



EUR 5,000,000,000
STRUCTURED NOTE PROGRAMME

STRUCTURED RATES, REFERENCE ITEM AND CREDIT-LINKED NOTES BASE PROSPECTUS

*This Base Prospectus has been approved by the Central bank of Ireland (the “**Central Bank**”), as competent authority under the Prospectus Directive. The Central Bank only approves this Base Prospectus as meeting the requirements imposed under Irish and European Union (“**EU**”) law pursuant to the Prospectus Directive. Such approval relates only to the Notes (as defined below) which are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC (the “**Markets in Financial Instruments Directive**”) and/ or which are to be offered to the public in any Member State of the European Economic Area.*

*This Base Prospectus constitutes a base prospectus for the purposes of Article 5.4 of the Prospective Directive and has been prepared for the purpose of giving information with regard to the issue of notes (the “**Notes**”) under the EUR 5,000,000,000 Structured Note Programme (the “**Programme**”) during the period of twelve months from the date of its publication.*

Application has been made to the Irish Stock Exchange for Notes (other than Exempt Notes) to be admitted to the Official List and to trading on its regulated market. References in this Base Prospectus to Notes being “listed” (and all related references) on the Irish Stock Exchange shall mean that such Notes have been admitted to the Official List and to trading on its regulated market. The regulated market of the Irish Stock Exchange is a regulated market for the purposes of the Markets in Financial Instruments Directive.

*In addition, application has been made to the Irish Stock Exchange for the approval of this Base Prospectus as Listing Particulars. Application has been made to the Irish Stock Exchange for Exempt Notes issued during the 12 months from the date of the Listing Particulars to be admitted to the Official List and to trading on the global exchange market (the “**Global Exchange Market**”) which is the exchange regulated market of the Irish Stock Exchange. The Global Exchange Market is not a regulated market for the purposes of the Markets in Financial Instruments Directive. Save where expressly provided or the context otherwise requires, where Exempt Notes are to be admitted to trading on the Global Exchange Market, references herein to “Base Prospectus” shall be construed to be to “Listing Particulars”.*

The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further listing authorities, stock exchanges and/or quotation systems (including, without limitation, the NASDAQ OMX Copenhagen A/S, the NASDAQ OMX Stockholm AB, the NASDAQ OMX Helsinki Oy or the NGM Stock Exchange) as may be agreed with the Issuer (as defined below).

The requirement to publish a prospectus under the Prospectus Directive only applies to Notes which are to be admitted to trading on a regulated market in the European Economic Area and/or offered to the public in the European Economic Area other than in circumstances where an exemption is available under Article 3.2 of the Prospectus Directive (as implemented in the relevant Member State(s)). References in this Base Prospectus to “Exempt Notes” are to Notes for which no prospectus is required to be published under

the Prospectus Directive. The Central Bank has neither approved nor reviewed information contained in this Base Prospectus in connection with Exempt Notes.

The Notes have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the “**Securities Act**”) and may include Notes in bearer form which are subject to United States tax law requirements. Subject to certain exceptions, the Notes may not be offered or sold within the United States or to, or for the account or benefit of, any U.S. person. The Notes may be offered and sold outside the United States to non-U.S. persons in reliance on Regulation S (“**Regulation S**”) under the Securities Act.

An investment in Notes involves certain risks. Prospective purchasers of Notes should ensure that they understand the nature of the relevant Notes and the extent of their exposure to risks and that they consider the suitability of the relevant Notes as an investment in the light of their own circumstances and financial condition. CERTAIN ISSUES OF NOTES INVOLVE A HIGH DEGREE OF RISK AND PROSPECTIVE PURCHASERS OF NOTES SHOULD BE PREPARED TO SUSTAIN A LOSS OF ALL OR PART OF THEIR INVESTMENT. It is the responsibility of prospective purchasers of Notes to ensure that they have sufficient knowledge, experience and professional advice to make their own legal, financial, tax, accounting and other business evaluation of the merits and risks of investing in the relevant Notes and are not relying on the advice of the Issuer or any Dealer in that regard. For a discussion of these risks see “Risk Factors” below.

Arranger for the Programme

DANSKE BANK

Dealer

DANSKE BANK

This Base Prospectus should be read and construed together with any supplement hereto and with any documents incorporated by reference herein and, in relation to any Tranche (as defined herein) of Notes, should be read and construed together with the relevant Issue Terms (as defined herein).

No person has been authorised by Danske Bank A/S (the “**Issuer**”) or Danske Bank A/S in its capacity as a dealer (together with any additional dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis, the “**Dealers**” and each a “**Dealer**”) to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or any Dealer.

No representation or warranty is made or implied by any Dealer or any of its affiliates, and no Dealer or any of its affiliates makes any representation or warranty or accepts any responsibility, as to the accuracy or completeness of the information contained in this Base Prospectus. Neither the delivery of this Base Prospectus or any Issue Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that there has been no adverse change in the financial situation of the Issuer since the date thereof, or, as the case may be, the date upon which this Base Prospectus has been most recently supplemented or the balance sheet date of the most recent financial statements which are deemed to be incorporated into this Base Prospectus by reference or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

IMPORTANT INFORMATION RELATING TO NON-EXEMPT OFFERS OF NOTES

Restrictions on Non-exempt offers of Notes in Relevant Member States

Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a “**Non-exempt Offer**”. This Base Prospectus has been prepared on a basis that permits Non-exempt Offers of Notes. However, any person making or intending to make a Non-exempt Offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”) may only do so if this Base Prospectus has been approved by the competent authority in that Relevant Member State (or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State) and published in accordance with the Prospectus Directive, provided that the Issuer has consented to the use of this Base Prospectus in connection with such offer as provided under “*Consent given in accordance with Article 3.2 of the Prospectus Directive (Retail Cascades)*” and the conditions attached to that consent are complied with by the person making the Non-exempt Offer of such Notes.

Save as provided above, neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any Non-exempt Offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

Consent given in accordance with Article 3.2 of the Prospectus Directive (Retail Cascades)

In the context of a Non-exempt Offer of such Notes, the Issuer accepts responsibility, in the jurisdictions to which the consent to use the Base Prospectus extends, for the content of this Base Prospectus under Article 6 of the Prospectus Directive in relation to any person (an “**Investor**”) who acquires any Notes in a Non-exempt Offer made by any person to whom the Issuer has given consent to the use of this Base

Prospectus (an “**Authorised Offeror**”) in that connection, provided that the conditions attached to that consent are complied with by the Authorised Offeror. The consent and conditions attached to it are set out under “*Consent*” and “*Common conditions to consent*” below.

Neither the Issuer nor any Dealer makes any representation as to the compliance by an Authorised Offeror with any applicable conduct of business rules or other applicable regulatory or securities law requirements in relation to any Non-exempt Offer and neither the Issuer nor any Dealer has any responsibility or liability for the actions of that Authorised Offeror.

Save as provided below, neither the Issuer nor any Dealer has authorised the making of any Non-exempt Offer by any offeror and the Issuer has not consented to the use of this Base Prospectus by any other person in connection with any Non-exempt Offer of Notes. Any Non-exempt Offer made without the consent of the Issuer is unauthorised and neither the Issuer nor any Dealer accepts any responsibility or liability for the actions of the persons making any such unauthorised offer. If, in the context of a Non-exempt Offer, an Investor is offered Notes by a person who is not an Authorised Offeror, the Investor should check with that person whether anyone is responsible for this Base Prospectus for the purposes of Article 6 of the Prospectus Directive in the context of the Non-Exempt Offer and, if so, who that person is. If the Investor is in any doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents it should take legal advice.

Consent

In connection with each Tranche of Notes and subject to the conditions set out below under “*Common conditions to consent*”, the Issuer consents to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Non-exempt Offer of such Notes by the relevant Dealer and by:

- (a) any financial intermediary named as an Initial Authorised Offeror in the relevant Final Terms (as defined herein); and
- (b) any financial intermediary appointed after the date of the relevant Final Terms and whose name is published on the Issuer’s website (www.danskebank.com) and identified as an Authorised Offeror in respect of the relevant Non-exempt Offer;

Common conditions to consent

The conditions to the Issuer’s consent are that such Consent:

- (i) is only valid during the Offer Period specified in the relevant Final Terms;
- (ii) only extends to the use of this Base Prospectus to make Non-exempt Offers of the relevant Tranche of Notes in each Relevant Member State specified in the relevant Final Terms; and
- (iii) the consent is subject to any other conditions set out in Part B of the relevant Final Terms.

The only Relevant Member States which may, in respect of any Tranche of Notes, be specified in the relevant Final Terms (if any Relevant Member States are so specified) as indicated in (ii) above, will be Denmark, Finland, Ireland, Luxembourg and Sweden, and accordingly each Tranche of Notes may only be offered to Investors as part of a Non-exempt Offer in Denmark, Finland, Ireland, Luxembourg and/or Sweden, as specified in the relevant Final Terms, or otherwise in circumstances in which no obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

Arrangements between Investors and Authorised Offerors

AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY NOTES IN A NON-EXEMPT OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS AND SETTLEMENT ARRANGEMENTS. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE NON-EXEMPT OFFER OR SALE OF THE NOTES CONCERNED AND, ACCORDINGLY, THIS BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE INVESTOR MUST LOOK TO THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION AND THE AUTHORISED OFFEROR WILL BE RESPONSIBLE FOR SUCH INFORMATION. NEITHER THE ISSUER NOR ANY DEALER (EXCEPT WHERE SUCH DEALER IS THE RELEVANT AUTHORISED OFFEROR) HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.

IMPORTANT INFORMATION RELATING TO THE USE OF THIS BASE PROSPECTUS AND OFFERS OF NOTES GENERALLY

The distribution of this Base Prospectus and any Issue Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Issue Terms comes are required by the Issuer and any Dealer to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Base Prospectus or any Issue Terms and other offering material relating to the Notes, see “*Subscription and Sale*” herein. In particular, Notes have not been and will not be registered under the Securities Act or any state securities law, and may not be offered or sold within the United States or to, or for the account or benefit of, any U.S. person (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Hedging transactions may not be conducted unless in compliance with the Securities Act. For a description of certain restrictions on offers and sales of Notes, see “*Subscription and Sale*” below. The Notes do not constitute, and have not been marketed as, contracts of sale of a commodity for future delivery (or options thereon) subject to the United States Commodity Exchange Act, as amended, and trading in Notes has not been approved by the Commodities Futures Trading Commission under the Commodity Exchange Act, as amended. Notes may be in bearer form which are subject to U.S. tax law requirements. **Neither this Base Prospectus nor any Issue Terms may be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.**

Neither this Base Prospectus nor any Issue Terms constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer or any Dealer that any recipient of this Base Prospectus or any Issue Terms should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Issue Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

All references in this Base Prospectus to “**Danish Kroner**”, “**kroner**”, “**DKr**” or “**DKK**” are to the currency of Denmark, to “**EUR**” or “**euro**” are to the currency introduced at the third stage of European economic and monetary union pursuant to the Treaty on the functioning of the European Union, as amended, of those members of the European Union which are participating in the European economic and monetary union, to “**SEK**” are to the currency of Sweden and all references to “**U.S.\$**”, “**USD**” and “**U.S. Dollars**” are to the currency of the United States of America.

Responsibility Statement

The Issuer accepts responsibility for the information contained in this Base Prospectus and the Issue Terms for each Tranche of Notes issued under the Programme. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. References herein to this “Base Prospectus” are to this document, as supplemented from time to time including the documents incorporated by reference.

