

**PRICING SUPPLEMENT**

**PROHIBITION OF SALES TO UK RETAIL INVESTORS:** The Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended, the "**EUWA**"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in the UK Prospectus Regulation (as defined below). Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (as amended, the "**UK PRIIPs Regulation**") for offering or selling the Securities or otherwise making them available to retail investors in the United Kingdom has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the UK PRIIPs Regulation. Notwithstanding the above, if the Dealer subsequently prepares and publishes a key information document under the UK PRIIPs Regulation in respect of the Securities, then the prohibition on the offering, sale or otherwise making available the Securities to a retail investor in the United Kingdom as described above shall no longer apply.

Pricing Supplement dated 25 March 2025

**J.P. Morgan Structured Products B.V.**

**Legal Entity Identifier (LEI): XZYUUT6IYN31D9K77X08**

**Structured Products Programme for the issuance of Notes, Warrants and Certificates**

**Guaranteed by**

**JPMorgan Chase Bank, N.A.**

**10 Credit Linked Certificates linked to the Credit of the Reference Entities comprising the iTraxx® Europe Series 42 Version 1, due January 2027 (the "Securities")**

The offering circular dated 18 April 2024 and the Supplement(s) to the offering circular listed in Annex E hereto (as so supplemented, the "**Offering Circular**") (as completed and (if applicable) amended by this Pricing Supplement) has been prepared on the basis that:

- (a) any offer of Securities in any Member State of the European Economic Area will be made pursuant to an exemption under the EU Prospectus Regulation from the requirement to publish a prospectus for offers of the Securities. The expression "**EU Prospectus Regulation**" means Regulation (EU) 2017/1129, as amended. Accordingly any person making or intending to make an offer in that Member State of the Securities may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation, in each case, in relation to such offer; and
- (b) any offer of Securities in the United Kingdom will be made pursuant to an exemption under the UK Prospectus Regulation from the requirement to publish a prospectus for offers of the Securities. The expression "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA. Accordingly any person making or intending to make an offer in

the United Kingdom of the Securities may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation, in each case, in relation to such offer.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Securities in any other circumstances.

The Securities may only be offered and the Offering Circular and this Pricing Supplement as well as any other offering or marketing material relating to the Securities may only be offered to investors in Switzerland pursuant to an exception from the prospectus requirement under the Swiss Financial Services Act ("**FinSA**"), as such terms are defined under the FinSA. Neither this document nor the Offering Circular nor any other document related to the Securities constitutes a prospectus within the meaning of the FinSA and no prospectus pursuant to the FinSA will be prepared in connection with such offering of the Securities.

**If you purchase the Securities described in this Pricing Supplement after the date hereof, you should review the most recent version (if any) of the Offering Circular and each supplement thereafter up to (and including) the date of purchase to ensure that you have the most up to date information on the Issuer and (if applicable) the Guarantor on which to base your investment decision (note that the terms and conditions of the Securities will remain as described in this Pricing Supplement and the version of the Offering Circular described above, subject to any amendments notified to Holders). Each supplement and replacement version (if any) to the Offering Circular can be found on ([www.luxse.com](http://www.luxse.com)) and (<https://www.euronext.com/en/markets/dublin>).**

## **RISK FACTORS**

### **Purchase of these Securities involves substantial risks**

Investors should ensure that they understand the nature of the risks posed by, and the extent of their exposure under, the Securities. Investors should make all pertinent inquiries they deem necessary without relying on the Issuer, the Guarantor, or the Dealer. Investors should consider the suitability of the Securities as an investment in light of their own circumstances, investment objectives, tax position and financial condition. Investors should consider carefully all the information set forth in this Pricing Supplement along with all the information set forth in the Offering Circular. Investors should pay particular attention to the section entitled "*Risk Factors*" in the Offering Circular (pages 36 to 147 inclusive).

Investors should note the disclaimer contained in Annex D (*Index Disclaimer*) of this Pricing Supplement.

The Offering Circular and this Pricing Supplement cannot disclose all of the risks and other significant aspects of the Securities. Investors should ensure that they understand the nature of the Securities and the extent of their exposure in relation to their initial investment. Investors should ensure that they have considered the suitability of the Securities as an investment in light of their own circumstances and financial condition.

### **General**

Notwithstanding an investor's ability to understand and make independent decisions regarding investing in the Securities, by purchasing the Securities the investor implicitly represents and warrants to the Issuer that: (i) the complexity and risks inherent in the Securities are suitable for its objectives and the size, nature and condition of its business, regardless of whether the same have been disclosed to the Issuer or any of its respective affiliates; and (ii) it has at its disposal all relevant information, including potential risks relating to the Securities and that, on this basis, it requires no further information to be provided to it in relation to the Securities. No person should deal in the Securities unless that person understands the nature of the relevant transaction and the extent of that person's exposure to potential loss.

## **Suitability**

You should ensure that you understand the nature of the Securities and the extent of your exposure to risk, that you have sufficient knowledge, experience and access to professional advisers to make your own legal, tax, accounting and financial evaluation of the merits and risks of an investment in the Securities and that you consider the suitability of the Securities as an investment in the light of your own circumstances and financial condition.

You should only consider purchasing the Securities if you believe that the Reference Entities will not experience Credit Events during the period from (and including) the Credit Event Backstop Date to (and including) the last occurring Extension Date in respect of any Reference Entity.

## **Principal and Coupon Payments – Investors' Credit Risk Exposure**

If one or more Event Determination Dates occur and depending on whether the Accumulated Loss in respect of the Final Coupon Payment Date is greater than the Lower Boundary, the Securities may be subject to redemption at a price which may be at a considerable discount to par and could be zero. If a Credit Event Resolution Request Date has occurred in respect of a Reference Entity, and the applicable committee established by the International Swaps and Derivatives Association, Inc. ("**ISDA**") for the purposes of making certain determinations in connection with credit derivatives transactions (the "**Credit Derivatives Determinations Committee**") has not made its determination then, depending on whether the Accumulated Loss in respect of the Final Coupon Payment Date would exceed the Lower Boundary were an Event Determination Date to have subsequently occurred in respect of such Reference Entity, coupon and/or principal may be withheld and if an Event Determination Date does subsequently occur, a reduced amount of coupons will be payable. The Securities explicitly bear the credit risk of the Reference Entities comprising the iTraxx<sup>®</sup> Europe Series 42 Version 1 (the "**Index**") and any Successor to such Reference Entities thereto identified by the Index Sponsor in respect of the Index or the Credit Derivatives Determinations Committee. Investment in the Securities is suitable only for investors who can bear the risks associated with lack of liquidity in the Securities and the financial, credit, interest rate and other risks associated with an investment in the Securities. The Securities are also subject to the risk of the Issuer's and the Guarantor's insolvency or default. Investors therefore risk losing all principal and coupons due in respect of the Securities. If the Issuer and the Guarantor becomes insolvent, Holders may lose their entire investment in the Securities.

Investors should note that if, on the Cut-off Date in respect of the first Coupon Payment Date, the aggregate Triggered Reference Entity Losses in respect of such day is equal to or greater than the Upper Boundary, no Coupon Amount shall be payable in respect of the Securities. In such circumstances, investors should note that they will lose their entire investment in the Securities.

## **Exposure to Reference Entities comprising the Index**

Holders of the Securities are exposed to the performance of the portfolio of Reference Entities comprising the Index (the "**Reference Portfolio**") to the extent that the Accumulated Loss exceeds the Lower Boundary. Following the occurrence of an Event Determination Date in relation to a Credit Event with respect to a Reference Entity in the Reference Portfolio, the Coupon Bearing Amount as well as payments of coupons and principal may be reduced if the Accumulated Loss on such day exceeds the Lower Boundary. If the Coupon Bearing Amount is so reduced, the investor may lose amounts invested. An Event Determination Date may occur without any loss being suffered by the Issuer. The maximum loss for an investor is 100% of their initial investment in addition to all coupon amounts. If the Accumulated Loss on any day on which an Event Determination Date occurs is greater than the Lower Boundary, the amounts by which the Coupon Bearing Amount is reduced will be determined by reference to the Reference Entity Weighting of the relevant Reference Entity and the amount by which the Accumulated Loss exceeds the Lower Boundary.

## **Zero recovery feature**

The Securities have a “zero recovery” feature whereby the Accumulated Loss will increase with the occurrence of each Event Determination Date in respect of one or more Reference Entities in respect of the Index by an amount equal to the Reference Entity Weighting of the relevant affected Reference Entity regardless of any rate of recovery in respect of such Reference Entity. Investors are paid a Coupon Amount which has been enhanced to take into account such “zero recovery” feature of the Securities.

### **Leverage**

The calculation of the Coupon Bearing Amount produces a leverage effect such that if the aggregate of the Triggered Reference Entity Losses reach the Lower Boundary, any further Triggered Reference Entities that increase the aggregate Triggered Reference Entity Losses above the Lower Boundary towards the Upper Boundary will reduce the Coupon Bearing Amount, and therefore the Redemption Amount and any Coupon Amount (if any) payable, on an accelerated and highly leveraged basis by reference to each relevant Reference Entity's Reference Entity Weighting as a proportion of the Tranche Size.

### **Redemption of the Securities may be deferred**

If a Credit Event occurs in relation to a Reference Entity or any Obligation of such Reference Entity and, in either case, no Determination Date has occurred or a Deferral Notice has been delivered by the Calculation Agent in respect of a Reference Entity and no Determination Date has occurred, a proportion of the redemption amount of the Securities corresponding to such Reference Entity may be postponed beyond the Scheduled Redemption Date depending on whether, were an Event Determination Date to have occurred, the Accumulated Loss would exceed the Lower Boundary. The period of such deferral may be substantial and no coupon will accrue in respect of any such deferral. See also "*Limited Provision of Information about the Reference Entities*" below.

### **Payment of coupons may be deferred**

If a Credit Event occurs in relation to a Reference Entity or any Obligation of such Reference Entity and, in either case, no Determination Date has occurred or a Deferral Notice has been delivered by the Calculation Agent in respect of a Reference Entity and no Determination Date has occurred, a proportion of the coupon amount payable in respect of a Coupon Payment Date may be postponed beyond such Coupon Payment Date depending on whether, were an Event Determination Date to have occurred, the Accumulated Loss would exceed the Lower Boundary. No coupons will accrue in respect of any such deferral. See also "*Limited Provision of Information about the Reference Entities*" below.

### **Credit Risk of the Reference Entities**

The Securities explicitly bear the credit risk of the Reference Entities set forth in this Pricing Supplement and any Successor(s) thereto identified by the Index Sponsor or the Credit Derivatives Determinations Committee. Investment in the Securities is suitable only for investors who can bear the risks associated with lack of liquidity in the Securities and the financial, credit, coupon rate and other risks associated with an investment in the Securities. The Securities are also subject to the risk of our insolvency or default. You therefore risk losing all your principal and coupons. If we become insolvent, you may lose your entire investment.

### **Credit Risk of the Issuer**

The Securities are subject to the credit risk of the Issuer. The Securities are also subject to the credit risk of the Guarantor, JPMorgan Chase Bank, N.A. Fluctuations in the Issuer or the Guarantor's credit ratings and credit spreads may adversely affect the market value of the Securities. Investors are dependent on the Issuer's ability to pay all amounts due on the Securities on redemption or on any other relevant payment dates, and therefore investors are subject to the Issuer's credit risk and to changes in the market's view of the Issuer's creditworthiness,

which is reliant on the guarantee from the Guarantor. Any decline in the Guarantor's credit ratings or increase in the Guarantor's credit spreads charged by the market for taking the Guarantor's credit risk is likely to adversely affect the value of the Securities.

### **Currency Risk**

Where the Securities are in a currency other than the investor's reference currency, changes in rates of exchange may have an adverse effect on the value of the investment.

### **Potential Conflicts of Interest with the Calculation Agent; Calculations and Determinations**

JPMorgan and its affiliates may carry out hedging activities related to the Securities, including trading in the obligations of the Reference Entity as well as in other instruments related to the Reference Entity. JPMorgan and its affiliates may also trade the obligations of the Reference Entity and other financial instruments related to the obligations of the Reference Entity on a regular basis as part of their general businesses.

The Calculation Agent acts in its sole discretion in carrying out all calculations and determinations with respect to the Securities. The Calculation Agent will also have the ability to choose, in its sole discretion whether or not to notify the Issuer of a Credit Event, which, subject as provided in the Credit Linked Provisions and this Pricing Supplement, would result in an Event Determination Date occurring. If a Credit Derivatives Determinations Committee is not convened to determine an issue (such as the occurrence or not of a Credit Event or the determination of a Successor) then the Calculation Agent may make a determination (in its sole and absolute discretion) in respect of such issue.

JPMorgan and its affiliates may currently or from time to time engage in commercial, investment banking or other business with the Reference Entities, and/or any affiliate of the Reference Entities, or any other person or entity having obligations relating to the Reference Entities, and may act with respect to such business in the same manner as if the Securities did not exist, regardless of whether any such action might have an adverse effect on the Reference Entities or the Holders or otherwise (including, without limitation, the acceptance of deposits and the extension of loans or credit and any action that might constitute or give rise to a Credit Event). In the course of this business, JPMorgan and its affiliates may acquire non-public information about the Reference Entities, and in addition, one or more of JPMorgan's affiliates may publish research reports about it. You should undertake an independent investigation of the Reference Entities as in your judgment is appropriate to make an informed decision with respect to an investment in the Securities.

The Issuer and JPMorgan and its affiliates act in their sole discretion in determining whether to accept commitments to purchase the Securities, whether to accept offers of early tender of the Securities and in determining the terms of any such early tender of the Securities.

### **Holders (in their capacity as holders of the Securities) will not be able to refer questions to the Credit Derivatives Determinations Committees**

The Holders, in their capacity as holders of the Securities, will not have the ability to refer questions to a Credit Derivatives Determinations Committee since the Securities are not a credit default swap transaction and the Securities do not incorporate and are not deemed to have incorporated, the 2014 ISDA Credit Derivatives Definitions or any supplements thereto, in each case, as published by ISDA (the "**Credit Derivatives Definitions**"). As a result, Holders will be dependent on other market participants to refer specific questions to the Credit Derivatives Determinations Committees that may be relevant to the Holders. The Calculation Agent has no duty to the Holders to refer specific questions to the Credit Derivatives Determinations Committees.

### **Holders will have no role in the composition of the Credit Derivatives Determinations Committees**

Separate criteria apply with respect to the selection of dealer and non-dealer institutions to serve on the Credit Derivatives Determinations Committees and the Holders will have no role in establishing such criteria. In addition, the composition of the Credit Derivatives Determinations Committees will change from time to time in accordance with the rules which govern the Credit Derivatives Determinations Committees Rules (as published on behalf of ISDA by the DC Secretary on the website of the Credit Derivatives Determinations Committees at <https://www.cdsdeterminationscommittees.org> (or any successor website thereto), as may be amended and/or supplemented from time to time) (the "**Rules**"), as the term of a member institution may expire or a member institution may be required to be replaced. The Holders will have no control over the process for selecting institutions to participate on the Credit Derivatives Determinations Committees and, to the extent provided for in the Securities, will be subject to the determinations made by such selected institutions in accordance with the Rules.

### **Potential conflicts of interest due to the involvement of the Calculation Agent with the Credit Derivatives Determinations Committees**

Since, as of the Issue Date, the Calculation Agent (or one of its affiliates) is a voting member on each of the Credit Derivatives Determinations Committees and is a party to transactions which incorporate, or are deemed to incorporate, the Credit Derivatives Definitions, it may take certain actions which may influence the process and outcome of decisions of the Credit Derivatives Determinations Committees. See "Ability of the Calculation Agent or its Affiliates to influence the Credit Derivatives Determinations Committees" in Annex B (*Credit Derivatives Determinations Committees*) of this Pricing Supplement. Such action may be adverse to the interests of the Holders and may result in an economic benefit accruing to the Calculation Agent. In taking any action relating to the Credit Derivatives Determinations Committees or performing any duty under the Rules, the Calculation Agent shall have no obligation to consider the interests of the Holders and may ignore any conflict of interest arising due to its responsibilities under the Securities.

### **Holders will have no recourse against either the institutions serving on the Credit Derivatives Determinations Committees or the external reviewers**

Institutions serving on the Credit Derivatives Determinations Committees and the external reviewers, among others, disclaim any duty of care or liability arising in connection with the performance of duties or the provision of advice under the Rules, except in the case of gross negligence, fraud or wilful misconduct. Furthermore, the member institutions of the Credit Derivatives Determinations Committees from time to time will not owe any duty to the Holders and the Holders will be prevented from pursuing legal claims with respect to actions taken by such member institutions under the Rules.

Holders should also be aware that member institutions of the Credit Derivatives Determinations Committees have no duty to research or verify the veracity of information on which a specific determination is based. In addition, the Credit Derivatives Determinations Committees are not obligated to follow previous determinations and, therefore, could reach a conflicting determination for a similar set of facts.

### **Holders are responsible for obtaining information relating to deliberations of the Credit Derivatives Determinations Committees**

Notices of questions referred to the Credit Derivatives Determinations Committees, meetings convened to deliberate such questions, lists of voting members attending meetings and the results of binding votes of the Credit Derivatives Determinations Committees will be published on the DC Secretary's website ([www.cdsdeterminationscommittees.org](http://www.cdsdeterminationscommittees.org)) (or any successor website thereto) and neither the Issuer, the Calculation Agent nor any of their respective affiliates shall be obliged to inform the Holders of such information (other than

as expressly provided in the terms of the Securities). Failure by the Holders to be aware of information relating to determinations of a Credit Derivatives Determinations Committee will have no effect under the Securities and Holders are solely responsible for obtaining any such information.

### **No Holder Rights with respect to the Reference Entities**

JPMorgan and its affiliates have no ability to control or predict the actions of the Reference Entities, including actions that could affect the value of your Securities. None of the money you pay us will go to the Reference Entities, the Reference Entities will not be involved in the offering of the Securities in any way, and the Reference Entities will not have any obligation to consider your interest as a Holder in taking any actions that might affect the value of your Securities. As a Holder, you will not have voting rights, rights to receive distributions or any other rights with respect to the obligations of the Reference Entities.

### **No Replacement of any Reference Entities**

Following the Trade Date, we will not be able to replace the Reference Entities to avoid Credit Events or successions. Consequently, the occurrence of Credit Events may lead to Event Determination Date(s) which in turn may result in a reduction in the value of your Securities, a reduction, potentially to zero, in the outstanding nominal amount of the Securities you hold and an early redemption of the Securities. Similarly, any determination of a Successor by a Credit Derivatives Determinations Committee or the Index Sponsor that occurs with respect to a Reference Entity may change the probability of the occurrence of a Credit Event and risk of your investment. Therefore, you should not invest in the Securities unless you are comfortable with the creditworthiness of the Reference Entities and the likelihood of the occurrence of Credit Events and/or the determination of Successors.

### **The determination of Successor(s) with respect to Reference Entities**

The determination of Successor(s) with respect to the Reference Entities by a Credit Derivatives Determinations Committee or the Index Sponsor may expose you to new credit risks. Changes in the Reference Entities may affect the probability of a Credit Event occurring and consequently may adversely affect the value of your Securities. You should read the Credit Linked Provisions (including, without limitation, the definition of "Successor") for more information on the effect on the Securities of the determination of a Successor in respect of a Reference Entity.

### **Limited Provision of Information about the Reference Entities**

You should conduct your own investigation and analysis with respect to the creditworthiness of the Reference Entities and the likelihood of the occurrence of Credit Events or determination of Successors.

Financial and other information with respect to the Reference Entities is expected to be available from publicly available sources. The Issuer, the Guarantor and their respective subsidiaries and affiliates make no representation as to the accuracy or completeness of any information available with respect to the Reference Entities.

A Credit Event in respect of a Reference Entity may occur at any time from and including the Credit Event Backstop Date in respect of such Reference Entity to and including the Credit Observation End Date.

JPMorgan and its affiliates will have no obligation to keep Holders informed as to any matters with respect to the Reference Entities or any of their obligations, including whether or not circumstances exist that give rise to the possibility of the occurrence of a Credit Event or the determination of a Successor with respect to the Reference Entities.

You will not have the right to inspect any of our records or any records of our affiliates. Except for the information contained in this Pricing Supplement, neither we nor any of our affiliates will have any obligation to disclose any information or evidence regarding the existence or terms of any obligation of the Reference Entities or otherwise regarding such Reference Entities, any guarantor or any other person.

### **Lack of Liquidity; Secondary Market Risks**

There may be little or no secondary market for the Securities. Even if there is a secondary market for the Securities, it may not provide enough liquidity to allow you to trade or sell the Securities easily. Because other dealers are not likely to make a secondary market for the Securities, the price at which you may be able to trade your Securities is likely to depend on the price, if any, at which the Agent, the Issuer or any of their respective affiliates is willing to buy the Securities.

The price at which you will be able to sell your Securities to us or our affiliates prior to redemption, if at all, may be at a substantial discount from the principal amount of the Securities, even in cases where the credit spreads on a Reference Entity have tightened since the Trade Date. The potential returns described in this Pricing Supplement assume that your Securities, which are not designed to be short-term trading instruments, are held to redemption.

The inclusion of agents' compensation, compensation of an affiliate of the agents and expected profit from hedging in the original issue price is likely to adversely affect the price at which we or our affiliates are willing to repurchase the Securities, if at all. Assuming no change in market conditions or any other relevant factors, the price, if any, at which we or our affiliates will be willing to purchase Securities from you, if at all, will likely be lower than the original issue price, because the original issue price included the compensation paid to the agents and an affiliate of the agents with respect to the Securities, as well as the cost of hedging our obligations under the Securities, which includes an estimated profit component. In addition, any such prices may differ from values determined by pricing models used by the agents, as a result of such compensation or other transaction costs.

### **Further Risks**

JPMorgan Chase Bank, N.A. and its subsidiaries and affiliates, including the Issuer (for the purposes of these paragraphs, collectively, "**JPMorgan**") trade instruments related to the Reference Entities on a regular basis, for their accounts and for other accounts under their management. JPMorgan may also issue or underwrite or assist unaffiliated entities in the issuance or underwriting of other securities or financial instruments with returns linked to the Reference Entities. To the extent that JPMorgan serves as issuer, arranger or dealer for such securities or financial instruments, its or their interests with respect to such products may be adverse to those of the holders of the Securities. Any of these trading activities could potentially affect the credit of the Reference Entities and, accordingly, could affect the value of the Securities, and the amount, if any, payable to you on redemption.

JPMorgan may currently or from time to time engage in business with the Reference Entities. In the course of this business, JPMorgan may acquire non-public information about the Reference Entities, and such information will not be disclosed to you. In addition, JPMorgan may publish research reports about the Reference Entities. Any prospective purchaser of Securities should undertake such independent investigation of the Reference Entities in its judgment as to whether an investment in the Securities is appropriate.

JPMorgan may serve as issuer, arranger or dealer for additional issuances of Securities or Securities with returns linked or related to the Reference Entities. By introducing competing products into the marketplace in this manner, JPMorgan could adversely affect the value of the Securities.



## PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions and the Specific Product Provisions (as may be amended and/or supplemented up to, and including, 31 March 2025) set forth in the Offering Circular. Full information on the Issuer, the Guarantor and the offer of the Securities is only available on the basis of the combination of this Pricing Supplement and the Offering Circular (including all documents incorporated by reference). The Offering Circular (including all documents incorporated by reference) is available from The Bank of New York Mellon S.A./N.V., Luxembourg Branch, at Vertigo Building, Polaris, 2-4 rue Eugène Ruppert, L-2453, Luxembourg, and Matheson, at 70 Riverside 2, Sir John Rogerson's Quay, Dublin 2, Ireland.

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|----|------|--|--------------------------------------|
| 1. | (i)  | Issuer:                                  | J.P. Morgan Structured Products B.V. |
|    | (ii) | Guarantor:                               | JPMorgan Chase Bank, N.A.            |
| 2. | (i)  | Series Number:                           | 2020-28154                           |
|    | (ii) | Tranche Number:                          | One                                  |
| 3. |      | <b>Specified Currency or Currencies:</b> | Euro ("EUR")                         |
| 4. |      | <b>Notes, Warrants or Certificates:</b>  | Certificates                         |
| 5. |      | <b>Number of Certificates:</b>           |                                      |
|    | (i)  | Series:                                  | 10 Certificates                      |
|    | (ii) | Tranche:                                 | 10 Certificates                      |
| 6. |      | <b>Issue Price:</b>                      | EUR 100,000 per Security             |

The Issue Price specified above may be more than the market value of the Securities as at the Issue Date, and the price, if any, at which the Dealer or any other person is willing to purchase the Securities in secondary market transactions is likely to be lower than the Issue Price. In particular, where permitted by applicable law and subject to any additional ex ante cost disclosure required by such, the Issue Price may take into account amounts with respect to commissions relating to the issue and sale of the Securities as well as amounts relating to the hedging of the Issuer's obligations under the Securities and secondary market prices may exclude such amounts

If any commissions or fees relating to the issue and sale of the Securities have been paid or are payable by the Dealer to an intermediary, then such intermediary may be obliged to fully disclose to its clients the existence, nature and amount of any such commissions or fees (including, if applicable, by way of discount) as required in accordance with laws and regulations applicable to such intermediary, including any legislation, regulation and/or rule implementing the Markets in Financial Instruments Directive (Directive 2014/65/EU, as amended), or as otherwise may apply in any non-EEA jurisdictions

Investors in the Securities intending to invest in Securities through an intermediary (including by way of introducing broker) should request details of any such commission or fee payment from such intermediary before making any purchase hereof

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| (i)   | Notional Amount per Certificate: | Not Applicable  |
| (ii)  | Trading in Units (Notes):        | Not Applicable  |
| (iii) | Minimum trading size:            | The Securities may only be traded in a minimum initial amount of one Security and, thereafter, in multiples of one Security |
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|----|---|--|
| 7. | <b>Issue Date:</b>                          | 31 March 2025  |
|    | <b>Trade Date:</b>                          | 26 February 2025   |
| 8. | <b>Redemption Date and Settlement Date:</b> | <p>10 January 2027 (the "<b>Scheduled Redemption Date</b>"), subject to adjustment in accordance with the Following Business Day Convention, provided that, if:</p> <ul style="list-style-type: none"> <li>(i) in respect of the Final Coupon Payment Date, one or more Affected Reference Entities exist (each such Affected Reference Entity a "<b>Relevant Affected Reference Entity</b>") and: <ul style="list-style-type: none"> <li>(1) the aggregate of the Triggered Reference Entity Losses is less than the Upper Boundary; and</li> <li>(2) the Accumulated Loss is greater than the Lower Boundary,</li> </ul> </li> </ul> <p>in each case, in respect of the Final Coupon Payment Date, as determined by the Calculation Agent, the Redemption Date and Settlement Date</p> |

shall be the final Additional Instalment Date (as defined in Part C below); or

- (ii) on the Cut-off Date relating to a Coupon Payment Date other than the Final Coupon Payment Date, the aggregate of the Triggered Reference Entity Losses in respect of such day is equal to or greater than the Upper Boundary, the Redemption Date shall fall on the Coupon Payment Date to which such Cut-off Date relates.

If the Redemption Date falls after the Scheduled Redemption Date, no additional amount shall be payable in respect of coupons for the period from (and including) the Scheduled Redemption Date to (and including) the Redemption Date as a result thereof.

Terms used but not defined in this paragraph 8 (*Redemption Date and Settlement Date*) shall the meaning given to such terms in Part C below.

#### **PROVISIONS APPLICABLE TO NOTES**

Paragraphs 9-21 are intentionally deleted

#### **PROVISIONS APPLICABLE TO WARRANTS**

Paragraphs 22-34 are intentionally deleted

#### **PROVISIONS APPLICABLE TO CERTIFICATES**

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| 35. | <b>Cash Settlement/Physical Settlement:</b>                        | Cash Settlement is applicable                                |
| 36. | <b>Call Option:</b>  | Not Applicable   |
| 37. | <b>Put Option:</b>   | Not Applicable   |
| 38. | <b>Redemption Amount:</b>  | See paragraph 1 ( <i>Redemption Amount</i> ) of Part C below |
| 39. | <b>Early Payment Amount:</b>                                       | Early Payment Amount 1                                       |
| 40. | <b>Exercise applicable to Certificates (General Condition 10):</b> | General Condition 10.2 is Applicable                         |

#### **CERTIFICATE COUPON PROVISIONS**

- |     |   |  |
|-----|---|--|
| 41. | <b>Certificate Coupon Provisions (General Condition 8):</b>                 | Not Applicable – the provisions of paragraph 2 ( <i>Coupon Amount</i> ) of Part C below will apply |
| 42. | <b>Certificate Floating Rate Coupon Provisions (General Condition 8.3):</b> | Not Applicable   |

## SHARE LINKED PROVISIONS

## INDEX LINKED PROVISIONS

## COMMODITY LINKED PROVISIONS

## FX LINKED PROVISIONS

## FUND LINKED PROVISIONS

## MARKET ACCESS PARTICIPATION PROVISIONS

## LOW EXERCISE PRICE WARRANT PROVISIONS

## RATE LINKED PROVISIONS

## BOND LINKED PROVISIONS

## GENERAL PROVISIONS APPLICABLE TO THE SECURITIES

(i)	Temporary or Permanent Bearer Global Security / Registered Global Security:	Temporary Registered Global Security which is exchangeable for a Permanent Registered Global Security, each of which is exchangeable for Registered Definitive Securities (i) automatically in the limited circumstances specified in the relevant Registered Global Security or (ii) in the case of a Permanent Registered Global Security only, at any time at the option of the Issuer by giving notice to the Holders and the Registrar of its intention to effect such exchange on the terms as set forth in the relevant Permanent Registered Global Security.
(ii)	Are the Notes to be issued in the form of obligations under French law?	No
(iii)	Name of French Registration Agent:	Not Applicable
(iv)	Representation of Holders of Notes / Masse:	Not Applicable
(v)	Regulation S/Rule 144A Securities:	Not Applicable
54.	<b>Record Date:</b>	As set out in the General Conditions
55.	<b>Additional Financial Centre(s) (General Condition 12.2) or other special provisions relating to payment dates:</b>	London, Milan and, for the avoidance of doubt, a day that is a TARGET2 Settlement Day
56.	<b>Payment Disruption Event (General Condition 13):</b>	
	Relevant Currency:	Specified Currency
57.	<b>Extraordinary Hedge Disruption Event (General Condition 17):</b>	Applicable
	(i) Extraordinary Hedge Sanctions Event:	Applicable
	(ii) Extraordinary Hedge Bail-in Event:	Applicable
	(iii) Extraordinary Hedge Currency Disruption Event:	Applicable

58.	<b>Early Redemption for Tax on Underlying Hedge Transactions (General Condition 18.4(b)):</b>	Not Applicable
59.	<b>Disruption Event (General Condition 19):</b>	Not Applicable
60.	<b>Physical Settlement:</b>	Not Applicable
61.	<b>Calculation Agent:</b>	J.P. Morgan Securities plc
62.	<b>Redenomination, renominalisation and reconventioning provisions:</b>	Not Applicable
63.	<b>Gross Up (General Condition 18):</b>	Applicable – as specified in General Condition 18.1
	(i) Exclude Section 871(m) Taxes from Gross Up (General Condition 18):	Not Applicable
	(ii) Exclude U.S. Withholding Taxes other than Section 871(m) Taxes from Gross Up (General Condition 18):	Not Applicable
	(iii) 871(m) Securities:	Section 871(m) and the regulations promulgated thereunder will not apply to the Securities
64.	<b>Rounding:</b>	General Condition 23 applies
65.	<b>Other terms or special conditions:</b>	Applicable:
	(i)	See Part C below;
	(ii)	The applicable Business Day Convention shall be the Following Business Day Convention; and
	(iii)	Representations:
		As a condition to purchasing and/or accepting a Security, each Holder shall be deemed to represent, warrant, and agree, to and with each of the Issuer and the Dealer that:
	(a)	it is not relying upon any representations except those expressly set forth in this document;
	(b)	it has consulted with its own legal, regulatory, tax, business, investment, financial, and accounting advisers to the extent it has deemed necessary, and it has made its own investment, hedging,

and trading decisions based upon its own judgment and upon any advice from such advisers as it has deemed necessary and not upon any view expressed by the other party; and

- (c) it is purchasing these Securities with a full understanding of the terms, conditions and risks thereof including the lack of liquidity of the Securities, and is capable of and willing to assume those risks.

