Act* del 1948 fino al 1967. In data 1 gennaio 1985, ai sensi e per gli effetti del *The Barclays Bank Act* 1984, la Banca è stata nuovamente registrata quale società a responsabilità limitata (*public limited company*), e la sua denominazione sociale è stata modificata da "Barclays Bank International Limited" a "Barclays Bank PLC".

La Banca e le sue società controllate (congiuntamente, il "**Gruppo**") è uno dei principali operatori su scala globale nel settore dei servizi finanziari, prestando servizi bancari *retail* e commerciali, di carte di credito, di *investment banking*, di gestione dei grandi patrimoni e di gestione degli investimenti. La totalità delle azioni ordinarie emesse della Banca è posseduta, in qualità di beneficiario, da Barclays PLC (la "**Società Holding"**), che è la controllante ultima del Gruppo.

BARCLAYS CAPITAL (CAYMAN) LIMITED

Barclays Capital (Cayman) Limited ("**BCCL**") è stata costituita nelle Isole Cayman in data 24 luglio 1989 con durata illimitata, e registrata in data 26 luglio 1989. BCCL opera, con responsabilità limitata, in base al diritto delle Isole Cayman. La sede legale di BCCL si trova presso gli uffici di Barclays Private Bank & Trust (Cayman) Limited, PO Box 487GT, 4th Floor, FirstCaribbean House, 25 Main Street, George Town, Grand Cayman, Isole Cayman, Indie Occidentali Britanniche. Il suo numero di registrazione è 32968. BCCL è una controllata diretta interamente posseduta dalla Banca.

BCCL è stata costituita allo scopo, *inter alia*, di emettere *notes*, *certificates* e *warrants* e di acquistare e vendere opzioni. La *policy* degli Amministratori prevede la copertura integrale delle passività di BCCL nascenti dalle *notes*, dai *certificates* e dai *warrants* emessi dalla stessa.

Ai fini fiscali, BCCL è residente nel Regno Unito.

Sintesi del Programma

Descrizione:	Programma per l'emissione di Titoli che consistono in *Notes*, *Certificates* o *Warrants*. I Titoli sono emessi ai sensi dell'*Agency Agreement*. La Banca può anche emettere *Notes* dematerializzate di diritto francese (i "**Titoli di Diritto Francese**") che costituiscono *obligations* ai sensi dell'Articolo L.213-5 del *Code monétaire et financier*. Le condizioni dei Titoli includono le Condizioni di Base, come modificate e integrate dalle Condizioni Definitive e da qualsiasi Relativo Allegato applicabile.
Emittenti:	La Banca o BCCL. Solo la Banca può emettere Titoli di Diritto Francese e Titoli di Diritto Italiano.
Garante:	La Banca garantisce i Titoli emessi da BCCL.
Managers:	La Banca, Barclays Capital Inc. e qualsiasi altro Manager indicato nelle Condizioni Definitive.
Issue e Paying Agent:	The Bank of New York Mellon ("**BNYM**") o, per i Titoli di Diritto Francese, BNP Paribas Securities Services.
Transfer Agent, Frankfurt Agent, New York Agent e NY Registrar:	BNYM.
Luxembourg Registrar, Paying Agent e Transfer Agent:	The Bank of New York Mellon (Luxembourg) S.A.
Determination Agent:	La Banca o Barclays Capital Securities Limited.
Collocamento:	Sindacato o non sindacato.
Status dei Titoli:	Obbligazioni dirette, non subordinate e non garantite dell'Emittente, parimenti ordinate (*pari passu*) tra loro e con le altre obbligazioni non presenti e future, non garantite e non subordinate (salvo le obbligazioni privilegiate a norma di legge). I Titoli non sono qualificabili come depositi, non sono assicurati né garantiti da alcun governo o ente, o dal piano del Governo del Regno Unito a garanzia del credito.
Status della Garanzia:	Obbligazione diretta non garantita e generale del Garante parimenti ordinata (*pari passu*) con tutte le altre sue obbligazioni, esistenti e future, non garantite (salvo le obbligazioni privilegiate a norma di legge).