TABLE OF CONTENTS

	Page
SECTION A - SUMMARY	A-1
SECTION B - RISK FACTORS AND DESCRIPTIONS OF THE NOTES.....	B-1
SECTION B.1 - RISK FACTORS	B-1
SECTION B.2 - DESCRIPTION OF THE NOTES.....	B-21
SECTION C - DOCUMENTS	C-1
SECTION C.1 - DOCUMENTS INCORPORATED BY REFERENCE	C-1
SECTION C.2 - DOCUMENTS AVAILABLE FOR INSPECTION	C-4
SECTION D - DESCRIPTION OF THE DANSKE BANK GROUP	D-1
SECTION E - GENERAL INFORMATION RELATING TO THE PROGRAMME AND THE NOTES .	E-1
SECTION E.1 - GENERAL DESCRIPTION OF THE PROGRAMME	E-1
SECTION E.2 - GENERAL INFORMATION RELATING TO ISSUANCE OF NOTES	E-6
SECTION E.3 - OVERVIEW OF FORM OF THE NOTES	E-8
SECTION E.4 - SUBSCRIPTION AND SALE	E-12
SECTION E.5 - TAXATION.....	E-15
SECTION F - TERMS AND CONDITIONS OF THE NOTES.....	F-1
SECTION F.1 - GENERAL CONDITIONS.....	F-1
SECTION F.2 - SCHEDULES TO THE GENERAL CONDITIONS	F-24
REFERENCE ITEM SCHEDULE 1 Credit-Linked Notes	F-24
REFERENCE ITEM SCHEDULE 2 Inflation-Linked Notes	F-75
REFERENCE ITEM SCHEDULE 3 Index-Linked Notes	F-80
REFERENCE ITEM SCHEDULE 4 Equity-Linked Notes	F-88
REFERENCE ITEM SCHEDULE 5 Currency-Linked Notes	F-98
REFERENCE ITEM SCHEDULE 6 Additional Disruption Events	F-99
PAYOUT SCHEDULE 1 INTEREST	F-101
PAYOUT SCHEDULE 2 REDEMPTION	F-119
SECTION F.3 - PRO FORMA FINAL TERMS.....	F-127
SECTION F.4 - EXEMPT NOTES PRO FORMA PRICING SUPPLEMENT	F-162
SECTION G - NAMES, ADDRESSES AND ROLES	G-1

SECTION A- SUMMARY

Summaries are made up of disclosure requirements known as “Elements”. These Elements are numbered in Sections A – E (A.1 – E.7). This Summary contains all the Elements required to be included in a summary for the Notes and the Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in a summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element should be included in the summary explaining why it is not applicable.

Section A - Introduction and Warnings

Element	
A.1	<ul style="list-style-type: none"> • This summary should be read as an introduction to the Base Prospectus and the relevant Final Terms. • Any decision to invest in any Notes should be based on a consideration of the Base Prospectus as a whole, including any documents incorporated by reference and the relevant Final Terms. • Where a claim relating to information contained in the Base Prospectus and the relevant Final Terms is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Base Prospectus and the relevant Final Terms before the legal proceedings are initiated. • No civil liability will attach to the Issuer in any such Member State solely on the basis of this summary, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus and the relevant Final Terms or, following the implementation of the relevant provisions of Directive 2010/73/EU in the relevant Member State, it does not provide, when read together with the other parts of the Base Prospectus and the relevant Final Terms, key information (as defined in Article 2.1(s) of the Prospectus Directive) in order to aid investors when considering whether to invest in the Notes.
A.2	<p>[Not Applicable – The Notes may only be offered in circumstances where there is an exemption from the obligation under the Prospectus Directive to publish a prospectus (an “Exempt Offer”).]</p> <p>[The Notes may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus (a “Non-exempt Offer”).]</p> <p><i>Consent:</i> Subject to the conditions set out below, the Issuer consents to the use of this Base Prospectus in connection with a Non-exempt Offer of Notes by [<i>name(s) of relevant Dealer/Managers</i>] [and [<i>names of specific financial intermediaries listed in final terms,</i>] (each an “Authorised Offeror”).]</p>
	<p><i>Offer period:</i> The Issuer's consent referred to above is given for Non-exempt Offers of Notes during [<i>offer period for the issue to be specified here</i>] (the “Offer Period”).</p>
	<p><i>Conditions to consent:</i> The conditions to the Issuer’s consent are that such consent (a) is only valid during the Offer Period; (b) only extends to the use of this Base Prospectus to make Non-</p>

	exempt Offers of the relevant Tranche of Notes in [<i>specify each Relevant Member State in which the particular Tranche of Notes can be offered</i>] and (c) [<i>specify any other conditions applicable to the Non-exempt Offer of the particular Tranche, as set out in the Final Terms</i>].
	AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY NOTES IN A NON-EXEMPT OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS AND SETTLEMENT ARRANGEMENTS. THE INVESTOR MUST LOOK TO THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION AND THE AUTHORISED OFFEROR WILL BE RESPONSIBLE FOR SUCH INFORMATION.]

Section B – Issuer

Element	Title	
B.1	Legal and Commercial Name	Danske Bank A/S (the “ Issuer ”)
B.2	Domicile/ Legal Form/ Legislation/ Country of Incorporation	The Issuer was founded in Denmark. The Issuer is a commercial bank with limited liability and carries on business under the Danish Financial Business Act.
B.4b	Known trends affecting the Issuer and the industries in which it operates	Not Applicable - There are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for its current financial year.
B.5	Description of the Group	The Issuer is the parent company of the Danske Bank Group (the “ Group ”). The Issuer is an international retail bank that operates in 15 countries with a focus on the Nordic region. In Denmark, customers are also served by head office departments, finance centres and subsidiaries. The Group has branches in London, Hamburg and Warsaw and a representative office in Moscow. Its subsidiary in Luxembourg serves private banking customers and another in St. Petersburg serves corporate banking customers. The Group also conducts broker-dealer activities in New York.
B.9	Profit forecast or estimate	Not Applicable - No profit forecast or estimates have been made in this Base Prospectus.
B.10	Qualifications to audit report	Not Applicable - No qualifications are contained in any audit report incorporated by reference in this Base Prospectus.

B.12	Selected historical key financial information		
(DKK millions)	<u>Twelve months ended 31 December 2012</u>	<u>Twelve months ended 31 December 2011</u>	
Income statement:			
Total income	45,662	43,377	
Expenses	(24,642)	(25,987)	
Loan impairment charges	(7,680)	(13,185)	
Profit before tax, non-core	(4,801)	-	
Tax	(3,814)	(2,482)	
Net profit for the year	4,725	1,723	
Balance sheet:			
Loan and advances	1,640,656	1,698,025	
Trading portfolio assets	812,966	909,755	
Other assets	1,031,327	816,623	
Total assets	3,484,949	3,424,403	
Deposits	783,759	795,275	
Bonds issued by Realkredit Danmark	614,325	557,699	
Trading portfolio liabilities	531,860	697,913	
Other liabilities	1,417,001	1,247,661	
Total liabilities	3,346,945	3,298,548	
Total equity	138,004	125,855	
(DKK millions)	<u>Six months ended 30 June 2013</u>	<u>Six months ended 30 June 2012</u>	
Income statement:			
Total income	20,003	23,450	
Expenses	(11,918)	(12,371)	
Loan impairment charges	(2,383)	(4,598)	
Profit before tax, non-core	(809)	(2,406)	
Tax	(1,237)	(1,802)	
Net profit for the period	3,656	2,273	
Balance sheet:			
Loan and advances	1,589,768	1,662,441	
Trading portfolio assets	721,484	862,961	
Other assets	1,005,852	954,946	
Total assets	3,317,104	3,480,348	
Deposits	796,785	730,59	
Bonds issued by Realkredit Danmark	616,457	596,837	
Trading portfolio liabilities	455,351	628,008	
Other liabilities	1,306,887	1,397,086	
Total liabilities	3,175,480	3,352,521	
Total equity	141,624	127,827	

	<p>Statement of no material adverse change</p> <p>Description of significant changes to financial or trading position</p>	<p>There has been no significant change in the financial or trading position of the Issuer or of the Issuer and its subsidiaries taken as a whole since 30 June 2013, the last day of the financial period in respect of which the most recent financial statements of the Issuer have been prepared.</p> <p>Save as disclosed on page 7 of the Interim Report – First Half 2013, there has been no material adverse change in the prospects of the Issuer since 31 December 2012, the last day of the financial period in respect of which the most recently audited financial statements of the Issuer have been prepared.</p>												
B.13	Recent events materially relevant to an evaluation of the Issuer’s solvency	Not Applicable - There are no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.												
B.14	Dependence on other entities within the Group	See Element B.5. Not Applicable – The Issuer is not dependent on any other entities within the Group.												
B.15	Principal activities	The Group is the leading financial service provider in Denmark – and one of the largest in the Nordic region – measured by total assets as at 31 December 2012 (Source: Finansrådet (Danish Bankers' Association)). The Group offers its customers in Denmark and in its other markets a broad range of services that, depending on the market, include services in banking, mortgage finance, insurance, trading, leasing, real estate agency and investment management. The Group has a leading market position in Denmark and is one of the larger banks in Northern Ireland and Finland. The Group also has significant operations in its other main markets of Sweden, Norway, Ireland, and the Baltics.												
B.16	Controlling shareholders	Not Applicable – The Issuer is not aware of any shareholder or group of connected shareholders who directly or indirectly control the Issuer.												
[B.17 <i>(Applicable for Annexes V and XIII)</i>	Credit ratings assigned to the issuer	<p>As at the date of this Base Prospectus, the Issuer has been rated by the following rating agencies: Moody’s Investors Service Ltd. (“Moody’s”), Standard & Poor’s Credit Market Services Europe Limited (“S&P”) and Fitch Ratings Ltd (“Fitch”).</p> <p>Issuer ratings are as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>Moody’s</th> <th>S&P</th> <th>Fitch</th> </tr> </thead> <tbody> <tr> <td>senior unsubordinated long-term debt/long-term Issuer default rating</td> <td>Baa1</td> <td>A-</td> <td>A</td> </tr> <tr> <td>senior unsubordinated short-term debt/short-term Issuer default rating</td> <td>P-2</td> <td>A-2</td> <td>F1</td> </tr> </tbody> </table>		Moody’s	S&P	Fitch	senior unsubordinated long-term debt/long-term Issuer default rating	Baa1	A-	A	senior unsubordinated short-term debt/short-term Issuer default rating	P-2	A-2	F1
	Moody’s	S&P	Fitch											
senior unsubordinated long-term debt/long-term Issuer default rating	Baa1	A-	A											
senior unsubordinated short-term debt/short-term Issuer default rating	P-2	A-2	F1											

	<p>Each of Moody’s, S&P and Fitch is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended).</p> <p>A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.</p> <p>No ratings have been or are expected to be assigned to the Notes at the request of or with the co-operation of the Issuer in the rating process.</p>
--	--