## DISTRIBUTION

66.	<b>If non-syndicated, name and address of Dealer:</b>	J.P. Morgan SE of TaunusTurm, Taunustor 1, 60310 Frankfurt am Main, Germany
67.	<b>Stabilising Manager(s) (if any):</b>	Not Applicable
68.	<b>Total commission and concession:</b>	See paragraph 6
69.	<b>U.S. selling restrictions:</b>	Regulation S
<p><b>ERISA Restrictions for all Securities (including Rule 144A Securities and Securities subject to Regulation S)</b></p> <p>JPMSP Standard Restrictions apply: The Securities may not be acquired by, on behalf of, or with the assets of any plans subject to ERISA or Section 4975 of the U.S. Internal Revenue Code of 1986, as amended, other than certain insurance company general accounts. See "Subscription and Sale – United States" and "Purchaser representations and requirements and transfer restrictions – ERISA Legends and ERISA Restrictions – (b) JPMCFC/JPMSP Standard Restrictions" in the Offering Circular.</p>		
70.	<b>ECI Holder Restrictions:</b>	Not Applicable
71.	<b>Additional Selling Restrictions:</b>	Not Applicable
72.	<b>Swiss Non-Exempt Public Offer:</b>	No
73.	<b>Prohibition of Sales to EEA Retail Investors:</b>	Not Applicable
74.	<b>Prohibition of Sales to UK Retail Investors:</b>	Applicable

## GENERAL

75. The aggregate principal amount of Notes issued has been translated into U.S. dollars at the rate of [●] 1 = U.S.\$ [●], producing a sum of (for Notes not denominated in U.S. dollars): Not Applicable



## **PURPOSE OF PRICING SUPPLEMENT**

This Pricing Supplement comprises the pricing supplement required for the issue and listing and admission to trading multilateral trading facility SeDeX (managed by Borsa Italiana S.p.A.) of the Securities described herein pursuant to the Structured Products Programme for the issuance of Notes, Warrants and Certificates of JPMorgan Chase Financial Company LLC, J.P. Morgan Structured Products B.V., JPMorgan Chase Bank N.A. and JPMorgan Chase & Co.

## **GOVERNING LAW AND JURISDICTION**

**Securities:** English Law/Courts of England

**Guaranteee:** English Law/Courts of England

## **RESPONSIBILITY**

Each of the Issuer and the Guarantor accepts responsibility for the information contained in this Pricing Supplement. Information on the Reference Entities has been extracted from publicly available sources. Each of the Issuer and the Guarantor confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from the relevant information, no facts have been omitted which would render the reproduced information inaccurate or misleading.

An investor intending to acquire or acquiring any Securities from an offeror will do so, and offers and sales of the Securities to an investor by an offeror will be made, in accordance with any terms and other arrangements in place between such offeror and such investor including as to price, allocations and settlement arrangements. The Issuer will not be a party to any such arrangements with investors (other than the Dealer(s)), in connection with the offer or sale of the Securities and, accordingly, this Pricing Supplement will not contain such information. The investor must look to the offeror at the time of such offer for the provision of such information. The Issuer has no responsibility to an investor in respect of such information.

### **Signed on behalf of the Issuer:**

By: \_\_\_\_\_

Duly authorised

### **Signed on behalf of the Guarantor:**

By: \_\_\_\_\_

Duly authorised

## **PART B – OTHER INFORMATION**

### **LISTING AND ADMISSION TO TRADING**

Application will be made for the Securities to be listed and admitted to trading on the multilateral trading facility SeDeX (managed by Borsa Italiana S.p.A) with effect from, at the earliest, the Issue Date. No assurances can be given that such application for listing and admission to trading will be granted (or, if granted, will be granted by the Issue Date).

### **RATINGS**

Not Applicable

### **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Save as discussed in the section of the Offering Circular entitled "Subscription and Sale", so far as the Issuer is aware, no person involved in the issue of the Securities has an interest material to the issue.

### **REASONS FOR THE ISSUE AND ESTIMATED NET PROCEEDS**

(i) Reasons for the issue: Not Applicable

(ii) Estimated net proceeds: Not Applicable

### **POST-ISSUANCE INFORMATION**

The Issuer will not provide any post-issuance information with respect to the Reference Entities, unless required to do so by applicable law or regulation.

### **OPERATIONAL INFORMATION**

Intended to be held in a manner which would allow Eurosystem eligibility: No

ISIN: XS2168909062

Common Code: 216890906

RIC: XS2168909062=JPML

Swiss Securities Number (*valorennummer*): 128883356

Relevant Clearing System(s) and the relevant identification number(s): Monte Titoli S.p.A., acting on behalf of Euroclear/Clearstream, Luxembourg

Delivery: Delivery against payment

The Agents appointed in respect of the Securities are: As set out in the Agency Agreement

Registrar: The Bank of New York Mellon S.A./N.V., Luxembourg Branch

## PART C – OTHER APPLICABLE TERMS

### 1. Redemption Amount

Unless previously redeemed or purchased and cancelled in accordance with the Conditions, and subject as provided below, the Issuer shall pay in respect of each Security an amount in the Specified Currency on the Scheduled Redemption Date (such amount, the "**Relevant Redemption Amount**") determined by the Calculation Agent in accordance with sub-paragraph (i), (ii) or (iii) below (as applicable):

- (i) if the Accumulated Loss in respect of the Final Coupon Payment Date is less than or equal to the Lower Boundary, as determined by the Calculation Agent, an amount equal to RA;
- (ii) if the Accumulated Loss in respect of the Final Coupon Payment Date is greater than the Lower Boundary but less than the Upper Boundary, an amount equal to the Coupon Bearing Amount in respect of the Coupon Payment Date; and
- (iii) if the Accumulated Loss in respect of the Final Coupon Payment Date is equal to or greater than the Upper Boundary, zero,

Provided That if, in respect of the Final Coupon Payment Date, one or more Affected Reference Entities exist and (1) the aggregate of the Triggered Reference Entity Losses in respect of the Final Coupon Payment Date is less than the Upper Boundary; and (2) the Accumulated Loss is greater than the Lower Boundary, in each case as determined by the Calculation Agent, then on each Additional Instalment Date an Additional Instalment (if any) shall be payable in addition to the Relevant Redemption Amount payable on the Scheduled Redemption Date. No additional amount shall be payable in respect of the postponement of payment of an Additional Instalment to an Additional Instalment Date.

For the purposes of General Condition 9.5 (*Redemption on the Redemption Date*) and paragraph 38 above only:

- (i) the final Additional Instalment (if any) payable on the final Additional Instalment Date; or, if no Additional Instalments are payable,
- (ii) the Relevant Redemption Amount payable on the Scheduled Redemption Date,

shall be deemed to be the Redemption Amount.

### 2. Coupon Amount

Unless previously redeemed or purchased and cancelled in accordance with the Conditions and subject as provided below, the Issuer shall pay in respect of each Security an amount in the Specified Currency on each Coupon Payment Date (such amount, the "**Coupon Amount**"), in respect of the Coupon Period ending on (but excluding) such Coupon Payment Date, determined by the Calculation Agent in accordance with the following formula (and such Coupon Amount shall be construed for the purposes of the Conditions as a Coupon Amount) (and, for the avoidance of doubt, this paragraph 2 shall apply instead of Credit Linked Provision 4 (*Coupon Amount*)):

$$\text{Coupon Rate} \times \text{Coupon Bearing Amount} \times \text{Day Count Fraction}$$

Provided That:

- (i) if in respect of a Coupon Payment Date one or more Affected Reference Entities exist and (1) the aggregate of the Triggered Reference Entity Losses in respect of such Coupon Payment Date is less than the Upper Boundary; and (2) the Accumulated Loss in respect of such Coupon Payment Date is greater than the Lower Boundary, in each case as determined by the Calculation Agent, then on each relevant Additional Coupon Payment Date an Additional Coupon Amount (if any) shall be payable. No additional amount shall be payable in respect of the postponement of payment of an Additional Coupon Amount to an Additional Coupon Payment Date; and
- (ii) if, in respect of the first Coupon Payment Date, the aggregate of the Triggered Reference Entity Losses in respect of such day is equal to or greater than the Upper Boundary, no Coupon Amount shall be payable in respect of the Securities.

If the Securities are redeemed prior to the Scheduled Redemption Date other than on a Coupon Payment Date, then there shall be no accrued amount payable in respect of the Securities in respect of any Coupon Amount.

### 3. Credit Linked Provisions

- 3.1. Annex A (*Credit Linked Provisions*) (the "**Credit Linked Provisions**") is incorporated into, and forms part of, this Pricing Supplement and sets forth important provisions relating to the contingent nature of the obligation of the Issuer to pay principal and coupons in respect of the Securities. In the event of any inconsistency between (a) the provisions of this Pricing Supplement (excluding Annex A (*Credit Linked Provisions*)) and (b) Annex A (*Credit Linked Provisions*), the provisions of this Pricing Supplement (excluding Annex A (*Credit Linked Provisions*)) shall govern.
- 3.2. The Securities relate to a basket of Reference Entities. Accordingly, there may be more than one Credit Event and more than one Event Determination Date and the Credit Linked Provisions should be construed accordingly.
- 3.3. Credit Linked Provision 1 (*Auction Settlement*) and Credit Linked Provision 2 (*Cash Settlement*) shall not apply to the Securities and the Redemption Amount shall be as determined in accordance with paragraph 1 (*Redemption Amount*) of Part C of this Pricing Supplement.
- 3.4. For the purposes of the Credit Linked Provisions:
  - (i) Reference Entity (or Entities): Each of the relevant Reference Entities contained in the Index and listed in the Index Annex, and any Successor to a Reference Entity either:
    - (i) in respect of which the DC Secretary publicly announces on or following the earlier of the Effective Date and the Trade Date that the relevant Credit Derivatives Determinations Committee has Resolved, in respect of a Successor Resolution Request Date, a Successor in accordance with the DC Rules; or

- (ii) in the event the DC Secretary does not make such an announcement, identified by the Index Sponsor on or following the earlier of the Effective Date and the Trade Date,

in each case, with effect from the relevant Succession Date.

- (ii) Credit Event(s): In respect of a Reference Entity, as specified in the Standard in respect of such Reference Entity by reference to the Transaction Type (as defined below)
- (iii) Calculation Agent responsible for determining the occurrence of a Credit Event(s) and amount payable/deliverable in the event of redemption resulting from such Credit Event(s): J.P. Morgan Securities plc
- (iv) Relevant provisions on the occurrence of a Credit Event(s): Settlement Method: Auction Settlement
- (v) Other terms or special conditions:
  - (a) Credit Linked Provision 3 *Redemption Date Extension*) and Credit Linked Provision 9 (*Merger between Reference Entity and Issuer or Guarantor*) shall not apply to the Securities.
  - (b) Credit Linked Provision 1 (*Auction Settlement*) and/or Credit Linked Provision 2 (*Cash Settlement*) shall not apply to the Securities and the Redemption Amount shall be determined in accordance with paragraph 1 (*Redemption Amount*) of Part C of this Pricing Supplement.
  - (c) The following terms shall have the following meanings:
 

"**Annex Date**" means 17 September 2024.

"**Credit Observation End Date**" means 20 December 2026.

"**Effective Date**" means the Roll Date in respect of the Index as set out and defined in the Index Annex.

"**Index**" means the iTraxx® Europe Series 42 Version 1.

**"Index Annex"** means the list for the Index with the relevant Annex Date, as published by the Index Publisher (which can be accessed at <https://www.spglobal.com/> or any successor website thereto).

**"Index Publisher"** means S&P Global Market Intelligence, or any replacement therefor appointed by the Index Sponsor for the purposes of officially publishing the Index.

**"Index Sponsor"** means Markit Indices GmbH or any successor thereto.

**"Reference Obligation"** means, without prejudice to the definition of "Reference Obligation" in Credit Linked Provision 13 (*Definitions*), the Reference Obligation (if any) set out opposite the relevant Reference Entity in the Index Annex.

**"Transaction Type"** means, in respect of each Reference Entity, as set out opposite the relevant Reference Entity in the Index Annex.

Standard Reference Obligation: Applicable in respect of each Reference Entity

Additional Public Source of Publicly Available Information: Not Applicable

(d) **Amendments to the Index Annex**

The Index Annex will be deemed amended from time to time to reflect any modifications resulting from the application of the definitions of "Reference Obligation", "Standard Reference Obligation" and "Substitute Reference Obligation", in each case, as set out in Credit Linked Provision 13 (*Definitions*), the "Reference Obligation(s)" provision in paragraph (iii) above, and/or the "Reference Entity" provision in paragraph (i) above.

(e) **Amendments to the paragraph 13 (*Definitions*) of the Credit Linked Provisions**

The definition of "Notice Delivery Period" in Credit Linked Provision 13 (*Definitions*) shall

be deleted and the following substituted therefor:

**"Notice Delivery Period"** means, in respect of a Reference Entity, the period from (and including) the Trade Date, to (and including) the day that is 14 calendar days after the Extension Date in respect of such Reference Entity."

The definition of "Credit Event Backstop Date" in Credit Linked Provision 13 (*Definitions*) shall be deleted and the following substituted therefor:

**"Credit Event Backstop Date"** means the Trade Date."

(f) **Restriction on delivery of Credit Event Notice and Successor Notice**

Notwithstanding anything to the contrary in the Credit Linked Provisions the Calculation Agent may not deliver a Credit Event Notice (other than a Credit Event Notice in respect of a Credit Event that is an M(M)R Restructuring) or Successor Notice unless a notice has previously been delivered to the DC Secretary in accordance with the DC Rules requesting that the relevant Credit Derivatives Determinations Committee be convened to Resolve a DC Credit Event Question or one or more Successors to the relevant Reference Entity, as applicable, with respect to the facts described in such Credit Event Notice or Successor Event Notice, as applicable, and either:

- (a) a DC Credit Event Question Dismissal has occurred;
- (b) the DC Secretary has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination; or
- (c) the DC Secretary has publicly announced that the conditions convening the relevant Credit Derivatives Determinations Committee to Resolve such matters have not been

satisfied in accordance with the DC Rules.

Any Credit Event Notice or Successor Notice delivered in breach of the requirements within this provision shall be deemed not to have been delivered.

- (g) The definition of "Credit Position" in paragraph 13 (*Definitions*) of the Credit Linked Provisions shall be deleted and the following substituted therefor:

""**Credit Position**" means, subject to the other provisions hereof, in respect of each Reference Entity, its proportion of the nominal amount outstanding of the Securities, as determined by the Calculation Agent by reference to the Reference Entity Weighting in respect of such Reference Entity, Provided That if further Securities are issued which form a single Series with the Securities, the Credit Position in respect of each Reference Entity will be increased *pro rata* to the aggregate nominal amount of such further Securities and if Securities are repurchased and cancelled, the Credit Position in respect of each Reference Entity will be reduced *pro rata*."

- (h) Credit Linked Provision 12 (*Calculation Agent*) shall be amended by the insertion of the following additional paragraph at the end thereof:

"Subject always as provided in Credit Linked Provision 10 (*Inconsistency with determinations of the Credit Derivatives Determinations Committee*), the determination by the Calculation Agent that an Applicable Request has been made for the purposes of the definition of "Deferral Notice" shall not be construed as a determination by the Calculation Agent that such Applicable Request has definitively occurred and/or the a Credit Resolution Request Date will occur, that any relevant Credit Derivatives Determinations Committee will be convened in respect of such Applicable Request or, that if any relevant Credit Derivatives Determinations Committee has been convened, that such Credit Derivatives



Determinations Committee will so determine that a Credit Event Resolution Request Date has occurred."

#### 4. Definitions

The following words and expressions shall have the following meanings:

**"Accumulated Loss"** means, in respect of any relevant day, a percentage determined by the Calculation Agent in respect of such day as being equal to the sum of (i) the aggregate of the Reference Entity Weightings in respect of each Reference Entity which is an Affected Reference Entity and (ii) the aggregate of all Triggered Reference Entity Losses, in each case, in respect of such day.

**"Additional Coupon Amount"** means, in respect a Coupon Payment Date, if a Determination Date occurs in respect of a Reference Entity that was an Affected Reference Entity in respect of such Coupon Payment Date, and the Accumulated Loss in respect of such Coupon Payment Date was greater than the Lower Boundary, as determined by the Calculation Agent, an amount (which may be zero) in the Specified Currency determined by the Calculation Agent equal to:

- (i) the Revised Coupon Amount determined by the Calculation Agent in respect of the Adjustment Calculation Date in respect of such Coupon Payment Date (the **"Relevant Adjustment Calculation Date"**); *minus*
- (ii) the Revised Coupon Amount determined by the Calculation Agent in respect of the Adjustment Calculation Date immediately preceding such Relevant Adjustment Calculation Date, or, if no such preceding Adjustment Calculation Date has occurred, the Coupon Amount relating to such Coupon Payment Date.

**"Additional Coupon Payment Date"** means, in respect of a Reference Entity that was an Affected Reference Entity in respect of a Coupon Payment Date (the **"Relevant Coupon Payment Date"**), the day falling five Business Days after the Determination Date (if any) in respect of such Reference Entity.

**"Additional Instalment"** means, in respect of a Reference Entity that was an Affected Reference Entity in respect of a Coupon Payment Date, an amount (which may be zero) in the Specified Currency determined by the Calculation Agent equal to:

- (i) the Revised Coupon Bearing Amount calculated in respect of the Redemption Adjustment Calculation Date in respect of such Reference Entity (the **"Relevant Redemption Adjustment Calculation Date"**); *minus*
- (ii) the Revised Coupon Bearing Amount calculated in respect of the Redemption Adjustment Calculation Date immediately preceding such Relevant Redemption Adjustment Calculation Date, or if no such Redemption Adjustment Calculation Date has occurred, the Redemption Amount.

**"Additional Instalment Date"** means, in respect of a Reference Entity that was an Affected Reference Entity in respect of the Final Coupon Payment Date, the day falling five Business Days after the Redemption Adjustment Calculation Date (if any) in respect of such Reference Entity.

**"Adjustment Calculation Date"** means, in respect of a Reference Entity that was an Affected Reference Entity in respect of a Coupon Payment Date, the Determination Date in respect of such Reference Entity.

**"Affected Reference Entity"** means, in respect of a Coupon Payment Date, a Reference Entity either:

- (i) that was an Undetermined Reference Entity in respect of the Cut-off Date relating to such Coupon Payment Date; or
- (ii) in respect of which a Deferral Notice has been delivered by the Calculation Agent to the Issuer at any time during the Deferral Notice Delivery Period in respect of such Coupon Payment Date and no Determination Date has occurred in respect thereof.

**"Applicable Event Determination Date"** means, in respect of an Affected Reference Entity, an Event Determination Date that occurs on or before the Latest Potential Event Determination Date with respect to such Reference Entity and for which the related Credit Event occurred on or after the Credit Event Backstop Date in respect of such Reference Entity.

**"Applicable Request"** means a notice to ISDA, delivered in accordance with the Rules, requesting that a Credit Derivatives Determinations Committee be convened to resolve matters relating to whether a Credit Event has occurred with respect to a Reference Entity or an Obligation thereof.

**"Applicable Resolution"** means a DC Resolution in respect of an Applicable Request.

**"Coupon Bearing Amount"** means, in respect of a Coupon Payment Date, an amount in the Specified Currency as determined by the Calculation Agent equal to the product of (i) RA and (ii) 100 per cent. minus the Notional Reduction Amount in respect of such Coupon Payment Date.

**"Coupon Payment Date"** means each of:

- (i) 10 January 2026 and 10 July 2026, in each case subject to adjustment in accordance with the Following Business Day Convention; and
- (j) the Scheduled Redemption Date.

**"Coupon Period"** means the period from (and including) one Coupon Payment Date to (but excluding) the next succeeding Coupon Payment Date, except that:

- (i) the initial Interest Period will commence on (and include) the Issue Date; and
- (ii) the final Coupon Period will end on (and exclude) the earliest of (a) the Final Coupon Payment Date or (b) if, in respect of the Cut-off Date relating to any Coupon Payment Date, the aggregate of the Triggered Reference Entity Losses in respect of such day is equal to or greater than the Upper Boundary, as determined by the Calculation Agent, the Coupon Payment Date immediately preceding such Cut-off Date (or, if none, the Issue Date).

**"Coupon Rate"** means 3.70 per cent. (expressed as 0.0370).

**"Cut-off Date"** means, in respect of a date, the day falling three Business Days prior to such date.

**"Day Count Fraction"** means 30/360.

**"Deferral Notice"** means, in respect of a Reference Entity and a Coupon Payment Date, a notice delivered by the Calculation Agent to the Issuer at any time during the Deferral Notice Delivery Period in respect of such Coupon Payment Date, stating that the Calculation Agent has determined (in its sole and absolute discretion) that an Applicable Request may have been made after 5.00 p.m. (London time) on the Cut-Off Date in respect of the Credit Observation End Date.

**"Deferral Notice Delivery Period"** means, in respect of a date, the period from (and including) 5.00 p.m. (London time) on the Cut-off Date relating to the Credit Observation End Date to (but excluding) such date.

**"Determination Date"** means, in respect of a Reference Entity that was an Affected Reference Entity in respect of a Coupon Payment Date:

- (i) where no Applicable Event Determination Date has occurred in respect of such Reference Entity, the Latest Potential Event Determination Date in respect of such Reference Entity, provided that at any time prior to the occurrence of an Applicable Event Determination Date in respect of such Reference Entity the Issuer may designate a day falling prior to the Latest Potential Event Determination in respect of such Reference Entity as the Determination Date in respect of such Reference Entity for purposes of this sub-paragraph (i); and
- (ii) where an Applicable Event Determination Date has occurred, the earlier of:
  - (a) such Applicable Event Determination Date, provided that such date is not also a date on which the DC Secretary makes a public announcement as described in subparagraph (b) below; and
  - (b) the date (if any) on which the DC Secretary subsequently makes a public announcement that an Applicable Resolution has resolved that the Credit Event to which such Event Determination Date relates has not occurred.

**"Latest Potential Event Determination Date"** means, in respect of an Affected Reference Entity and:

- (i) each Coupon Payment Date other than the Final Coupon Payment Date, the Coupon Payment Date immediately succeeding such Coupon Payment Date; and
- (ii) the Final Coupon Payment Date:
  - (a) the Extension Date in respect of such Reference Entity; or, if later
  - (b) if, in respect of the Final Coupon Payment Date, a Deferral Notice has been delivered, the date falling 90 calendar days after the Scheduled Credit Observation End Date.

**"Lower Boundary"** means 1.60 per cent. (expressed as 0.0160).

**"Notional Reduction Amount"** means, in respect of any relevant day, a percentage determined by the Calculation Agent in respect of such day as being equal to the quotient of:

- (i) (a) the Accumulated Loss in respect of such day *minus* (b) the Lower Boundary (as numerator); and
- (ii) the Tranche Size (as denominator),

subject to a maximum of 100 per cent. and a minimum of zero.

**"Redemption Adjustment Calculation Date"** means, in respect of a Reference Entity that was an Affected Reference Entity in respect of the Final Coupon Payment Date, the Determination Date in respect of such Reference Entity.

**"Reference Entity Weighting"** means, in respect of a Reference Entity, the weighting of such Reference

Entity for the purposes of the Index (as defined in paragraph 3.4 of this Part C above) as specified in the Index Annex (as defined in paragraph 3.4 of this Part C above), as determined by the Calculation Agent.

**"Revised Coupon Amount"** means, in respect of a Coupon Payment Date and any related Adjustment Calculation Date, the Coupon Amount that would have been payable in respect of such Coupon Payment Date if the Notional Reduction Amount were recalculated by the Calculation Agent in respect of such Coupon Payment Date but with the Calculation Agent making such calculation on the basis that in respect of each Reference Entity that was an Affected Reference Entity in respect of such Coupon Payment Date for which a Determination Date has occurred on or prior to such Adjustment Calculation Date, either:

- (i) where such Determination Date arises as a result of an Applicable Event Determination Date, such Reference Entity is treated as having been a Triggered Reference Entity on such date; or
- (ii) otherwise, such Reference Entity is treated as having been neither an Affected Reference Entity nor a Triggered Reference Entity.

The Calculation Agent shall determine the Revised Coupon Amount based on a determination of it of the recalculated Notional Reduction Amount.

**"Revised Coupon Bearing Amount"** means, in respect of a Redemption Adjustment Calculation Date, the Redemption Amount that would have been payable on the Scheduled Redemption Date if the Notional Reduction Amount were recalculated by the Calculation Agent in respect of the Final Coupon Payment Date but with the Calculation Agent making such calculation on the basis that in respect of each Reference Entity that was an Affected Reference Entity in respect of such Final Coupon Payment Date for which a Determination Date has occurred on or prior to such Redemption Adjustment Calculation Date, either:

- (i) where such Determination Date arises as a result of an Applicable Event Determination Date, such Reference Entity is treated as having been a Triggered Reference Entity in respect of the Final Coupon Payment Date; or
- (ii) otherwise, such Reference Entity is treated as having been neither an Affected Reference Entity nor a Triggered Reference Entity.

The Calculation Agent shall determine the Revised Coupon Bearing Amount based on a determination by the Calculation Agent of the recalculated Notional Reduction Amount.

**"RA"** means, in respect of each Security, the Reference Amount, being EUR 100,000.

**"Tranche Size"** means the Upper Boundary minus the Lower Boundary.

**"Triggered Reference Entity"** means a Reference Entity in respect of which an Event Determination Date has occurred.

**"Triggered Reference Entity Losses"** means in respect of a Triggered Reference Entity and any relevant day, the Reference Entity Weighting in respect of such Triggered Reference Entity.

**"Undetermined Reference Entity"** means, in respect of a day, a Reference Entity in respect of which an Applicable Request has been made for which there has not been an Applicable Resolution and no Determination Date has occurred in respect thereof.

**"Upper Boundary"** means 4.80 per cent. (expressed as 0.0480).

## ANNEX A

### CREDIT LINKED PROVISIONS

*These Credit Linked Provisions are incorporated into, and form part of, the relevant Pricing Supplement and set forth important provisions relating to the contingent nature of the obligations on the Issuer to pay principal and coupons on the Securities. Unless otherwise defined herein, terms used in these Credit Linked Provisions shall have the meanings ascribed to them elsewhere in the relevant Pricing Supplement. To the extent any provision in these Credit Linked Provisions conflicts with any other provision in the relevant Pricing Supplement, the provision in the relevant Pricing Supplement will govern.*

*All calculations and determinations made by the Calculation Agent in relation to the Securities shall (save in the case of manifest error at the time the relevant determination is made) be final and binding on the Issuer, the Agents and the Holders of the Securities. The Calculation Agent shall not be required to consult with any other party in relation to any determination or calculation made by the Calculation Agent. The Calculation Agent shall have no liability to any person as a result of relying on a resolution of a Credit Derivatives Determinations Committee.*

*These Credit Linked Provisions apply to Securities for which the Holders of such Securities are sellers of credit protection.*

#### **1. Auction Settlement**

Subject as provided below and in Credit Linked Provision 7 (*Credit Event Notice after M(M)R Restructuring*), if an Event Determination Date has occurred with respect to a Reference Entity and “Auction Settlement” is specified as the Settlement Method with respect to such Reference Entity in the relevant Pricing Supplement, Auction Settlement shall apply and, for the purposes of General Condition 9.5 (*Redemption on the Redemption Date*) and paragraph 38 of the applicable Pricing Supplement, the Redemption Amount in respect of each Security shall be an amount in the Specified Currency, calculated by the Calculation Agent equal to the product of (i) the Auction Final Price and (ii) the Reference Amount.

If, with respect to a Reference Entity and a Credit Event:

- (i) an Auction Cancellation Date occurs;
- (ii) a No Auction Announcement Date occurs (and, in circumstances where such No Auction Announcement Date occurs pursuant to sub-paragraphs (ii) or (iii) of the definition of No Auction Announcement Date), the Calculation Agent has not exercised the Movement Option);
- (iii) a DC Credit Event Question Dismissal occurs; or
- (iv) an Event Determination Date was determined pursuant to sub-paragraph (i)(a) of the definition of Event Determination Date or sub-paragraph (i) of the definition of Non-Standard Event Determination Date and, in either case, no Credit Event Resolution Request Date has occurred on or prior to the date falling three Business Days after such Event Determination Date,

then the Fallback Settlement Method shall apply.

**If an Event Determination Date occurs and the Securities become redeemable in accordance with the Conditions, upon payment of the Redemption Amount in respect of the Securities, the Issuer shall have discharged its obligations in respect of the Securities and shall have no other liability or obligation whatsoever in respect thereof. The Redemption Amount in respect of the Securities may be less than the original amount invested.**

#### **2. Cash Settlement**

Subject as provided in Credit Linked Provision 7 (*Credit Event Notice after M(M)R Restructuring*), if an Event Determination Date has occurred with respect to a Reference Entity and “Cash Settlement” is specified as the

Settlement Method with respect to such Reference Entity or “Cash Settlement” is deemed to be applicable with respect to such Reference Entity in accordance with Credit Linked Provision 1 (*Auction Settlement*), Cash Settlement shall apply and for the purposes of General Condition 9.5 (*Redemption on the Redemption Date*) and paragraph 38 of the applicable Pricing Supplement, the Redemption Amount in respect of each Security shall be an amount in the Specified Currency, calculated by the Calculation Agent equal to the product of (i) the Final Price and (ii) the Reference Amount.