Quotazione:	I Titoli possono essere quotati presso la London Stock Exchange e/o altre borse riconosciute. Possono essere emessi anche Titoli non quotati.
Può essere presentata domanda di ammissione dei Titoli a:	Listino Ufficiale e alla negoziazione nel mercato regolamentato del London Stock Exchange ovvero in qualsiasi altra Borsa di Riferimento.
***Rating*:**	I Titoli possono avere un *rating* o essere privi di *rating*.
Sistemi di Gestione Accentrata Rilevanti:	Euroclear, Clearstream, Lussemburgo o Clearstream Francoforte (anche depositario), DTC e/o qualsiasi altro sistema di gestione accentrata specificato nelle Condizioni Definitive.
Depositario Centrale per i Titoli di Diritto Francese:	Euroclear France.
Spese e Tassazione:	I Portatori dei Titoli devono pagare tutte le Tasse e/o Spese di Regolamento derivanti da titolarità, trasferimento, vendita, rimborso, esercizio, cancellazione dei Titoli e/o dall'incasso o al trasferimento di ogni Spettanza o Importo di Regolamento. Salvo ove diversamente previsto dalla legge, tutti i pagamenti relativi ai Titoli saranno liberi da, e senza ritenuta o deduzione a titolo di, Tasse presenti o future. Laddove la legge imponga di operare tale ritenuta o deduzione, l'Emittente o il Garante, salvo diversamente specificato nelle Condizioni, verseranno somme aggiuntive ai Portatori dei Titoli.
Legge Applicabile:	Il diritto inglese, per i Titoli di Diritto Francese, il diritto francese.
Prezzo di Emissione:	Il Prezzo di Emissione potrà essere alla pari, a sconto o con sovrapprezzo rispetto alla pari.
Valute:	I Titoli potranno essere emessi in qualsiasi valuta, salvo gli importi dovuti ai sensi dei Titoli di Diritto Francese che saranno emessi in Euro.
Taglio Stabilito/Numero:	Le Notes possono essere emesse in uno o più tagli stabiliti e i Certificates e i Warrants in qualsiasi numero. I Titoli di Diritto Francese possono essere emessi esclusivamente in uno specifico taglio.
Ammontare di Calcolo per Titolo:	I pagamenti e le consegne relativi ai Titoli saranno determinati in base all'Ammontare di Calcolo per Titolo.
Scadenze:	Qualsiasi scadenza, ferma restando la conformità con tutti i vigenti requisiti legali e/o ai sensi di regolamenti e direttive.
Metodo di Emissione:	I Titoli sono emessi in una o più Serie. Ogni Serie può essere emessa in Tranches nella stessa o in una diversa data di emissione. Potranno essere emessi anche Titoli fungibili con una Serie esistente.
Forma:	I Titoli potranno essere emessi in forma di Titoli al Portatore ovvero di Titoli Nominativi o Titoli Dematerializzati, e non potranno esser

scambiati tra loro.
Nessun documento fisico sarà emesso in relazione a qualsiasi Titolo Dematerializzato.
I Titoli di Diritto Francese possono, su scelta della Banca, essere emessi in forma Dematerializzata al Portatore o in forma Dematerializzata Nominativa (i Titoli Nominativi di Diritto Francese Dematerializzati possono, su scelta del Portatore dei Titoli, essere emessi sia in forma Nominativa piena o in forma Nominativa amministrata).

Termini:

Possono essere emessi Titoli di qualsiasi tipo, compresi quelli fruttiferi, infruttiferi e Titoli il cui Importo/i di Regolamento, Spettanza/e e/o qualsiasi diritto di esercizio sia legato a, e/o condizionato alla performance di, ovvero ad un fattore correlato a, gli *Asset* di Riferimento. Gli *Asset* di Riferimento possono includere indici, azioni, strumenti di debito, valute, *commodities*, fondi comuni di investimento e/o tassi di cambio di valute.

Le *Notes* e i *Certificates* sono Titoli redimibili. I *Warrants* e i *Certificates* Esercitabili sono Titoli esercitabili.

I *Warrants* e i *Certificates* Esercitabili possono essere Titoli di stile Europeo, Titoli di stile Americano, Titoli di stile "*Bermudan*" o Titoli con Altro Stile di Esercizio.

Regolamento:

Regolamento pecuniario o materiale (fermo restando il soddisfacimento di tutte le condizioni di regolamento, ivi compreso il pagamento o la deduzione a titolo di Tasse, di Spese di Regolamento e del Prezzo di Esercizio).
Gli Importi di Regolamento e le Spettanze possono subire un adeguamento per costi, eventuali perdite e spese sostenute (o che si prevede saranno sostenute) da o per conto dell'Emittente per il rimborso o la cancellazione dei Titoli.
L'Emittente o il Portatore dei Titoli possono avere la facoltà di scegliere tra regolamento pecuniario e regolamento materiale, qualora ciò sia previsto nelle Condizioni Definitive.
Qualora, entro la data stabilita per il regolamento, non siano soddisfatte tutte le condizioni di regolamento stabilite relativamente al Portatore dei Titoli, il regolamento non sarà dovuto fino a quando tali condizioni non siano integralmente soddisfatte. Nessun importo aggiuntivo sarà pagato o consegnato come conseguenza del ritardo o della data in tal modo posticipata. Qualora tutte le condizioni di regolamento non siano soddisfatte entro 180 giorni di calendario (o entro la diversa data specificata nelle Condizioni Definitive) dalla data rilevante, le pertinenti condizioni di regolamento non potranno essere soddisfatte e il Portatore dei Titoli non vanterà alcun diritto nei confronti dell'Emittente o del Garante con riferimento all'Importo del Regolamento o alla Spettanza che sarebbero stati pagati o consegnati qualora le condizioni di regolamento fossero state pienamente soddisfatte nel relativo periodo.

Rimborso dei Titoli:

Le *Notes* e i *Certificates* (esclusi i *Certificates* Esercitabili) saranno rimborsati, a scadenza, al rispettivo Importo del Regolamento Pecuniario Finale ovvero mediante consegna della Spettanza di

	Rimborso Materiale Finale, a seconda dei casi.
***Notes* e *Certificates* (esclusi i *Certificates* Esercitabili) Opzione *Put*:**	Le *Note*/s o *Certificate*/s potranno essere rimborsati anticipatamente da parte del Portatore dei Titoli attraverso l'esercizio dell'Opzione Put, al rispettivo Importo del Regolamento Pecuniario Opzionale, ovvero mediante consegna della Spettanza di Rimborso Materiale Opzionale, a seconda dei casi.
Opzione *Call* e *Nominal Call Event*:	Le *Notes* o i *Certificates* (esclusi i *Certificates* Esercitabili) possono essere rimborsati anticipatamente dall'Emittente mediante l'esercizio dell'Opzione *Call* ovvero, qualora si verifichi un *Nominal Call Event* (evento di estinzione anticipata nominale), al loro Importo del Regolamento Pecuniario Opzionale, ovvero mediante consegna della Spettanza di Rimborso Materiale Opzionale. Nel caso in cui si verifichi un *Nominal Call Event*, i *Warrants* e i *Certificates* Esercitabili possono essere cancellati anticipatamente, subordinatamente al pagamento dell'Importo del Regolamento Pecuniario Anticipato, ovvero mediante consegna della Spettanza di Cancellazione Materiale Anticipata, a seconda dei casi. I *Certificates* Esercitabili quali i *Certificates* di Diritto Italiano possono essere cancellati anticipatamente dall'Emittente mediante l'Esercizio dell'Opzione *Call*, al loro Importo del Regolamento Pecuniario Opzionale *Call*.
Conseguenze dell'Evento di Turbativa Addizionale:	Le Condizioni dei Titoli possono essere rettificate (relativamente ai Titoli di Diritto Francese subordinatamente alla previa approvazione da parte di un'assemblea generale dei Portatori dei Titoli) e/o i Titoli possono essere rimborsati o cancellati anticipatamente al rispettivo Importo del Regolamento Pecuniario Anticipato, ovvero Importo Pecuniario di Cancellazione Anticipata, a seconda dei casi.
Evento di Rimborso Anticipato Stabilito:	Qualora si verifichi un Evento di Rimborso Anticipato Stabilito, l'Emittente può, ovvero, se si applica il rimborso automatico anticipato, deve, rimborsare anticipatamente i Titoli all'Importo del Regolamento Pecuniario Anticipato Stabilito, ovvero mediante consegna della Spettanza di Regolamento Materiale Anticipato Stabilita, a seconda dei casi.
Evento di Cancellazione Anticipata Stabilito:	L'Emittente può, ovvero, se si applica la cancellazione automatica anticipata, deve, cancellare anticipatamente *Warrants* e *Certificates* Esercitabili all'Importo del Regolamento Pecuniario Anticipato Stabilito, ovvero mediante consegna della Spettanza di Regolamento Materiale Anticipato Stabilita.
Esercizio dei Titoli:	I *Warrants* e i *Certificati* Esercitabili, laddove esercitati, saranno regolati, fermo restando il soddisfacimento di tutte le condizioni di regolamento, mediante pagamento dell'Importo per Esercizio del Regolamento Pecuniario ovvero mediante la consegna della Spettanza per Esercizio del Regolamento Materiale, a seconda dei casi. Durante il Periodo di Esercizio, i *Warrants* e i *Certificates* Esercitabili possono essere esercitati in qualsiasi Giorno Lavorativo di Esercizio, o alle Date Lavorative di Esercizio Eventuali e alla