Section C – Notes

Element	Title	
<p>C.1 <i>(Applicable for Annexes V, XII and XIII)</i></p>	<p>Description of Notes/ISIN</p>	<p>The Notes are [●].</p> <p>The Series number is [●]. The Tranche number is [●].</p> <p>The International Securities Identification Number (ISIN) is [●]. The Common Code is [●]. [The [VP/VPS/Euroclear Finland/Euroclear Sweden] identification number is [●].]</p> <p>The calculation amount (CA) is [●].</p>
<p>C.2 <i>(Applicable for Annexes V, XII and XIII)</i></p>	<p>Currency</p>	<p>The Notes are denominated in [●] and the specified currency for payments in respect of the Notes is [●].</p>
<p>C.5 <i>(Applicable for Annexes V, XII and XIII)</i></p>	<p>Restrictions on the free transferability of the Notes</p>	<p>[While the Notes are in global form and held through the clearing systems, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg, as the case may be.]</p> <p>[Transfers of Notes may be effected only through the book entry system and register maintained by the [VP/VPS/Euroclear Finland/Euroclear Sweden].]</p> <p>The Notes will be freely transferable, subject to the offering and selling restrictions of the United States, the European Economic Area, the United Kingdom, Denmark, Finland and Sweden and the laws of any jurisdiction in which the Notes are offered or sold.</p>
<p>C.8 <i>(Applicable for Annexes V, XII and XIII)</i></p>	<p>Rights attached to the Notes, including ranking and limitations on those rights</p>	<p>The Notes have terms and conditions relating to, among other matters:</p> <p>Ranking</p> <p>The Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and will rank <i>pari passu</i> without any preference among themselves and at least <i>pari passu</i> with all other unsubordinated and unsecured obligations (including liabilities in respect of deposits) of the Issuer, present and future (save for certain mandatory exceptions provided by law).</p>

		<i>Taxation</i>
		[All payments in respect of the Notes will be made without withholding or deduction for taxes imposed by Denmark. In the event that any such deduction is made, the Issuer will, save in certain limited circumstances, be required to pay additional amounts to cover the amounts so deducted. If any such additional amounts become payable and cannot be avoided by the Issuer taking reasonable measures available to it, the Issuer may redeem the Notes early by payment of the early redemption amount in respect of each calculation amount. / The Issuer shall not be liable for or otherwise obliged to pay any taxes which may arise in respect of the Notes and all payments made by the Issuer shall be made subject to any such taxes.]
		<i>Negative pledge and cross default</i> The terms of the Notes will not have the benefit of a negative pledge or a cross-default.
		<i>Events of default</i> The terms of the Notes will contain, amongst others, the following events of default: (i) default in payment of any principal or interest due in respect of the Notes, continuing for a period of 5 days after the date on which notice has been given to the Issuer; (ii) default in the performance or observance of any other obligation of the Issuer under the Notes and such default remains unremedied for 30 days after notice requiring remedy has been given to the Issuer; (iii) a legal process is levied or enforced or sued out upon or against any part of the assets of the Issuer which is material in its effect upon the operation of the Issuer and is not discharged or stayed within 60 days of having been so levied, enforced or sued out, (iv) events relating to the bankruptcy of the Issuer; and (v) the Danish Financial Supervisory Authority files a petition for the suspension of payments of the Issuer.
		<i>Meetings</i> The terms of the Notes will contain provisions for calling meetings of holders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.
		<i>Governing Law</i> English law[, except that the registration of the Notes in [the VP Securities Services/the Norwegian Central Securities Depository/Euroclear Finland Oy/Euroclear Sweden AB] shall be governed by [Danish/Norwegian/Finnish/Swedish] law].

<p>[C.9] (Applicable for Annexes V and XIII)</p>	<p>Interest, Redemption and Representation:</p> <p>The nominal interest rate</p> <p>The date from which interest becomes payable and the due dates for interest</p> <p>Where the rate is not fixed, description of the underlying on which it is based</p>	<p>[Fixed Rate Notes: The Notes bear interest [from their date of issue/from [●]/in respect of [the/each] interest period falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]]] at the fixed rate of [●] per cent. per annum.]</p> <p>[Floating Rate Notes: The Notes are [[Non-Structured/Capped/Floored/Collared] Floating Rate Notes/Range Accrual Notes/Binary Floating Rate Notes/Steepener Notes/ Reverse Floating Rate Notes/Snowball Notes/specify combination of the above].</p> <p>The Notes bear interest [from their date of issue/from [●]/for the interest period[s] specified below] at a variable rate calculated by reference to the Underlying Rate specified below.]</p> <p>[Non-Structured Floating Rate Notes: The rate of interest in respect of [an interest period/in respect of [the/each] interest period falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]] will be calculated by reference to the following formula:</p> $(\text{Leverage} \times \text{Underlying Rate}) + \text{Margin}$ <p>For the purposes of the above:</p> <p>“Leverage” = [[●]/100%/the percentage specified for the relevant interest period in the Table below]</p> <p>“Margin” = [[+/-][●]/Zero/the percentage specified for the relevant interest period in the Table below]</p> <p>“Underlying Rate” = [[[●] month [[currency] LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / BBSW] / [[●] year [currency] OMX Swap Rate] / Swap Rate]]</p> <p style="text-align: center;">[TABLE]</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Interest period ending on or about:</th> <th style="text-align: center;">[Leverage</th> <th style="text-align: center;">[Margin</th> </tr> </thead> <tbody> <tr> <td>[●]</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> </tr> <tr> <td>[●]</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> </tr> </tbody> </table> <p style="text-align: center;">(Specify for each interest period)]</p>	Interest period ending on or about:	[Leverage	[Margin	[●]	[●]%	[●]%	[●]	[●]%	[●]%
Interest period ending on or about:	[Leverage	[Margin									
[●]	[●]%	[●]%									
[●]	[●]%	[●]%									
		<p>[Capped Floating Rate Notes: The rate of interest in respect of [an interest period/in respect of [the/each] interest period falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]] will be calculated by reference to the following formula:</p> $\text{Min [Cap; (Leverage} \times \text{Underlying Rate) + Margin]}$ <p>For the purposes of the above:</p> <p>“Cap” = [[●]/the percentage specified for the relevant</p>									

		<p>interest period in the Table below]</p> <p>“Leverage” = [[●]/100%/the percentage specified for the relevant interest period in the Table below]</p> <p>“Margin” = [[+/-][●]/Zero/the percentage specified for the relevant interest period in the Table below]</p> <p>“Underlying Rate” = [[[●] month [[<i>currency</i>] LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / BBSW] / [[●] year [<i>currency</i>] OMX Swap Rate] / Swap Rate]</p> <p style="text-align: center;">[TABLE]</p> <table border="1"> <thead> <tr> <th>Interest period ending on or about:</th> <th>[Cap</th> <th>[Leverage</th> <th>[Margin</th> </tr> </thead> <tbody> <tr> <td>[●]</td> <td>[●]%</td> <td>[●]%</td> <td>[●]%</td> </tr> <tr> <td>[●]</td> <td>[●]%</td> <td>[●]%</td> <td>[●]%</td> </tr> </tbody> </table> <p style="text-align: center;"><i>(Specify for each interest period)]</i></p>	Interest period ending on or about:	[Cap	[Leverage	[Margin	[●]	[●]%	[●]%	[●]%	[●]	[●]%	[●]%	[●]%
Interest period ending on or about:	[Cap	[Leverage	[Margin											
[●]	[●]%	[●]%	[●]%											
[●]	[●]%	[●]%	[●]%											
		<p>[<i>Floored Floating Rate Notes</i>: The rate of interest in respect of [an interest period/in respect of [the/each] interest period falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]] will be calculated by reference to the following formula:</p> <p style="text-align: center;">Max [Floor; (Leverage x Underlying Rate) + Margin]</p> <p>For the purposes of the above:</p> <p>“Floor” = [[●]/the percentage specified for the relevant interest period in the Table below]</p> <p>“Leverage” = [[●]/100%/the percentage specified for the relevant Interest Period in the Table below]</p> <p>“Margin” = [[+/-][●]/Zero/the percentage specified for the relevant Interest Period in the Table below]</p> <p>“Underlying Rate” = [[[●] month [[<i>currency</i>] LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / BBSW] / [[●] year [<i>currency</i>] OMX Swap Rate] / Swap Rate]</p> <p style="text-align: center;">[TABLE]</p> <table border="1"> <thead> <tr> <th>Interest period ending on or about:</th> <th>[Floor</th> <th>[Leverage</th> <th>[Margin</th> </tr> </thead> <tbody> <tr> <td>[●]</td> <td>[●]%</td> <td>[●]%</td> <td>[●]%</td> </tr> <tr> <td>[●]</td> <td>[●]%</td> <td>[●]%</td> <td>[●]%</td> </tr> </tbody> </table>	Interest period ending on or about:	[Floor	[Leverage	[Margin	[●]	[●]%	[●]%	[●]%	[●]	[●]%	[●]%	[●]%
Interest period ending on or about:	[Floor	[Leverage	[Margin											
[●]	[●]%	[●]%	[●]%											
[●]	[●]%	[●]%	[●]%											

		<p>(Specify for each interest period)]</p>															
		<p>[Collared Floating Rate Notes: The rate of interest in respect of [an interest period/in respect of [the/each] interest period falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]] will be calculated by reference to the following formula:</p> <p style="text-align: center;">Min (Cap; Max [Floor; (Leverage x Underlying Rate) + Margin])</p> <p>For the purposes of the above:</p> <p>“Cap” = [[●]%/the percentage specified for the relevant interest period in the Table below]</p> <p>“Floor” = [[●]%/the percentage specified for the relevant interest period in the Table below]</p> <p>“Leverage” = [[●]%/100%/the percentage specified for the relevant interest period in the Table below]</p> <p>“Margin” = [[+/-][●]%/Zero/the percentage specified for the relevant interest period in the Table below]</p> <p>“Underlying Rate” = [[[●] month [[<i>currency</i>] LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / BBSW] / [[●] year [<i>currency</i>] OMX Swap Rate] / Swap Rate]</p> <p style="text-align: center;">[TABLE</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Interest period ending on or about:</th> <th style="text-align: center;">[Cap</th> <th style="text-align: center;">[Floor</th> <th style="text-align: center;">[Leverage</th> <th style="text-align: center;">[Margin</th> </tr> </thead> <tbody> <tr> <td>[●]</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> </tr> <tr> <td>[●]</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> </tr> </tbody> </table> <p style="text-align: center;">(Specify for each interest period)]</p>	Interest period ending on or about:	[Cap	[Floor	[Leverage	[Margin	[●]	[●]%	[●]%	[●]%	[●]%	[●]	[●]%	[●]%	[●]%	[●]%
Interest period ending on or about:	[Cap	[Floor	[Leverage	[Margin													
[●]	[●]%	[●]%	[●]%	[●]%													
[●]	[●]%	[●]%	[●]%	[●]%													
		<p>[Range Accrual Notes: The rate of interest in respect of [an interest period/in respect of [the/each] interest period falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]] is determined by reference to the relevant specified rate and the number of observation dates in such interest period for which the Underlying Rate is equal to or greater than the Lower Barrier and equal to or less than the Upper Barrier (“n”), determined as follows:</p> $\left[\text{Specified Rate 1} \times \left(\frac{n}{N} \right) \right] + \left[\text{Specified Rate 2} \times \left(\frac{N - n}{N} \right) \right]$ <p>For the purposes of the above:</p> <p>“N” means the total number of observation dates in the interest period.</p>															