**If an Event Determination Date occurs and the Securities become redeemable in accordance with the Conditions, upon payment of the Redemption Amount in respect of the Securities, the Issuer shall have discharged its obligations in respect of the Securities and shall have no other liability or obligation whatsoever in respect thereof. The Redemption Amount in respect of the Securities may be less than the original amount invested.**

### **3 Potential Postponement of the Redemption Date**

#### **3.1 Repudiation/Moratorium Extension**

If Repudiation/Moratorium is specified as a Credit Event in respect of a Reference Entity, the provisions of this Credit Linked Provision 3.1 (*Repudiation/Moratorium Extension*) shall apply.

Where an Event Determination Date has not occurred on or prior to the Scheduled Redemption Date but the Repudiation/Moratorium Extension Condition has been satisfied on or prior to the Scheduled Redemption Date or, if sub-paragraph (ii) of Credit Linked Provision 3.3 (*Redemption Date Extension*) applies, the Postponed Redemption Date and the Repudiation/Moratorium Evaluation Date in respect of the Potential Repudiation/Moratorium will in the sole determination of the Calculation Agent fall after the Scheduled Redemption Date or the Postponed Redemption Date (as applicable), then the Calculation Agent shall notify the Holders in accordance with General Condition 27 that a Potential Repudiation/Moratorium has occurred and:

- (i) where a Repudiation/Moratorium has not occurred on or prior to the Repudiation/Moratorium Evaluation Date, and in the case of Securities that pay a Coupon Amount, the Issuer shall be obliged to pay (a) the Coupon Amount in respect of the Coupon Period ending on (but excluding) the Scheduled Redemption Date and (b) additional coupon calculated as provided herein on the basis of an additional Coupon Period in respect of the Securities commencing on (and including) the Scheduled Redemption Date and ending on (but excluding) the Repudiation/Moratorium Evaluation Date and determined by applying an overnight deposit rate determined by the Calculation Agent in its sole and absolute discretion from such source(s) as it may select for such day to the amount in the Settlement Currency, but shall only be obliged to make such payment of coupons on the third Business Day following the Repudiation/Moratorium Evaluation Date and no further or other amount in respect of coupons or such delay shall be payable; or
- (ii) where a Repudiation/Moratorium has occurred on or prior to the Repudiation/Moratorium Evaluation Date and an Event Determination Date has occurred, the provisions of Credit Linked Provision 1 (*Auction Settlement*) and/or 2 (*Cash Settlement*), as applicable, shall apply to the Securities.

#### **3.2 Grace Period Extension**

If Grace Period Extension is specified as applicable in respect of a Reference Entity, the provisions of this Credit Linked Provision 3.2 (*Grace Period Extension*) shall apply.

Where an Event Determination Date has not occurred on or prior to the Scheduled Redemption Date but a Potential Failure to Pay has occurred with respect to one or more Obligation(s) in respect of which a

Grace Period is applicable on or prior to the Scheduled Redemption Date (and such Grace Period(s) is/are continuing as at the Scheduled Redemption Date), then:

- (i) where a Failure to Pay has not occurred on or prior to the Grace Period Extension Date, and in the case of Securities that pay a Coupon Amount, the Issuer shall be obliged to pay (a) the Coupon Amount in respect of the Coupon Period ending on (but excluding) the Scheduled Redemption Date and (b) additional coupon calculated as provided herein on the basis of an additional Coupon Period in respect of the Securities commencing on (and including) the Scheduled Redemption Date and ending on (but excluding) the Grace Period Extension Date and determined by applying an overnight deposit rate determined by the Calculation Agent in its sole and absolute discretion from such source(s) as it may select for such day to the amount in the Settlement Currency, but shall only be obliged to make such payment of coupons on the third Business Day following the last day of the Notice Delivery Period and no further or other amount in respect of coupons or such delay shall be payable; or
- (ii) where a Failure to Pay has occurred on or prior to the Grace Period Extension Date and an Event Determination Date has occurred, the provisions of Credit Linked Provision 1 (*Auction Settlement*) and/or 2 (*Cash Settlement*), as applicable, shall apply to the Securities.

### 3.3 Redemption Date Extension

If:

- (i) on (a) the Scheduled Redemption Date or (b), if applicable, the Repudiation/Moratorium Evaluation Date, or (c) the Grace Period Extension Date, as the case may be, an Event Determination Date has not occurred but, in the opinion of the Calculation Agent, acting in good faith, a Credit Event may have occurred; or
- (ii) on the Scheduled Redemption Date, in the opinion of the Calculation Agent, a Potential Repudiation/Moratorium may have occurred,

the Calculation Agent shall notify the Holders in accordance with General Condition 27 that the Redemption Date has been postponed to a date (such date the “**Postponed Redemption Date**”) specified in such notice falling 90 calendar days after the Scheduled Redemption Date, the Repudiation/Moratorium Evaluation Date or the Grace Period Extension Date, as the case may be, or if such date is not a Business Day, the immediately succeeding Business Day and:

- (A) in respect of (i) above, if an Event Determination Date has not occurred on or prior to the Postponed Redemption Date or, in respect of (ii) above, the Repudiation Moratorium Extension Condition is not satisfied on or prior to the Postponed Redemption Date, and in the case of Securities that pay a Coupon Amount, the Issuer shall be obliged to pay (I) the Coupon Amount in respect of the Coupon Period ending on (but excluding) the Scheduled Redemption Date and (II) additional coupons calculated as provided herein on the basis of an additional Coupon Period in respect of the Securities commencing on (and including) the Scheduled Redemption Date, the Repudiation/Moratorium Evaluation Date or the Grace Period Extension Date, as the case may be, and ending on (but excluding) the Postponed Redemption Date and determined by applying an overnight deposit rate determined by the Calculation Agent in its sole and absolute discretion from such source(s) as it may select for such day to the amount in the Settlement Currency, but shall only be obliged to make such payment of coupons on the third Business Day following the Postponed Redemption Date and no further or other amount in respect of coupons or such delay shall be payable; or

- (B) where:
- (I) in respect of (i) above, an Event Determination Date has occurred on or prior to the Postponed Redemption Date, the provisions of Credit Linked Provision 1 (*Auction Settlement*) and/or 2 (*Cash Settlement*), as applicable, shall apply to the Securities; or
  - (II) in respect of (ii) above, the Repudiation/Moratorium Extension Condition is satisfied on or prior to the Postponed Redemption Date, and the provisions of Credit Linked Provision 3.1 (*Repudiation/Moratorium Extension*) shall apply to the Securities.

#### **4. Coupon Provisions**

Coupon will accrue on the Securities for each period from (and including) one Coupon Payment Date to (but excluding) the next succeeding Coupon Payment Date (each a “**Coupon Period**”), except that:

- (i) the initial Coupon Period will commence on, and include, the Issue Date; and
- (ii) the final Coupon Period will end on, and exclude, the earliest to occur of:
  - (a) the Scheduled Redemption Date; or
  - (b) the Coupon Payment Date immediately preceding the final Event Determination Date,

Provided That if the final Event Determination Date falls prior to the first Coupon Payment Date, no Coupon Amount shall be payable in respect of the Securities.

#### **5. Method for Determining Obligations**

- (i) For the purposes of sub-paragraph (i) of the definition of Obligation, the term “Obligation” may be defined as each obligation of a Reference Entity described by the Obligation Category specified as being applicable in the relevant Standard, and having each of the Obligation Characteristics (if any) specified in the relevant Standard, in each case, immediately prior to the Credit Event which is the subject of either the Credit Event Notice or the DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date, as applicable.
- (ii) If either of the Obligation Characteristics “Listed” or “Not Domestic Issuance” is specified as being applicable in the Standard, the relevant Pricing Supplement shall be construed as though the relevant Obligation Characteristic had been specified as an Obligation Characteristic only with respect to Bonds.

#### **6. Method for Determining Valuation Obligations**

- (i) For the purposes of sub-paragraph (i) of the definition of Valuation Obligation, the term “Valuation Obligation” may be defined as each obligation of a Reference Entity described by the Valuation Obligation Category as being applicable in the Standard and subject to below, having each of the Valuation Obligation Characteristics, if any, specified as being applicable in the Standard, in each case, as of the Valuation Date.
- (ii) If (a) any of the Valuation Obligation Characteristics “Listed”, “Not Domestic Issuance” or “Not Bearer” are specified as being applicable in the Standard, the applicable Pricing Supplement shall be construed as though such Valuation Obligation Characteristic had been specified as a Valuation Obligation Characteristic only with respect to Bonds, (b) the Valuation Obligation Characteristic “Transferable” is specified as being applicable in the Standard, the applicable Pricing Supplement shall be construed as though such Valuation Obligation Characteristic had been specified as a Valuation Obligation Characteristic only with respect to Valuation Obligations that are not Loans, or (c) any of the Valuation Obligation Characteristics “Assignable Loan”, “Consent Required Loan” or “Direct Loan Participation” is specified as being applicable in the Standard, the relevant Pricing Supplement shall be construed as though such Valuation Obligation Characteristic had been specified as a Valuation Obligation Characteristic only with respect to Loans.



- (iii) If more than one of “Assignable Loan”, “Consent Required Loan” and “Direct Loan Participation” are specified as Valuation Obligation Characteristics in the Standard, the Valuation Obligations may include any Loan that satisfies any one of such Valuation Obligation Characteristics specified and need not satisfy all such Valuation Obligation Characteristics.
- (iv) If an Obligation or a Valuation Obligation is a Relevant Guarantee, the following will apply:
  - (a) For purposes of the application of the “Obligation Category” or the “Valuation Obligation Category”, the Relevant Guarantee shall be deemed to satisfy the same category or categories as those that describe the Underlying Obligation;
  - (b) For purposes of the application of the Obligation Characteristics or the Valuation Obligation Characteristics, both the Relevant Guarantee and the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Obligation Characteristics or Valuation Obligation Characteristics, if any, specified in the Standard from the following list: “Not Subordinated”, “Specified Currency”, “Not Sovereign Lender”, “Not Domestic Currency” and “Not Domestic Law”;
  - (c) For purposes of the application of the Obligation Characteristics or the Valuation Obligation Characteristics, only the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Obligation Characteristics or Valuation Obligation Characteristics, if any, specified in the Standard from the following list: “Listed”, “Not Domestic Issuance”, “Assignable Loan”, “Consent Required Loan”, “Direct Loan Participation”, “Transferable”, “Maximum Maturity”, “Accelerated” or “Matured”, and “Not Bearer”; and
  - (d) For purposes of the application of the Obligation Characteristics or the Valuation Obligation Characteristics to an Underlying Obligation, references to the Reference Entity shall be deemed to refer to the Underlying Obligor.
- (v) For purposes of the application of the Valuation Obligation Characteristic “Maximum Maturity”, remaining maturity shall be determined on the basis of the terms of the Valuation Obligation in effect at the time of making such determination and, in the case of a Valuation Obligation that is due and payable, the remaining maturity shall be zero.
- (vi) If “Financial Reference Entity Terms” and “Governmental Intervention” are specified as being applicable in the Standard, if an obligation would otherwise satisfy a particular Obligation Characteristic or Valuation Obligation Characteristic, the existence of any terms in the relevant obligation in effect at the time of making the determination which permit the Reference Entity’s obligations to be altered, discharged, released or suspended in circumstances which would constitute a Governmental Intervention, shall not cause such obligation to fail to satisfy such Obligation Characteristic or Valuation Obligation Characteristic.
- (vii) For purposes of determining the applicability of Valuation Obligation Characteristics and the requirements specified in sub-paragraphs (ix) and (x) below in respect of a Prior Valuation Obligation or a Package Observable Bond, any such determination shall be made by reference to the terms of the relevant obligation in effect immediately prior to the Asset Package Credit Event.
- (viii) If “Subordinated European Insurance Terms” is specified as being applicable in the Standard, if an obligation would otherwise satisfy the “Maximum Maturity” Valuation Obligation Characteristic, the existence of any Solvency Capital Provisions in such obligation shall not cause it to fail to satisfy such Valuation Obligation Characteristic.
- (ix) If, for the purpose of a Reference Entity in respect of which a Restructuring has occurred, “Mod R” is specified as being applicable in the Standard, and Restructuring is the only Credit Event specified in a Credit Event Notice, then unless the Valuation Obligation is a Prior Valuation Obligation and Asset

Package Valuation applies due to a Governmental Intervention, the Valuation Obligation may only be an obligation which, as determined by the Calculation Agent (in its sole discretion), (A) is a Fully Transferable Obligation and (B) has a final maturity date not later than the applicable Restructuring Maturity Limitation Date, in each case, as of the Valuation Date.

- (x) If, for the purpose of a Reference Entity in respect of which a Restructuring has occurred, “Mod Mod R” is specified as being applicable in the Standard, and Restructuring is the only Credit Event specified in a Credit Event Notice, then unless the Valuation Obligation is a Prior Valuation Obligation and Asset Package Valuation applies due to a Governmental Intervention, a Valuation Obligation may only be an obligation which, as determined by the Calculation Agent (in its sole discretion), (A) is a Conditionally Transferable Obligation and (B) has a final maturity date not later than the applicable Modified Restructuring Maturity Limitation Date, in each case, as of the Valuation Date. Notwithstanding the foregoing, for purposes of this sub-paragraph (x), in the case of a Restructured Bond or Loan with a final maturity date on or prior to the 10-year Limitation Date, the final maturity date of such Bond or Loan shall be deemed to be the earlier of such final maturity date or the final maturity date of such Bond or Loan immediately prior to the relevant Restructuring.
- (xi) For the purposes of making a determination pursuant to sub-paragraphs (ix) and (x) above, the final maturity date shall, subject to sub-paragraph (x) above, be determined on the basis of the terms of the Valuation Obligation in effect at the time of making such determination and, in the case of a Valuation Obligation that is due and payable, the final maturity date shall be deemed to be the date on which such determination is made.
- (xii) In selecting any Valuation Obligations hereunder, the Calculation Agent is under no obligation to the Holders or any other person and, provided that the obligation selected meets the criteria in the definition of “Valuation Obligation”, is entitled, and indeed will endeavour, to select obligations with the lowest price of any obligations which meet such criteria, but will not be liable to any person if a lower price is obtained as a result of that selection than would have been obtained if a different selection had been made, or for any other consequence of the relevant selection. In making any selection, the Calculation Agent will not be liable to account to the Holders or any other person for any profit or other benefit to it or any of its affiliates which may result directly or indirectly from any such selection.

## 7. Credit Event Notice after M(M)R Restructuring

- (i) Upon the occurrence of an M(M)R Restructuring with respect to a Reference Entity (other than where, following the associated Event Determination Date, the Remaining Credit Position of such Reference Entity is greater than zero) and subject as provided in the definition of “Credit Event”, no further Event Determination Date, Potential Failure to Pay or Potential Repudiation/Moratorium may occur with respect to such Reference Entity.
- (ii) Upon the occurrence of an Event Determination Date relating only to an M(M)R Restructuring with respect to a Reference Entity, the Calculation Agent may deliver multiple Credit Event Notices with respect to a Reference Entity that has been subject to an Event Determination Date relating only to an M(M)R Restructuring, each such Credit Event Notice that relates only to an M(M)R Restructuring specifying the relevant portion (as determined by the Calculation Agent in its sole discretion) of the Credit Position of the Reference Entity to which such Credit Event Notice applies (the “**Exercise Amount**”).

Where the Credit Event Notice does not specify an Exercise Amount, the entire Credit Position (or, as the case may be, Remaining Credit Position) will be deemed to have been specified as the Exercise Amount.

- (iii) Such Reference Entity shall be treated as a separate Defaulted Credit in respect of each relevant Exercise Amount and all provisions related to the calculation of principal and coupons payable under the Securities shall be construed accordingly.

- (iv) Notwithstanding the provisions of these Credit Linked Provisions:
- (a) where the Securities provide that following the occurrence of an Event Determination Date (and satisfaction of any conditions related thereto) the Redemption Amount shall become due, the Redemption Amount shall not become due following the occurrence of an Event Determination Date relating only to an M(M)R Restructuring except for in respect of any Exercise Amount(s) specified; and
  - (b) once a Credit Event Notice relating only to an M(M)R Restructuring has been given in respect of a Reference Entity, any determination relating to any change or potential change in the amount(s) or timing(s) of coupons and/or principal payable in respect of the Securities, in relation to any Credit Event for which any Exercise Amount has been specified, shall only be in respect of any relevant Exercise Amount(s) specified as of the relevant date of determination, and otherwise shall be in respect of the entire Remaining Credit Position. For any Defaulted Credit in respect of which an Exercise Amount was not specified as of the relevant date of determination of such Defaulted Credit, after any relevant Exercise Amount is specified, the Remaining Credit Position shall be reduced accordingly and the provisions otherwise applicable in respect of such Defaulted Credit shall continue to apply to the extent of any Remaining Credit Position following such reduction.
- (v) As used herein, "Remaining Credit Position" means, in respect of each Reference Entity in respect of which M(M)R Restructuring is specified as being applicable, at any time, the initial Credit Position of such Reference Entity, less the aggregate of all Exercise Amounts (if any) in respect of such Reference Entity. For all the purposes hereof, insofar as the Remaining Credit Position of any Reference Entity in respect of which M(M)R Restructuring is specified as being applicable is, at any time, greater than zero, such Reference Entity shall be treated as a non-Defaulted Credit.

#### **8. Timings and Requirements Regarding Notices**

- (i) Subject as provided in the following paragraph, the Calculation Agent will determine the day on which an event occurs for the purposes of these Credit Linked Provisions on the basis of the demarcation of days made by reference to Greenwich Mean Time (or, if the Transaction Type of the Reference Entity relates to Japan, Tokyo time), irrespective of the time zone in which such event occurred. Any event occurring after midnight shall be deemed to have occurred immediately prior to midnight.
- (ii) Notwithstanding the foregoing paragraph or the definition of "Credit Event Notice", if a payment is not made by a Reference Entity on its due date or, as the case may be, on the final day of the relevant Grace Period, then such failure to make a payment shall be deemed to have occurred on such day prior to midnight Greenwich Mean Time (or, if the Transaction Type of the Reference Entity relates to Japan, Tokyo time), irrespective of the time zone of its place of payment.
- (iii) Certain determinations made by the Calculation Agent hereunder relate to the applicability of certain ISDA or committee determinations, announcements, resolutions or other actions (each a "**Relevant Determination**") to the Securities. Unless otherwise expressly stated herein, any dates and timings hereunder that are determined on the basis of the relevant dates and timings of any applicable Relevant Determination shall not be affected by any delay in the determination by the Calculation Agent that such Relevant Determination is applicable, but shall be determined on the basis of the relevant dates and timings of such applicable Relevant Determination without regard to any such delay. Unless the context otherwise requires, any capitalised term that is used and defined herein that is also defined for purposes of an applicable Relevant Determination shall, where used in connection with such Relevant Determination, have the meaning given to such term for purposes of such Relevant Determination but shall also relate to the corresponding term as defined herein.

- (iv) Any notice or other communication given by one party to any other party must be in writing (including by facsimile or email) or by telephone, and will be subject to the requirements set forth in (v) or (vi) below.
- (v) A notice delivered on or prior to 4:00 p.m. (Calculation Agent City time) on a Calculation Agent City Business Day will be effective on such day. A notice delivered after 4:00 p.m. (Calculation Agent City time) on Calculation Agent City Business Day will be deemed effective on the next following Calculation Agent City Business Day, regardless of the form in which it is delivered.
- (vi) For purposes of sub-paragraph (iv) above, a notice given by telephone will be deemed to have been delivered at the time the telephone conversation takes place. If the notice is delivered by telephone, a written confirmation of such notice will be executed and delivered confirming the substance of such notice within one Calculation Agent City Business Day of such notice. Failure to provide that written confirmation shall not affect the effectiveness of a notice given by telephone.

## 9. **Merger between Reference Entity and Issuer or Guarantor**

If the Calculation Agent determines that at any time during the period from (and including) the Trade Date to (but excluding) the Credit Observation End Date:

- (i) the Issuer or a Reference Entity consolidates or amalgamates with, or merges into, or transfers all or substantially all of its assets to, a Reference Entity or the Issuer or the Guarantor, as applicable; or
- (ii) the Issuer or the Guarantor (as applicable) and the Reference Entity become affiliates,

then, in each case, the Calculation Agent may (in its sole and absolute discretion but shall not be obliged to) notify the Holders in accordance with General Condition 27 that each Security shall be redeemed by the Issuer at the Early Payment Amount on the third Business Day following the date of such notice.

## 10. **Inconsistency with determinations of the Credit Derivatives Determinations Committees**

If any determination by the Calculation Agent is overruled by a decision of the Credit Derivatives Determinations Committees (a “**Committee Determination**”) within 90 calendar days of such Calculation Agent’s determination, provided that such Committee Determination is made at least five Business Days before the Redemption Date, the Calculation Agent’s determination shall be substituted by the Committee Determination on and from the date of such determination and the Calculation Agent shall, within a reasonable time period, make all necessary amendments to the terms of the Securities or undertake all necessary actions to give effect to the adoption of the Committee Determination.

## 11. **Effect of DC Resolutions**

### 11.1 **Settlement Suspension**

If, following the occurrence of an Event Determination Date but prior to a Valuation Date, there is a DC Credit Event Meeting Announcement, the timing requirements contained in the definition of Valuation Date or any other provision of these Credit Linked Provisions or the Conditions that pertains to settlement, shall toll and remain suspended until the date of the relevant DC Credit Event Announcement or DC Credit Event Question Dismissal. During such suspension period, the Calculation Agent is not obliged to, nor is it entitled to, take any action in connection with the settlement of any Defaulted Credit. Once the relevant DC Credit Event Announcement or DC Credit Event Question Dismissal, as applicable, has occurred, the relevant timing requirements of the definition of Valuation Date, or any other provision of these Credit Linked Provisions or the Conditions that pertains to settlement that have previously tolled or been suspended shall resume on the Business Day following such public announcement by the DC Secretary with the Calculation Agent having the benefit of the full day notwithstanding when the tolling or suspension began in accordance with this Credit Linked Provision 11.1 (*Settlement Suspension*).

## **11.2 Effect of DC Resolutions**

Any DC Resolution of the relevant Credit Derivatives Determinations Committee that is applicable to such Defaulted Credit, including a DC Resolution that reverses a previous DC Resolution, shall be binding on the Issuer and the Calculation Agent:

- (i) provided that if the effect of a DC Resolution would be to reverse (a) a prior DC Resolution of the relevant Credit Derivatives Determinations Committee, (b) any determination made by the Calculation Agent that is effectively notified to the Issuer prior to the fifth Business Day which immediately precedes the Successor Resolution Request Date or a Substitute Reference Obligation Resolution Request Date, as applicable, or (c) the occurrence of an Event Determination Date, that, in any case, has resulted in:
  - (a) the identification of one or more Successors;
  - (b) the identification of a Substitute Reference Obligation; or
  - (c) the occurrence of an Auction Final Price Determination Date, a Valuation Date or the Redemption Date then such DC Resolution shall not be effective, or, in the case of a Valuation Date only, shall not be effective to the extent that a Valuation Date has occurred; and
- (ii) notwithstanding:
  - (a) that the terms of these Credit Linked Provisions, as supplemented, or any provisions contained in the Conditions, as applicable, may require such determination to be made by the Calculation Agent;
  - (b) that in order to reach such DC Resolution, the relevant Credit Derivatives Determinations Committee may be required to Resolve one or more factual matters before being able to reach such DC Resolution; and
  - (c) any actual or perceived conflict of interest on the part of a DC Party, legal counsel or other third-party professional hired by such DC Party in connection with such DC Party's performance of its duties under the DC Rules.

## **12. Calculation Agent**

All calculations and determinations made by the Calculation Agent in relation to the Securities shall (save in the case of manifest error at the time the relevant determination is made) be final and binding on the Issuer, the Agents and the Holders of the Securities.

The Calculation Agent shall not be required to consult with any other party in relation to any determination or calculation made by the Calculation Agent.

The Calculation Agent shall have no liability to any person as a result of relying on a resolution of a Credit Derivatives Determinations Committee.

The Calculation Agent shall not be liable to any person for any delay in or failure to deliver any notices hereunder (including, without limitation, any Credit Event Notice) or for any differences in the timing of any notices delivered hereunder from that under any other transactions in respect of which the Calculation Agent or its Affiliates perform a similar role or are counterparties thereto. It is explicitly acknowledged (and shall be taken into account in any determination of whether it has been grossly negligent) that the Calculation Agent will also be performing calculations and other functions with respect to transactions other than the Securities and that it may make the calculations required hereunder and other calculations and other functions required by such other transactions in such order as seems appropriate to it and shall not be liable for the order in which it elects to perform calculations or other functions or for any delay

caused by electing to perform calculations and other functions for such other transactions prior to those required hereunder.

The rights and obligations of the Issuer and the Holders under the Securities are irrespective of the existence or amount of the Issuer's or the Holders' credit exposure to a Reference Entity and no party need suffer any loss or provide evidence of any loss as a result of the occurrence of a Credit Event.

When determining the existence or occurrence of any Potential Failure to Pay, Potential Repudiation/Moratorium or any Credit Event, the Calculation Agent shall make such determination based on the occurrence of an event whether or not the occurrence of the relevant event arises directly or indirectly from or is subject to a defence based upon (a) any lack of alleged lack of authority or capacity of the relevant Reference Entity to enter into any Obligation or, as applicable, an Underlying Obligor to enter into any Underlying Obligation, (b) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation or, as applicable, any Underlying Obligation, however described, (c) any applicable law, order, regulation, decree or notice, however described, or the promulgation of, or any change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body with competent or apparent jurisdiction of any applicable law, order, regulation, decree or notice, however described, or (d) the imposition of or any change in any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority.

### **13. Definitions**

**"Affiliate"** has the meaning given to that term in the standard form "2002 ISDA Master Agreement" (the **"2002 ISDA Master Agreement"**).

**"Asset"** means each obligation, equity, amount of cash, security, fee (including any "early-bird" or other consent fee), right and/or other asset, whether tangible or otherwise and whether issued, incurred, paid or provided by the Reference Entity or a third party (or any value which was realised or capable of being realised in circumstances where the right and/or other asset no longer exists).

**"Asset Market Value"** means the market value of an Asset, as the Calculation Agent shall determine by reference to an appropriate specialist valuation or in accordance with the methodology determined by the Credit Derivatives Determinations Committee.

**"Asset Package"** means, in respect of an Asset Package Credit Event, all of the Assets in the proportion received or retained by a Relevant Holder in connection with such relevant Asset Package Credit Event (which may include the Prior Valuation Obligation or Package Observable Bond, as the case may be). If the Relevant Holder is offered a choice of Assets or a choice of combinations of Assets, the Asset Package will be the Largest Asset Package. If the Relevant Holder is offered, receives and retains nothing, the Asset Package shall be deemed to be zero.

**"Asset Package Credit Event"** means:

- (i) if "Financial Reference Entity Terms" and "Governmental Intervention" are specified as applicable in the Standard:
  - (a) a Governmental Intervention; or
  - (b) a Restructuring in respect of the Reference Obligation, if "Restructuring" is specified as applicable in the Standard and such Restructuring does not constitute a Governmental Intervention; and
- (ii) if the Reference Entity is a Sovereign and "Restructuring" is specified as applicable in the Standard, a Restructuring,

in each case, whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the DC Credit Event Announcement.

**“Asset Package Valuation”** will apply if an Asset Package Credit Event occurs, unless (i) such Asset Package Credit Event occurs prior to the Credit Event Backstop Date determined in respect of the Credit Event specified in the Credit Event Notice or DC Credit Event Announcement applicable to the Event Determination Date, or (ii) if the Reference Entity is a Sovereign, no Package Observable Bond exists immediately prior to such Asset Package Credit Event.

**“Auction”** has the meaning set forth in the Transaction Auction Settlement Terms.

**“Auction Cancellation Date”** has the meaning set forth in the Transaction Auction Settlement Terms.

**“Auction Covered Transaction”** has the meaning set forth in the Transaction Auction Settlement Terms.

**“Auction Final Price”** has the meaning set forth in the Transaction Auction Settlement Terms. Following the occurrence of an M(M)R Restructuring with respect to a Reference Entity, the Calculation Agent shall notify the Issuer, as soon as practicable after the publication of the Auction Final Price in respect of an Auction with respect to such M(M)R Restructuring, of the related Auction Final Price after determining the same in good faith and a commercially reasonable manner.

**“Auction Final Price Determination Date”** has the meaning set forth in the Transaction Auction Settlement.

**“Bankruptcy”** means a Reference Entity: (i) is dissolved (other than pursuant to a consolidation, amalgamation or merger), (ii) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due, (iii) makes a general assignment, arrangement, scheme or composition with or for the benefit of its creditors generally, or such a general assignment, arrangement, scheme or composition becomes effective, (iv) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other similar relief under any bankruptcy or insolvency law or other law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (a) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation, or (b) is not dismissed, discharged, stayed or restrained in each case within thirty calendar days of the institution or presentation thereof, (v) has a resolution passed for its winding-up or liquidation (other than pursuant to a consolidation, amalgamation or merger), (vi) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets, (vii) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within thirty calendar days thereafter, or (viii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in (i) to (vii) (inclusive).

**“Calculation Agent City”** means the city specified as such in the Standard or, if a city is not so specified, the city in which the office through which the Calculation Agent is acting for the purposes of the Securities is located.

**“Calculation Agent City Business Day”** means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the Calculation Agent City.

**“Conditionally Transferable Obligation”** means a Valuation Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Modified Eligible Transferees without the consent of any person being required, in the case of any Valuation Obligation other than Bonds, in each case, as of the Valuation Date, provided, however, that a Valuation Obligation other than Bonds will be a Conditionally Transferable Obligation notwithstanding that consent of the Reference Entity or the guarantor, if any, of a Valuation Obligation other than Bonds (or the consent of the relevant obligor if the Reference Entity is guaranteeing such Valuation Obligation) or any agent is required for such novation, assignment or transfer so long as the terms of such Valuation Obligation provide that such consent may not be unreasonably withheld or delayed. Any requirement that notification of novation, assignment or transfer of a Valuation Obligation be provided to a trustee, fiscal agent,

administrative agent, clearing agent or paying agent for a Valuation Obligation shall not be considered to be a requirement for consent for purposes of this definition of Conditionally Transferable Obligation.

**“Conforming Reference Obligation”** means a Reference Obligation which is a Valuation Obligation determined in accordance with sub-paragraph (i) of the definition of Valuation Obligation.

**“Credit Derivatives Auction Settlement Terms”** means any Credit Derivatives Auction Settlement Terms published by ISDA, a form of which will be published by ISDA on its website at [www.isda.org](http://www.isda.org) (or any successor website thereto) from time to time and may be amended from time to time.

**“Credit Derivatives Definitions”** means the 2014 ISDA Credit Derivatives Definitions as published by ISDA.

**“Credit Derivatives Determinations Committee”** means, with respect to a Reference Entity or an Obligation thereof, each committee established pursuant to the DC Rules for purposes of reaching certain DC Resolutions in connection with credit derivative transactions referencing such Reference Entity. For more information about the operation of the Credit Derivatives Determinations Committees, see *“Credit Derivatives Determinations Committees”* in Annex B hereto.