	Data di Scadenza, o alla Data di Esercizio, o a qualsiasi Data di Esercizio Idonea, o come specificato nelle Condizioni Definitive. Qualora un Evento *Trigger* di Esercizio Anticipato si verifichi, i *Certificates* Esercitabili, quali i *Certificates* di Diritto Italiano, possono essere esercitati in ciascuna delle date indicate nell'Avviso relativo all'Evento *Trigger*. I *Warrants* e i *Certificates* Esercitabili possono essere esercitati automaticamente, in tutto o in parte, a condizione che ciò sia espressamente indicato nelle Condizioni Definitive. L'esercizio può essere condizionato alla *performance* di, ovvero ad altro fattore/i che interessano gli *Asset* di Riferimento.
Scadenza dei *Warrants* e dei *Certificates* Esercitabili:	Qualora non sia notificato un valido Avviso di Esercizio del Titolo entro la relativa ora e data specificate nelle Condizioni, i Titoli interessati diventeranno nulli.
Offerta di Titoli di Diritto Francese:	I Titoli di Diritto Francese potranno essere offerti al pubblico in Francia o in qualsiasi altro stato membro del'SEE specificato nelle Condizioni Definitive.
Portatori dei Titoli di Diritto Francese:	I Portatori dei Titoli di Diritto Francese saranno raggruppati, in relazione a tutte le tranche di ogni Serie, in un'unica categoria per la difesa dei propri interessi comuni ai sensi delle previsioni del Codice del commercio francese (*French Code de commerce*).
Restrizioni alla vendita:	L'offerta e la vendita dei Titoli nonché la distribuzione dei Documenti di Offerta possono essere soggetti a limitazioni in talune giurisdizioni.

Sintesi dei Fattori di Rischio relativi al Programma

Alcuni fattori di rischio che possono incidere sulla capacità dell'Emittente e/o del Garante di adempiere alle proprie obbligazioni previste dai Titoli:	La Banca e BCCL sono soggetti agli stessi rischi del Gruppo, tra cui: • la performance finanziaria del Gruppo può essere condizionata dal quadro economico e geopolitico generale, dal merito creditizio dei clienti e delle controparti e dalle fluttuazioni del valore o dall'efficacia dalla protezione del credito acquistata ovvero dalle garanzie reali in possesso del Gruppo; • le attività del Gruppo, gli utili e la situazione finanziaria sono stati e continuano ad essere influenzati non solo dalle variazioni della congiuntura generale dell'economia su scala globale ma anche dall'instabilità e dalla volatilità sui mercati finanziari mondiali; • i seguenti fattori hanno inciso e continuano ad incidere sulle attività del Gruppo: - variazioni del livello e/o volatilità dei tassi di interesse, dei tassi di cambio delle valute, degli *spread* di credito, del debito, dei prezzi delle azioni e delle *commodity*, e di altri fattori di mercato; - vincoli all'aumento di capitale, alle modifiche del *capital target* (capitale necessario ad affrontare i rischi) ed al calcolo

del capitale;

- il rischio di liquidità, il rischio legale e il rischio assicurativo sono insiti nelle attività del Gruppo;
- il rischio operativo e il rischio legato al crimine finanziario sono tipici delle operazioni del Gruppo;
- le politiche e le normative regolamentari delle autorità governative possono determinare effetti avversi sugli utili e le operazioni del Gruppo;
- il Gruppo può rientrare nello *special resolution regime* ai sensi della Legge Bancaria del 2009 (*Banking Act* 2009). Qualsiasi ordine di trasferimento di azioni, trasferimento di attività o passività ovvero l'esercizio dei poteri da parte della FSA, della Banca d'Inghilterra e/o del Ministero delle Finanze (*HM Treasury*) in ottemperanza alla Legge Bancaria del 2009 possono produrre effetti negativi sul Gruppo;
- la partecipazione del Gruppo al Regime di Compensazione per i Servizi Finanziari (*Financial Services Compensation Scheme*) può causare un impatto rilevante sui risultati e sullo stato patrimoniale del Gruppo;
- gli introiti del Gruppo dipendono in parte dal successo delle decisioni strategiche riguardanti la crescita organica e le potenziali acquisizioni;
- il Gruppo si trova ad operare su mercati estremamente competitivi e nel caso non riuscisse ad operare in maniera efficace, si avrebbero ripercussioni negative sulle sue attività e risultati;
- il Gruppo è esposto al rischio di modifiche alla legislazione fiscale e della relativa prassi interpretativa, nonché all'incremento dell'imposizione fiscale sulla società e delle altre aliquote fiscali nelle giurisdizioni in cui opera.