		<p>The “observations dates” will be each [calendar day/business day/[●]] during the interest period.</p> <p>“Lower Barrier” = [[●]%/the percentage specified for the relevant interest period in the Table below]</p> <p>“Specified Rate 1” = [[●]%/the rate specified for the relevant interest period in the Table below]</p> <p>“Specified Rate 2” = [[●]%/Zero/the rate specified for the relevant interest period in the Table below]</p> <p>“Underlying Rate” = [[[●] month [currency] LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / BBSW] / [[●] year [currency] OMX Swap Rate] / Swap Rate] [provided that the Underlying Rate for each observation date falling less than [●] business days prior to the end of the relevant interest period shall be deemed to be the same as the Underlying Rate for the immediately preceding observation date]</p> <p>“Upper Barrier” = [[●]%/the percentage specified for the relevant interest period in the Table below]</p> <p style="text-align: center;">[TABLE]</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Interest period ending on or about:</th> <th style="text-align: center;">[Lower Barrier]</th> <th style="text-align: center;">[Upper Barrier]</th> <th style="text-align: center;">[Specified Rate 1]</th> <th style="text-align: center;">[Specified Rate 2]</th> </tr> </thead> <tbody> <tr> <td>[●]</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> </tr> <tr> <td>[●]</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> </tr> </tbody> </table> <p style="text-align: center;"><i>(Specify for each interest period)]</i></p>	Interest period ending on or about:	[Lower Barrier]	[Upper Barrier]	[Specified Rate 1]	[Specified Rate 2]	[●]	[●]%	[●]%	[●]%	[●]%	[●]	[●]%	[●]%	[●]%	[●]%
Interest period ending on or about:	[Lower Barrier]	[Upper Barrier]	[Specified Rate 1]	[Specified Rate 2]													
[●]	[●]%	[●]%	[●]%	[●]%													
[●]	[●]%	[●]%	[●]%	[●]%													
		<p><i>[Binary Floating Rate Notes: The rate of interest in respect of [an interest period/in respect of [the/each] interest period falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding]) [●]) is determined by reference to the following:</i></p> <p>(a) if the Underlying Rate is equal to or greater than the Lower Barrier and equal to or less than the Upper Barrier, Binary Rate 1; or</p> <p>(b) otherwise, Binary Rate 2.</p> <p>For the purposes of the above:</p> <p>“Binary Rate 1” = [[●]%/the rate specified for the relevant interest period in the Table below]</p> <p>“Binary Rate 2” = [[●]%/the rate specified for the relevant interest period in the Table below]</p>															

		<p>“Lower Barrier” = [[●]%/the percentage specified for the relevant interest period in the Table below]</p> <p>“Underlying Rate” = [[[●] month [[<i>currency</i>] LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / BBSW] / [[●] year [<i>currency</i>] OMX Swap Rate] / Swap Rate]</p> <p>“Upper Barrier” = [[●]%/the percentage specified for the relevant interest period in the Table below]</p> <p style="text-align: center;">[TABLE</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Interest period ending on or about:</th> <th style="text-align: center;">[Binary Rate 1</th> <th style="text-align: center;">[Binary Rate 2</th> <th style="text-align: center;">[Lower Barrier</th> <th style="text-align: center;">[Upper Barrier</th> </tr> </thead> <tbody> <tr> <td>[●]</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> </tr> <tr> <td>[●]</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> </tr> </tbody> </table> <p style="text-align: center;"><i>(Specify for each interest period)]]</i></p>	Interest period ending on or about:	[Binary Rate 1	[Binary Rate 2	[Lower Barrier	[Upper Barrier	[●]	[●]%	[●]%	[●]%	[●]%	[●]	[●]%	[●]%	[●]%	[●]%
Interest period ending on or about:	[Binary Rate 1	[Binary Rate 2	[Lower Barrier	[Upper Barrier													
[●]	[●]%	[●]%	[●]%	[●]%													
[●]	[●]%	[●]%	[●]%	[●]%													
		<p>[<i>Steepener Notes</i>: The rate of interest in respect of [an interest period/in respect of [the/each] interest period falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]] is determined by reference to the following formula:</p> <p style="text-align: center;">Max [Floor; Min [Cap; Leverage x (Underlying Rate – Strike Rate)]]</p> <p>For the purposes of the above:</p> <p>“Cap” = [[●]%/Not Applicable/the percentage specified for the relevant interest period in the Table below]</p> <p>“Floor” = [[●]%/Zero/the percentage specified for the relevant interest period in the Table below]</p> <p>“Leverage” = [[●]%/100%/the percentage specified for the relevant interest period in the Table below]</p> <p>“Underlying Rate” = [[[●] month [[<i>currency</i>] LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / BBSW] / [[●] year [<i>currency</i>] OMX Swap Rate] / Swap Rate]</p> <p>“Strike Rate” = [[●]%/in respect of an interest period, the percentage specified for such interest period in the table below]</p>															

		<p style="text-align: center;">[TABLE]</p> <table border="1"> <thead> <tr> <th>Interest period ending on or about:</th> <th>[Strike Rate]</th> <th>[Cap]</th> <th>[Floor]</th> <th>[Leverage]</th> </tr> </thead> <tbody> <tr> <td>[●]</td> <td>[●]%</td> <td>[●]%</td> <td>[●]%</td> <td>[●]%</td> </tr> <tr> <td>[●]</td> <td>[●]%</td> <td>[●]%</td> <td>[●]%</td> <td>[●]%</td> </tr> </tbody> </table> <p style="text-align: center;"><i>(Specify for each interest period)]</i></p>	Interest period ending on or about:	[Strike Rate]	[Cap]	[Floor]	[Leverage]	[●]	[●]%	[●]%	[●]%	[●]%	[●]	[●]%	[●]%	[●]%	[●]%
Interest period ending on or about:	[Strike Rate]	[Cap]	[Floor]	[Leverage]													
[●]	[●]%	[●]%	[●]%	[●]%													
[●]	[●]%	[●]%	[●]%	[●]%													
		<p><i>[Reverse Floating Rate Notes:</i> The rate of interest in respect of [an interest period/in respect of [the/each] interest period falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]] is determined by reference to the following formula:</p> <p style="text-align: center;">Max [Floor; Min [Cap; Fixed Rate – (Leverage x Underlying Rate)]]</p> <p>For the purposes of the above:</p> <p>“Cap” = [[●]%/Not Applicable/the percentage specified for the relevant interest period in the Table below]</p> <p>“Floor” = [[●]%/Zero/the percentage specified for the relevant interest period in the Table below]</p> <p>“Fixed Rate” = [[●]%/the percentage specified for the relevant interest period in the Table below]</p> <p>“Leverage” = [[●]%/100%/the percentage specified for the relevant interest period in the Table below]</p> <p>“Underlying Rate” = [[[●] month [[<i>currency</i>] LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / BBSW] / [[●] year [<i>currency</i>] OMX Swap Rate] / Swap Rate]]</p> <p style="text-align: center;">[TABLE]</p> <table border="1"> <thead> <tr> <th>Interest period ending on or about:</th> <th>[Cap]</th> <th>[Floor]</th> <th>[Fixed Rate]</th> <th>[Leverage]</th> </tr> </thead> <tbody> <tr> <td>[●]</td> <td>[●]%</td> <td>[●]%</td> <td>[●]%</td> <td>[●]%</td> </tr> <tr> <td>[●]</td> <td>[●]%</td> <td>[●]%</td> <td>[●]%</td> <td>[●]%</td> </tr> </tbody> </table> <p style="text-align: center;"><i>(Specify for each interest period)]</i></p>	Interest period ending on or about:	[Cap]	[Floor]	[Fixed Rate]	[Leverage]	[●]	[●]%	[●]%	[●]%	[●]%	[●]	[●]%	[●]%	[●]%	[●]%
Interest period ending on or about:	[Cap]	[Floor]	[Fixed Rate]	[Leverage]													
[●]	[●]%	[●]%	[●]%	[●]%													
[●]	[●]%	[●]%	[●]%	[●]%													
		<p><i>[Snowball Notes:</i> The rate of interest in respect of [an interest period/in respect of [the/each] interest period falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]] is</p>															

determined by reference to the following formula:

$$\text{Max [Floor; Min [Cap; (Rate of Interest}_{t-1} + \text{Snowball Amount}_t) - (\text{Leverage} \times \text{Underlying Rate})]]$$

For the purposes of the above:

“**Cap**” = [[●]%/Not Applicable/the percentage specified for the relevant interest period in the Table below]

“**Floor**” = [[●]%/Zero/the percentage specified for the relevant interest period in the Table below]

“**Leverage**” = [[●]%/100%/the percentage specified for the relevant interest period in the Table below]

“**Underlying Rate**” = [[[●] month [*currency*] LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / BBSW] / [[●] year [*currency*] OMX Swap Rate] / Swap Rate]

“**Snowball Amount_t**” = [[●]%/the percentage specified for such interest period in the table below]

“**Rate of Interest_{t-1}**” means, in respect of an interest period (*t*), the rate of interest for the immediately preceding interest period (*t-1*) or, if none, [●]

[TABLE

Interest period ending on or about:	[Snowball Amount _t	[Cap	[Floor	[Leverage
-------------------------------------	-------------------------------	------	--------	-----------

[●]	[●]%	[●]%	[●]%	[●]%
[●]	[●]%	[●]%	[●]%	[●]%

[●]	[●]%	[●]%	[●]%	[●]%
-----	------	------	------	------

(Specify for each interest period)]

[*Inflation-Linked Interest Notes*: The Notes bear interest linked to the Reference Item [from their date of issue/from [●]/in respect of [the/each] interest period falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]]. As amounts in respect of interest will be determined by reference to the performance of the Reference Item, the interest amount in respect of each relevant interest period and each Calculation Amount will be the Reference Item-Linked Interest Amount.

The Reference Item-Linked Interest Amount will be the “**Inflation-Linked Interest Amount**” determined by reference to the Inflation Interest Rate, where the “**Inflation Interest Rate**” is determined as follows:

$$\text{Specified Rate} \times \left[\frac{\text{Reference Level}_t}{\text{Reference Level}_{t-\alpha}} \right]$$

		<p>For the purposes of the above:</p> <p>“Reference Item” means [<i>insert description of inflation index</i>].</p> <p>“Reference Level_t” means the level of the Reference Item for the month falling [●] months prior to the month during which the relevant interest period ends.</p> <p>“Reference Level_{t-a}” means the level of the Reference Item for the month falling [●] months prior to the month during which the relevant interest period ends.</p> <p>“Specified Rate” means [[●]%/the percentage specified for the relevant interest period in the Table below:</p> <p style="text-align: center;">TABLE</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Interest period ending on or about:</th> <th style="text-align: left;">Specified Rate</th> </tr> </thead> <tbody> <tr> <td>[●]</td> <td>[●]%</td> </tr> <tr> <td>[●]</td> <td>[●]%</td> </tr> </tbody> </table> <p style="text-align: center;">(<i>Specify for each interest period</i>)]</p>	Interest period ending on or about:	Specified Rate	[●]	[●]%	[●]	[●]%
Interest period ending on or about:	Specified Rate							
[●]	[●]%							
[●]	[●]%							
		<p>[The “Swap Rate” is the rate determined by reference to the difference between two swap rates, determined as follows:</p> <p style="text-align: center;">Swap Rate 1 – Swap Rate 2</p> <p>For the purposes of the above:</p> <p>“Swap Rate 1” is [●] year [<i>insert relevant Reference Rate</i>]</p> <p>“Swap Rate 2” is [●] year [<i>insert relevant Reference Rate</i>]</p>						
		<p>[Interest[, if any,] will be paid [annually/ semi-annually/quarterly/monthly] in arrear on [●] [and [●]] in each year[, subject to adjustment for non-business days]. The first interest payment will be made on [●].]</p>						
		<p>[The Notes do not bear any interest.] [The Notes are Zero Coupon Notes and will be offered and sold at a discount to their principal amount.]</p>						
	<p>Maturity Date and arrangements for the amortisation of the loan, including the repayment procedure</p>	<p>[<i>Optional redemption:</i></p> <p>[The Issuer may elect to redeem the Notes prior to their stated maturity ([either] in whole [or in part]). The optional redemption amount payable in such circumstances is [●] per Calculation Amount and the optional redemption date(s) [is/are] [●][, [●] and [●]].]</p> <p>[A Noteholder may elect to redeem any of the Notes held by it on [the/an] optional redemption date[s] by giving [not less than] [●] days' notice. The optional redemption amount payable in such circumstances is [●]per calculation amount and the optional redemption date(s) [is/are] [●][, [●] and [●]].]</p>						