**“Credit Derivatives Physical Settlement Matrix”** means the “Credit Derivatives Physical Settlement Matrix”, as most recently amended and supplemented as at the Trade Date and as published by ISDA on its website at [www.isda.org](http://www.isda.org) (or any successor website thereto) Provided That the following amendments shall be deemed to have been made for the purposes of the Standard with respect to a Reference Entity:

- (a) all rows shall be deemed deleted to save for those named: Transaction Type; Business Day; Calculation Agent City; All Guarantees; Credit Events; Obligation Category; Obligation Characteristics; Deliverable Obligation Category; Deliverable Obligation Characteristics; Financial Reference Entity Terms; Subordinated European Insurance Terms; 2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014), Additional Provisions for the Russian Federation (August 13, 2004); Hungary Additional Provisions; Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (December 21, 2005); LPN Additional Provisions; Additional Provisions for STMicroelectronics NV (December 6, 2007); and Additional Provisions for the Hellenic Republic (May 29, 2012);
- (b) following such deemed deletion, all references to Deliverable Obligation Category shall instead be deemed to be to Valuation Obligation Category and all references to Deliverable Obligation Characteristics shall instead be deemed to be to Valuation Obligation Characteristics.
- (c) the Calculation Agent can deem such amendments to be made to the Credit Derivatives Physical Settlement Matrix and/or to any additional provisions or supplements referred to in paragraph (a) above as it determines necessary in order that the terminology and defined terms used therein correspond with those used in these Credit Linked Provisions;
- (d) all references to Business Day shall be deemed to be to Valuation Business Day, as the context so requires, provided that, where the Credit Derivatives Physical Settlement Matrix specifies a definition of Business Day, any locations therein not included in the definition of Valuation Business Day shall be added to the definition of Valuation Business Day as additional locations and the definition of Business Day shall not be affected; and
- (e) references to the relevant Confirmation shall be construed as references to the relevant Pricing Supplement in respect of the Securities.

Notwithstanding anything to the contrary in the relevant Pricing Supplement and the Credit Derivatives Physical Settlement Matrix, the “Fallback Settlement Method” will be Cash Settlement, as described in the Credit Linked Provisions attached hereto as Annex A.



**Material terms and conditions of the Securities can only be ascertained by reviewing the relevant Credit Derivatives Physical Settlement Matrix, together with the terms set for the Credit Linked Provisions attached hereto as Annex A. Prospective investors and Holders are strongly advised to obtain a copy of the relevant Credit Derivatives Physical Settlement Matrix and to review the applicable provisions thereof specified in such Credit Derivatives Physical Settlement Matrix as such provisions relate to the Reference Entity of a particular Transaction Type. A copy of the Credit Derivatives Physical Settlement Matrix with respect to the Securities is available at <http://www.isda.org> (or any successor website thereto).**

For the purposes of determining whether a Hypothetical Credit Derivative Transaction would be an Auction Covered Transaction, the Hypothetical Credit Derivative Transaction shall not be considered: (1) to be a transaction linked to any index or to a portfolio of entities, (2) to provide for a fixed recovery or final settlement amount, and (3) to provide that the Credit Derivatives Auction Settlement Terms would not apply.

In determining whether a Hypothetical Credit Derivative Transaction would be an Auction Covered Transaction, the Calculation Agent may (in its sole discretion) interpret the above provisions and resolve any ambiguity, having regard to market practice and interpretation.

**“Credit Event”** means the occurrence in respect of any Reference Entity or any Obligation of any Reference Entity of any of the events specified as being Credit Events applicable to such Reference Entity in the Standard. If an occurrence would otherwise constitute a Credit Event, such occurrence will constitute a Credit Event whether or not such occurrence arises directly or indirectly from, or is subject to a defence based upon:

- (i) any lack or alleged lack of authority or capacity of the Reference Entity to enter into any Obligation or, as applicable, an Underlying Obligor to enter into any Underlying Obligation;
- (ii) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation or, as applicable, any Underlying Obligation, however described;
- (iii) any applicable law, order, regulation, decree or notice, however described, or the promulgation of, or any change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body with competent or apparent jurisdiction of any applicable law, order, regulation, decree or notice, however described; or
- (iv) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.

Once an Event Determination Date has occurred with respect to a Reference Entity, no further Event Determination Date, Potential Failure to Pay or Potential Repudiation/Moratorium may occur with respect to such Reference Entity except:

- (i) to the extent that such Reference Entity is the Successor to one or more other Reference Entities (or Successor thereof) in respect of which no Event Determination Date has previously occurred;
- (ii) in the case of a Reference Entity in respect of which an M(M)R Restructuring is specified in the Standard and in respect of which an Event Determination Date relating only to an M(M)R Restructuring has occurred, to the extent of its Remaining Credit Position; and
- (iii) to the extent, if any, that additional credit protection on such Reference Entity is subsequently obtained as may be permitted in accordance with the terms of the Securities.

**“Credit Event Backstop Date”** means, with respect to a Reference Entity or an Obligation thereof:

- (i) for purposes of any event that constitutes a Credit Event (or with respect to a Repudiation/Moratorium, if applicable, the event described in sub-paragraph (ii) of the definition of Repudiation/Moratorium), as determined by DC Resolution, the date that is sixty calendar days prior to the Credit Event Resolution Request Date, or

- (ii) otherwise, the date that is sixty calendar days prior to the earlier of:
  - (a) the Notice Delivery Date, if the Notice Delivery Date occurs during the Notice Delivery Period and
  - (b) the Credit Event Resolution Request Date, if the Notice Delivery Date occurs during the Post Dismissal Additional Period.

The Credit Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

**“Credit Event Notice”** means, with respect to a Reference Entity, an irrevocable notice from the Calculation Agent to the Issuer that describes a Credit Event that occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date.

Any Credit Event Notice that describes a Credit Event that occurred after the Credit Observation End Date must relate to the relevant Potential Failure to Pay, in the case of a Grace Period Extension Date, or the relevant Potential Repudiation/Moratorium, in the case of a Repudiation/Moratorium Evaluation Date.

A Credit Event Notice that describes a Credit Event other than an M(M)R Restructuring must be in respect of the full Credit Position.

A Credit Event Notice must contain a description in reasonable detail of the facts relevant to the determination that a Credit Event with respect to a Reference Entity has occurred. The Calculation Agent shall only deliver a Credit Event Notice where it determines that Publicly Available Information exists confirming the existence or occurrence of the relevant Credit Event and such Credit Event Notice shall contain a copy, or a description in reasonable detail, of the relevant Publicly Available Information. The Credit Event that is the subject of the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective.

**“Credit Event Resolution Request Date”** means, with respect to a DC Credit Event Question, the date as publicly announced by the DC Secretary that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which the DC Credit Event Question was effective and on which the relevant Credit Derivatives Determinations Committee was in possession of Publicly Available Information with respect to such DC Credit Event Question.

**“Credit Observation End Date”** means the Scheduled Redemption Date or such other date as may be specified in the applicable Pricing Supplement.

**“Credit Observation Period”** means the period from and including the Credit Event Backstop Date to and including the Extension Date.

**“Credit Position”** means, subject to the other provisions hereof, in respect of each Reference Entity, an amount equal to the product of (i) the Reference Amount and (ii) the number of Securities outstanding, provided that if further Securities are issued which form a single Series with the Securities, the Credit Position in respect of each Reference Entity will be increased *pro rata* to take into account such further Securities and if Securities are repurchased and cancelled, the Credit Position in respect of each Reference Entity will be reduced *pro rata*.

**“DC Announcement Coverage Cut-off Date”** means, with respect to a DC Credit Event Announcement, the Auction Final Price Determination Date, the Auction Cancellation Date, or the date that is fourteen calendar days following the No Auction Announcement Date, if any, as applicable.

**“DC Credit Event Announcement”** means, with respect to a Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved that an event, which would constitute a Credit Event, has occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date, provided that if the Credit Event occurred after the Credit Observation End Date, the DC Credit Event Announcement must relate to the relevant Potential Failure to Pay, in the case of a Grace Period Extension Date, or the relevant Potential Repudiation/Moratorium, in the case of a Repudiation/Moratorium Evaluation Date.

**“DC Credit Event Meeting Announcement”** means, with respect to a Reference Entity, a public announcement by the DC Secretary that a Credit Derivatives Determinations Committee will be convened to Resolve the matters described in a DC Credit Event Question.

**“DC Credit Event Question”** means a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve whether an event, which would constitute a Credit Event for the purposes of the Hypothetical Credit Derivative Transaction has occurred.

**“DC Credit Event Question Dismissal”** means, with respect to a Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved not to determine the matters described in a DC Credit Event Question.

**“DC No Credit Event Announcement”** means, with respect to the Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved that an event that is the subject of a DC Credit Event Question does not constitute a Credit Event in respect of such Reference Entity (or Obligation thereof).

**“DC Party”** as used (i) herein shall mean, and (ii) in the DC Rules shall be deemed to mean, the Issuer or any Affiliate thereof.

**“DC Resolution”** has the meaning given to that term in the DC Rules.

**“DC Rules”** means the Credit Derivatives Determinations Committees Rules, as published by the DC Secretary on behalf of ISDA on its website at [www.cdsdeterminationscommittees.org](http://www.cdsdeterminationscommittees.org) (or any successor website thereto) from time to time and as amended from time to time in accordance with the terms thereof.

**“DC Secretary”** has the meaning given to that term in the DC Rules.

**“Dealer”** means, as selected by the Calculation Agent in its sole discretion, dealers which are either (i) dealers in obligations of the type of obligations for which quotations are to be obtained (which may include any such dealer which is an Affiliate of the Calculation Agent) or (ii) named in the relevant Pricing Supplement, including the respective successors of such named dealers.

**“Default Requirement”** means the amount specified as being applicable to the Reference Entity in the Standard, or its equivalent in the relevant Obligation Currency (or, if no such amount is specified, USD 10,000,000 or its equivalent in the relevant Obligation Currency) in either case, as of the occurrence of the relevant Credit Event.

**“Defaulted Credit”** means, on any day, each Reference Entity in respect of which an Event Determination Date has occurred (save for where a Reference Entity is a Reference Entity in respect of which an Event Determination Date relating only to an M(M)R Restructuring has occurred, in which case that Reference Entity shall, in relation to the Remaining Credit Position, be treated as a non-Defaulted Credit).

**“Deliverable Obligation Provisions”** has the meaning set forth in the relevant Credit Derivatives Auction Settlement Terms.

**“Deliverable Obligation Terms”** has the meaning set forth in the relevant Credit Derivatives Auction Settlement Terms.

**“Domestic Currency”** means the currency specified as such in the Standard and any successor currency thereto (or if no such currency is specified, the lawful currency and any successor currency of (i) the Reference Entity, if the Reference Entity is a Sovereign, or (ii) the jurisdiction in which the Reference Entity is organized, if the Reference Entity is not a Sovereign).

**“Domestic Law”** means each of the laws of (i) a Reference Entity, if such Reference Entity is a Sovereign, or (ii) the jurisdiction in which the Reference Entity is organised, if such Reference Entity is not a Sovereign.

**“Downstream Affiliate”** means an entity whose outstanding Voting Shares were, at the date of issuance of the Qualifying Guarantee, more than fifty per cent. owned, directly or indirectly, by a Reference Entity.

**“Due and Payable Amount”** means the amount that is due and payable by the Reference Entity under the obligation whether by reason of maturity, acceleration, termination or otherwise (excluding sums in respect of default coupon, indemnities, tax gross-ups and other similar amounts) less all or any portion of such amount which, pursuant to the terms of the obligation (a) is subject to any Prohibited Action, or (b) may otherwise be reduced as a result of the effluxion of time or the occurrence or non-occurrence of an event or circumstance (other than by way of (i) payment or (ii) a Permitted Contingency), in each case, determined in accordance with the terms of the obligation in effect on the Valuation Date.

**“Eligible Information”** means information which is publicly available or which can be made public without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information.

**“Eligible Transferee”** means:

- (i) any
  - (a) bank or other financial institution;
  - (b) insurance or reinsurance company;
  - (c) mutual fund, unit trust or similar collective investment vehicle (other than an entity described in sub-paragraph (iii)(a) below); and
  - (d) registered or licensed broker or dealer (other than a natural person or proprietorship),  
provided, however, in each case that such entity has total assets of at least USD 500,000,000;
- (ii) an Affiliate of an entity specified in sub-paragraph (i) above;
- (iii) each of a corporation, partnership, proprietorship, organization, trust or other entity:
  - (a) that is an investment vehicle (including, without limitation, any hedge fund, issuer of collateralized debt obligations, commercial paper conduit or other special purpose vehicle) that (I) has total assets of at least USD 100,000,000 or (II) is one of a group of investment vehicles under common control or management having, in aggregate, total assets of at least USD 100,000,000;
  - (b) that has total assets of at least USD 500,000,000; or
  - (c) the obligations of which under an agreement, contract or transaction are guaranteed or otherwise supported by a letter of credit or keepwell, support or other agreement by an entity described in sub-paragraphs (i), (ii), (iii)(b) or (iv); or
- (iv)
  - (a) any Sovereign; or
  - (b) any entity or organization established by treaty or other arrangement between two or more Sovereigns including, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development.

All references in this definition to USD include equivalent amounts in other currencies, as determined by the Calculation Agent.

**“Event Determination Date”** means, with respect to a Reference Entity and a Credit Event with respect to which:

- (i) **“Auction Settlement”** is the applicable Settlement Method:
  - (a) subject to sub-paragraph (b) below, the Notice Delivery Date, if the Notice Delivery Date occurs during either the Notice Delivery Period or the Post Dismissal Additional Period, provided that neither (A) a DC Credit Event Announcement has occurred nor (B) a DC No Credit Event

Announcement has occurred, in each case, with respect to the Credit Event specified in the Credit Event Notice;

- (b) notwithstanding sub-paragraph (a) above, the Credit Event Resolution Request Date, if a DC Credit Event Announcement has occurred, the Credit Event Resolution Request Date has occurred on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date) and either:
  - (A)
    - (I) the Credit Event is not an M(M)R Restructuring; and
    - (II) the Trade Date occurs on or prior to a DC Announcement Coverage Cut-off Date; or
  - (B)
    - (I) the Credit Event is an M(M)R Restructuring; and
    - (II) a Credit Event Notice is delivered by the Calculation Agent to the Issuer and is effective during (A) the Notice Delivery Period and (B) on or prior to the Exercise Cut-off Date,

provided that, in respect of sub-paragraph (b) above:

- (x) no Redemption Date has occurred on or prior to the date on which the DC Credit Event Meeting Announcement occurs;
- (y) if any Valuation Date has occurred on or prior to the date on which the DC Credit Event Meeting Announcement occurs, an Event Determination Date shall be deemed to have occurred only with respect to any Credit Position (or the portion thereof) with respect to which no Valuation Date has occurred; and
- (z) no Credit Event Notice specifying an M(M)R Restructuring as the only Credit Event has previously been delivered by the Calculation Agent to the Issuer, (aa) unless the M(M)R Restructuring specified in such Credit Event Notice is also the subject of the DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date, (bb) unless, and to the extent that, the Exercise Amount specified in such Credit Event Notice was less than the then outstanding Remaining Credit Position or (cc) unless the Hypothetical Credit Transaction would be an Auction Covered Transaction and the Deliverable Obligations set out in the Final List would be identical to the Permissible Deliverable Obligations for such Hypothetical Credit Derivative Transaction; or

- (ii) sub-paragraph (i) above does not apply, the Non-Standard Event Determination Date.

Subject to Credit Linked Provision 11.2 (*Effect of DC Resolutions*), no Event Determination Date will occur with respect to an event, and any Event Determination Date previously determined with respect to an event shall be deemed not to have occurred, if, or to the extent that, prior to the Auction Final Price Determination Date a Valuation Date or the Redemption Date, as applicable, a DC No Credit Event Announcement occurs with respect to such event.

If, in accordance with the provisions above, (i) following the determination of an Event Determination Date, such Event Determination Date is deemed (a) to have occurred on a date that is different from the date that was originally determined to be the Event Determination Date or (b) not to have occurred or (ii) an Event Determination Date is deemed to have occurred prior to a preceding Coupon Payment Date, if any, the Calculation Agent will determine (A) such adjustment(s) to these Credit Linked Provisions (including any adjustment to payment amounts) as may be required to achieve as far as practicable the same economic position of Holders of the Securities as would have prevailed had an Event Determination Date not occurred on such deemed date of occurrence and (B) the effective date of such adjustment(s), including any reductions to the Redemption Amount

necessary to reflect the fact that an Event Determination Date may have occurred prior to a preceding Coupon Payment Date, if any.

**“Exclude Accrued Interest”** means that the Outstanding Principal Balance of the Valuation Obligation shall not include accrued but unpaid interest.

**“Excluded Obligation”** means, with respect to a Reference Entity:

- (i) any obligation of such Reference Entity specified as such or of a type described in the relevant Pricing Supplement;
- (ii) if “Financial Reference Entity Terms” is specified as applicable with respect to the relevant Reference Entity in the Standard and the associated Credit Position is a Senior Credit Position, then for purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Subordinated Obligation; and
- (iii) if “Financial Reference Entity Terms” is specified as applicable with respect to the relevant Reference Entity in the applicable Standard and the associated Credit Position is a Subordinated Credit Position, then for purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Further Subordinated Obligation.

**“Excluded Valuation Obligation”** means, with respect to a Reference Entity:

- (i) any obligation of such Reference Entity specified as such or of a type described in the relevant Pricing Supplement;
- (ii) any principal only component of a Bond from which some or all of the interest components have been stripped; and
- (iii) if Asset Package Valuation is applicable, any obligation issued or incurred on or after the date of the relevant Asset Package Credit Event.

**“Exercise Cut-off Date”** means either:

- (i) with respect to an M(M)R Restructuring and a Reference Entity to which the definition of Event Determination Date applies:
  - (a) if the DC Secretary publishes a Final List applicable to the Transaction Auction Settlement Terms and/or Parallel Auction Settlement Terms, the date that is five Relevant City Business Days, in each case, following the date on which such Final List is published; or
  - (b) otherwise, the date that is fourteen calendar days following the relevant No Auction Announcement Date; or
- (ii) with respect to a Credit Event with respect to a Reference Entity to which the definition of Event Determination Date does not apply, the Non-Standard Exercise Cut-off Date;

or, in each case, such other date as the relevant Credit Derivatives Determinations Committee Resolves.

**“Extension Date”** means, with respect to a Reference Entity, the latest of:

- (i) the Credit Observation End Date;
- (ii) the Grace Period Extension Date if:
  - (a) “Failure to Pay” and “Grace Period Extension” are specified as applicable to that Reference Entity in the Standard;
  - (b) the Potential Failure to Pay with respect to the relevant Failure to Pay occurs on or prior to the Credit Observation End Date; and

- (iii) the Repudiation/Moratorium Evaluation Date (if any) if “Repudiation/Moratorium” is specified as applicable to that Reference Entity in the Standard.

“**Failure to Pay**” means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations, in accordance with the terms of such Obligations at the time of such failure. If an occurrence that would constitute a Failure to Pay (i) is a result of a redenomination that occurs as a result of action taken by a Governmental Authority which is of general application in the jurisdiction of such Governmental Authority and (ii) a freely available market rate of conversion existed at the time of the redenomination, then such occurrence will be deemed not to constitute a Failure to Pay unless the redenomination itself constituted a reduction in the rate or amount of interest, principal or premium payable (as determined by reference to such freely available market rate of conversion) at the time of such redenomination.

“**Fallback Settlement Method**” means, if Auction Settlement is specified as the Settlement Method in the relevant Pricing Supplement, Cash Settlement.

“**Final List**” means, in respect of an Auction, the final list of Deliverable Obligations for such Auctions as determined in accordance with Section 3.3(c) of the DC Rules.

“**Final Price**” means the price of the Valuation Obligation in respect of the Valuation Date, expressed as a percentage of its (i) Outstanding Principal Balance (in the case of a Valuation Obligation that is Borrowed Money) or (ii) Due and Payable Amount (in the case of a Valuation Obligation that is not Borrowed Money), determined by the Calculation Agent in accordance with the Valuation Method.

For such purpose, the relevant Valuation Obligation shall be a Valuation Obligation selected by the Calculation Agent (in its sole discretion) on or before the relevant Valuation Date.

If Asset Package Valuation applies:

- (i) selection of a Prior Valuation Obligation or a Package Observable Bond may be substituted with the related Asset Package, and such Asset Package shall be treated as having the same currency, Outstanding Principal Balance or Due and Payable Amount, as applicable, as the Prior Valuation Obligation or Package Observable Bond to which it corresponds had immediately prior to the Asset Package Credit Event;
- (ii) the Calculation Agent may substitute the Prior Valuation Obligation or Package Observable Bond in part for each Asset in the Asset Package in the correct proportion; and
- (iii) if the relevant Asset is a Non-Transferable Instrument or Non-Financial Instrument, the Asset shall be deemed to be an amount of cash equal to the Asset Market Value.

For the avoidance of doubt, if the Asset Package is deemed to be zero, the Final Price shall be zero.

“**Fixed Cap**” means, with respect to a Guarantee, a specified numerical limit or cap on the liability of a Reference Entity in respect of some or all payments due under the Underlying Obligation, provided that a Fixed Cap shall exclude a limit or cap determined by reference to a formula with one or more variable inputs (and for these purposes, the outstanding principal or other amounts payable pursuant to the Underlying Obligation shall not be considered to be variable inputs).

“**Full Quotation**” means, in accordance with the Quotation Method, each firm quotation obtained from a Dealer at the Valuation Time, to the extent reasonably practicable, for an amount of the Valuation Obligation with an Outstanding Principal Balance or Due and Payable Amount equal to the Quotation Amount.

“**Fully Transferable Obligation**” means a Valuation Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Eligible Transferees without the consent of any person being required, in the case of any Valuation Obligation other than Bonds, in each case, as of the Valuation Date. Any

requirement that notification of novation, assignment or transfer of a Valuation Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Valuation Obligation shall not be considered to be a requirement for consent for purposes of this definition of Fully Transferable Obligation.

**“Further Subordinated Obligation”** means, if the Reference Obligation or Prior Reference Obligation, as applicable, is a Subordinated Obligation, any obligation which is Subordinated thereto.

**“Governmental Authority”** means:

- (i) any *de facto* or *de jure* government (or any agency, instrumentality, ministry or department thereof);
- (ii) any court, tribunal, administrative or other governmental, inter-governmental or supranational body;
- (iii) any authority or any other entity (private or public) either designated as a resolution authority or charged with the regulation or supervision of the financial markets (including a central bank) of the Reference Entity or some or of all of its obligations; or
- (iv) any other authority which is analogous to any of the entities specified in sub-paragraphs (i) to (iii) above.

**“Governmental Intervention”** means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs as a result of action taken or an announcement made by a Governmental Authority pursuant to, or by means of, a restructuring and resolution law or regulation (or any other similar law or regulation), in each case, applicable to the Reference Entity in a form which is binding, irrespective of whether such event is expressly provided for under the terms of such Obligation:

- (i) any event which would affect creditors’ rights so as to cause:
  - (a) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
  - (b) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
  - (c) a postponement or other deferral of a date or dates for either (I) the payment or accrual of interest, or (II) the payment of principal or premium; or
  - (d) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation;
- (ii) an expropriation, transfer or other event which mandatorily changes the beneficial holder of the Obligation;
- (iii) a mandatory cancellation, conversion or exchange; or
- (iv) any event which has an analogous effect to any of the events specified in sub-paragraphs (i) to (iii) above.

For purposes of this definition of Governmental Intervention, the term Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee.

**“Grace Period”** means:

- (i) subject to sub-paragraphs (ii) and (iii) below, the applicable grace period with respect to payments under and in accordance with the terms of such Obligation in effect as of the date as of which such Obligation is issued or incurred;
- (ii) if “Grace Period Extension” is specified as applicable with respect to a Reference Entity in the Standard, then with respect to such a Reference Entity in respect of which a Potential Failure to Pay applies, a Potential Failure to Pay has occurred on or prior to the Credit Observation End Date and the applicable grace period cannot, by its terms, expire on or prior to the Credit Observation End Date, the Grace Period



will be deemed to be the lesser of such grace period and, the period specified in the Standard or, if no such period is specified, thirty calendar days;

- (iii) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Business Days shall be deemed to apply to such Obligation; provided that, unless the Reference Entity is one in respect of which “Grace Period Extension” is specified as applicable in the Standard and Potential Failure to pay applies, such deemed Grace Period shall expire no later than the Credit Observation End Date; and
- (iv) if the terms of the relevant Obligation are not publicly available such that the length of any grace period, conditions precedent to the commencement of any such grace period or whether any such conditions are satisfied cannot be established, it shall be deemed that the Grace Period is a period of thirty calendar days from the due date for payment and all conditions precedent to the commencement thereof were satisfied on such due date.

**“Grace Period Business Day”** means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation or, if a place or places are not so specified, (a) if the Obligation Currency is the euro, a TARGET2 Settlement Day, or (b) otherwise, a day on which commercial banks and foreign exchange markets are generally open to settle payments in the principal financial city in the jurisdiction of the Obligation Currency.

**“Grace Period Extension Date”** means, with respect to a Reference Entity, if (i) “Grace Period Extension” is specified as applicable to that Reference Entity in the Standard and (ii) a Potential Failure to Pay occurs on or prior to the Credit Observation End Date, the date that is the number of days in the Grace Period after the date of such Potential Failure to Pay. If “Grace Period Extension” is not specified as applicable to that Reference Entity in the Standard, Grace Period Extension shall not apply to the Securities.

If (i) Grace Period Extension is specified as applicable with respect to a Reference Entity, (ii) a Potential Failure to Pay occurs on or prior to the Credit Observation End Date and (iii) a Potential Failure to Pay results in a Credit Event after the Credit Observation End Date, but on or prior to the Extension Date, the Redemption Date will be the third Business Day following the Valuation Date with respect to a Reference Entity.

**“Guarantee”** means a Relevant Guarantee or a guarantee which is the Reference Obligation.

**“Hypothetical Credit Derivative Transaction”** means, in relation to a Credit Event, a transaction that incorporates the Credit Derivatives definitions and in respect of which:

- (a) the “Reference Entity” (as such term is used in the Credit Derivatives Definitions) is deemed to be the entity that is the subject of the relevant Credit Event;
- (b) the “Scheduled Termination Date” (as such term is used in the Credit Derivatives Definitions) is deemed to be the same as the Credit Observation End Date in respect of the Securities;
- (c) an “Event Determination Date” (as such term is used in the Credit Derivatives Definitions) in relation to the relevant Credit Event is deemed to have occurred on the same date as the Event Determination Date applicable in respect of the Securities;
- (d) the “Deliverable Obligation Category” (as such term is used in the Credit Derivatives Definitions) is the same as the Valuation Obligation Category relating to such Reference Entity with respect to the Securities;
- (e) the “Deliverable Obligation Characteristics” (as such term is used in the Credit Derivatives Definitions) are the same as the Valuation Obligation Characteristics relating to such Reference Entity with respect to the Securities; and

- (f) the provisions contained in the Credit Derivatives Physical Settlement Matrix applicable to the “Transaction Type” specified in the Pricing Supplement in relation to the relevant Reference Entity are deemed applicable.

and the term “**Credit Derivatives Transaction**” as used in the relevant Credit Derivatives Auction Settlement Terms shall be deemed to refer to the relevant Hypothetical Credit Derivative Transaction.

For purposes of ascertaining whether the Hypothetical Credit Derivative Transaction would be an Auction Covered Transaction, the Hypothetical Credit Derivative Transaction shall not be considered: (1) to be a transaction linked to any index or to a portfolio of entities, (2) to provide for a fixed recovery of final settlement amount, and (3) to provide that the Credit Derivatives Auction Settlement Terms would not apply.

In determining whether a Hypothetical Credit Derivative Transaction would be an Auction Covered Transaction, the Calculation Agent may (in its sole discretion) interpret the above provisions and resolve any ambiguity, having regard to market practice and interpretation.

“**ISDA**” means the International Swaps and Derivatives Association, Inc.

“**Largest Asset Package**” means, in respect of a Prior Valuation Obligation or a Package Observable Bond, as the case may be, the package of Assets for which the greatest amount of principal has been or will be exchanged or converted (including by way of amendment), as determined by the Calculation Agent by reference to Eligible Information. If this cannot be determined, the Largest Asset Package will be the package of Assets with the highest immediately realizable value, determined by the Calculation Agent in accordance with the methodology, if any, determined by the relevant Credit Derivatives Determinations Committee.

“**Limitation Date**” means the first of March 20, June 20, September 20 or December 20 in any year to occur on or immediately following the date that is one of the following numbers of years after the Restructuring Date: 2.5 years (the “**2.5-year Limitation Date**”), 5 years, 7.5 years, 10 years (the “**10-year Limitation Date**”), 12.5 years, 15 years, or 20 years, as applicable. Limitation Dates shall not be subject to adjustment in accordance with any Business Day Convention.

“**M(M)R Restructuring**” means a Restructuring Credit Event in respect of which either “**Mod R**” or “**Mod Mod R**” is specified as applicable in the Standard.

“**Market Value**” means, with respect to the Valuation Obligation and a Valuation Date:

- (i) if more than three Full Quotations are obtained, the arithmetic mean of such Full Quotations, disregarding the Full Quotations having the highest and lowest values (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded);
- (ii) if exactly three Full Quotations are obtained on the same Valuation Business Day in accordance with the definition of Quotation, the Full Quotation remaining after disregarding the highest and lowest Full Quotations (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded);
- (iii) if exactly two Full Quotations are obtained on the same Valuation Business Day in accordance with the definition of Quotation, the arithmetic mean of such Full Quotations;
- (iv) if fewer than two Full Quotations are obtained and a Weighted Average Quotation is obtained on the same Valuation Business Day in accordance with the definition of Quotation, such Weighted Average Quotation;
- (v) if fewer than two Full Quotations are obtained and no Weighted Average Quotation is obtained on the same Valuation Business Day in accordance with the definition of Quotation, the Market Value shall be determined as provided in sub-paragraph (ii) of the definition of Quotation.

**“Maximum Quotation Amount”** means (i) where the Credit Position is not specified to be a percentage, the Credit Position of the relevant Reference Entity, save that in the case of a Reference Entity in respect of which an Event Determination Date relating only to an M(M)R Restructuring has occurred, the Maximum Quotation Amount shall be equal to the relevant Exercise Amount and (ii) where the Credit Position is specified to be a percentage, the amount specified in the Pricing Supplement or, if no such amount is specified in the Pricing Supplement, U.S.\$100,000,000, save that in the case of a Reference Entity in respect of which an Event Determination Date relating only to an M(M)R Restructuring has occurred, the Maximum Quotation Amount shall be equal to the amount determined in accordance with the foregoing multiplied by the quotient of the relevant Exercise Amount (as numerator) and the Credit Position (as denominator).