Alcuni fattori rilevanti ai fini della valutazione dei rischi associati agli investimenti nei Titoli, che possono incidere negativamente sul rendimento e sul valore dei Titoli tra cui:

- i Titoli sono strumenti finanziari complessi e possono comportare un elevato grado di rischio;
- i Titoli costituiscono obbligazioni non garantite dell'Emittente;
- è possibile che si verifichino turbative nel regolamento;
- il regolamento è subordinato al soddisfacimento di tutte le condizioni cui il Portatore dei Titoli deve attenersi durante il relativo periodo;
- l'effetto leva può amplificare l'impatto che la *performance* negativa del/degli *Asset* di Riferimento produce sul valore dei Titoli;
- i Portatori dei Titoli non possono vantare alcuna pretesa su alcuno degli *Asset* di Riferimento;
- il rendimento e il valore dei Titoli sarà influenzato dai rischi dei tassi di cambio, dai controlli sui cambi, dalle fluttuazioni dei tassi di interesse e da altre variazioni dei tassi e dei prezzi;
- potranno essere applicate limitazioni al rimborso o all'esercizio dei Titoli;
- i Titoli possono essere rimborsati o cancellati anticipatamente ad un importo inferiore a quello investito dal Portatore dei Titoli;
- gli eventi di turbativa possono determinare modifiche alle condizioni dei Titoli (in relazione ai Titoli di Diritto Francese,

subordinatamente al consenso di un'assemblea generale dei Portatori dei Titoli) o il loro rimborso o cancellazione;

- l'esercizio da parte dell'Emittente delle opzioni, compresa l'opzione di acquisto (*call*) dei Titoli, la sostituzione degli *asset* e/o la scelta del metodo di regolamento;
- eventuali sfasamenti temporali tra il momento della valutazione e quello del regolamento;
- incentivi (*inducements*), commissioni, compensi pagati dall'Emittente ad un collocatore;
- i Titoli possono non offrire una copertura efficace contro il rischio di mercato associato a qualsiasi *asset*;
- il ricavato dal realizzo di qualunque della Spettanza può essere minore dell'importo che il Portatore dei Titoli avrebbe ricevuto se il Titolo fosse stato regolato in contanti;
- ai Titoli con Consegna Fisica possono essere applicate ulteriori imposte e vincoli alla consegna;
- potrebbe non esistere un mercato secondario per i Titoli, e la loro liquidità potrebbe essere limitata;
- possono insorgere potenziali conflitti di interesse relativamente alle attività di compravendita degli Emittenti, del Garante e delle società da loro controllate o a loro collegate e gli interessi dei Portatori dei Titoli, inoltre gli Emittenti, il loro Garante e le società da loro controllate o a loro collegate non sono obbligati a tenere conto degli interessi dei Portatori dei Titoli;
- le turbative di mercato o altri eventi possono interessare il/i relativo/i *Asset* di Riferimento;
- i pagamenti, le consegne e il regolamento relativi ai Titoli possono essere soggetti a deduzioni a titolo di Tasse e Spese di Regolamento;
- relativamente ai Titoli regolati dal diritto inglese, l'Emittente può essere sostituito, nel rispetto di determinate condizioni;
- il valore di mercato dei Titoli può essere influenzato dal merito di credito dell'Emittente e/o del Gruppo.

I potenziali investitori devono comprendere i rischi associati ai Titoli, agli investimenti e alle operazioni correlate a qualsiasi *Asset* di Riferimento. I potenziali investitori devono assumere la decisione di investimento soltanto dopo avere attentamente considerato, assieme ai loro consulenti, l'adeguatezza di tali Titoli alla luce della propria specifica situazione finanziaria, delle informazioni contenute nei relativi Documenti di Offerta e delle proprie indagini sull'Emittente, sul Garante, sulle società da loro controllate o a loro collegate e su ogni rilevante *Asset* di Riferimento.

I POTENZIALI INVESTITORI DEVONO ESAMINARE TUTTI I RELATIVI ALLEGATI APPLICABILI E LE CONDIZIONI DEFINITIVE APPLICABILI PRIMA DI PRENDERE OGNI DECISIONE SULL'ACQUISTO DI QUALSIASI TITOLO.