		<p>Early redemption</p> <p>See “Taxation” and “Events of Default” in Element C.8 above for information on early redemption in relation to the Notes.</p> <p>In addition, if the Issuer determines that performance of its obligations under the Notes or that any arrangements made to hedge its obligations under the Notes has or will become illegal in whole or in part as a result of compliance with any applicable present or future law (an “illegality”), the Issuer may redeem the Notes early and, if and to the extent permitted by applicable law, will pay an amount equal to the early redemption amount in respect of each calculation amount.</p> <p>[In the circumstances specified above, the “early redemption amount” payable on any such early redemption of the Notes will be [[●] per calculation amount] [an amount determined by the Calculation Agent which represents the fair market value of each calculation amount of the Notes [(which amount shall include amounts in respect of interest)] on a day selected by the Issuer (in the case of an early redemption following an illegality, ignoring the relevant illegality), but adjusted (except in the case of an early redemption following an event of default) to account for losses, expenses and costs to the Issuer and/or its affiliates of unwinding any hedging and funding arrangements in respect of the Notes, provided that, for the purposes of determining the fair market value of each calculation amount of the Notes following an event of default, no account shall be taken of the financial condition of the Issuer which shall be presumed to be able to perform fully its obligations in respect of the Notes].]</p> <p>[<i>Zero Coupon Notes:</i> In the circumstances specified above, the “early redemption amount” payable on any such early redemption in respect of each calculation amount will be sum of (i) [●] (the “Reference Price”) and (ii) the product of the [●] per cent. per annum (compounded annually) being applied to the Reference Price from (and including) the issue date to (but excluding) the date fixed for redemption or, as the case may be, the date upon which the Note becomes due and payable]</p> <p>Redemption at maturity</p> <p>Unless previously redeemed or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date.</p> <p>The maturity date is [●].</p> <p>The “Final Redemption Amount” is [par/[●]%).</p>
	<p>An indication of yield</p> <p>Name of Trustee</p>	<p>[The yield on the Notes is [●]% per annum. The yield is calculated at the issue date of the Notes on the basis of the issue price of the Notes of [●] per cent. It is not an indication of future yield.] / [Not Applicable – the Notes are not fixed rate Notes.]</p> <p>Not Applicable – There is no trustee.</p>
		<p>See also Element C.8 above.</p>

<p>[C.10]</p> <p><i>(Applicable for Annex V)</i></p>	<p>Derivative component of the interest payment</p>	<p>[Not Applicable – there is no derivative component in the interest payments.]</p> <p>[Interest payable in respect of Capped Floating Rate Notes is subject to a Cap and, therefore, where the Underlying Rate is greater than the Cap, investors will not participate in the increase in the Underlying Rate above such Cap.]</p> <p>[Interest payable in respect of Floored Floating Rate Notes is subject to a Floor and, therefore, where the Underlying Rate is less than the Floor, investors will not participate in the decrease in the Underlying Rate below such Floor.]</p> <p>[Interest payable in respect of Collared Floating Rate Notes is subject to a Cap and a Floor and, therefore, where the Underlying Rate is greater than the Cap, investors will not participate in the increase in the Underlying Rate above such Cap and where the Underlying Rate is less than the Floor, investors will not participate in the decrease in the Underlying Rate below such Floor.]</p> <p>[Interest payable in respect of Range Accrual Notes is subject to the proportion of observation dates within the relevant interest period for which the Underlying Rate falls within the specified parameters and thus Range Accrual Notes can be volatile instruments and may pay little or no interest in respect of an interest period.]</p> <p>[Different amounts of interest will be payable in respect of Binary Floating Rate Notes, depending on whether the Underlying Rate falls within the specified parameters on the relevant interest determination date.]</p> <p>[Interest payable in respect of Steeper Notes is subject to how the Underlying Rate compares to the relevant Strike Rate [and the amount of interest payable is subject to [a Cap] [and] [a Floor].]</p> <p>[Interest payable in respect of Reverse Floating Rate Notes is subject to how the Fixed Rate compares to the Underlying Rate [and the amount of interest payable is subject to [a Cap] [and] [a Floor].]</p> <p>[In respect of Snowball Notes, the Snowball Amount will operate to increase the fixed rate to which the Underlying Rate is compared and Snowball Notes are subject to (i) an accreting fixed rate and how it compares to the Underlying Rate [and the amount of interest payable is subject to [a Cap] [and] [a Floor].]</p> <p>[As a leverage factor [greater/less] than 100% is applied, the effect of changes in the level of the variable underlying rate is [magnified/reduced]]</p> <p>[Interest payable in respect of Inflation-Linked Interest Notes are subject to (i) a Specified Rate and (ii) the performance of the Reference Item over a certain time period. Therefore, increases in the level of the relevant Reference Item will operate to increase the amount of interest payable.</p> <p>Adjustments</p> <p>The terms and conditions of the Notes contain provisions, as applicable, relating to events affecting the Reference Item, modification or cessation of the Reference Item and provisions relating to subsequent corrections of the level of the Reference Item and details of the consequences of such events. Such provisions may permit the Issuer either to require the calculation agent to</p>
---	--	---

		<p>determine a substitute level for the Reference Item by reference to the terms of a reference bond or by reference to the most recently published level of the Reference Item or to cancel the Notes and to pay an amount equal to the early redemption amounts as specified above.]</p> <p>See also Element C.9.]</p>
<p>[C.11] (Applicable for Annexes V and XII)</p>	<p>Admission to trading</p>	<p>[Application has been made to the [Irish Stock Exchange for the Notes to be admitted to trading on the Irish Stock Exchange]/[the NASDAQ OMX Copenhagen A/S]/[the NASDAQ OMX Stockholm AB]/[the NASDAQ OMX Helsinki Oy]/[the NGM Stock Exchange.] / [Not Applicable. The Notes are not admitted to trading on any exchange.]]</p>
<p>[C.15] (Applicable for Annex XII)</p>	<p>Description of how the value of the investment is affected by the value of the underlying instrument(s)</p>	<p>[[The Notes are [fixed/floating] rate Notes [which are [[Non-Structured/Capped/Floored/Collared] Floating Rate Notes/Range Accrual Notes/Binary Floating Rate Notes/Steepener Notes/Reverse Floating Rate Notes/Snowball Notes] / [Interest in respect of the Notes is determined by reference to the performance of the Reference Item]] (or specify a combination of the above) and the redemption amount payable under the Notes is [[par/[●]%/linked to the performance of the Reference Item specified in Element C.20 below].</p> <p>[The principal amount payable at maturity will be subject to a minimum redemption amount of [●]% of the calculation amount[, subject as provided below,] [and the Final Redemption Amount may be less than par].]</p> <p>[The Notes are also Credit-Linked Notes. Following the occurrence of a Credit Event in respect of [the/a] Reference Entity (being, [a bankruptcy] [or] [a failure to pay] [or] [an obligation default] [or] [an obligation acceleration] [or] [a repudiation/moratorium] [or] [a restructuring] in respect of the [relevant] Reference Entity or specified obligations thereof), [interest in respect of the Notes will cease to accrue from the [interest payment date immediately preceding the credit event determination date, or if none, the issue date/relevant credit event determination date] [the relevant credit event determination date] /interest shall be determined by reference to the Calculation Amount, adjusted to take into account the reference entity notional amount in respect of each Reference Entity for which the conditions to settlement have been satisfied as of [the relevant interest payment date/the relevant credit event determination date]] [and] [the Notes will be redeemed early by payment of the Credit-Linked Redemption Amount (determined as specified in C.18 below) on the Credit Event Redemption Date] [the Notes will be redeemed on the Maturity Date by payment or the Final Redemption Amount, which amount will be determined by reference to the value of specified obligations of the [Reference Entity/the first Reference Entity in respect of which a Credit Event has occurred/each of the Reference Entities in respect of which a Credit Event has occurred] (as further specified in C.18 below)].]See also Element C.18 below.]</p>
<p>[C.16] (Applicable for Annex XII)</p>	<p>Maturity date and final reference date</p>	<p>The maturity date is [●]. The final reference date is the [final [valuation/averaging] date specified in Element C.18 below].]</p>

<p>[C.17] <i>(Applicable for Annex XII)</i></p>	<p>Settlement procedure of derivative securities</p>	<p>The Notes are cash settled Notes.]</p>									
<p>[C.18] <i>(Applicable for Annex XII)</i></p>	<p>Return on derivative securities</p>	<p>The interest amount (if any) and the redemption amount due at maturity is determined as follows:</p>									
		<p><i>Interest</i></p>									
		<p><i>[Fixed Rate Notes:</i> [Subject as provided in C.15, the/The] Notes bear interest [from their date of issue/from [●]/in respect of [the/each] interest period falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]]] at the fixed rate of [●] per cent. per annum.]</p>									
		<p><i>[Floating Rate Notes:</i> The Notes are [[Non-Structured/Capped/Floored/Collared] Floating Rate Notes/Range Accrual Notes/Binary Floating Rate Notes/Steepener Notes/ Reverse Floating Rate Notes/Snowball Notes/specify a combination of the above].</p> <p>[Subject as provided in C.15, the/The] Notes bear interest [from their date of issue/from [●]/for the interest period[s] specified below] at a variable rate calculated by reference to the Underlying Rate specified below.]</p>									
		<p><i>[Non-Structured Floating Rate Notes:</i> The rate of interest in respect of [an interest period/in respect of [the/each] interest period falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]] will be calculated by reference to the following formula:</p> <p style="text-align: center;">(Leverage x Underlying Rate) + Margin</p> <p>For the purposes of the above:</p> <p>“Leverage” = [[●]/100%/the percentage specified for the relevant interest period in the Table below]</p> <p>“Margin” = [[+/-][●]/Zero/the percentage specified for the relevant interest period in the Table below]</p> <p>“Underlying Rate” = [[[●] month [[<i>currency</i>] LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / BBSW] / [[●] year [<i>currency</i>] OMX Swap Rate] / Swap Rate]]</p> <p style="text-align: center;">[TABLE]</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Interest period ending on or about:</th> <th style="text-align: center;">[Leverage</th> <th style="text-align: center;">[Margin</th> </tr> </thead> <tbody> <tr> <td>[●]</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> </tr> <tr> <td>[●]</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> </tr> </tbody> </table>	Interest period ending on or about:	[Leverage	[Margin	[●]	[●]%	[●]%	[●]	[●]%	[●]%
Interest period ending on or about:	[Leverage	[Margin									
[●]	[●]%	[●]%									
[●]	[●]%	[●]%									