**“Minimum Quotation Amount”** means the amount specified as such in the relevant Pricing Supplement or its equivalent in the relevant Obligation Currency (or, if no such amount is specified, USD 1,000,000 (or its equivalent in the relevant Obligation Currency)).

**“Modified Eligible Transferee”** means any bank, financial institution or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities and other financial assets.

**“Modified Restructuring Maturity Limitation Date”** means, with respect to a Valuation Obligation, the Limitation Date occurring on or immediately following the Credit Observation End Date. Subject to the foregoing, if the Credit Observation End Date is later than the 10-year Limitation Date, the Modified Restructuring Maturity Limitation Date will be the Credit Observation End Date.

**“Movement Option”** means, with respect to an M(M)R Restructuring to which a No Auction Announcement Date has occurred pursuant to sub-paragraphs (ii) or (iii)(b) of the definition of No Auction Announcement Date, the option of the Calculation Agent, exercisable by delivery of an effective Notice to Exercise Movement Option to the Issuer, to apply the Parallel Auction Settlement Terms, if any, for purposes of which the Permissible Deliverable Obligations are more limited than the “Deliverable Obligations” that the “Buyer” in respect of a Hypothetical Credit Derivative Transaction could specify in any “Notice of Physical Settlement” under such Hypothetical Credit Derivative Transaction (where the foregoing terms, which appear in quotes, have the meanings given to them in such Hypothetical Credit Derivative Transaction) (provided that if more than one such set of Parallel Auction Settlement Terms are published, the Parallel Auction Settlement Terms specifying the greatest number of such Permissible Deliverable Obligations shall apply).

If the Calculation Agent does not deliver an effective Notice to Exercise Movement Option on or prior to the Movement Option Cut-off Date, such Credit Event will be subject to the Fallback Settlement Method.

**“Movement Option Cut-off Date”** means the date that is one Relevant City Business Day following the Exercise Cut-off Date, or such other date as the relevant Credit Derivatives Determinations Committee has Resolved.

**“Multiple Holder Obligation”** means an Obligation that (i) at the time of the event which constitutes a Restructuring Credit Event is held by more than three holders that are not Affiliates of each other and (ii) with respect to which a percentage of holders (determined pursuant to the terms of the Obligation as in effect on the date of such event) at least equal to sixty-six-and-two-thirds is required to consent to the event which constitutes a Restructuring Credit Event provided that any Obligation that is a Bond shall be deemed to satisfy the requirement in (ii).

**“No Auction Announcement Date”** means, with respect to a Reference Entity and a Credit Event, the date on which the DC Secretary first publicly announces that (i) no Transaction Auction Settlement Terms and, if applicable, no Parallel Auction Settlement Terms will be published, (ii) following the occurrence of an M(M)R Restructuring with respect to a Reference Entity, no Transaction Auction Settlement Terms will be published, but Parallel Auction Settlement Terms will be published, or (iii) the relevant Credit Derivatives Determinations Committee has Resolved that no Auction will be held following a prior public announcement by the DC Secretary to the contrary, in circumstances where either (a) no Parallel Auction will be held, or (b) one or more Parallel Auctions will be held. For the avoidance of doubt, the No Auction Announcement Date shall be the date of the

relevant announcement by the DC Secretary and not the date of any related determination by the Calculation Agent that such announcement relates to Transaction Auction Settlement Terms, Parallel Auction Settlement Terms or an Auction.

**“Non-Conforming Reference Obligation”** means a Reference Obligation which is not a Conforming Reference Obligation.

**“Non-Conforming Substitute Reference Obligation”** means an obligation which would be a Valuation Obligation determined in accordance with sub-paragraph (i) of the definition of Valuation Obligation on the Substitution Date but for one or more of the same reasons which resulted in the Reference Obligation constituting a Non-Conforming Reference Obligation on the date it was issued or incurred and/or immediately prior to the Substitution Event Date (as applicable).

**“Non-Financial Instrument”** means any Asset which is not of the type typically traded in, or suitable for being traded in, financial markets.

**“Non-Standard Event Determination Date”** means with respect to a Reference Entity and a Credit Event:

- (i) subject to sub-paragraph (ii) below, the Notice Delivery Date, if the Notice Delivery Date occurs during either the Notice Delivery Period or the Post Dismissal Additional Period, provided that neither (i) a DC Credit Event Announcement has occurred nor (ii) a DC No Credit Event Announcement has occurred, in each case, with respect to the Credit Event specified in the Credit Event Notice; or
- (ii) notwithstanding sub-paragraph (i) above, if a DC Credit Event Announcement has occurred and the Credit Event Resolution Request Date has occurred on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date) either:
  - (a) the Credit Event Resolution Request Date, if either:
    - (A) (I) “Auction Settlement” is not the applicable Settlement Method;
    - (II) the relevant Credit Event is not an M(M)R Restructuring; and
    - (III) the Trade Date occurs on or prior to the date of the DC Credit Event Announcement; or
    - (B) (I) the relevant Credit Event is an M(M)R Restructuring; and
    - (II) a Credit Event Notice is delivered by the Calculation Agent to the Issuer and is effective on or prior to the Non-Standard Exercise Cut-off Date, or
  - (b) the first date on which a Credit Event Notice is delivered by the Calculation Agent to the Issuer and is effective during either the Notice Delivery Period or the period from and including the date of the DC Credit Event Announcement to and including the date that is fourteen calendar days thereafter (provided, in each case, that the relevant Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date)), if:
    - (A) “Auction Settlement” is not the applicable Settlement Method;
    - (B) the relevant Credit Event is not an M(M)R Restructuring; and
    - (C) the Trade Date occurs following the date of the related DC Credit Event Announcement and on or prior to a DC Announcement Coverage Cut-off Date,

provided that in respect of sub-paragraph (b) above:

- (x) no Redemption Date has occurred on or prior to the date on which the DC Credit Event Meeting Announcement occurs;

- (y) if any Valuation Date has occurred on or prior to the date on which the DC Credit Event Meeting Announcements occurs, a Non-Standard Event Determination Date shall be deemed to have occurred only with respect to any Credit Position (or portion thereof) with respect to which no Valuation Date has occurred; and
- (z) no Credit Event Notice specifying an M(M)R Restructuring as the only Credit Event has previously been delivered by the Calculation Agent to the Issuer, (xx) unless the M(M)R Restructuring specified in such Credit Event Notice is also the subject of the DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date, (yy) unless, and to the extent that, the Exercise Amount specified in any such Credit Event Notice was less than the then outstanding Remaining Credit Position; or (z) unless the Hypothetical Credit Derivative Transaction would be an Auction Covered Transaction and the Deliverable Obligations set out on the Final List would be identical to the Permissible Deliverable Obligations actions for such Hypothetical Credit Derivative Transaction.

**“Non-Standard Exercise Cut-off Date”** means, with respect to a Credit Event and a Reference Entity to which the definition of “Event Determination Date” does not apply:

- (i) if such Credit Event is not an M(M)R Restructuring, either:
  - (a) the Relevant City Business Day prior to the Auction Final Price Determination Date, if any;
  - (b) the Relevant City Business Day prior to the Auction Cancellation Date, if any; or
  - (c) the date that is fourteen calendar days following the No Auction Announcement Date, if any, as applicable; or
- (ii) if such Credit Event is an M(M)R Restructuring and:
  - (a) the DC Secretary publishes a Final List applicable to the Transaction Auction Settlement Terms and/or Parallel Auction Settlement Terms, the date that is five Relevant City Business Days, in each case, following the date on which such Final List is published; or
  - (b) otherwise, the date that is fourteen calendar days following the relevant No Auction Announcement Date.

**“Non-Standard Reference Obligation”** means the Original Non-Standard Reference Obligation or if a Substitute Reference Obligation has been determined, the Substitute Reference Obligation.

**“Non-Transferable Instrument”** means any Asset which is not capable of being transferred to institutional investors, excluding due to market conditions.

**“Notice Delivery Date”** means, with respect to a Reference Entity, the first date on which an effective Credit Event Notice has been delivered by the Calculation Agent to the Issuer.

**“Notice Delivery Period”** means, with respect to a Reference Entity, the period from and including the Trade Date to and including (i) the Extension Date or (ii) the Postponed Redemption Date (if applicable).

**“Notice to Exercise Movement Option”** means, with respect to a Reference Entity for which (i) an M(M)R Restructuring is applicable and (ii) the Fallback Settlement Method would otherwise be applicable pursuant to sub-paragraph (ii) of Credit Linked Provision 1 (*Auction Settlement*), an irrevocable notice from the Calculation Agent to the Issuer that (a) specifies the Parallel Auction Settlement Terms applicable with respect to such Reference Entity in accordance with the definition of Movement Option and (b) is effective on or prior to the Movement Option Cut-off Date. A Notice to Exercise Movement Option shall be subject to the requirement regarding notices set forth in Credit Linked Provision 8 (*Timings and Requirements Regarding Notices*).

**“Obligation”** means:

- (i) each obligation of a Reference Entity (either directly or as provider of a Relevant Guarantee) determined pursuant to the method described in Credit Linked Provision 5 (*Method for Determining Obligations*); and
- (ii) each Reference Obligation,

in each case, unless specified in the relevant Pricing Supplement as an Excluded Obligation.

**“Obligation Acceleration”** means one or more Obligations in an aggregate amount of not less than the Default Requirement have become due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of a Reference Entity under one or more Obligations.

**“Obligation Category”** means, in respect of a Reference Entity and an Obligation thereof, Payment, Borrowed Money, Bond, Loan, or Bond or Loan, only one of which shall be specified in the Standard, and:

- (i) **“Payment”** means any obligation (whether present or future, contingent or otherwise) for the payment or repayment of money, including, without limitation, Borrowed Money;
- (ii) **“Borrowed Money”** means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding, unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit);
- (iii) **“Bond”** means any obligation of a type included in the “Borrowed Money” Obligation Category that is in the form of, or represented by, a bond, note (other than notes delivered pursuant to Loans), certificated debt security or other debt security and shall not include any other type of Borrowed Money;
- (iv) **“Loan”** means any obligation of a type included in the “Borrowed Money” Obligation Category that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement and shall not include any other type of Borrowed Money; and
- (v) **“Bond or Loan”** means any obligation that is either a Bond or a Loan.

**“Obligation Characteristics”** means, in respect of a Reference Entity and an Obligation thereof, any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed and Not Domestic Issuance, and:

- (i) (A) **“Not Subordinated”** means an obligation that is not Subordinated to (I) the Reference Obligation or (II) the Prior Reference Obligation, if applicable;
- (B) **“Subordination”** means, with respect to an obligation (the **“Second Obligation”**) and another obligation of the Reference Entity to which such obligation is being compared (the **“First Obligation”**), a contractual, trust or similar arrangement providing that (I) upon the liquidation, dissolution, reorganization or winding-up of such Reference Entity, claims of the holders of the First Obligation are required to be satisfied prior to the claims of the holders of the Second Obligation, or (II) the holders of the Second Obligation will not be entitled to receive or retain principal payments in respect of their claims against such Reference Entity at any time that such Reference Entity is in payment arrears or is otherwise in default under the First Obligation. **“Subordinated”** will be construed accordingly. For purposes of determining whether Subordination exists or whether an obligation is Subordinated with respect to another obligation to which it is being compared, (x) the existence of preferred creditors arising by operation of law or of collateral, credit support or other credit enhancement or security arrangements shall not be taken into account, except that notwithstanding the foregoing, priorities arising by operation of

law shall be taken into account where the Reference Entity is a Sovereign and (y) in the case of the Reference Obligation or the Prior Reference Obligation, as applicable, the ranking in priority of payment shall be determined as of the date as of which it was issued or incurred (or in circumstances where the Reference Obligation or a Prior Reference Obligation is the Standard Reference Obligation and “Standard Reference Obligation” is applicable, then the priority of payment of the Reference Obligation or the Prior Reference Obligation, as applicable, shall be determined as of the date of selection) and, in each case, shall not reflect any change to such ranking in priority of payment after such date; and

- (C) **“Prior Reference Obligation”** means, in circumstances where there is no Reference Obligation is applicable to a Reference Entity, (I) the Reference Obligation most recently applicable thereto, if any, and otherwise, (II) the obligation specified in the relevant Pricing Supplement as the Reference Obligation, if any, if such Reference Obligation was redeemed on or prior to the Trade Date and otherwise, (III) any unsubordinated Borrowed Money obligation of the Reference Entity;
- (ii) **“Specified Currency”** means an obligation that is payable in the currency or currencies specified as such in the relevant Pricing Supplement (or, if “Specified Currency” is specified in the relevant Pricing Supplement and no currency is so specified, any Standard Specified Currency), provided that if the euro is a Specified Currency, “Specified Currency” shall also include an obligation that was previously payable in the euro, regardless of any redenomination thereafter if such redenomination occurred as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority;
- (iii) **“Not Sovereign Lender”** means any obligation that is not primarily owed to (A) a Sovereign or (B) any entity or organization established by treaty or other arrangement between two or more Sovereigns including, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development, which shall include, without limitation, obligations generally referred to as “Paris Club debt”;
- (iv) **“Not Domestic Currency”** means any obligation that is payable in any currency other than the applicable Domestic Currency, provided that a Standard Specified Currency shall not constitute a Domestic Currency;
- (v) **“Not Domestic Law”** means any obligation that is not governed by the applicable Domestic Law, provided that the laws of England and the laws of the State of New York shall not constitute a Domestic Law;
- (vi) **“Listed”** means an obligation that is quoted, listed or ordinarily purchased and sold on an exchange; and
- (vii) **“Not Domestic Issuance”** means any obligation other than an obligation that was issued (or reissued, as the case may be), or intended to be offered for sale primarily in the domestic market of the Reference Entity. Any obligation that is registered or, as a result of some other action having been taken for such purpose, is qualified for sale outside the domestic market of the Reference Entity (regardless of whether such obligation is also registered or qualified for sale within the domestic market of the Reference Entity) shall be deemed not to be issued (or reissued, as the case may be), or intended to be offered for sale primarily in the domestic market of the Reference Entity.

**“Obligation Currency”** means the currency or currencies in which an Obligation is denominated.

**“Obligation Default”** means one or more Obligations in an aggregate amount of not less than the Default Requirement have become capable of being declared due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of the Reference Entity under one or more Obligations.

**“Original Non-Standard Reference Obligation”** means the obligation of a Reference Entity (either directly or as provider of a guarantee) which is specified as the Reference Obligation in the relevant Pricing Supplement (if any is so specified) provided that if an obligation is not an obligation of such Reference Entity, such obligation will not constitute a valid Original Non-Standard Reference Obligation (other than for the purposes of determining the Seniority Level and for the “Not Subordinated” Obligation Characteristic or “Not Subordinated” Valuation Obligation Characteristic) unless the intention to amend or override this provision is expressed, in writing, in the relevant Pricing Supplement.

**“Outstanding Principal Balance”** of an obligation will be calculated as follows:

- (i) first, by determining, in respect of the obligation, the amount of the Reference Entity’s principal payment obligations and, subject as provided below, the Reference Entity’s accrued but unpaid interest payment obligations (which, in the case of a Guarantee will be the lower of (A) the Outstanding Principal Balance (including accrued but unpaid interest, where applicable) of the Underlying Obligation (determined as if references to the Reference Entity were references to the Underlying Obligor) and (B) the amount of the Fixed Cap, if any);
- (ii) second, by subtracting all or any portion of such amount which, pursuant to the terms of the obligation, (A) is subject to any Prohibited Action, or (B) may otherwise be reduced as a result of the effluxion of time or the occurrence or non-occurrence of an event or circumstance (other than by way of (I) payment or (II) a Permitted Contingency) (the amount determined in sub-paragraph (i) less any amounts subtracted in accordance with this sub-paragraph (ii), the **“Non-Contingent Amount”**); and
- (iii) third, by determining the Quantum of the Claim, which shall then constitute the Outstanding Principal Balance, in each case, determined:
  - (a) unless otherwise specified, in accordance with the terms of the obligation in effect on the Valuation Date; and
  - (b) with respect to the Quantum of the Claim only, in accordance with any applicable laws (insofar as such laws reduce or discount the size of the claim to reflect the original issue price or accrued value of the obligation).

Where Cash Settlement is specified to be the Settlement Method (or if Cash Settlement is applicable as the Fallback Settlement Method in accordance with Credit Linked Provision 1 (*Auction Settlement*)), Exclude Accrued Interest shall, unless otherwise specified in the relevant Pricing Supplement, be applicable.

**“Package Observable Bond”** means, in respect of a Reference Entity which is a Sovereign, any obligation (i) which is identified as such and published by ISDA on its website at [www.isda.org](http://www.isda.org) from time to time (or any successor website thereto) or by a third party designated by ISDA on its website from time to time and (ii) which fell within sub-paragraph (i) or (ii) of the definition of Valuation Obligation, in each case, immediately preceding the date on which the relevant Asset Package Credit Event was legally effective.

**“Parallel Auction”** means “Auction” as defined in the relevant Parallel Auction Settlement Terms.

**“Parallel Auction Settlement Terms”** means, following the occurrence of an M(M)R Restructuring with respect to a Reference Entity, any Credit Derivatives Auction Settlement Terms published by ISDA with respect to such M(M)R Restructuring, and for which the Deliverable Obligation Terms are the same as the Deliverable Obligation Provisions applicable to the Hypothetical Credit Derivative Transaction and for which such Hypothetical Credit Derivative Transaction would not be an Auction Covered Transaction.

**“Payment Requirement”** means the amount specified as being applicable to the Reference Entity in the Standard or its equivalent in the relevant Obligation Currency (or, if no such amount is specified, USD 1,000,000 or its equivalent in the relevant Obligation Currency) in either case as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as applicable.



**“Permissible Deliverable Obligations”** has the meaning set forth in the relevant Credit Derivatives Auction Settlement Terms, being either all or the portion of the Deliverable Obligations included on the Final List pursuant to the Deliverable Obligation Terms that are applicable to that Auction.

**“Permitted Contingency”** means, with respect to an obligation, any reduction to a Reference Entity’s payment obligations:

- (i) as a result of the application of:
  - (a) any provisions allowing a transfer, pursuant to which another party may assume all of the payment obligations of such Reference Entity;
  - (b) provisions implementing the Subordination of the obligation;
  - (c) provisions allowing for a Permitted Transfer in the case of a Qualifying Guarantee (or provisions allowing for the release of the relevant Reference Entity from its payment obligations in the case of any other Guarantee);
  - (d) any Solvency Capital Provisions, if **“Subordinated European Insurance Terms”** is specified as applicable in the Standard; or
  - (e) provisions which permit the Reference Entity’s obligations to be altered, discharged, released or suspended in circumstances which would constitute a Governmental Intervention, if **“Financial Reference Entity Terms”** is specified as applicable in the Standard; or
- (ii) which is within the control of the holders of the obligation or a third party acting on their behalf (such as an agent or trustee) in exercising their rights under or in respect of such obligation.

**“Permitted Transfer”** means, with respect to a Qualifying Guarantee, a transfer to and the assumption by any single transferee of such Qualifying Guarantee (including by way of cancellation and execution of a new guarantee) on the same or substantially the same terms, in circumstances where there is also a transfer of all (or substantially all) of the assets of a Reference Entity to the same single transferee.

**“Post Dismissal Additional Period”** means the period from and including the date of the DC Credit Event Question Dismissal to and including the date that is fourteen calendar days thereafter (provided that the relevant Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date)).

**“Potential Failure to Pay”** means, with respect to a Reference Entity, the failure by such Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Obligations.

**“Potential Repudiation/Moratorium”** means the occurrence of an event described in sub-paragraph (i) of the definition of Repudiation/Moratorium.

**“Prior Valuation Obligation”** means:

- (i) if a Governmental Intervention has occurred (whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the DC Credit Event Announcement), any obligation of a Reference Entity which (a) existed immediately prior to such Governmental Intervention, (b) was the subject of such Governmental Intervention and (c) fell within the definition of Valuation Obligation set out in sub-paragraph (i) or (ii) of the definition of Valuation Obligation, in each case, immediately preceding the date on which such Governmental Intervention was legally effective; or

- (ii) if a Restructuring which does not constitute a Governmental Intervention has occurred in respect of a Reference Obligation (whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the DC Credit Event Announcement), such Reference Obligation, if any.

**“Private-side Loan”** means a Loan in respect of which the documentation governing its terms is not publicly available or capable of being made public without violating a law, agreement, understanding or other restriction regarding the confidentiality of such information.

**“Prohibited Action”** means any counterclaim, defense (other than a counterclaim or defense based on the factors set forth in sub-paragraphs (i) to (iv) of the definition of Credit Event) or right of set-off by or of a Reference Entity or any applicable Underlying Obligor.

**“Public Source”** means, with respect to any Reference Entity, each Additional Public Source of Publicly Available Information specified as such in the Pricing Supplement and each of Bloomberg, Reuters, Dow Jones Newswires, The Wall Street Journal, The New York Times, Nihon Keizai Shimbun, Asahi Shimbun, Yomiuri Shimbun, Financial Times, La Tribune, Les Echos, The Australian Financial Review and Debtwire (and successor publications), the main source(s) of business news in the country in which the Reference Entity is organised and any other internationally recognised published or electronically displayed news sources.

**“Publicly Available Information”:**

- (i) Means information that, in the sole discretion of the Calculation Agent, reasonably confirms any of the facts relevant to the determination that the Credit Event or Potential Repudiation/Moratorium, as applicable, described in a Credit Event Notice or Repudiation/Moratorium Extension Notice have occurred and which:
- (a) has been published in or on not less than two Public Sources (regardless of whether the reader or user thereof pays a fee to obtain such information) provided that, other than with respect to the definition of “Credit Event Resolution Request Date” if the Calculation Agent or any of its Affiliates is cited as the sole source of such information, then such information shall not be deemed to be Publicly Available Information unless such party or its Affiliate is acting in its capacity as trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for an Obligation;
  - (b) is information received from or published by (A) the Reference Entity (or, if the Reference Entity is a Sovereign, any agency, instrumentality, ministry, department or other authority thereof acting in a governmental capacity (including, without limiting the foregoing, the central bank) of such Sovereign), or (B) a trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for an Obligation; or
  - (c) is information contained in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body,

provided that where any information of the type described in sub-paragraphs (i)(b) or (c) above is not publicly available, it can only constitute Publicly Available Information if it can be made public without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information.

- (ii) In the event that the Calculation Agent is (a) the sole source of information in its capacity as trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for the Obligation with respect to which a Credit Event has occurred and (b) a holder of such Obligation, the Calculation Agent shall also provide the Issuer a certificate signed by a Managing Director (or other substantively equivalent title) of the Calculation Agent, which shall certify the occurrence of a Credit Event with respect to such Obligation.

- (iii) In relation to any information of the type described in sub-paragraphs (i)(b) and (i)(c) above, the party receiving such information may assume that such information has been disclosed to it without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information and that the party delivering such information has not taken any action or entered into any agreement or understanding with the Reference Entity or any Affiliate of the Reference Entity that would be breached by, or would prevent, the disclosure of such information to the party receiving such information.
- (iv) Without limitation, Publicly Available Information need not state (i) in relation to the definition of Downstream Affiliate, the percentage of Voting Shares owned by the Reference Entity and (ii) that the relevant occurrence (A) has met the Payment Requirement or Default Requirement, (B) is the result of exceeding any applicable Grace Period, or (C) has met the subjective criteria specified in certain Credit Events.
- (v) In relation to a Repudiation/Moratorium Credit Event, Publicly Available Information must relate to the events described in both sub-paragraphs (i) and (ii) of the definition of Repudiation/Moratorium.

**“Qualifying Affiliate Guarantee”** means a Qualifying Guarantee provided by a Reference Entity in respect of an Underlying Obligation of a Downstream Affiliate of the Reference Entity.

**“Qualifying Guarantee”** means a guarantee evidenced by a written instrument (which may include a statute or regulation), pursuant to which a Reference Entity irrevocably agrees, undertakes, or is otherwise obliged to pay all amounts of principal and interest (except for amounts which are not covered due to the existence of a Fixed Cap) due under an Underlying Obligation for which the Underlying Obligor is the obligor, by guarantee of payment and not by guarantee of collection (or, in either case, any legal arrangement which is equivalent thereto in form under the relevant governing law).

A Qualifying Guarantee shall not include any guarantee:

- (i) which is structured as a surety bond, financial guarantee insurance policy or letter of credit (or any legal arrangement which is equivalent thereto in form); or
- (ii) pursuant to the terms applicable thereto, the principal payment obligations of the Reference Entity can be discharged, released, reduced, assigned or otherwise altered as a result of the occurrence or non-occurrence of an event or circumstance, in each case, other than:
  - (a) by payment;
  - (b) by way of Permitted Transfer;
  - (c) by operation of law;
  - (d) due to the existence of a Fixed Cap; or
  - (e) due to:
    - (A) provisions permitting or anticipating a Governmental Intervention, if “Financial Reference Entity Terms” is specified as applicable in the Standard; or
    - (B) any Solvency Capital Provisions, if “Subordinated European Insurance Terms” is specified as applicable in the Standard.

If the guarantee or Underlying Obligation contains provisions relating to the discharge, release, reduction, assignment or other alteration of the principal payment obligations of the Reference Entity and such provisions have ceased to apply or are suspended at the time of the relevant determination, in accordance with the terms of such guarantee or Underlying Obligation, due to or following the occurrence of (I) a non-payment in respect of the guarantee or the Underlying Obligation, or (II) an event of the type described in the definition of Bankruptcy in respect of the Reference Entity or the Underlying Obligor, then it shall be deemed for these purposes that such cessation or suspension is permanent, notwithstanding the terms of the guarantee or Underlying Obligation.

In order for a guarantee to constitute a Qualifying Guarantee:

- (i) the benefit of such guarantee must be capable of being delivered together with the delivery of the Underlying Obligation; and
- (ii) if a guarantee contains a Fixed Cap, all claims to any amounts which are subject to such Fixed Cap must be capable of being delivered together with the delivery of such guarantee.

**“Qualifying Participation Seller”** means any participation seller that meets the requirements specified in the Standard. If no such requirements are specified, there shall be no Qualifying Participation Seller.

**“Quantum of the Claim”** means the lowest amount of the claim which could be validly asserted against a Reference Entity in respect of the Non-Contingent Amount if the obligation had become redeemable, been accelerated, terminated or had otherwise become due and payable at the time of the relevant determination, provided that the Quantum of the Claim cannot exceed the Non-Contingent Amount.

**“Quotation”** means each Full Quotation and the Weighted Average Quotation obtained and expressed as a percentage of the Valuation Obligation’s Outstanding Principal Balance or Due and Payable Amount, as applicable, with respect to a Valuation Date in the manner that follows:

- (i) The Calculation Agent shall attempt to obtain Full Quotations with respect to each Valuation Date from five or more Dealers. If the Calculation Agent is unable to obtain two or more such Full Quotations on the same Valuation Business Day within three Valuation Business Days of the relevant Valuation Date, then on the next following Valuation Business Day (and, if necessary, on each Valuation Business Day thereafter until the fifteenth Valuation Business Day following the relevant Valuation Date) the Calculation Agent shall attempt to obtain Full Quotations from five or more Dealers and, if two or more Full Quotations are not available, a Weighted Average Quotation.
- (ii) If the Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation on the same Valuation Business Day on or prior to the fifteenth Valuation Business Day following the applicable Valuation Date, then the Quotations shall be deemed to be any Full Quotation obtained from a Dealer at the Valuation Time on such fifteenth Valuation Business Day or, if no Full Quotation is obtained, then the weighted average of any firm quotations for the Reference Obligation obtained from Dealers at the Valuation Time on such fifteenth Valuation Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation deemed to be zero for the balance of the Quotation Amount for which firm quotations were not obtained on such day.

**“Quotation Amount”** means an amount selected by the Calculation Agent in its sole discretion, subject to a minimum of the Minimum Quotation Amount and a maximum of the Maximum Quotation Amount.

**“Quotation Method”** means, unless otherwise specified in the relevant Pricing Supplement, Bid, where **“Bid”** means that only bid quotations shall be requested from Dealers.

**“Reference Entity”** means each of the entities specified in the relevant Pricing Supplement and any Successors.

**“Reference Obligation”** means, in respect of a Reference Entity:

- (i) the Standard Reference Obligation, if any, unless:
  - (a) **“Standard Reference Obligation”** is specified as not applicable in the relevant Pricing Supplement, in which case the Reference Obligation will be the Non-Standard Reference Obligation, if any; or
  - (b) (i) **“Standard Reference Obligation”** is specified as applicable in the relevant Pricing Supplement (or no election is specified), (ii) there is no Standard Reference Obligation, and (iii) a Non-Standard Reference Obligation is specified in the Pricing Supplement, in which case the Reference Obligation will be (A) the Non-Standard Reference Obligation to but excluding the first date of publication of the Standard Reference Obligation and (B) the

Standard Reference Obligation from such date onwards, provided that the Standard Reference Obligation that is published would have been eligible to be selected as a Substitute Reference Obligation.

- (ii) If the Standard Reference Obligation is removed from the SRO List, such obligation shall cease to be the Reference Obligation (other than for purposes of the “Not Subordinated” Obligation Characteristic or “Not Subordinated” Valuation Obligation Characteristic) and there shall be no Reference Obligation unless and until such obligation is subsequently replaced on the SRO List, in which case, the new Standard Reference Obligation in respect of such Reference Entity shall constitute the Reference Obligation.

“**Relevant City Business Day**” has the meaning given to that term in the DC Rules.

“**Relevant Guarantee**” means, with respect to a Reference Entity, a Qualifying Affiliate Guarantee or, if “All Guarantees” is specified as being applicable in the Standard, a Qualifying Guarantee.

“**Relevant Holder**” means a holder of the Prior Valuation Obligation or Package Observable Bond, as the case may be, with an Outstanding Principal Balance or Due and Payable Amount, as applicable, immediately prior to the relevant Asset Package Credit Event, equal to the Quotation Amount determined by the Calculation Agent in its sole discretion.

“**Relevant Obligations**” means the Obligations of a Reference Entity which fall within the Obligation Category “**Bond or Loan**” and which are outstanding immediately prior to the Succession Date (or, if there is a Steps Plan, immediately prior to the legally effective date of the first succession), provided that:

- (i) any Bonds or Loans outstanding between such Reference Entity and any of its Affiliates, or held by such Reference Entity, shall be excluded;
- (ii) if there is a Steps Plan, the Calculation Agent shall, for purposes of the determination required to be made under the sub-paragraph (i) of the definition of Successor, make the appropriate adjustments required to take account of any Obligations of the Reference Entity which fall within the Obligation Category “**Bond or Loan**” that are issued, incurred, redeemed, repurchased or cancelled from and including the legally effective date of the first succession to and including the Succession Date;
- (iii) if “**Financial Reference Entity Terms**” is specified as applicable with respect to such Reference Entity in the Standard, and the associated Credit Position is a Senior Credit Position, then the Relevant Obligations shall only include the Senior Obligations of the Reference Entity which fall within the Obligation Category “**Bond or Loan**”; and
- (iv) if “**Financial Reference Entity Terms**” is specified as applicable with respect to such Reference Entity in the Standard, and the associated Credit Position is a Subordinated Credit Position, then the Relevant Obligations shall exclude Senior Obligations and any Further Subordinated Obligations of the Reference Entity which fall within the Obligation Category “**Bond or Loan**”, provided that if no such Relevant Obligations exist, “**Relevant Obligations**” shall have the same meaning as it would if the Credit Position were a Senior Credit Position.

“**Repudiation/Moratorium**” means the occurrence of both of the following events:

- (i) an authorised officer of a Reference Entity or a Governmental Authority:
  - (a) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations in an aggregate amount of not less than the Default Requirement; or
  - (b) declares or imposes a moratorium, standstill, roll-over or deferral, whether *de facto* or *de jure*, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement; and

- (ii) a Failure to Pay, determined without regard to the Payment Requirement, or a Restructuring, determined without regard to the Default Requirement, with respect to any such Obligation occurs on or prior to the Repudiation/Moratorium Evaluation Date.

**“Repudiation/Moratorium Evaluation Date”** means, if a Potential Repudiation/Moratorium occurs on or prior to the Credit Observation End Date (i) if the Obligations to which such Potential Repudiation/Moratorium relates include Bonds, the date that is the later of (a) the date that is sixty days after the date of such Potential Repudiation/Moratorium and (b) the first payment date under any such Bond after the date of such Potential Repudiation/Moratorium (or, if later, the expiration date of any applicable Grace Period in respect of such payment date) and (ii) if the Obligations to which such Potential Repudiation/Moratorium relates do not include Bonds, the date that is sixty days after the date of such Potential Repudiation/Moratorium; provided that, in either case, the Repudiation/Moratorium Evaluation Date shall occur no later than the Credit Observation End Date unless the Repudiation/Moratorium Extension Condition is satisfied.

**“Repudiation/Moratorium Extension Condition”** means, with respect to a Reference Entity:

- (i) if the DC Secretary publicly announces, pursuant to a valid request that was delivered and effectively received on or prior to the date that is fourteen calendar days after the Credit Observation End Date, that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Potential Repudiation/Moratorium has occurred with respect to an Obligation of the Reference Entity and that such event occurred on or prior to the Credit Observation End Date; or
- (ii) otherwise, by the delivery by the Calculation Agent to the Issuer of a Repudiation/Moratorium Extension Notice that is effective on or prior to the date that is fourteen calendar days after the Credit Observation End Date.

In all cases, the Repudiation/Moratorium Extension Condition will be deemed not to have been satisfied, or not capable of being satisfied, if, or to the extent that, the DC Secretary publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved that either (a) an event does not constitute a Potential Repudiation/Moratorium with respect to an Obligation of the Reference Entity, or (b) an event that constitutes a Potential Repudiation/Moratorium has occurred with respect to an Obligation of the Reference Entity but that such event occurred after the Credit Observation End Date.

**“Repudiation/Moratorium Extension Notice”** means an irrevocable notice from the Calculation Agent to the Issuer that describes a Potential Repudiation/Moratorium that occurred on or prior to the Credit Observation End Date. The Calculation Agent shall only deliver a Repudiation/Moratorium Extension Notice where it determines that Publicly Available Information exists confirming the existence or occurrence of the relevant Potential Repudiation/Moratorium. The Potential Repudiation/Moratorium that is the subject of the Repudiation/Moratorium Extension Notice need not be continuing on the date the Repudiation/Moratorium Extension Notice is effective.

**“Resolve”** has the meaning given to that term in the DC Rules, and **“Resolved”** and **“Resolves”** shall be construed accordingly.

**“Restructured Bond or Loan”** means an Obligation that is a Bond or Loan and in respect of which the relevant Restructuring has occurred.

**“Restructuring”** means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between a Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all holders of the Obligation or is announced (or otherwise decreed) by such Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation (including, in each case, in respect of Bonds only, by way of an exchange), and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the Credit Event Backstop Date and the date as of which such Obligation is issued or incurred:

- (i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
- (ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
- (iii) a postponement or other deferral of a date or dates for either (a) the payment or accrual of interest, or (b) the payment of principal or premium;
- (iv) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation; or
- (v) any change in the currency of any payment of interest, principal or premium to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

Notwithstanding the above, none of the following shall constitute a Restructuring:

- (i) the payment in euros of interest, principal or premium in relation to an Obligation denominated in a currency of a Member State of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union;
- (ii) the redenomination from euros into another currency, if (A) the redenomination occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority and (B) a freely available market rate of conversion between euros and such other currency existed at the time of such redenomination and there is no reduction in the rate or amount of interest, principal or premium payable, as determined by reference to such freely available market rate of conversion;
- (iii) the occurrence of, agreement to or announcement of any of the events described the definition of Restructuring due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and
- (iv) the occurrence of, agreement to or announcement of any of the events described in (i) to (v) above in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity, provided that, in respect of (v) above only, no such deterioration in the creditworthiness or financial condition of the Reference Entity is required where the redenomination is from euros into another currency and occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority.

For purposes of this definition of Restructuring, the term Obligation shall be deemed to include Underlying Obligations for which a Reference Entity is acting as provider of a Guarantee. In the case of a Guarantee and an Underlying Obligation, references to such Reference Entity in sub-paragraphs (i) to (v) of the definition of Restructuring shall be deemed to refer to the Underlying Obligor and the reference to the Reference Entity in the second paragraph of this definition shall continue to refer to such Reference Entity.

Unless Multiple Holder Obligation is specified as not applicable to any Reference Entity in the Standard then, notwithstanding anything to the contrary in this definition of Restructuring, the occurrence of, or agreement to or announcement of any of the events described in sub-paragraph (i) to (v) of the definition of Restructuring shall not be a Restructuring unless the Obligation in respect of any such events is a Multiple Holder Obligation.

If an exchange has occurred, the determination as to whether one of the events described under the definition of Restructuring sub-paragraphs (i) to (v) has occurred will be based on a comparison of the terms of the Bond

immediately prior to such exchange and the terms of the resulting obligations immediately following such exchange.

**“Restructuring Date”** means the date on which a Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring.

**“Restructuring Maturity Limitation Date”** means, with respect to a Valuation Obligation, the Limitation Date occurring on or immediately following the Credit Observation End Date. Notwithstanding the foregoing, if the final maturity date of the Restructured Bond or Loan with the latest final maturity date of any Restructured Bond or Loan occurs prior to the 2.5-year Limitation Date (such Restructured Bond or Loan, a **“Latest Maturity Restructured Bond or Loan”**) and the Credit Observation End Date occurs prior to the final maturity date of such Latest Maturity Restructured Bond or Loan, then the Restructuring Maturity Limitation Date will be the final maturity date of such Latest Maturity Restructured Bond or Loan.

**“Senior Credit Position”** means a Credit Position attributable to a Reference Entity in respect of which (a) the Reference Obligation or Prior Reference Obligation, as applicable, is a Senior Obligation, or (b) there is no Reference Obligation or Prior Reference Obligation.

**“Senior Obligation”** means any obligation which is not Subordinated to any unsubordinated Borrowed Money obligation of the Reference Entity.

**“Seniority Level”** means, with respect to an obligation of the Reference Entity, (i) “Senior Level” or “Subordinated Level” as specified in the relevant Pricing Supplement, or (ii) if no such seniority level is specified in the relevant Pricing Supplement, “Senior Level” if the Original Non-Standard Reference Obligation is a Senior Obligation or “Subordinated Level” if the Original Non-Standard Reference Obligation is a Subordinated Obligation, failing which (iii) “Senior Level”.

**“Settlement Method”** means the Settlement Method specified in the relevant Pricing Supplement or, if no Settlement Method is specified in the relevant Pricing Supplement, Auction Settlement.

**“SRO List”** means the list of Standard Reference Obligations as published by ISDA on its website at [www.isda.org](http://www.isda.org) from time to time (or any successor website thereto) or by a third party designated by ISDA on its website from time to time.

**“Solvency Capital Provisions”** means any terms in an obligation which permit a Reference Entity’s payment obligations thereunder to be deferred, suspended, cancelled, converted, reduced or otherwise varied and which are necessary in order for the obligation to constitute capital resources of a particular tier.

**“Sovereign Restructured Valuation Obligation”** means an Obligation of a Reference Entity which is a Sovereign (either directly or as provider of a Relevant Guarantee) (a) in respect of which a Restructuring that is the subject of the Credit Event Notice or DC Credit Event Announcement has occurred and (b) which fell within the definition of a Valuation Obligation set out in sub-paragraph (i) of the definition of Valuation Obligation immediately preceding the date on which such Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring.

**“Sovereign”** means any state, political subdivision or government, or any agency, instrumentality, ministry, department or other authority acting in a governmental capacity (including, without limiting the foregoing, the central bank) thereof.

**“Sovereign Succession Event”** means, with respect to a Reference Entity that is a Sovereign, an annexation, unification, secession, partition, dissolution, consolidation, reconstitution or other similar event.

**“Standard”** means, in respect of a Reference Entity and the “Transaction Type” identified as being applicable in that Reference Entity, the terms set out in the Credit Derivatives Physical Settlement Matrix with respect to such Transaction Type, subject to amendment in accordance with the definition of “Credit Derivatives Physical



Settlement Matrix” Provided That the relevant Pricing Supplement does not specify any inconsistent terms, in which case the terms specified in the Pricing Supplement shall prevail.

“**Standard Reference Obligation**” means the obligation of the Reference Entity with the relevant Seniority Level which is specified from time to time on the SRO List.

“**Standard Specified Currency**” means each of the lawful currencies of Canada, Japan, Switzerland, France, Germany, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

“**Steps Plan**” means a plan evidenced by Eligible Information contemplating that there will be a series of successions to some or all of the Relevant Obligations of the Reference Entity, by one or more entities.

“**Subordinated Obligation**” means any obligation which is Subordinated to any unsubordinated Borrowed Money obligation of the Reference Entity or which would be so Subordinated if any unsubordinated Borrowed Money obligation of the Reference Entity existed.

“**Subordinated Credit Position**” means a Credit Position attributable to a Reference Entity in respect of which the Reference Obligation or Prior Reference Obligation, as applicable, is a Subordinated Obligation.

“**Substitute Reference Obligation**” means, with respect to a Non-Standard Reference Obligation to which a Substitution Event has occurred, the obligation that will replace the Non-Standard Reference Obligation, determined by the Calculation Agent as follows:

- (i) The Calculation Agent shall (in its sole discretion) identify the Substitute Reference Obligation in accordance with sub-paragraphs (iii), (iv) and (v) below to replace the Non-Standard Reference Obligation; provided that the Calculation Agent will not identify an obligation as the Substitute Reference Obligation if, at the time of the determination, such obligation has already been rejected as the Substitute Reference Obligation by the relevant Credit Derivatives Determinations Committee and such obligation has not changed materially since the date of the relevant DC Resolution.
- (ii) If any of the events set forth under sub-paragraphs (i)(a) or (c) of the definition of Substitution Event have occurred with respect to the Non-Standard Reference Obligation, the Non-Standard Reference Obligation will cease to be the Reference Obligation (other than for purposes of the “Not Subordinated” Obligation Characteristic or “Not Subordinated” Deliverable Obligation Characteristic and sub-paragraph (iii)(b) below). If the event set forth in sub-paragraph (i)(b) of the definition of Substitution Event has occurred with respect to the Non-Standard Reference Obligation and no Substitute Reference Obligation is available, the Non-Standard Reference Obligation will continue to be the Reference Obligation until the Substitute Reference Obligation is identified or, if earlier, until any of the events set forth under sub-paragraphs (i)(a) or (i)(c) of the definition of Substitution Event occur with respect to such Non-Standard Reference Obligation.
- (iii) The Substitute Reference Obligation shall be an obligation that on the Substitution Date:
  - (a) is a Borrowed Money obligation of the Reference Entity (either directly or as provider of a guarantee);
  - (b) satisfies the “Not Subordinated” Valuation Obligation Characteristic as of the date it was issued or incurred (without reflecting any change to the priority of payment after such date) and on the Substitution Date; and
  - (c) (A) if the Non-Standard Reference Obligation was a Conforming Reference Obligation when issued or incurred and immediately prior to the Substitution Event Date:

- (I) is a Valuation Obligation (other than a Loan) determined in accordance with sub-paragraph (i) of the definition of Valuation Obligation; or if no such obligation is available,
    - (II) is a Loan (other than a Private-side Loan) which constitutes a Valuation Obligation determined in accordance with paragraph (i) of the definition of Valuation Obligation;
  - (B) if the Non-Standard Reference Obligation was a Bond (or any other Borrowed Money obligation other than a Loan) which was a Non-Conforming Reference Obligation when issued or incurred and/or immediately prior to the Substitution Event Date:
    - (I) is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available,
    - (II) is a Valuation Obligation (other than a Loan) determined in accordance with paragraph (i) of the definition of Valuation Obligation; or if no such obligation is available,
    - (III) is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available,
    - (IV) is a Loan (other than a Private-side Loan) which constitutes a Valuation Obligation determined in accordance with paragraph (i) of the definition of Valuation Obligation; or
  - (C) if the Non-Standard Reference Obligation was a Loan which was a Non-Conforming Reference Obligation when incurred and/or immediately prior to the Substitution Event Date:
    - (I) is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available,
    - (II) is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available,
    - (III) is a Valuation Obligation (other than a Loan) determined in accordance with paragraph (i) of the definition of Valuation Obligation; or if no such obligation is available,
    - (IV) is a Loan (other than a Private-side Loan) which constitutes a Valuation Obligation determined in accordance with paragraph (i) of the definition of Valuation Obligation.
- (iv) If more than one potential Substitute Reference Obligation is identified pursuant to the process described in sub-paragraph (iii) above, the Substitute Reference Obligation will be the potential Substitute Reference Obligation that most closely preserves the economic equivalent of the delivery and payment obligations under the Securities, as determined by the Calculation Agent (in its sole discretion). The Calculation Agent will notify the Issuer of the Substitute Reference Obligation as soon as reasonably practicable after it has been identified in accordance with sub-paragraph (iii) above and the Substitute Reference Obligation shall replace the Non-Standard Reference Obligation immediately upon such notification.
- (v) If a Substitution Event has occurred with respect to the Non-Standard Reference Obligation and the Calculation Agent determines (in its sole discretion) that no Substitute Reference Obligation is available for the Non-Standard Reference Obligation, then, subject to sub-paragraph (i) above and notwithstanding the fact that the Non-Standard Reference Obligation may have ceased to be the Reference Obligation in

accordance with sub-paragraph (ii) above, the Calculation Agent shall continue to attempt to identify the Substitute Reference Obligation.

**“Substitution Date”** means, with respect to a Substitute Reference Obligation, the date on which the Calculation Agent notifies the Issuer of the Substitute Reference Obligation that it has identified in accordance with the definition of Substitute Reference Obligation.

**“Substitution Event”** means, with respect to the Non-Standard Reference Obligation:

- (i) the Non-Standard Reference Obligation is redeemed in whole;
- (ii) the aggregate amounts due under the Non-Standard Reference Obligation have been reduced by redemption or otherwise below USD 10,000,000 (or its equivalent in the relevant Obligation Currency, as determined by the Calculation Agent); or
- (iii) for any reason, other than due to the existence or occurrence of a Credit Event, the Non-Standard Reference Obligation is no longer an obligation of the Reference Entity (either directly or as provider of a guarantee).

For purposes of identification of the Non-Standard Reference Obligation, any change in the Non-Standard Reference Obligation’s CUSIP or ISIN number or other similar identifier will not, in and of itself, constitute a Substitution Event.

If an event described in sub-paragraphs (i) or (ii) above has occurred on or prior to the Trade Date, then a Substitution Event shall be deemed to have occurred pursuant to sub-paragraphs (i) or (ii) above, as the case may be, on the Trade Date.

**“Substitution Event Date”** means, with respect to the Reference Obligation, the date of the occurrence of the relevant Substitution Event.

**“Substitute Reference Obligation Resolution Request Date”** means, with respect to a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve a Substitute Reference Obligation to the Non-Standard Reference Obligation, the date, as publicly announced by the DC Secretary, that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which such notice is effective.

**“Succession Date”** means the legally effective date of an event in which one or more entities succeed to some or all of the Relevant Obligations of a Reference Entity; provided that if at such time, there is a Steps Plan, the Succession Date will be the legally effective date of the final succession in respect of such Steps Plan, or if earlier (i) the date on which a determination pursuant to sub-paragraph (i) of the definition of Successor would not be affected by any further related successions in respect of such Steps Plan, or (ii) the occurrence of an Event Determination Date in respect of a Reference Entity or any entity which would constitute a Successor.

**“Successor”** means, in relation to a Reference Entity (the **“Original Reference Entity”**) and subject to sub-paragraph (iii) below, the entity or entities, if any, determined as follows:

- (i) (a) subject to sub-paragraph (g), if one entity succeeds, either directly or as a provider of a Relevant Guarantee, to seventy-five per cent or more of the Relevant Obligations of the Reference Entity, that entity will be the sole Successor;
- (b) if only one entity succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent (but less than seventy-five per cent) of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than twenty-five per cent of the Relevant Obligations will be the sole Successor;
- (c) if more than one entity each succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and not

more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entities that succeed to more than twenty-five per cent of the Relevant Obligations will each be a Successor and the Credit Position will be divided and the terms of the Securities will be amended in accordance with sub-paragraph (vii) below;

- (d) if one or more entities each succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each such entity and the Reference Entity will each be a Successor and the Credit Position will be divided and the terms of the Securities will be amended in accordance with sub-paragraph (vii) below;
  - (e) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor and the Reference Entity and the Credit Position will not be changed in any way as a result of such succession;
  - (f) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Relevant Obligations will be the Successor (provided that if two or more entities succeed to an equal percentage of Relevant Obligations, each such entity will be a Successor and the Credit Position will be divided and the terms of the Securities will be amended in accordance with sub-paragraph (vii) below); and
  - (g) in respect of a Reference Entity which is not a Sovereign, if one entity assumes all of the obligations (including at least one Relevant Obligation) of the Reference Entity, and at the time of the determination either (A) the Reference Entity has ceased to exist, or (B) the Reference Entity is in the process of being dissolved (howsoever described) and the Reference Entity has not issued or incurred any Borrowed Money obligation at any time since the legally effective date of the assumption, such entity (the “**Universal Successor**”) will be the sole Successor.
- (ii) The Calculation Agent will be responsible for determining, as soon as reasonably practicable after delivery of a Successor Notice and with effect from the Succession Date, any Successor or Successors under sub-paragraph (i) above; provided that the Calculation Agent will not make such determination if, at the time of determination, the DC Secretary has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved that there is no Successor based on the relevant succession to Relevant Obligations.

If the DC Secretary publicly announces on or following the Trade Date, that the relevant Credit Derivatives Determinations Committee has Resolved that one or more successors exist with respect to a Reference Entity, each such successor entity will be treated as a Successor for the purposes of sub-paragraph (vii) below.

The Calculation Agent will make all calculations and determinations required to be made under this definition of Successor on the basis of Eligible Information and as soon as practicable after such calculation or determination will notify the Issuer of such calculation or determination.

In calculating the percentages used to determine whether an entity qualifies as a Successor, if there is a Steps Plan, the Calculation Agent shall consider all related successions in respect of such Steps Plan in aggregate as if forming part of a single succession.

- (iii) An entity may only be a Successor if:
  - (a) either (A) the related Succession Date occurs on or after the Successor Backstop Date, or (B) such entity is a Universal Successor in respect of which the Succession Date occurred on or after January 1, 2014;
  - (b) the Reference Entity had at least one Relevant Obligation outstanding immediately prior to the Succession Date and such entity succeeds to all or part of at least one Relevant Obligation of the Reference Entity; and
  - (c) where the Reference Entity is a Sovereign, such entity succeeded to the Relevant Obligations by way of a Sovereign Succession Event.
- (iv) For purposes of this definition of Successor, “**succeed**” means, with respect to a Reference Entity and its Relevant Obligations, that an entity other than such Reference Entity (i) assumes or becomes liable for such Relevant Obligations whether by operation of law or pursuant to any agreement (including, with respect to a Reference Entity that is a Sovereign, any protocol, treaty, convention, accord, concord, entente, pact or other agreement), or (ii) issues Bonds or incurs Loans (the “**Exchange Bonds or Loans**”) that are exchanged for Relevant Obligations, and in either case such Reference Entity is not thereafter a direct obligor or a provider of a Relevant Guarantee with respect to such Relevant Obligations or such Exchange Bonds or Loans, as applicable. For purposes of this definition of Successor, “**succeeded**” and “**succession**” shall be construed accordingly.
- (v) In the case of an exchange offer, the determination required pursuant to sub-paragraph (i) above shall be made on the basis of the outstanding principal balance of Relevant Obligations exchanged and not on the basis of the outstanding principal balance of the Exchange Bonds or Loans.
- (vi) If two or more entities (each, a “**Joint Potential Successor**”) jointly succeed to a Relevant Obligation (the “**Joint Relevant Obligation**”) either directly or as a provider of a Relevant Guarantee, then (i) if the Joint Relevant Obligation was a direct obligation of such Reference Entity, it shall be treated as having been succeeded to by the Joint Potential Successor (or Joint Potential Successors, in equal parts) which succeeded to such Joint Relevant Obligation as direct obligor or obligors, or (ii) if the Joint Relevant Obligation was a Relevant Guarantee, it shall be treated as having been succeeded to by the Joint Potential Successor (or Joint Potential Successors, in equal parts) which succeeded to such Joint Relevant Obligation as guarantor or guarantors, if any, or otherwise by each Joint Potential Successor in equal parts.
- (vii) Where, pursuant to sub-paragraphs (i)(c), (d) or (f) above, more than one Successor has been identified, the following terms will apply in respect of the Securities:
  - (a) except in the case of (c) below, each Successor will be the Reference Entity for the purposes of the Conditions;
  - (b) except in the case of (c) below, the Credit Position of each such Successor shall be equal to the Credit Position of the Reference Entity to which that Successor relates, divided by the number of Successors (including that Original Reference Entity if applicable) to that Reference Entity, provided that if any Successor was a Reference Entity immediately prior to the relevant succession, the Credit Position determined in accordance with the previous sentence shall be added to the existing Credit Position of that Reference Entity; and
  - (c) if the Securities are linked to a single Reference Entity and there is more than one Successor to that Reference Entity:
    - (A) The Securities will not redeem in whole following the occurrence of an Event Determination Date in respect of a Successor but an Instalment Amount (as if the Securities were Notes) shall be payable following each occurrence of an Event

Determination Date in respect of any such Successor which shall be calculated in the same way as the Redemption Amount payable following the occurrence of an Event Determination Date in respect of the Original Reference Entity except that the Credit Position shall be the Credit Position of the relevant Successor. The Instalment Date for any such Instalment Amount shall be determined in accordance with the provisions for determining the Redemption Date following an Event Determination Date. In addition, if no Event Determination Date occurs with respect to one or more Successors, unless otherwise specified in the Pricing Supplement, an Instalment Amount will be due in respect of each such Successor on the Scheduled Redemption Date or, if the Redemption Date is postponed beyond the Scheduled Redemption Date (assuming for this purpose that the provisions in the definition of **“Redemption Date”** referring to the Reference Entity instead refer to the Successor), the Redemption Date, equivalent to the Credit Position of the relevant Successor. More than one Instalment Amount may be payable on the same day in respect of different Successors.

- (B) The amount of coupons accruing and payable in respect of the Securities will be reduced with effect from the date on which it would have been reduced upon the occurrence of an Event Determination Date in respect of the Original Reference Entity but the balance on which coupons are calculated shall only be reduced by the Credit Position of the Successor in respect of which the relevant Event Determination Date occurred.
- (C) Subject as provided in the definition of “Credit Event”, more than one Event Determination Date may occur but not more than one Event Determination Date may occur with respect to a single Successor.
- (d) Upon the identification of more than one Successor, the Calculation Agent acting in good faith shall revise the Conditions to reflect the above provisions and preserve as far as possible the economic effects of the original Securities and the Issuer will cause such revised Conditions to be substituted for the original Conditions and such revised Conditions shall, in the absence of manifest error, be binding on the Issuer, the Holders and the Agents.

**“Successor Backstop Date”** means for purposes of any Successor determination determined by DC Resolution, the date that is ninety calendar days prior to the Successor Resolution Request Date otherwise, the date that is ninety calendar days prior to the earlier of (i) the date on which the Successor Notice is effective and (ii) in circumstances where (A) a Successor Resolution Request Date has occurred, (B) the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination and (C) the Successor Notice is delivered by the Calculation Agent to the Issuer not more than fourteen calendar days after the day on which the DC Secretary publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination, the Successor Resolution Request Date. The Successor Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

**“Successor Notice”** means an irrevocable notice from the Calculation Agent to the Issuer that describes a succession (or, in relation to a Reference Entity that is a Sovereign, a Sovereign Succession Event) in respect of which a Succession Date has occurred and pursuant to which one or more Successors to a Reference Entity can be determined.

**“Successor Resolution Request Date”** means, with respect to a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve one or more Successors to a Reference Entity, the date, as publicly announced by the DC Secretary, that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which such notice is effective.

**“Trade Date”** means the date specified as such in the relevant Pricing Supplement.

**“Transaction Auction Settlement Terms”** means, with respect to a Credit Event in respect of a Reference Entity, the Credit Derivatives Auction Settlement Terms for which the Hypothetical Credit Derivative Transaction would be an Auction Covered Transaction, as determined by the Calculation Agent (in its sole discretion).

**“Transaction Type”** means, in respect of a Reference Entity, the transaction type specified in respect of such Reference Entity in the relevant Pricing Supplement.

**“Underlying Obligation”** means, with respect to a guarantee, the obligation which is the subject of the guarantee.

**“Underlying Obligor”** means with respect to an Underlying Obligation, the issuer in the case of a Bond, the borrower in the case of a Loan, or the principal obligor in the case of any other Underlying Obligation.

**“USD”** means United States dollars.

**“Valuation Business Day”** means a day on which commercial banks and foreign exchange markets are generally open to settle payments in London and New York and any additional location that is specified in the applicable Standard and a TARGET2 Settlement Day.

**“Valuation Date”** means, subject as provided in Credit Linked Provision 11.1 (*Settlement Suspension*) in respect of a Defaulted Credit, as selected by the Calculation Agent in its sole discretion, any Valuation Business Day falling in the period from and including the Valuation Event Date to and including the 125th Valuation Business Day following the Valuation Event Date. The Calculation Agent will select as the Valuation Date a day falling on or before the 72nd Valuation Business Day following the Valuation Event Date unless the Calculation Agent determines in good faith that material problems exist in the marketplace in delivering obligations of the relevant Reference Entity under credit default swap contracts, in which case it may select a Valuation Date falling after the 72nd Valuation Business Day, but not later than the 125th Valuation Business Day, following the Valuation Event Date.

**“Valuation Event Date”** means the Event Determination Date (or, if “Cash Settlement” is applicable pursuant to the Fallback Settlement Method in accordance with sub-paragraphs (i) or (ii) of Credit Linked Provision 1 (*Auction Settlement*), the relevant Auction Cancellation Date, if any, or the relevant No Auction Announcement Date, if any, as applicable).

For the avoidance of doubt:

- (i) more than one Credit Event Notice may be delivered from time to time following the occurrence of an Event Determination Date relating only to an M(M)R Restructuring in respect of a Reference Entity, provided that the sum of the Exercise Amounts in respect of any such Reference Entity does not exceed the Credit Position;
- (ii) the Calculation Agent may select a different Valuation Obligation in respect of each Valuation Date; and
- (iii) subject to the other provisions hereof, at any time following the occurrence of an M(M)R Restructuring in respect of any Reference Entity, the Calculation Agent may, by delivery to the Issuer of a Credit Event Notice relating only to an M(M)R Restructuring, designate such Exercise Amount as it determines in its sole discretion to be subject to such Credit Event Notice, provided that the Exercise Amount shall be in an amount of at least the Minimum Exercise Amount; where, **“Minimum Exercise Amount”** means the amount (if any) specified as such in the relevant Pricing Supplement.

**“Valuation Method”** means, unless otherwise specified in the relevant Pricing Supplement, Market, where **“Market”** means the Market Value determined by the Calculation Agent.

**“Valuation Obligation”** means:

- (i) any obligation of the Reference Entity (either directly or as provider of a Relevant Guarantee) determined pursuant to the method described in Credit Linked Provision 6 (*Method for Determining Valuation Obligations*);

- (ii) the Reference Obligation;
- (iii) solely in relation to a Restructuring Credit Event applicable to a Reference Entity which is a Sovereign, and unless Asset Package Valuation is applicable, any Sovereign Restructured Valuation Obligation; and
- (iv) if Asset Package Valuation is applicable, any Prior Valuation Obligation (if “Financial Reference Entity Terms” is specified as applicable with respect to the relevant Reference Entity in the Standard) or any Package Observable Bond (if the Reference Entity is a Sovereign),

in each case, (a) unless it is an Excluded Valuation Obligation and (b) provided that the obligation has an Outstanding Principal Balance or Due and Payable Amount that is greater than zero (determined for purposes of sub-paragraph (iv), immediately prior to the relevant Asset Package Credit Event).

Where Auction Settlement applies for the purposes of determining the Final Price, “Valuation Obligation” means any obligation that is capable of constituting a deliverable obligation in accordance with the Transaction Auction Settlement Terms or, as the case may be, the Parallel Auction Settlement Terms.

“**Valuation Obligation Category**” means one of Payment, Borrowed Money, Bond, Loan, or Bond or Loan (each as defined in the definition of Obligation Category).