		(Specify for each interest period)]												
		<p>[Capped Floating Rate Notes: The rate of interest in respect of [an interest period/in respect of [the/each] interest period falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]] will be calculated by reference to the following formula:</p> <p style="text-align: center;">Min [Cap; (Leverage x Underlying Rate) + Margin]</p> <p>For the purposes of the above:</p> <p>“Cap” = [[●]%/the percentage specified for the relevant interest period in the Table below]</p> <p>“Leverage” = [[●]%/100%/the percentage specified for the relevant interest period in the Table below]</p> <p>“Margin” = [[+/-][●]%/Zero/the percentage specified for the relevant interest period in the Table below]</p> <p>“Underlying Rate” = [[[●] month [[currency] LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / BBSW] / [[●] year [currency] OMX Swap Rate] / Swap Rate]]</p> <p style="text-align: center;">[TABLE</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Interest period ending on [●] or about:</th> <th style="text-align: center;">[Cap</th> <th style="text-align: center;">[Leverage</th> <th style="text-align: center;">[Margin</th> </tr> </thead> <tbody> <tr> <td>[●]</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> </tr> <tr> <td>[●]</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> </tr> </tbody> </table> <p style="text-align: center;">(Specify for each interest period)]</p>	Interest period ending on [●] or about:	[Cap	[Leverage	[Margin	[●]	[●]%	[●]%	[●]%	[●]	[●]%	[●]%	[●]%
Interest period ending on [●] or about:	[Cap	[Leverage	[Margin											
[●]	[●]%	[●]%	[●]%											
[●]	[●]%	[●]%	[●]%											
		<p>[Floored Floating Rate Notes: The rate of interest in respect of [an interest period/in respect of [the/each] interest period falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]] will be calculated by reference to the following formula:</p> <p style="text-align: center;">Max [Floor; (Leverage x Underlying Rate) + Margin]</p> <p>For the purposes of the above:</p> <p>“Floor” = [[●]%/the percentage specified for the relevant interest period in the Table below]</p> <p>“Leverage” = [[●]%/100%/the percentage specified for the relevant interest period in the Table below]</p> <p>“Margin” = [[+/-][●]%/Zero/the percentage specified for the relevant interest period in the Table below]</p> <p>“Underlying Rate” = [[[●] month [[currency] LIBOR / EURIBOR /</p>												

		<p>NIBOR / STIBOR / CIBOR / BBSW] / [[●] year [currency] OMX Swap Rate] / Swap Rate]]</p> <p>[TABLE</p> <table border="1"> <thead> <tr> <th>Interest period ending on or about:</th> <th>[Floor</th> <th>[Leverage</th> <th>[Margin</th> </tr> </thead> <tbody> <tr> <td>[●]</td> <td>[●]%</td> <td>[●]%</td> <td>[●]%</td> </tr> <tr> <td>[●]</td> <td>[●]%</td> <td>[●]%</td> <td>[●]%</td> </tr> </tbody> </table> <p>(Specify for each interest period)]]</p>	Interest period ending on or about:	[Floor	[Leverage	[Margin	[●]	[●]%	[●]%	[●]%	[●]	[●]%	[●]%	[●]%			
Interest period ending on or about:	[Floor	[Leverage	[Margin														
[●]	[●]%	[●]%	[●]%														
[●]	[●]%	[●]%	[●]%														
		<p>[Collared Floating Rate Notes: The rate of interest in respect of [an interest period/in respect of [the/each] interest period falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]] will be calculated by reference to the following formula:</p> <p style="text-align: center;">Min (Cap; Max [Floor; (Leverage x Underlying Rate) + Margin])</p> <p>For the purposes of the above:</p> <p>“Cap” = [[●]%/the percentage specified for the relevant interest period in the Table below]</p> <p>“Floor” = [[●]%/the percentage specified for the relevant interest period in the Table below]</p> <p>“Leverage” = [[●]%/100%/the percentage specified for the relevant interest period in the Table below]</p> <p>“Margin” = [[+/-][●]%/Zero/the percentage specified for the relevant interest period in the Table below]</p> <p>“Underlying Rate” = [[[●] month [[currency] LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / BBSW] / [[●] year [currency] OMX Swap Rate] / Swap Rate]]</p> <p>[TABLE</p> <table border="1"> <thead> <tr> <th>Interest period ending on or about:</th> <th>[Cap</th> <th>[Floor</th> <th>[Leverage</th> <th>[Margin</th> </tr> </thead> <tbody> <tr> <td>[●]</td> <td>[●]%</td> <td>[●]%</td> <td>[●]%</td> <td>[●]%</td> </tr> <tr> <td>[●]</td> <td>[●]%</td> <td>[●]%</td> <td>[●]%</td> <td>[●]%</td> </tr> </tbody> </table> <p>(Specify for each interest period)]]</p>	Interest period ending on or about:	[Cap	[Floor	[Leverage	[Margin	[●]	[●]%	[●]%	[●]%	[●]%	[●]	[●]%	[●]%	[●]%	[●]%
Interest period ending on or about:	[Cap	[Floor	[Leverage	[Margin													
[●]	[●]%	[●]%	[●]%	[●]%													
[●]	[●]%	[●]%	[●]%	[●]%													
		<p>[Range Accrual Notes: The rate of interest in respect of [an interest period/in respect of [the/each] interest period falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]] is</p>															

determined by reference to the relevant specified rate and the number of observation dates in such interest period for which the Underlying Rate is equal to or greater than the Lower Barrier and equal to or less than the Upper Barrier (“n”), determined as follows:

$$\left[\text{Specified Rate 1} \times \left(\frac{n}{N} \right) \right] + \left[\text{Specified Rate 2} \times \left(\frac{N-n}{N} \right) \right]$$

For the purposes of the above:

“N” means the total number of observation dates in the interest period.

The “**observations dates**” will be each [calendar day/business day/[●]] during the interest period.

“**Lower Barrier**” = [[●]%/the percentage specified for the relevant interest period in the Table below]

“**Specified Rate 1**” = [[●]%/the percentage specified for the relevant interest period in the Table below]

“**Specified Rate 2**” = [[●]%/Zero/the percentage specified for the relevant interest period in the Table below]

“**Underlying Rate**” = [[[●] month [[*currency*] LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / BBSW] / [[●] year [*currency*] OMX Swap Rate] / Swap Rate] [provided that the Underlying Rate for each observation date falling less than [●]business days prior to the end of the relevant interest period shall be deemed to be the same as the Underlying Rate for the immediately preceding observation date]

“**Upper Barrier**” = [[●]%/the percentage specified for the relevant interest period in the Table below]

[TABLE

Interest period ending on or about:	[Lower Barrier	[Upper Barrier	[Specified Rate 1	[Specified Rate 2
-------------------------------------	----------------	----------------	-------------------	-------------------

[●]	[●]%	[●]%	[●]%	[●]%
-----	------	------	------	------

[●]	[●]%	[●]%	[●]%	[●]%
-----	------	------	------	------

(Specify for each interest period)]

[*Binary Floating Rate Notes*: The rate of interest in respect of [an interest period/in respect of [the/each] interest period falling during the period from ((and including/but excluding)) [●] to (([and including/but excluding])) [●]] is determined by reference to the following:

(a) if the Underlying Rate is equal to or greater than the Lower Barrier and

		<p>equal to or less than the Upper Barrier, Binary Rate 1; or</p> <p>(b) otherwise, Binary Rate 2.</p> <p>For the purposes of the above:</p> <p>“Binary Rate 1” = [[●]%/the rate specified for the relevant interest period in the Table below]</p> <p>“Binary Rate 2” = [[●]%/the rate specified for the relevant interest period in the Table below]</p> <p>“Lower Barrier” = [[●]%/the percentage specified for the relevant interest period in the Table below]</p> <p>“Underlying Rate” = [[[●] month [[<i>currency</i>] LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / BBSW] / [[●] year [<i>currency</i>] OMX Swap Rate] / Swap Rate]</p> <p>“Upper Barrier” = [[●]%/the percentage specified for the relevant interest period in the Table below]</p> <p style="text-align: center;">[TABLE</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Interest period ending on or about:</th> <th style="text-align: center;">[Binary Rate 1</th> <th style="text-align: center;">[Binary Rate 2</th> <th style="text-align: center;">[Lower Barrier</th> <th style="text-align: center;">[Upper Barrier</th> </tr> </thead> <tbody> <tr> <td>[●]</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> </tr> <tr> <td>[●]</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> </tr> </tbody> </table> <p style="text-align: center;"><i>(Specify for each interest period)]</i></p>	Interest period ending on or about:	[Binary Rate 1	[Binary Rate 2	[Lower Barrier	[Upper Barrier	[●]	[●]%	[●]%	[●]%	[●]%	[●]	[●]%	[●]%	[●]%	[●]%
Interest period ending on or about:	[Binary Rate 1	[Binary Rate 2	[Lower Barrier	[Upper Barrier													
[●]	[●]%	[●]%	[●]%	[●]%													
[●]	[●]%	[●]%	[●]%	[●]%													
		<p>[<i>Steepener Notes</i>: The rate of interest in respect of [an interest period/in respect of [the/each] interest period falling during the period from ((and including/but excluding)) [●] to ((and including/but excluding)) [●]] is determined by reference to the following formula:</p> <p style="text-align: center;">Max [Floor; Min [Cap; Leverage x (Underlying Rate – Strike Rate)]]</p> <p>For the purposes of the above:</p> <p>“Cap” = [[●]%/Not Applicable/the percentage specified for the relevant interest period in the Table below]</p> <p>“Floor” = [[●]%/Zero/the percentage specified for the relevant interest period in the Table below]</p> <p>“Leverage” = [[●]%/100%/the percentage specified for the relevant interest period in the Table below]</p> <p>“Underlying Rate” = [[[●] month [[<i>currency</i>] LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / BBSW] / [[●]</p>															

		<p>year [<i>currency</i>] OMX Swap Rate] / Swap Rate]</p> <p>“Strike Rate” = [[●]%/in respect of an interest period, the percentage specified for such interest period in the table below]</p> <p style="text-align: center;">[TABLE]</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Interest period ending on or about:</th> <th style="text-align: center;">[Strike Rate]</th> <th style="text-align: center;">[Cap]</th> <th style="text-align: center;">[Floor]</th> <th style="text-align: center;">[Leverage]</th> </tr> </thead> <tbody> <tr> <td>[●]</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> </tr> <tr> <td>[●]</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> </tr> </tbody> </table> <p style="text-align: center;"><i>(Specify for each interest period)]</i></p>	Interest period ending on or about:	[Strike Rate]	[Cap]	[Floor]	[Leverage]	[●]	[●]%	[●]%	[●]%	[●]%	[●]	[●]%	[●]%	[●]%	[●]%
Interest period ending on or about:	[Strike Rate]	[Cap]	[Floor]	[Leverage]													
[●]	[●]%	[●]%	[●]%	[●]%													
[●]	[●]%	[●]%	[●]%	[●]%													
		<p><i>[Reverse Floating Rate Notes: The rate of interest in respect of [an interest period/in respect of [the/each] interest period falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding]) [●]) is determined by reference to the following formula:</i></p> <p style="text-align: center;">Max [Floor; Min [Cap; Fixed Rate – (Leverage x Underlying Rate)]]</p> <p>For the purposes of the above:</p> <p>“Cap” = [[●]%/Not Applicable/the percentage specified for the relevant interest period in the Table below]</p> <p>“Floor” = [[●]%/Zero/the percentage specified for the relevant interest period in the Table below]</p> <p>“Fixed Rate” = [[●]%/the percentage specified for the relevant interest period in the Table below]</p> <p>“Leverage” = [[●]%/100%/the percentage specified for the relevant interest period in the Table below]</p> <p>“Underlying Rate” = [[[●] month [<i>currency</i>] LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / BBSW] / [[●] year [<i>currency</i>] OMX Swap Rate] / Swap Rate]]</p> <p style="text-align: center;">[TABLE]</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Interest period ending on or about:</th> <th style="text-align: center;">[Cap]</th> <th style="text-align: center;">[Floor]</th> <th style="text-align: center;">[Fixed Rate]</th> <th style="text-align: center;">[Leverage]</th> </tr> </thead> <tbody> <tr> <td>[●]</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> </tr> <tr> <td>[●]</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> </tr> </tbody> </table>	Interest period ending on or about:	[Cap]	[Floor]	[Fixed Rate]	[Leverage]	[●]	[●]%	[●]%	[●]%	[●]%	[●]	[●]%	[●]%	[●]%	[●]%
Interest period ending on or about:	[Cap]	[Floor]	[Fixed Rate]	[Leverage]													
[●]	[●]%	[●]%	[●]%	[●]%													
[●]	[●]%	[●]%	[●]%	[●]%													

		<p>(Specify for each interest period)]</p>															
		<p>[Snowball Notes: The rate of interest in respect of [an interest period/in respect of [the/each] interest period falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]] is determined by reference to the following formula:</p> $\text{Max [Floor; Min [Cap; (Rate of Interest}_{t-1} + \text{Snowball Amount}_t) - (\text{Leverage} \times \text{Underlying Rate})]]$ <p>For the purposes of the above:</p> <p>“Cap” = [[●]%/Not Applicable/the percentage specified for the relevant interest period in the Table below]</p> <p>“Floor” = [[●]%/Zero/the percentage specified for the relevant interest period in the Table below]</p> <p>“Leverage” = [[●]%/100%/the percentage specified for the relevant interest period in the Table below]</p> <p>“Underlying Rate” = [[[●] month [[currency] LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / BBSW] / [[●] year [currency] OMX Swap Rate] / Swap Rate]</p> <p>“Snowball Amount_t” = [[●]%/the percentage specified for such interest period in the table below]</p> <p>“Rate of Interest_{t-1}” means, in respect of an interest period (t), the rate of interest for the immediately preceding interest period (t-1) or, if none, [●]</p> <p style="text-align: center;">[TABLE</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Interest period ending on or about:</th> <th style="text-align: center;">[Snowball Amount_t</th> <th style="text-align: center;">[Cap</th> <th style="text-align: center;">[Floor</th> <th style="text-align: center;">[Leverage</th> </tr> </thead> <tbody> <tr> <td>[●]</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> </tr> <tr> <td>[●]</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> <td style="text-align: center;">[●]%</td> </tr> </tbody> </table> <p style="text-align: center;">(Specify for each interest period)]</p>	Interest period ending on or about:	[Snowball Amount _t	[Cap	[Floor	[Leverage	[●]	[●]%	[●]%	[●]%	[●]%	[●]	[●]%	[●]%	[●]%	[●]%
Interest period ending on or about:	[Snowball Amount _t	[Cap	[Floor	[Leverage													
[●]	[●]%	[●]%	[●]%	[●]%													
[●]	[●]%	[●]%	[●]%	[●]%													
		<p>[Inflation-Linked Interest Notes: [Subject as provided in C.15, the/The] Notes bear interest linked to the Reference Item [from their date of issue/from [●]/in respect of [the/each] interest period falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]]. As amounts in respect of interest will be determined by reference to the performance of the Reference Item described in C.20 below, the interest amount in respect of each relevant interest period and each Calculation Amount will be the Reference Item-Linked Interest Amount.</p>															

		<p>The Reference Item-Linked Interest Amount will be the “Inflation-Linked Interest Amount” determined by reference to the Inflation Interest Rate, where the “Inflation Interest Rate” is determined as follows:</p> $\text{Specified Rate} \times \left[\frac{\text{Reference Level}_t}{\text{Reference Level}_{t-\alpha}} \right]$ <p>For the purposes of the above:</p> <p>“Reference Level_t” means the level of the Reference Item for the month falling [●] months prior to the month during which the relevant interest period ends.</p> <p>“Reference Level_{t-α}” means the level of the Reference Item for the month falling [●] months prior to the month during which the relevant interest period ends.</p> <p>“Specified Rate” means [[●]%/the percentage specified for such interest period in the table below:</p> <p style="text-align: center;">TABLE</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Interest period ending on or about:</th> <th style="text-align: left;">Specified Rate</th> </tr> </thead> <tbody> <tr> <td>[●]</td> <td>[●]%</td> </tr> <tr> <td>[●]</td> <td>[●]%</td> </tr> </tbody> </table> <p style="text-align: center;"><i>(Specify for each interest period)]</i></p>	Interest period ending on or about:	Specified Rate	[●]	[●]%	[●]	[●]%
Interest period ending on or about:	Specified Rate							
[●]	[●]%							
[●]	[●]%							
		<p>[The “Swap Rate” is the rate determined by reference to the difference between two swap rates, determined as follows:</p> $\text{Swap Rate 1} - \text{Swap Rate 2}$ <p>For the purposes of the above:</p> <p>“Swap Rate 1” is [●] year <i>[insert relevant Reference Rate]</i>.</p> <p>“Swap Rate 2” is [●] year <i>[insert relevant Reference Rate]</i>.]</p>						
		<p>[Subject as provided in C.15, interest/Interest][, if any,] will be paid [annually/semi-annually/quarterly/monthly] in arrear on [●] [and [●]] in each year[, subject to adjustment for non-business days]. The first interest payment will be made on [●].]</p>						
		<p>[The Notes do not bear any interest.] [The Notes are Zero Coupon Notes and will be offered and sold at a discount to their principal amount.]</p>						
		<p>[Optional redemption:</p> <p>[The Issuer may elect to redeem the Notes prior to their stated maturity ([either] in whole [or in part]). The optional redemption amount payable in such circumstances is [●] per calculation amount and the optional redemption date(s) [is/are] [●][, [●] and [●]].]</p>						

[A Noteholder may elect to redeem any of the Notes held by it on [the/an] optional redemption date[s] by giving [not less than] [●] days' notice. The optional redemption amount payable in such circumstances is [●] per calculation amount and the optional redemption date(s) [is/are] [●], [●] and [●].]

Early redemption

See “Taxation” and “Events of Default” in Element C.8 above for information on early redemption in relation to the Notes.

In addition, if the Issuer determines that performance of its obligations under the Notes or that any arrangements made to hedge its obligations under the Notes has or will become illegal in whole or in part as a result of compliance with any applicable present or future law (an “**illegality**”), the Issuer may redeem the Notes early and, if and to the extent permitted by applicable law, will pay an amount equal to the early redemption amount in respect of each calculation amount.

In the circumstances specified above, the “**early redemption amount**” payable on any such early redemption of the Notes will be [[●] per calculation amount] [an amount determined by the Calculation Agent which represents the fair market value of each calculation amount of the Notes [(which amount shall include amounts in respect of interest)] on a day selected by the Issuer (in the case of an early redemption following an illegality, ignoring the relevant illegality), but adjusted (except in the case of an early redemption following an event of default) to account for losses, expenses and costs to the Issuer and/or its affiliates of unwinding any hedging and funding arrangements in respect of the Notes, provided that, for the purposes of determining the fair market value of each calculation amount of the Notes following an event of default, no account shall be taken of the financial condition of the Issuer which shall be presumed to be able to perform fully its obligations in respect of the Notes].

[Early Redemption following a Credit Event

If conditions to settlement are satisfied, then the Issuer will redeem the Notes early and pay in respect of each unit or principal amount of Notes equal to the Calculation Amount, the Credit-Linked Redemption Amount in the relevant Specified Currency on the Credit Event Redemption Date.

For the purposes thereof, the “**Credit-Linked Redemption Amount**” will be determined as follows:

$$(CA \times FP) - UC$$

Where:

“**CA**” means the Calculation Amount.

“**FP**” means [[●]/specify for each Reference Entity] [the final price [or the auction final price, as applicable, in each case,] determined in respect of specified obligations of the [relevant] Reference Entity].

“**UC**” is [●] [the *pro rata* costs and expenses, taxes and duties incurred in connection with the redemption of the Notes and/or the unwinding of any

hedge or related trading position].]

Redemption at maturity

Unless previously redeemed or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date.

The maturity date is [●].

[*Credit-Linked Notes*: Subject as provided below under “Final Redemption Amount following the occurrence of a Credit Event”, the “Final Redemption Amount” is [par/[●]%.]

[*Reference Item-Linked Redemption Notes*: [Subject as provided below under “Final Redemption Amount following the occurrence of a Credit Event”, t/T]he Final Redemption Amount in respect of each calculation amount (“CA”) is linked to the performance of the Reference Item and shall be the Reference Item-Linked Redemption Amount determined as set out below:

[*Inflation-Linked Redemption Notes*: The Reference Item-Linked Redemption Amount shall be the “**Inflation-Linked Redemption Amount**” determined as follows:

$$\text{RPA} \times \text{Max} \left[\text{Performance Floor}; \left(\text{PR} \times \frac{\text{Reference Level}_f}{\text{Reference Level}_{f-\omega}} \right) \right] \times \text{FX}$$

Where:

“**Reference Level_f**” means the level of the Reference Item for the month falling [●] months prior to [the month during which the Maturity Date falls].

“**Reference Level_{f-ω}**” means the level of the Reference Item for the month falling [●] months prior to [the month during which the Maturity Date falls].

“**Relevant Principal Amount**” (“RPA”) means the CA.

“**FX Conversion**”: [Applicable and “FX” shall be the exchange rate on the specified final FX [averaging/valuation] date[s] DIVIDED BY [[●], being] the [average] [strike price/rate] of such exchange rate [on the initial [averaging/valuation] date[s]], expressed as a percentage/Not Applicable, FX = 1]

“**Performance Floor**” = [[●]/100%]

“**PR**” = [[●]/100%]

Adjustments

The terms and conditions of the Notes contain provisions, as applicable, relating to events affecting the Reference Item, modification or cessation of the Reference Item and provisions relating to subsequent corrections of the level of the Reference Item and details of the consequences of such events. Such provisions may permit the Issuer either to require the calculation agent to determine a substitute level for the Reference Item by reference to the terms of a reference bond or by reference to the most recently published level of the

		Reference Item or to cancel the Notes and to pay an amount equal to the early redemption amounts as specified above.]]
		<p>[<i>Index-Linked Redemption Notes, Equity-Linked Redemption Notes or Currency-Linked Redemption Notes</i>: The Reference Item-Linked Redemption Amount shall be the “Call Redemption Amount” determined by reference to the following formula:</p> $\text{RPA} + \text{Reference Item Amount}$ <p>For the purposes of the above:</p> <p>“Reference Item Amount” means an amount determined by reference to the following formula:</p> $\text{CA} \times \text{Max} [\text{Performance Floor}, (\text{PR} \times \text{Call Performance})] \times \text{FX}$ <p>Where:</p> <p>“Call Performance” means [the Performance of the Reference Item/the sum of the weighted Performances for each of the Reference Items] MINUS 100%</p> <p>“Performance” means, in respect of [the/a] Reference Item and the specified final [averaging/valuation] date[s], the [average] [level/price/rate/value] of such Reference Item on such specified final [averaging/valuation] date[s] DIVIDED BY [[●], being] the [average/lowest] [strike price/level/price/rate/value] of such Reference Item [on the initial [averaging/valuation] date[s]/during the initial valuation period], expressed as a percentage</p> <p>“Relevant Principal Amount” (“RPA”) mean the CA.</p> <p>“FX Conversion”: [Applicable and “FX” shall be the exchange rate on the specified final FX [averaging/valuation] date[s] DIVIDED BY [[●], being] the [average] [strike price/rate] of such exchange rate [on the initial [averaging/valuation] date[s]], expressed as a percentage/Not Applicable, FX = 1]</p> <p>“Performance Floor” = [[●]/Zero]</p> <p>“PR” = [[●]/100%]]</p>
		<p>[<i>Valuation</i></p> <p>[“initial valuation date” = [●](subject to postponement)]</p> <p>[“initial averaging dates” = [●], [●] and [●] (subject to [[modified] postponement / omission])]</p> <p>[“initial valuation period” = from ([but excluding/and including]) [●] to ([and including/but excluding]) [●] (each valuation date during such period subject to [[modified] postponement / omission])]</p>