“**Valuation Obligation Characteristics**” means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed, Not Domestic Issuance, Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer, and:

- (i) “**Assignable Loan**” means a Loan that is capable of being assigned or novated to, at a minimum, commercial banks or financial institutions (irrespective of their jurisdiction of organization) that are not then a lender or a member of the relevant lending syndicate, without the consent of the Reference Entity or the guarantor, if any, of such Loan (or the consent of the applicable borrower if such Reference Entity is guaranteeing such Loan) or any agent;
- (ii) “**Consent Required Loan**” means a Loan that is capable of being assigned or novated with the consent of the Reference Entity or the guarantor, if any, of such Loan (or the consent of the relevant borrower if such Reference Entity is guaranteeing such Loan) or any agent;
- (iii) “**Direct Loan Participation**” means a Loan in respect of which, pursuant to a participation agreement, the Issuer is capable of creating, or procuring the creation of, a contractual right in favour of a notional protection seller that provides such notional protection seller with recourse to the participation seller for a specified share in any payments due under the relevant Loan which are received by such participation seller, any such agreement to be entered into between (i) such notional protection seller and (ii) either (A) the Issuer (to the extent the Issuer was then a lender or a member of the relevant lending syndicate), or (B) a Qualifying Participation Seller (if any) (to the extent such Qualifying Participation Seller is then a lender or a member of the relevant lending syndicate);
- (iv) “**Transferable**” means an obligation that is transferable to institutional investors without any contractual, statutory or regulatory restriction, provided that none of the following shall be considered contractual, statutory or regulatory restrictions:
  - (a) contractual, statutory or regulatory restrictions that provide for eligibility for resale pursuant to Rule 144A or Regulation S promulgated under the United States Securities Act of 1933, as amended (and any contractual, statutory or regulatory restrictions promulgated under the laws of any jurisdiction having a similar effect in relation to the eligibility for resale of an obligation);
  - (b) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds; or



- (c) restrictions in respect of blocked periods on or around payment dates or voting periods;
- (v) **“Maximum Maturity”** means an obligation that has a remaining maturity of not greater than the period specified in the Standard (or if no such period is specified, thirty years);
- (vi) **“Accelerated or Matured”** means an obligation under which the principal amount owed, whether by reason of maturity, acceleration, termination or otherwise, is due and payable in full in accordance with the terms of such obligation, or would have been but for, and without regard to, any limitation imposed under any applicable insolvency laws; and
- (vii) **“Not Bearer”** means any obligation that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via the Euroclear system, Clearstream International or any other internationally recognized clearing system.

**“Valuation Time”** means, the time specified in the relevant Pricing Supplement, or if no such time is specified, as selected by the Calculation Agent in its sole discretion, any time at or after 11:00 a.m. London time in the principal trading market for the Reference Obligation.

**“Voting Shares”** means the shares or other interests that have the power to elect the board of directors or similar governing body of an entity.

**“Weighted Average Quotation”** means, in accordance with the Quotation Method, the weighted average of firm quotations obtained from Dealers at the Valuation Time, to the extent reasonably practicable, each for an amount of the Valuation Obligation with an Outstanding Principal Balance or Due and Payable Amount, as applicable, of as large a size as available but less than the Quotation Amount (but of a size at least equal to the Minimum Quotation Amount) that in aggregate are approximately equal to the Quotation Amount.

#### **14. Additional Provisions for Senior Non-Preferred Reference Obligations**

In respect of any Reference Entity in respect of which the Transaction Type is "European Senior Non Preferred Financial Corporate" or "Standard European Senior Non Preferred Financial Corporate" the following provisions shall be applicable only in respect of such Reference Entity (and where there is any conflict between this Credit Linked Provision 14 (*Additional Provisions for Senior Non-Preferred Reference Obligations*) and any other provisions of these Credit Linked Provisions, this Credit Linked Provision 14 shall apply).

- (i) **“Senior Non-Preferred Credit Position”** means a Credit Position attributable to a Reference Entity in respect of which this Credit Linked Provision 14 (*Additional Provisions for Senior Non-Preferred Reference Obligations*) is specified as applicable. A Senior Non Preferred Transaction shall constitute a Subordinated Credit Position for the purposes of such definition.
- (ii) **“Senior Non-Preferred Obligation”** means any obligation of the Reference Entity which is Subordinated only to any unsubordinated Borrowed Money Obligations of the Reference Entity but not further or otherwise, or which would be so Subordinated if any unsubordinated Borrowed Money Obligations of the Reference Entity existed, and which ranks above Traditional Subordinated Obligations of the Reference Entity or which would so rank if any Traditional Subordinated Obligations of the Reference Entity existed. A Senior Non-Preferred Obligation shall constitute a Subordinated Obligation for the purposes of such definition.
- (iii) **“Traditional Subordinated Obligation”** means (a) Tier 2 Subordinated Obligations of the Reference Entity; (b) any obligations of the Reference Entity which rank or are expressed to rank *pari passu* with any Tier 2 Subordinated Obligations of the Reference Entity; and (c) any obligations of the Reference Entity which are Subordinated to the obligations thereto described in (a) and (b) above shall each (without limitation) constitute a "Traditional Subordinated Obligation" in respect of a Senior Non Preferred

Obligation. A Traditional Subordinated Obligation shall constitute a Further Subordinated Obligation for the purposes of such definition.

- (iv) “**Tier 2 Subordinated Obligation**” means any obligation of the Reference Entity which meets the conditions set out in Article 63 of Regulation 575/2013 of the European Parliament and of the Council of 26 June 2013, as such Article may be amended or replaced from time to time (the “**CRR**”) or which are (or were at any time) otherwise eligible as a Tier 2 item in accordance with the CRR.
- (v) “**Subordination**” shall have the meaning ascribed to that term in Credit Linked Provision 13 (*Definitions*) above and such term shall be applied in the assessment of any Obligation without regard to how the Obligation is described by the laws of any relevant jurisdiction, including any characterisation of the Obligation as senior or unsubordinated by the laws of any relevant jurisdiction.
- (vi) The definition of “**Reference Obligation**” in Credit Linked Provision 13 (*Definitions*) above is hereby amended by adding the following proviso to the end of paragraph (i)(a) of such definition immediately following the words “if any”:

“Provided That, irrespective of any Original Non-Standard Reference Obligation specified in the Pricing Supplement, if (1) a Senior Non-Preferred Level Standard Reference Obligation of the Reference Entity is specified on the SRO List, such Standard Reference Obligation shall be deemed to constitute the Reference Obligation, or (2) no such Senior Non-Preferred Level Standard Reference Obligation of the Reference Entity is specified on the SRO List but such Standard Reference Obligation has previously been specified on the SRO List, there shall be deemed to be no Reference Obligation applicable and such previously specified Senior Non-Preferred Level Standard Reference Obligation of the Reference Entity shall be deemed to constitute the Prior Reference Obligation”.
- (vii) “**Seniority Level**” means Senior Non-Preferred Level.

## 15. 2019 Narrowly Tailored Credit Event Supplement

In respect of each Reference Entity that is not a Sovereign, unless “NTCE Supplement” is stated to be not applicable in the relevant Pricing Supplement, from (and including) (A) the Implementation Date (as defined in the ISDA 2019 NTCE Protocol published by ISDA on August 27, 2019 on its website at [www.isda.org](http://www.isda.org) (or any successor website thereto)); or (B) in the case of Securities referencing Reference Entities comprising a CDX index or iTraxx index (whether tranching or untranching) which has an index annex date (or analogous date) that is prior to such Implementation Date, the Trade Date:

- (i) in respect of each such Reference Entity, each of “Fallback Discounting” and “Credit Deterioration Requirement” shall be deemed to be applicable in the related Pricing Supplement; and
- (ii) the Credit Linked Provisions shall be amended as follows:
  - (a) the definition of Outstanding Principal Balance in paragraph 13 (*Definitions*) above shall be deleted and the following substituted therefor:

““**Outstanding Principal Balance**” of an obligation will be calculated as follows:

    - (i) first, by determining, in respect of the obligation, the amount of the Reference Entity's principal payment obligations and, subject as provided below, the Reference Entity's accrued but unpaid interest payment obligations (which, in the case of a Guarantee will be the lower of (A) the Outstanding Principal Balance (including accrued but unpaid interest, where applicable) of the Underlying Obligation (determined as if references to the Reference Entity were references to the Underlying Obligor) and (B) the amount of the Fixed Cap, if any);
    - (ii) second, by subtracting all or any portion of such amount which, pursuant to the terms of the obligation, (A) is subject to any Prohibited Action, or (B) may otherwise be reduced

as a result of the effluxion of time or the occurrence or non-occurrence of an event or circumstance (other than by way of (I) payment or (II) a Permitted Contingency) (the amount determined in sub-paragraph (i) less any amounts subtracted in accordance with this sub-paragraph (ii), the "**Non-Contingent Amount**"); and

(iii) third, by determining the Quantum of the Claim, which shall then constitute the Outstanding Principal Balance,

in each case, determined:

- (A) unless otherwise specified, in accordance with the terms of the obligation in effect on the Valuation Date; and
- (B) with respect to the Quantum of the Claim only, in accordance with any applicable laws (insofar as such laws reduce or discount the size of the claim to reflect the original issue price or accrued value of the obligation).

For the purposes of sub-paragraph (iii)(B) above, "applicable laws" shall include any bankruptcy or insolvency law or other law affecting creditors' rights to which the relevant obligation is, or may become, subject.

If "Fallback Discounting" is specified as applicable in the related Pricing Supplement, then notwithstanding the above, if (i) the Outstanding Principal Balance of an obligation is not reduced or discounted under sub-paragraph (iii)(B) above, (ii) that obligation is either a Bond that has an issue price less than ninety-five per cent of the principal redemption amount or a Loan where the amount advanced is less than ninety-five per cent of the principal repayment amount, and (iii) such Bond or Loan does not include provisions relating to the accretion over time of the amount which would be payable on an early redemption or repayment of such Bond or Loan that are customary for the applicable type of Bond or Loan as the case may be, then the Outstanding Principal Balance of such Bond or Loan shall be the lesser of (a) the Non-Contingent Amount; and (b) an amount determined by the Calculation Agent by straight line interpolation between the issue price of the Bond or the amount advanced under the Loan and the principal redemption amount or principal repayment amount, as applicable.

For the purposes of determining whether the issue price of a Bond or the amount advanced under a Loan is less than ninety-five per cent of the principal redemption amount or principal repayment amount (as applicable) or, where applicable, for applying straight line interpolation:

- (x) where such Bond or Loan was issued as a result of an exchange offer, the issue price or amount advanced of the new Bond or Loan resulting from the exchange shall be deemed to be equal to the aggregate Outstanding Principal Balance of the original obligation(s) that were tendered or exchanged (the "**Original Obligation(s)**") at the time of such exchange (determined without regard to market or trading value of the Original Obligation(s)); and
- (y) in the case of a Bond or Loan that is fungible with a prior debt obligation previously issued by the relevant Reference Entity, such Bond or Loan shall be treated as having the same issue price or amount advanced as the prior debt obligation.

In circumstances where a holder would have received more than one obligation in exchange for the Original Obligation(s), the Calculation Agent will determine the allocation of the aggregate Outstanding Principal Balance of the Original Obligation(s) amongst each of the resulting obligations for the purpose of determining the issue price or amount advanced of the relevant Bond or Loan. Such allocation will take into account the interest rate, maturity, level of subordination and other terms of the obligations that resulted from the exchange and shall be

made by the Calculation Agent in accordance with the methodology (if any) determined by the relevant Credit Derivatives Determinations Committee.

Where Cash Settlement is specified to be the Settlement Method (or if Cash Settlement is applicable as the Fallback Settlement Method in accordance with Credit Linked Provision 1 (*Auction Settlement*)), Exclude Accrued Interest shall, unless otherwise specified in the relevant Pricing Supplement, be applicable."; and

- (b) the definition of Failure to Pay in paragraph 13 (*Definitions*) above shall be deleted and the following substituted therefor:

"**Failure to Pay**" means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations, in accordance with the terms of such Obligations at the time of such failure.

If "Credit Deterioration Requirement" is specified as applicable in the related Pricing Supplement, then, notwithstanding the foregoing, it shall not constitute a Failure to Pay if such failure does not directly or indirectly either result from, or result in, a deterioration in the creditworthiness or financial condition of the Reference Entity.

If an occurrence that would constitute a Failure to Pay (i) is a result of a redenomination that occurs as a result of action taken by a Governmental Authority which is of general application in the jurisdiction of such Governmental Authority and (ii) a freely available market rate of conversion existed at the time of the redenomination, then such occurrence will be deemed not to constitute a Failure to Pay unless the redenomination itself constituted a reduction in the rate or amount of coupons, principal or premium payable (as determined by reference to such freely available market rate of conversion) at the time of such redenomination."

## 16. Additional Provisions for Contingent Convertible (CoCo) Obligations

In respect of any Reference Entity in respect of which the Transaction Type is "Standard European CoCo Financial Corporate" or "European CoCo Financial Corporate" the following provisions shall be applicable only in respect of such Reference Entity (and where there is any conflict between this Credit Linked Provision 16 and any other provisions of these Credit Linked Provisions, this Credit Linked Provision 16 shall apply):

- (iii) If, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, the operation of one or more CoCo Provisions results in (i) a permanent or temporary reduction of the amount of principal payable at redemption or (ii) a conversion of principal into shares or another instrument, such event shall be deemed to constitute a Governmental Intervention falling within the first paragraph of the definition of "Governmental Intervention".
- (iv) A CoCo Provision shall be deemed to be a provision which permits a Governmental Intervention for all purposes under the Credit Linked Provisions.
- (v) For the purposes hereof:

"**Capital Ratio**" means the ratio of capital to risk weighted assets applicable to the Obligation, as described in the terms thereof in effect from time to time.

"**CoCo Provision**" means, with respect of an Obligation, a provision which requires (i) a permanent or temporary reduction of the amount of principal payable at redemption or (ii) a conversion of principal into shares or another instrument, in each case, if the Capital Ratio is at or below the Trigger Percentage.

**"Trigger Percentage"** means the trigger percentage specified in the Pricing Supplement (or if no such trigger percentage is specified, 5.25 per cent.).

**17. 2014 Sovereign No Asset Package Delivery Supplement**

In respect of any Reference Entity which is a Sovereign and where the "2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions" is specified as applicable in respect of such Reference Entity in the Standard, notwithstanding anything to the contrary herein, it shall be deemed that no Package Observable Bond exists with respect to such Reference Entity and, accordingly, Asset Package Valuation shall not apply thereto (and where there is any conflict between this Credit Linked Provision 17 and any other provisions of these Credit Linked Provisions, this Credit Linked Provision 17 shall apply)

## ANNEX B

### CREDIT DERIVATIVES DETERMINATIONS COMMITTEES

*In making certain determinations with respect to the Securities, the Calculation Agent shall be obliged to follow the DC Resolutions of the Credit Derivatives Determinations Committees. This Annex sets forth a summary of the Credit Derivatives Determinations Committees Rules, as published by the DC Secretary on behalf of ISDA on its website at [www.cdsdeterminationscommittees.org](http://www.cdsdeterminationscommittees.org) (or any successor website thereto) from time to time and as amended from time to time in accordance with the terms thereof (the "**Rules**"), as they exist as of the Trade Date. This Annex does not form part of the Credit Linked Provisions. This summary is not intended to be exhaustive and prospective investors should also read the Rules, and reach their own views prior to making any investment decisions. The most recent version of the Rules published by the DC Secretary on behalf of ISDA is available at: [www.cdsdeterminationscommittees.org/dc-rules/](http://www.cdsdeterminationscommittees.org/dc-rules/) (or any successor website thereto)*

*Capitalised terms used but not defined in this summary have the meaning specified in the Credit Linked Provisions or the Rules, as applicable.*

#### **Establishment of the Credit Derivatives Determinations Committees**

In accordance with the Rules, a Credit Derivatives Determinations Committee has been formed for each of the regions of (a) the Americas, (b) Asia Ex-Japan, (c) Australia-New Zealand, (d) Europe, Middle East and Africa and (e) Japan. As of the date of the Offering Circular, the Calculation Agent (or one of its Affiliates) is a voting member on each of the Credit Derivatives Determinations Committees. See "*Risk Factors - Potential conflicts of interest due to the involvement of the Calculation Agent with the Credit Derivatives Determinations Committees*" for additional information regarding conflicts of interest. The Credit Derivatives Determinations Committees will act in accordance with the Rules and will make determinations in connection with Credit Derivative Transactions that have incorporated, or are deemed to have incorporated, the 2014 ISDA Credit Derivatives Definitions (the "**2014 Definitions**") or the Updated 2003 Definitions, in each case, as published by ISDA. Pursuant to the Rules, ISDA may serve as, or may, at any time and from time to time, appoint a third party to act as the secretary of each Credit Derivatives Determinations Committee (the "**DC Secretary**"). As of the Trade Date DC Administration Services, Inc. currently acts as DC Secretary and will perform the administrative duties and make certain determinations as provided under the Rules. The DC Secretary does not have a vote in relation to any question brought before a Credit Derivatives Determinations Committee

#### **Decision-making Process of the Credit Derivatives Determinations Committees**

Each DC Resolution by a Credit Derivatives Determinations Committee will apply to Credit Derivative Transactions that incorporate, or are deemed to incorporate, the 2014 Definitions or the Updated 2003 Definitions and for which the relevant provisions are not materially inconsistent with the provisions with respect to which the Credit Derivatives Determinations Committee bases its determination. As a result, except pursuant to the terms of the Securities, determinations by the Credit Derivatives Determinations Committees are not otherwise applicable to the Holders. Furthermore, the institutions on the Credit Derivatives Determinations Committees owe no duty to the Holders. Under the terms of the Securities, certain determinations by the Credit Derivatives Determinations Committees will be binding on the Holders. The Credit Derivatives Determinations Committees shall have no ability to amend the terms of the Securities. The Credit Derivatives Determinations Committees will be able to make determinations without action or knowledge by the Holders.

Any determination by the Calculation Agent that a Credit Event or a Potential Repudiation/Moratorium, as applicable (each a "**Relevant Event**"), may have occurred for the purposes of the Credit Linked Provisions shall not be construed as a determination by the Calculation Agent that any relevant Credit Derivatives Determinations Committee will be convened to Resolve whether such Relevant Event has occurred or that if any relevant Credit Derivatives Determinations Committee has convened to Resolve whether such Relevant Event has occurred, such Credit Derivatives Determinations Committee will so Resolve that such Relevant Event has occurred.

A Credit Derivatives Determinations Committee will be convened upon referral of (a) a question to the DC Secretary by an identified Eligible Market Participant and the agreement of at least one of the voting members of the relevant Credit Derivatives Determinations Committee to deliberate the question (other than in respect of a Qualifying CCP Question (as further outlined in the Rules)) or (b) a general interest question to the DC Secretary by an unidentified eligible market participant and the agreement of at least two of the voting members of the relevant Credit Derivatives Determinations Committee to deliberate the question. In each case, the identity of such voting member(s) who agree to deliberate the relevant question will not be disclosed by the DC Secretary. The DC Secretary will convene the Credit Derivatives Determinations Committee (a) for each region, where the Rules provide that a Credit Derivatives Determinations Committee for each region shall be convened or (b) for the region that includes the Relevant Transaction Type, where the Rules do not provide that a Credit Derivatives Determinations Committee for each region shall be convened, in each case, to which the referred question relates, as determined in accordance with the Rules. Any party to a Credit Derivative Transaction that incorporates, or is deemed to incorporate, the 2014 Definitions or the Updated 2003 Definitions or a central clearing counterparty with an open interest in any such Credit Derivative Transaction may refer a question to the DC Secretary for a Credit Derivatives Determinations Committee to consider. Therefore, a binding determination may be made with respect to the Securities without any action by the Holders. See *"Risk Factors Holders (in their capacity as holders of the Securities) will not be able to refer questions to the Credit Derivatives Determinations Committees"* for additional information regarding the lack of Holder involvement in determinations made by the Credit Derivatives Determinations Committees.

Once a question is referred to a Credit Derivatives Determinations Committee, a DC Resolution may result quickly, as a binding vote usually must occur within two business days of the first meeting held with respect to such question unless the timeframe is shortened or extended or the relevant question is dismissed or transferred in the limited circumstances permitted by the Rules, in each case, by agreement of at least 80 per cent. of the voting members participating in a vote held in accordance with the Rules (a **"Supermajority"**). In addition, voting members of the Credit Derivatives Determinations Committees are required to participate in each binding vote, subject only to limited abstention rights in the event that a voting member is the Reference Entity that is the subject of the relevant meeting. Notices of questions referred to the Credit Derivatives Determinations Committees, meetings held to deliberate such questions, lists of voting members attending any meetings and the results of binding votes will be published on the website of the Credit Derivatives Determinations Committees and neither the Issuer, the Calculation Agent nor any of their respective Affiliates shall be obliged to inform the Holders of such information. Holders shall therefore be responsible for obtaining such information. See *"Risk Factors - Holders are responsible for obtaining information relating to deliberations of the Credit Derivatives Determinations Committees"* for additional information.

The Credit Derivatives Determinations Committees have the ability to make determinations that may materially affect the Holders. The Credit Derivatives Determinations Committees will be able to make a broad range of determinations in accordance with the Rules that may be relevant to the Securities and materially affect the Holders. For each of the general types of questions discussed below, the Credit Derivatives Determinations Committees may determine component questions that arise under the 2014 Definitions, or the Rules and that are related to the initial question referred. Since the terms governing the credit-linked elements of the Securities are substantially similar to the 2014 Definitions, such determinations may affect the Holders, as further described below.

### **Credit Events**

The Credit Derivatives Determinations Committees will be able to determine whether a Credit Event has occurred in respect of a Reference Entity and the date of such Credit Event. Related questions that are also within the scope of the Credit Derivatives Determinations Committees are whether a Potential Failure to Pay or a Potential Repudiation/Moratorium has occurred in respect of such Reference Entity (such determination being a **"Credit Event Resolution"**). In addition, the Credit Derivatives Determinations Committees will also determine, where necessary, whether the required Publicly Available Information has been provided. Each of these determinations,

other than whether the required Publicly Available Information has been provided, requires the agreement of a Supermajority in order to avoid the referral of the question to the external review process, as described further below. The determination of whether the required Publicly Available Information has been provided requires the agreement of more than 50 per cent. of the voting members participating in a binding vote held in accordance with the Rules (a "**Majority**") and is not eligible for external review. Each of these determinations may affect whether a Credit Event will occur and, therefore, whether an Event Determination Date will occur, in each case, under the Securities. To the extent that the Credit Derivatives Determinations Committee Resolves that a Credit Event has occurred with respect to one of the Reference Entity(ies) on or after the Credit Observation Start Date, an Event Determination Date shall be deemed to have occurred on the relevant Credit Event Resolution Request Date if such Credit Event Resolution Request Date occurred on or prior to the last day after the Notice Delivery Period (including prior to the Trade Date). Notwithstanding the scope of the Credit Derivatives Determinations Committees, the Calculation Agent may still declare a Credit Event and deliver a Credit Event Notice even if a Credit Derivatives Determinations Committee has not Resolved that a Credit Event has occurred, provided that a Credit Derivatives Determinations Committee has not Resolved that a Credit Event has not occurred.

### **Successor Resolutions**

The Credit Derivatives Determinations Committees will be able to determine (a) the relevant obligations of the Reference Entity that is the subject of a relevant meeting, (b) the proportion of the relevant obligations to which each purported Successor succeeds and (c) the Succession Date in order to determine the identity of the Successor(s). In addition, the Credit Derivatives Determinations Committees will also determine the identity of the Successor(s) in accordance with the Rules and whether a Sovereign Succession Event has occurred in respect of a Reference Entity that is a Sovereign (each a "**Successor Resolution**"). If a Successor Resolution relates to a Reference Entity for which either (a) a Standard Reference Obligation is included on the SRO List or (b) a Package Observable Bond is included on the POB List, the relevant Credit Derivatives Determinations Committee may, in each case, with the agreement of a Majority to direct the SRO Administrator or the POB Administrator (as applicable) to make any adjustments to the SRO List or the POB List (as applicable) as it deems suitable and appropriate to reflect such Successor Resolution.

Subject as provided above, each of these determinations requires the agreement of a Supermajority in order to avoid the referral of the question to the external review process, as described further below, except for the actual identification of the Successor(s) (which only requires the agreement of a Majority and is not eligible for external review). The Calculation Agent will use the relevant DC Resolutions of the Credit Derivatives Determinations Committees in order to determine Successor(s) to the Reference Entity(ies).

### **Other Questions**

The Credit Derivatives Determinations Committees will be able to determine whether a Substitution Event has occurred such that a Substitute Reference Obligation should be identified and, if so, the appropriate Substitute Reference Obligation and Substitution Event Date. In addition, the Credit Derivatives Determinations Committees will be able to determine whether an entity that acts as seller of protection under one or more transactions (such entity, the "**Relevant Seller**") or a Reference Entity has consolidated or amalgamated with, or merged into, or transferred all or substantially all its assets to, the Reference Entity or the Relevant Seller, as applicable, or that the Relevant Seller and the Affected Reference Entity have become Affiliates. Each of these determinations requires the agreement of a Supermajority in order to avoid the referral of the question to the external review process, as described further below. The Calculation Agent may follow such DC Resolutions in making the equivalent determinations with respect to the Securities.

The Credit Derivatives Determinations Committees will be able to determine other referred questions that are relevant to the credit derivatives market as a whole and are not merely a matter of bilateral dispute. Such questions require the agreement of a Supermajority for each Credit Derivatives Determinations Committee implicated by the relevant question, as determined in accordance with the Rules, in order to avoid the possible referral of the question to the external review process, as described further below. In cases where the required voting threshold



is not satisfied, the question will be referred to the external review process if a Majority agree. Any guidance given by the Credit Derivatives Determinations Committees with respect to questions of interpretation of the 2014 Definitions are likely to influence the Calculation Agent in interpreting equivalent provisions under the Securities.

Any General Interest Question can be submitted to the Credit Derivatives Determinations Committees by an unidentified Eligible Market Participant for deliberation. The relevant Credit Derivatives Determinations Committee(s) will deliberate such question upon the agreement of at least two of the voting members of the relevant Credit Derivatives Determinations Committee to deliberate the question. Once the deliberations on such question have commenced, the relevant Credit Derivatives Determinations Committee will proceed in accordance with the procedures described above with respect to the relevant question category, except that the identity of the Eligible Market Participant who submitted the question will not be revealed to the members of the Credit Derivatives Determinations Committees or the general public.

### **Auction Resolutions**

The Credit Derivatives Determinations Committees will be able to determine whether one or more auctions will be held to settle the relevant Credit Derivative Transactions in respect of which a Credit Event has occurred in respect of a Reference Entity in accordance with the terms of the Credit Derivatives Auction Settlement Terms. Such determination requires the agreement of a Majority (provided that the relevant Credit Derivatives Determinations Committee has not determined by a Supermajority that no Deliverable Obligations exist in respect of the relevant Reference Entity). In addition, the Credit Derivatives Determinations Committees will also determine the Final List of Deliverable Obligations in respect of a relevant Auction. Such determination requires the agreement of a Supermajority in order to avoid the referral of such matter to the external review process, as further described below. For more information about the operation of Auctions, see "*Auction Settlement Terms*" in Annex B to the Credit Linked Provisions.

### **External Review**

As described immediately above, certain questions deliberated by the Credit Derivatives Determinations Committees are subject to an external review process if the required threshold is not met during the binding vote held with respect to such question. For such questions, if a Supermajority (or, in the case of certain questions, a Majority) fails to resolve such issue following a binding vote, the question will be automatically referred to the external review process. Questions that are not eligible for external review often require only a Majority to agree in order to reach a DC Resolution.

Questions referred to external review will be considered by a panel of three independent individuals who will be selected by either the unanimous decision of the relevant Credit Derivatives Determinations Committee or, if such unanimous decision is not reached, by the DC Secretary at random. The default duration of the external review process (which can be modified by a Supermajority of the relevant Credit Derivatives Determinations Committee in accordance with the Rules) is twelve business days from the referral of the question and contemplates the receipt of both written submissions and oral argument. Any member of ISDA may provide written submissions to the external reviewers, which will be made available to the public on the website of the Credit Derivatives Determinations Committees, and the conclusion reached in accordance with the external review process will be binding on the Holders. In instances where the vote of the relevant Credit Derivatives Determinations Committee was less than or equal to 60 per cent., the decision of the relevant Credit Derivatives Determinations Committee will be determinative unless the majority of the external reviewers agree to overturn the original vote of such Credit Derivatives Determinations Committee. However, in instances where the vote of the relevant Credit Derivatives Determinations Committee was between 60 per cent. and 80 per cent., all three external reviewers must agree in order to overturn the vote of such Credit Derivatives Determinations Committee.

Holders should be aware that the external reviewers may not consider new information that was not available to the relevant Credit Derivatives Determinations Committee at the time of the binding vote and questions may be returned to the Credit Derivatives Determinations Committee for another vote if new information becomes available. In addition, if the external reviewers fail to arrive at a decision for any reason, the entire process will

be repeated. As a result, the external review process may be elongated in certain situations, leaving questions that may materially affect the Holders unresolved for a period of time.

### **The Composition of the Credit Derivatives Determinations Committees**

Each Credit Derivatives Determinations Committee is composed of up to fifteen voting members and three non-voting consultative members. Up to ten of the voting members are dealer institutions. There are currently nine voting members which are dealers serving across all regions. The other five voting members are non-dealer institutions that serve across all regions. Currently, there are two consultative members who are central counterparties.

Holders will have no role in the composition of the Credit Derivatives Determinations Committees. Separate criteria applies with respect to the selection of dealer and non-dealer institutions to serve on the Credit Derivatives Determinations Committees and the Holders will have no role in establishing such criteria. In addition, the composition of the Credit Derivatives Determinations Committees will change from time to time in accordance with the Rules, as the term of an institution may expire or an institution may be required to be replaced. The Holders will have no control over the process for selecting institutions to participate on the Credit Derivatives Determinations Committees and, to the extent provided for in the Securities, will be subject to the determinations made by such selected institutions in accordance with the Rules.

### **Ability of the Calculation Agent or its Affiliates to influence the Credit Derivatives Determinations Committees**

As of the date of the Offering Circular, the Calculation Agent (or one of its Affiliates) is a voting member on each of the Credit Derivatives Determinations Committees. In such capacity, it may take certain actions that may influence the process and outcome of decisions of the Credit Derivatives Determinations Committees, including (without limitation): (a) agreeing to deliberate a question referred to the DC Secretary, (b) voting on the resolution of any question being deliberated by a Credit Derivatives Determinations Committee and (c) advocating a certain position during the external review process. In addition, as a party to Credit Derivative Transactions which incorporate, or are deemed to incorporate, the 2014 Definitions or the Updated 2003 Definitions, the Calculation Agent may refer a question to the DC Secretary for a Credit Derivatives Determinations Committee to deliberate. In deciding whether to take any such action, the Calculation Agent (or its Affiliate) shall be under no obligation to consider the interests of any Holder. See "*Potential conflicts of interest of the Calculation Agent*" below for additional information.

### **Potential Conflicts of Interest of the Calculation Agent**

Since, as of the date of the Offering Circular, the Calculation Agent (or one of its Affiliates) is a voting member on each of the Credit Derivatives Determinations Committees and is a party to Credit Derivative Transactions which incorporate, or are deemed to incorporate, the 2014 Definitions, it may take certain actions which may influence the process and outcome of decisions of the Credit Derivatives Determinations Committees. See "*Ability of the Calculation Agent or its Affiliates to influence the Credit Derivatives Determinations Committees*" above for additional information. Such action may be adverse to the interests of the Holders and may result in an economic benefit accruing to the Calculation Agent. In taking any action relating to the Credit Derivatives Determinations Committees or performing any duty under the Rules, the Calculation Agent shall have no obligation to consider the interests of the Holders and may ignore any conflict of interest arising due to its responsibilities under the Securities.

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

any duty to the Holders and the Holders will be prevented from pursuing claims with respect to actions taken by such institutions under the Rules.

Holders should also be aware that institutions serving on the Credit Derivatives Determinations Committees have no duty to research or verify the veracity of information on which a specific determination is based. In addition, the Credit Derivatives Determinations Committees are not obligated to follow previous determinations and, therefore, could reach a conflicting determination for a similar set of facts.

Holders shall be responsible for obtaining information relating to deliberations of the Credit Derivatives Determinations Committees. Notices of questions referred to the Credit Derivatives Determinations Committees, meetings held to deliberate such questions and the results of binding votes will be published on the website of the Credit Derivatives Determinations Committees and neither the Issuer, the Calculation Agent nor any of their respective Affiliates shall be obliged to inform the Holders of such information. Failure by the Holders to be aware of information relating to deliberations of a Credit Derivatives Determinations Committee will have no effect under the Securities and Holders are solely responsible for obtaining any such information.

#### **Amendments to the Rules**

The Rules may be amended from time to time without the consent or input of the Holders and the powers of the Credit Derivatives Determinations Committees may be expanded or modified as a result, in each case, in accordance with the Rules.

## ANNEX C

### AUCTION SETTLEMENT TERMS

If an Event Determination Date occurs with respect to a Reference Entity and Credit Linked Provision 1 (*Auction Settlement*) applies, each Holder of a Security may be entitled to payment of an amount in the Specified Currency calculated based on the Auction Final Price for such Reference Entity (if any). This Annex contains a summary of certain provisions of the Credit Derivatives Auction Settlement Terms, as published by the International Swaps and Derivatives Association, Inc. (“**ISDA**”) on March 12, 2009 as Annex B to the 2009 ISDA Credit Derivatives Determinations Committees and Auction Settlement Supplement to the 2003 ISDA Credit Derivatives Definitions (as supplemented from time to time by ISDA) (the “**Form of Auction Settlement Terms**”) and is qualified by reference to the detailed provisions thereof. The following does not purport to be complete and prospective investors must refer to the Form of Auction Settlement Terms for detailed information regarding the auction methodology set forth therein (the “**Auction Methodology**”). The Auction and the Auction Methodology apply to credit default swaps on the Reference Entity and do not apply specifically to the Securities; however, if an Event Determination Date occurs and an Auction is held, the Calculation Agent will apply the Auction Final Price to the Securities. See Credit Linked Provision 1 (*Auction Settlement*) in the Credit Linked Provisions in Annex A to the relevant Pricing Supplement. A copy of the Form of Auction Settlement Terms is currently available at:

<https://www.isda.org/a/kS6EE/Auction-Settlement-Terms-CLEAN.doc> (or any successor website thereto)

Holders of the Securities should be aware that (i) the Form of Auction Settlement Terms available from the above website has not been updated to account for the 2014 ISDA Credit Derivatives Definitions as published by ISDA and (ii) this summary of the Form of Auction Settlement Terms is accurate only as of the date of the relevant Pricing Supplement to the Securities and such Form of Auction Settlement Terms may be amended in accordance with the Rules (as defined below) at any time (and from time to time) at a later date without consultation with the Holders. At any time after the date of the Pricing Supplement to the Securities, the latest Form of Auction Settlement Terms may be available on the ISDA website at [www.isda.org](http://www.isda.org) (or any successor website thereto). Further, notwithstanding the fact that the Form of Auction Settlement Terms (as may be amended from time to time) may appear on the ISDA website, the Credit Derivatives Determinations Committees have the power to amend the form of Credit Derivatives Auction Settlement Terms for a particular auction and this summary may therefore not be accurate in all cases (for further information about the Credit Derivatives Auction Settlement Terms, see “*Credit Derivatives Determinations Committees*” at Annex B of the relevant Pricing Supplement to the Securities).

Capitalized terms used but not defined in this summary have the meaning specified in the Pricing Supplement to the Securities. All times of day in this summary refer to such times in New York City.

#### Publication of Credit Derivatives Auction Settlement Terms

Pursuant to the Credit Derivatives Determinations Committees Rules, as published by the DC Secretary on behalf of ISDA on its website at [www.cdsdeterminationscommittees.org](http://www.cdsdeterminationscommittees.org) (or any successor website thereto) from time to time and as amended from time to time in accordance with the terms thereof (the “**Rules**”), a Credit Derivatives Determinations Committee may determine that a Credit Event has occurred in respect of a Reference Entity (such entity, an “**Affected Reference Entity**”) and that one or more auctions will be held in order to settle affected transactions referencing such Affected Reference Entity based upon an Auction Final Price determined according to an auction procedure set forth in the Form of Auction Settlement Terms (each, an “**Auction**”). If an Auction is to be held, the Credit Derivatives Determinations Committee will publish Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity, based upon the Form of Auction Settlement Terms. In doing so, the Credit Derivatives Determinations Committee will make several related determinations, including the Auction Date, the Participating Bidders and the supplemental terms that are detailed in Schedule 1 to the Form of Auction Settlement Terms. The Credit Derivatives Determinations Committee may also amend the Form of

Auction Settlement Terms for a particular auction and may determine that a public comment period is necessary in order to effect such an amendment if such amendment is not contemplated by the Rules.

#### **Certain matters regarding Auctions following a Restructuring Credit Event**

Following the occurrence of a Credit Event, all Deliverable Obligations of the affected Reference Entity tend to trade at the same price. However, in the event of a Restructuring Credit Event, bonds with a shorter remaining maturity tend to trade at a higher price than bonds with a longer-dated maturity. If either “Mod R” or “Mod Mod R” is specified as applicable with respect to a Reference Entity then certain maturity limitations in the Mod R and Mod Mod R provisions will apply to limit the maturity of Deliverable Obligations based on the maturity of the Securities.

In cases where settlement of a Credit Derivative Transaction is triggered by Buyer, and Mod R (being market standard for Credit Derivative Transactions referencing North American corporate entities to which Restructuring is applicable) or Mod Mod R (being market standard for Credit Derivative Transactions referencing European corporate entities) is applicable, any obligation which Buyer wishes to Deliver to Seller must not only constitute a Deliverable Obligation but must also satisfy additional requirements as to transferability (for Mod R, being a Fully Transferable Obligation and for Mod Mod R, being a Conditionally Transferable Obligation) and as to its final maturity date.

- (a) Pursuant to Mod R, Deliverable Obligations must (A) be Transferable (in the case of bonds) or capable of being assigned or novated to all Eligible Transferees without the consent of any person being required and (B) have a final maturity date not later than the applicable Restructuring Maturity Limitation Date. This date is the earlier of:
  - (i) 30 months following the Restructuring Date; and
  - (ii) the latest final maturity date of any Restructured Bond or Loan, provided, however, that the Restructuring Maturity Limitation Date shall not be earlier than the Credit Observation End Date.
- (b) Pursuant to Mod Mod R, Deliverable Obligations must (A) be either Transferable (in the case of bonds) or capable of being assigned or novated to all Modified Eligible Transferees without the consent of any person required and (B) have a final maturity date not later than the applicable Modified Restructuring Maturity Limitation Date. This date is the later of:
  - (i) the Scheduled Redemption Date; and
  - (ii) 120 months following the Restructuring Date.

Following the determination by a relevant Credit Derivatives Determinations Committee that a Restructuring Credit Event has occurred in respect of a Reference Entity for which either Mod R or Mod Mod R is specified, the Credit Derivatives Determinations Committee will compile a Final List of Deliverable Obligations and, for each maturity bucket (each, a “**Maturity Bucket**”), the range of swap maturity dates of credit derivative swap transactions assigned to each Maturity Bucket. Broadly speaking, eight separate Maturity Buckets have been established for credit default swap transactions for which Mod or Mod Mod R is applicable. The first seven such Maturity Buckets will each encompass a maturity period that ends, respectively, 2.5 years, 5 years, 7.5 years, 10 years, 12.5 years, 15 years or 20 years following the Restructuring Date; and the eighth Maturity Bucket will encompass a maturity period ending after 20 years following the Restructuring Date (each such ending date, a “**Maturity Bucket End Date**”). The Maturity Bucket to which the Securities will be notionally “assigned” will be the one in which the Scheduled Redemption Date is expected to fall.

Deliverable Obligations which are Fully Transferable or Conditionally Transferable, as the case may be, and which have a final maturity date on or prior to the relevant Maturity Bucket End Date for the Maturity Bucket to which the Securities are assigned will be Deliverable Obligations for the purposes of the Maturity Bucket to which the Securities are assigned and for those Maturity Buckets with later Maturity Bucket End Dates, if any.

Following the publication of the Final List, there may be no Auctions held for certain Maturity Buckets, either because: (a) there are no Deliverable Obligations that are not common between such buckets with a shorter-dated bucket; or (b) the Credit Derivatives Determinations Committee has determined that an Auction for such buckets are not warranted for reasons such as there being a limited notional volume of credit derivative transactions with maturities falling within such buckets. If at least 300 credit derivative transactions are triggered after a Restructuring Credit Event determination with respect to a given maturity bucket which would be likely to be covered by a single set of Credit Derivatives Auction Settlement Terms and five or more credit derivative dealers are parties to such transactions (or, otherwise, if the Credit Derivatives Determinations Committee so determines), an Auction will be held for such maturity bucket.

Where there are no Deliverable Obligations that such Maturity Buckets do not share with a shorter-dated Maturity Bucket, the relevant Auction for the purposes of the Securities will be the next earlier Maturity Bucket that does not suffer from the same lack of Deliverable Obligations.

If no Auction is to be held for the Maturity Bucket corresponding to the Scheduled Redemption Date of the Securities, the Calculation Agent may, in its sole discretion, determine that the Auction Final Price should be determined pursuant to another Auction, in respect of the next earlier Maturity Bucket for which an Auction is being held, by exercising the Movement Option. The Auction will take place no earlier than six business days following the relevant Exercise Cut-off Date. If the Calculation Agent does not exercise the Movement Option, the Securities will be settled in accordance with the Cash Settlement Method.

## **Auction Methodology**

### Determining the Auction Currency Rate

On the Auction Currency Fixing Date, the Administrators will determine the rate of conversion (each, an “**Auction Currency Rate**”) as between the Relevant Currency and the currency of denomination of each Deliverable Obligation (each, a “**Relevant Pairing**”) by reference to a Currency Rate Source or, if such Currency Rate Source is unavailable, by seeking mid-market rates of conversion from Participating Bidders (determined by each such Participating Bidder in a commercially reasonable manner) for each such Relevant Pairing. If rates of conversion are sought from Participating Bidders and more than three such rates are obtained by the Administrators, the Auction Currency Rate will be the arithmetic mean of such rates, without regard to the rates having the highest and lowest values. If exactly three rates are obtained, the Auction Currency Rate will be the rate remaining after disregarding the rates having the highest and lowest values. For this purpose, if more than one rate has the same highest or lowest value, then one of such rates shall be disregarded. If fewer than three rates are obtained, it will be deemed that the Auction Currency Rate cannot be determined for such Relevant Pairing.

### Initial Bidding Period

During the Initial Bidding Period, Participating Bidders will submit to the Administrators: (a) Initial Market Bids; (b) Initial Market Offers; (c) Dealer Physical Settlement Requests; and (d) Customer Physical Settlement Requests (to the extent received from customers).

Initial Market Bids and Initial Market Offers are firm quotations, expressed as percentages, to enter into credit derivative transactions in respect of the Affected Reference Entity on terms equivalent to the Representative Auction-Settled Transaction.

The Initial Market Bid and Initial Market Offer submitted by each Participating Bidder must differ by no more than the Maximum Initial Market Bid-Offer Spread of par and must be an integral multiple of the Relevant Pricing Increment. The Initial Market Bid must be less than the Initial Market Offer.

Dealer Physical Settlement Requests and Customer Physical Settlement Requests are firm commitments, submitted by a Participating Bidder, on its own behalf or on behalf of a customer, as applicable, to enter into a Representative Auction-Settled Transaction, in each case, as seller (in which case, such commitment will be a “**Physical Settlement Buy Request**”) or buyer (in which case, such commitment will be a “**Physical Settlement Sell Request**”). Each Dealer Physical Settlement Request must be, to the best of such Participating Bidder’s

knowledge and belief, in the same direction as, and not in excess of, its Market Position. Each Customer Physical Settlement Request must be, to the best of the relevant customer's knowledge and belief (aggregated with all Customer Physical Settlement Requests submitted by such customer), in the same direction as, and not in excess of, its Market Position.

If the Administrators do not receive valid Initial Market Bids and Initial Market Offers from at least a minimum number of Participating Bidders (as determined by the Credit Derivatives Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity), the timeline will be adjusted and the Initial Bidding Period extended, with the Auction recommencing at such time(s) specified by the Administrators, otherwise it will proceed as follows.

#### Determination of Open Interest, Initial Market Midpoint and Adjustment Amounts

The Administrators will calculate the Open Interest, the Initial Market Midpoint and any Adjustment Amounts in respect of the Auction.

The Open Interest is the difference between all Physical Settlement Sell Requests and all Physical Settlement Buy Requests.

To determine the Initial Market Midpoint, the Administrators will: (a) sort the Initial Market Bids in descending order and the Initial Market Offers in ascending order, identifying non-tradable markets for which bids are lower than offers; (b) sort non-tradable markets in terms of tightness of spread between Initial Market Bid and Initial Market Offer; and (c) identify that half of the non-tradable markets with the tightest spreads. The Initial Market Midpoint is determined as the arithmetic mean of the Initial Market Bids and Initial Market Offers contained in the half of non-tradable markets with the tightest spreads.

Any Participating Bidder whose Initial Market Bid or Initial Market Offer forms part of a tradable market will be required to make a payment to ISDA on the third Business Day after the Auction Final Price Determination Date (an "**Adjustment Amount**"), calculated in accordance with the Auction Methodology. Any payments of Adjustment Amounts shall be used by ISDA to defray any costs related to any auction that ISDA has coordinated, or that ISDA will in the future coordinate, for purposes of settlement of credit derivative transactions.

If for any reason no single Initial Market Midpoint can be determined, the procedure set out above may be repeated.

At or prior to the Initial Bidding Information Publication Time on any day on which the Initial Bidding Period has successfully concluded, the Administrators publish the Open Interest, the Initial Market Midpoint and the details of any Adjustment Amounts in respect of the Auction.

If the Open Interest is zero, the Auction Final Price will be the Initial Market Midpoint.

#### Submission of Limit Order Submissions

In the event that the Open Interest does not equal zero, a subsequent bidding period will be commenced during the Initial Bidding Period which: (a) if the Open Interest is an offer to sell Deliverable Obligations, Participating Bidders submit Limit Bids; or (b) if the Open Interest is a bid to purchase Deliverable Obligations, Limit Offers, in each case, on behalf of customers and for their own account.

#### Matching bids and offers

If the Open Interest is a bid to purchase Deliverable Obligations, the Administrators will match the Open Interest against all Initial Market Offers and Limit Offers, as further described in the Auction Methodology. If the Open Interest is an offer to sell Deliverable Obligations, the Administrators will match the Open Interest against all Initial Market Bids and Limit Bids, as further described in the Auction Methodology.

#### **(a) Auction Final Price when the Open Interest is Filled**

The Auction Final Price will be the price associated with the matched market that is the highest offer or the lowest bid, as applicable, provided that: (a) if the Open Interest is an offer to sell and the price associated

with the lowest matched bid is more than the Cap Amount higher than the Initial Market Midpoint, then the Auction Final Price will be the Initial Market Midpoint plus the Cap Amount; and (b) if the Open Interest is a bid to purchase and the price associated with the highest offer is more than the Cap Amount lower than the Initial Market Midpoint, then the Auction Final Price will be the Initial market Midpoint minus the Cap Amount.

(b) Auction Final Price when the Open Interest is Not Filled

If, once all the Initial Market Bids and Limit Bids or Initial Market Offers and Limit Offers, as applicable, have been matched to the Open Interest, part of the Open Interest remains, the Auction Final Price will be: (a) if the Open Interest is a bid to purchase Deliverable Obligations, the greater of (i) 100% and (ii) the highest Limit Offer or Initial Market Offer received; or (b) if the Open Interest is an offer to sell Deliverable Obligations, zero.

100 per cent. Cap to Auction Final Price

In all cases, if the Auction Final Price determined pursuant to the Auction Methodology is greater than 100 per cent., then the Auction Final Price will be deemed to be 100 per cent.

Publication of Auction Final Price

At or prior to the Subsequent Bidding Information Publication Time on any day on which the subsequent bidding period has successfully concluded, the Administrators will publish on their websites: (a) the Auction Final Price; (b) the names of the Participating Bidders who submitted bids, offers, valid Dealer Physical Settlement Requests and valid Customer Physical Settlement Requests, together with the details of all such bids and offers submitted by each; and (c) the details and size of all matched trades.

**Execution of Trades Formed in the Auction**

Each Participating Bidder whose Limit Bid or Initial Market Bid (or Limit Offer or Initial Market Offer if applicable) is matched against the Open Interest, and each Participating Bidder that submitted a Customer Physical Settlement Request or Dealer Physical Settlement Request, is deemed to have entered into a Representative Auction-Settled Transaction, and each customer that submitted such a Limit Bid, Limit Offer, or Physical Settlement Request is deemed to have entered into a Representative Auction-Settled Transaction with the dealer through whom the customer submitted such bid or offer. Accordingly, each such Participating Bidder or customer that is a seller of Deliverable Obligations pursuant to a trade formed in the auction must deliver to the buyer to whom such Participating Bidder or customer has been matched a Notice of Physical Settlement indicating the Deliverable Obligations that it will deliver, and such Deliverable Obligations will be sold to the buyer in exchange for payment of the relevant Auction Final Price.

**Timing of Auction Settlement Provisions**

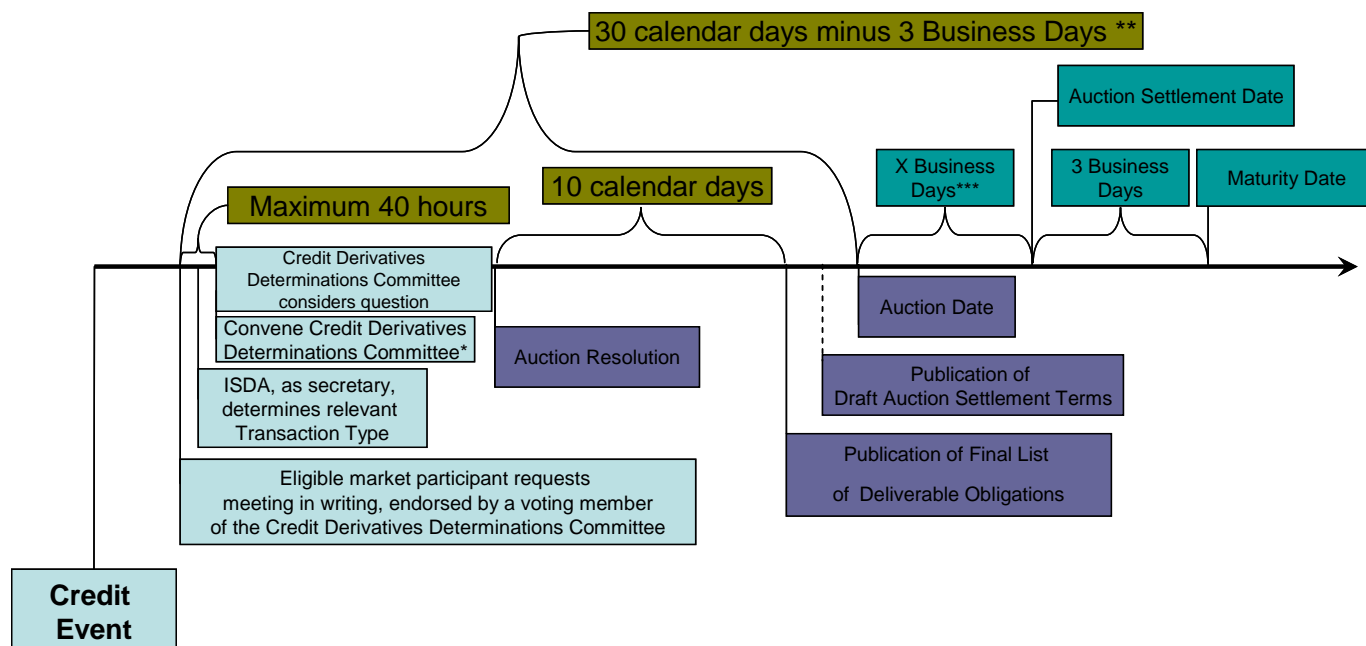
If an Auction is held in respect of an Affected Reference Entity, it is expected that the relevant Auction Date will occur on the third Business Day immediately prior to the 30th calendar day after which the relevant Credit Derivatives Determinations Committee received the request from an eligible market participant (endorsed by a member of the relevant Credit Derivatives Determinations Committee) to resolve whether a Credit Event has occurred with respect to such Reference Entity.

In respect of an Affected Reference Entity for which an Auction is held, the Auction Settlement Date will occur on a Business Day following the Auction Final Price Determination Date, as determined by the Credit Derivatives Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity (or if not specified in such Credit Derivatives Auction Settlement Terms, the third Business Day following the Auction Final Price Determination Date).

The expected timeline is illustrated in the diagram below. Holders should be aware that the expected timeline is subject to amendment (and may be subject to acceleration or delay) upon agreement by at least 80 per cent. (by number) of the voting members of the relevant Credit Derivatives Determinations Committee.



# Auction Timeline



\* If a binding vote was not held by email.

\*\* Can be amended by majority vote of the Credit Derivatives Determinations Committee.

\*\*\* This assumes that the Auction Final Price is determined on the Auction Date (see "Delayed Auction Provisions" and "Auction Cancellation"). Where "X" is a number of Business Days determined by the Credit Derivatives Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity.

*Timeline subject to amendment by 80% vote of the Credit Derivatives Determinations Committee .*

## Delayed Auction Provisions

The Auction timing may be adjusted under the relevant following circumstances: (a) the occurrence of an event or news the occurrence of which two or more Participating Bidders consider has or could have a material effect on the Auction Final Price; (b) if the Administrators are unable to determine an Auction Currency Rate on the Auction Currency Fixing Date with respect to each Relevant Pairing; (c) if the Auction Methodology does not result in an Auction Final Price for any reason (including, but not limited to, the failure to receive the minimum number of valid Initial Market Bids and Initial Market Offers); or (d) any combination of (a), (b) and (c).

## Auction Cancellation

If an Auction Final Price has not been determined on or prior to: (a) the fifth Business Day following the Auction Date, in the events described in clause (a) or (d) of "Delayed Auction Provisions" above; or (b) the second Business Day following the Auction Date, in the events described in clause (b) or (c) of "Delayed Auction Provisions" above, then the Auction will be deemed to have been cancelled and the Administrators and ISDA will announce the occurrence of such cancellation on their respective websites.

## Ability of the Issuer or its Affiliates to influence the outcome of the Auction

As of the date of the relevant Pricing Supplement to the Securities, the Calculation Agent (or one of its Affiliates) is a leading dealer in the credit derivatives market. There is a high probability that the Calculation Agent (or one of its Affiliates) would act as a Participating Bidder in any Auction held with respect to the Reference Entity. In such capacity, it may take certain actions which may influence the Auction Final Price including (without limitation): (a) providing rates of conversion to determine the Auction Currency Rate; (b) submitting Initial Market Bids, Initial Market Offers and Dealer Physical Settlement Requests; and (c) submitting limit Bids and Limit Offers. In deciding whether to take any such action (or whether to act as a Participating Bidder in any

Auction), the Calculation Agent (or its Affiliate) shall be under no obligation to consider the interests of any Holder.

### **Certain Definitions**

**“Administrators”** means both Markit Group Limited and Creditex Securities Corp., acting together, or such other entities as may be appointed to perform the role of the Administrators by ISDA from time to time.

**“Auction Covered Transactions”** means all credit derivative transactions referencing the Affected Reference Entity which satisfy the criteria set forth in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity, including in respect of the provisions in such credit derivative transactions that set forth the criteria for establishing what obligations may constitute Deliverable Obligations (or, in the case of a cash settled credit derivative transaction, the provisions therein that set forth the criteria for establishing what obligations may be valued to determine a final price).

**“Auction Currency Fixing Date”** means, with respect to a relevant transaction type included in: (a) the Americas, the business day prior to the Auction Date; and (b) any other region, two business days prior to the Auction Date; and in each case as determined by the Credit Derivatives Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity.

**“Auction Date”** means the date on which the relevant Auction will be held, as determined by the Credit Derivatives Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity.

**“Auction Final Price Determination Date”** means the day, if any, on which the Auction Final Price is determined.

**“Auction Settlement Date”** means a Business Day following the Auction Final Price Determination Date, as determined by the Credit Derivatives Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity.

**“Business Day”** means a day on which commercial banks and foreign exchange markets are generally open to settle payments in, if the Transaction Type of the relevant Affected Reference Entity is included in: (a) the Americas, New York; and (b) otherwise, London.

**“Cap Amount”** means the percentage that is equal to one half of the Maximum Initial Market Bid-Offer Spread (rounded to the nearest Relevant Pricing Increment).

**“Currency Rate Source”** means the mid-point rate of conversion published by WM/Reuters at 4:00 p.m. (London time), or any successor rate source approved by the relevant Credit Derivatives Determinations Committee.

**“Initial Bidding Information Publication Time”** has the meaning determined by the Credit Derivatives Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity.

**“Initial Bidding Period”** means the period initially determined by the Credit Derivatives Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity, as such period may be extended by the Administrators, *inter alia*, to preserve the integrity of an Auction.

**“Market Position”** means, with respect to a Participating Bidder or customer, as applicable, the aggregate amount of Deliverable Obligations that the relevant Participating Bidder or customer, as applicable, would have to buy or sell in order to obtain an identical risk profile after the Auction Settlement Date compared to its risk profile prior to the Auction Settlement Date with respect to all Auction Covered Transactions (excluding those Auction Covered Transactions for which the trade date is the Auction Final Price Determination Date) and all Auction-Linked Cash Settled Transactions to which such Participating Bidder, or any affiliate of such Participating Bidder, as applicable, or such customer, or any affiliate of such customer, as applicable, is a party and to which every

other party is an Auction Party, such risk profile to be determined without regard to whether the original transactions were documented as cash settled or physically settled transactions.

**“Maximum Initial Market Bid-Offer Spread”** means the percentage determined by the Credit Derivatives Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity.

**“Participating Bidders”** means the institutions that will act as participating bidders in the Auction.

**“Relevant Pricing Increment”** has the meaning determined by the Credit Derivatives Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity.

**“Representative Auction-Settled Transaction”** means an hypothetical single-name, physically settled credit default swap transaction referencing the Affected Reference Entity with the standard terms specified in the Form of Auction Settlement Terms.

**“Subsequent Bidding Information Publication Time”** has the meaning determined by the Credit Derivatives Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity.

## **ANNEX D**

### **Index Disclaimer**

The iTraxx® Europe Series 42 Version 1

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## ANNEX

The Offering Circular dated 18 April 2024 has been supplemented by the following Supplement(s):

<b>Supplement(s)</b>	<b>Description</b>	<b>Date</b>
Supplement No. 1	In respect of (i) the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended 31 March 2024 and (ii) Supplement No. 1 dated 15 May 2024 to the Registration Document dated 17 April 2024 of JPMorgan Chase & Co.	16 May 2024
Supplement No. 2	In respect of (i) Supplement No. 2 dated 3 June 2024 to the Registration Document dated 17 April 2024 of JPMorgan Chase Financial Company LLC and (ii) amendments to the sections entitled "Risk Factors", "Form of Pricing Supplement", "Taxation" and "General Information".	4 June 2024
Supplement No. 3	In respect of (i) the Current Report on Form 8-K of JPMorgan Chase & Co. dated 12 July 2024 containing the earnings press release of JPMorgan Chase & Co. for the quarter ended 30 June 2024 and (ii) amendments to the sections entitled "Risk Factors" and "General Conditions".	25 July 2024
Supplement No. 4	In respect of (i) the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended 30 June 2024, (ii) the unaudited Consolidated Financial Statements of JPMorgan Chase Bank, N.A. for the six months ended 30 June 2024, (iii) Supplement No. 3 dated 13 August 2024 to the Registration Document dated 17 April 2024 of JPMorgan Chase & Co. and (iv) Supplement No. 3 dated 13 August 2024 to the Registration Document dated 17 April 2024 of JPMorgan Chase Bank, N.A.	14 August 2024
Supplement No. 5	In respect of (i) the unaudited financial statements of J.P. Morgan Structured Products B.V. for the six month period ended 30 June 2024, (ii) the unaudited financial statements of JPMorgan Chase Financial Company LLC for the six month period ended 30 June 2024, (iii) Supplement No. 1 dated 10 September 2024 to the Registration Document dated 17 April 2024 of J.P. Morgan Structured Products B.V. and (iv) Supplement No. 5 dated 10 September 2024 to the Registration Document dated 17 April 2024 of JPMorgan Chase Financial Company LLC.	11 September 2024
Supplement No. 6	In respect of (i) the Current Report on Form 8-K	24 October 2024

of JPMorgan Chase & Co. dated 11 October 2024 containing the earnings press release of JPMorgan Chase & Co. for the quarter ended 30 September 2024 and (ii) amendments to the sections entitled "Form of Pricing Supplement" and "General Information".

Supplement No. 7	In respect of (i) the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended 30 September 2024, (ii) Supplement No. 5 dated 13 November 2024 to the Registration Document dated 17 April 2024 of JPMorgan Chase & Co. and (iii) amendments to the section entitled "Risk Factors".	14 November 2024
Supplement No. 8	In respect of the Current Report on Form 8-K of JPMorgan Chase & Co. dated 15 January 2025 containing the earnings press release of JPMorgan Chase & Co. for the quarter ended 31 December 2024.	29 January 2025
Supplement No. 9	In respect of (i) the Annual Report on Form 10-K of JPMorgan Chase & Co. for the year ended 31 December 2024, (ii) the Audited Consolidated Financial Statements of JPMorgan Chase Bank, N.A. as at 31 December 2024 and 2023 and for each of the three years in the period ended 31 December 2024, (iii) Supplement No. 7 dated 26 February 2025 to the Registration Document dated 17 April 2024 of JPMorgan Chase & Co., (iv) Supplement No. 7 dated 26 February 2025 to the Registration Document dated 17 April 2024 of JPMorgan Chase Bank, N.A., (v) Supplement No. 2 dated 26 February 2025 to the Registration Document dated 17 April 2024 of J.P. Morgan Structured Products B.V., (vi) Supplement No. 9 dated 26 February 2025 to the Registration Document dated 17 April 2024 of JPMorgan Chase Financial Company LLC, (vii) amendments to the section entitled "Risk Factors" and (viii) amendments to the section entitled "Taxation".	27 February 2025