		<p>[“final valuation date” = [●](subject to postponement)]</p> <p>[“final averaging dates” = [●], [●] and [●] (subject to [[modified] postponement / omission])]</p> <p>[“final valuation period” = from ([but excluding/and including]) [●] to ([and including/but excluding]) [[●]/the specified final valuation date] (each valuation date during such period subject to [[modified] postponement/omission])]</p> <p>[FX Conversion: Applicable</p> <p>[“initial valuation date” = [●](subject to postponement)]</p> <p>[“initial averaging dates” = [●], [●] and [●] (subject to [[modified] postponement / omission])]</p> <p>[“final valuation date” = [●] (subject to postponement)]]</p> <p>[“final averaging dates” = [●], [●] and [●] (subject to [[modified] postponement / omission])]</p>
		<p><i>[Disrupted Days, Market Disruption Events and Adjustments</i></p> <p>The terms and conditions of the Notes contain provisions, as applicable, relating to events affecting the Reference Item(s), modification or cessation of the Reference Item(s) and market disruption provisions and provisions relating to subsequent corrections of the level of the Reference Item(s) and details of the consequences of such events. Such provisions may permit the Issuer either to require the calculation agent to determine what adjustments should be made following the occurrence of the relevant event (which may include deferment of any required valuation or payment or the substitution of a substitute reference item) or to cancel the Notes and to pay an amount equal to the early redemption amount as specified above.]</p>
		<p><i>[Final Redemption Amount following the occurrence of a Credit Event</i></p> <p>Notwithstanding the above provisions, if conditions to settlement are satisfied [in respect of one or more of the specified Reference Entities], then the Final Redemption Amount in respect of each Calculation Amount shall instead be:</p> <p><i>[Notes other than Inflation-Linked Redemption Notes, Index-Linked Redemption Notes, Equity-Linked Redemption Notes or Currency-Linked Redemption Notes: the Credit-Linked Redemption Amount. For the purposes thereof, the “Credit-Linked Redemption Amount” will be determined as follows:]</i></p> <p><i>[Inflation-Linked Redemption Notes, Index-Linked Redemption Notes, Equity-Linked Redemption Notes or Currency-Linked Redemption Notes: determined by the Calculation Agent as specified above except that references to the “CA” in</i></p>

the definition of “Relevant Principal Amount” shall instead be references to the “**Credit-Linked Redemption Amount**” determined as follows:]

$$[(CA \times FP) - UC] \left[\left(CA \times \left[\sum_{i=1}^b W_i \times FP_i \right] \right) - UC \right]$$

Where:

[“**b**” means the number of Reference Entities.]

“**FP**” means [[●]/specify for each Reference Entity] [the final price [or the auction final price, as applicable, in each case,] determined in respect of specified obligations of the [relevant] Reference Entity]. [In the case of any Reference Entity in respect of which conditions to settlement are not satisfied on or prior to the maturity date, “**FP**” will be 100%.]

“**UC**” means [●] [the *pro rata* costs and expenses, taxes and duties incurred in connection with the redemption of the Notes and/or the unwinding of any hedge or related trading position].

[“**W_i**” means the reference entity notional amount of the relevant Reference Entity expressed as a percentage of the sum of the reference entity notional amounts in respect of all Reference Entities.]

<p>[C.19] <i>(Applicable for Annex XII)</i></p>	<p>Exercise price/final reference price</p>	<p>See Element C.18 above.]</p>		
<p>[C.20] <i>(Applicable for Annex XII)</i></p>	<p>Underlying</p>	<p>[The Reference [Entity is/Entities are] <i>[insert details of each Reference Entity, including, where relevant the Reference Entity Notional Amount].</i>]</p> <p>[[The/Each] Reference Item specified under the heading “Description of Reference Item[s]” in the Table below, being the type of Reference Item specified under the heading “Classification” in the Table below.</p>		
<p>Description of Reference Item[s]</p>		<p>Classification</p>	<p>Electronic Page</p>	<p>[Weight</p>
<p>[●]</p>		<p>[[Inflation Index [Equity Security [(which is an ETF Share)]] [Currency exchange rate]</p>	<p>[●]</p>	<p>[●]]</p>
<p style="text-align: center;"><i>(specify for each Reference Item)</i></p> <p>[Information relating to the Reference [Entit[y/ies]/Item[s]] [is available from internationally recognised published or electronically displayed sources such as Bloomberg and any web-site of [the/each] Reference Entity/can be obtained from the electronic page specified under the heading “Electronic Page” for such Reference Item[s] in the Table above and from [[●]/other internationally recognised published or electronically displayed sources].]</p>				

<p>[C.21] (Applicable for Annex XIII)</p>	<p>Market where Notes will be traded and for which the Base Prospectus has been published</p>	<p>[Application has been made to the [Irish Stock Exchange for the Notes to be admitted to trading on the Irish Stock Exchange]/[the NASDAQ OMX Copenhagen A/S]/[the NASDAQ OMX Stockholm AB]/[the NASDAQ OMX Helsinki Oy]/[the NGM Stock Exchange.] / [Not Applicable. The Notes are not admitted to trading on any exchange.]]</p>
--	--	--

Section D – Risks

Element	Title	
<p>D.2</p>	<p>Key risks specific to the Issuer</p>	<p>In purchasing Notes, investors assume the risk that the Issuer may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer's control. The Issuer has identified in this Base Prospectus a number of factors which could materially adversely affect its business and ability to make payments due under the Notes. These factors include:</p> <ul style="list-style-type: none"> • the Group is exposed to a number of risks, the categories of which are credit risk, market risk, liquidity risk, operational risk, insurance risk and pension risk; • regulatory changes could materially affect the Issuer's business; • the Issuer will face increased capital and liquidity requirements as a result of the new Basel III framework; • the Group may have to pay additional amounts under deposit guarantee schemes or resolution funds; • the Group may be affected by general economic and geopolitical conditions; and • the impact of European implementation of the Basel III framework.
<p>D.[3/6] (D.3 applicable for Annexes V and XIII) (D.6 applicable for Annex XII)</p>	<p>Key information on key risks specific to the Notes</p>	<p><i>The Issuer believes that the factors summarised below represent the principal risks inherent in investing in the Notes, but the Issuer may be unable to pay amounts on or in connection with any Notes for other reasons which may not be considered significant risks by the Issuer based on information currently available to it and which it may not currently be able to anticipate.</i></p>
		<p>[Notes may involve a high degree of risk. There are certain factors which are material for the purpose of assessing the market risks associated with investing in the Notes, which include, without limitation, the following: the market value of the Notes will be affected by a number of factors independent of the creditworthiness of the Issuer, credit ratings assigned to the Issuer may not reflect all the risks associated with an investment in the</p>

Notes, the Notes may not be a suitable investment for all investors, [because the global Notes are held by or on behalf of Euroclear Bank SA/NV and Clearstream Banking, Luxembourg, investors will have to rely on the clearing system procedures for transfer, payment and communication with the Issuer/because the VP Systems Notes are dematerialised securities, investors will have to rely on the clearing system procedures for transfer, payment and communication with the Issuer,] [investors who purchase Notes in denominations that are not an integral multiple of the Specified Denomination may be adversely affected if definitive Notes are subsequently required to be issued,] the recognition as eligible collateral for the Eurosystem and intra-day credit operations by the Eurosystem of New Global Notes is dependent upon satisfaction of the Eurosystem eligibility criteria at the relevant time, [there is no taxation gross-up in respect of the Notes,] taxes and expenses may be payable by holders in connection with the Notes, there may be withholding under the EU Savings Directive, U.S. Foreign Account Tax Compliance Act withholding may affect payments on the Notes, the Terms and Conditions of the Notes contain provisions which may permit their modification without the consent of all investors, the value of the Notes could be adversely affected by a change in applicable laws or administrative practice, the Issuer has issued covered bonds and if any relevant claims in respect of these covered bonds are not met out of the pool of assets or the proceeds arising from it, any remaining claims will subsequently rank pari passu with the Issuer's obligations under the Notes.

In addition, there are certain factors which are material for the purpose of assessing the risks relating to the structure of the Notes, which include, without limitation, the following: [as the Issuer has the right to redeem the Notes at its option, this may limit the market value of the Notes and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return] [and] [if the Issuer's obligations under the Notes become illegal, the Issuer may redeem the Notes] [and] [the value of Fixed Rate Notes may be affected by movements in market interest rates] [and] [investors in Floating Rate Notes which have a cap feature will not benefit from increases in reference rates which would apply to Floating Rate Notes with no cap] [and] [Floating Rate Notes may be volatile investments] [and] [where a Rate of Interest is determined in conjunction with a multiplier or other leverage factor, the effect of changes will be enhanced] [and] [Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates]

[There are certain additional risks associated with Notes linked to [an index/indices/an equity security/equity securities/a currency exchange rate/currency exchange rates]: prospective investors in the Notes should understand the risks of transactions involving the Notes and should reach an investment decision only after careful consideration, with their advisers, of the suitability of the Notes in light of their particular financial circumstances, the information set forth in the Base Prospectus and the information regarding the Notes and the Reference Item[s] to which [the value of, or payments in respect of,] the Notes relate. Fluctuations in the value and/or volatility of [the Reference Item[s]/obligations issued or guaranteed by the Reference Entity] may affect the value of the Notes. Investors may risk losing their entire investment. Investors will have no claim against any Reference Item. Hedging arrangements of the Issuer may affect the value of

		<p>the Notes and there may be conflicts of interest in respect of the Notes. [Market disruptions or other adjustment events may occur in respect of the Reference Item[s] which may result in valuations and/or payments being delayed, the Notes may be subject to adjustment (including, without limitation, that the relevant Reference Item may be substituted) or the Notes may be redeemed early.]</p> <p>The Notes will represent an investment linked to [the performance of] the Reference Item[s] and prospective investors should note that the return (if any) on their investment in the Notes will depend upon [the performance of] the Reference Item[s].]</p> <p>[There are certain additional risks associated with Credit-Linked Notes: prospective investors in the Notes should understand the risks of transactions involving the Notes and should reach an investment decision only after careful consideration, with their advisers, of the suitability of the Notes in light of their particular financial circumstances, the information set forth in the Base Prospectus and the information regarding the Notes and the Reference Entity[ies] to which the value of and payments in respect of the Notes relate. Fluctuations in the value and/or volatility of obligations issued or guaranteed by a Reference Entity may affect the value of the Notes and the occurrence of a Credit Event in respect of a Reference Entity will reduce the amount of interest and principal payable and may alter the timing of redemption. Investors may risk losing their entire investment. Investors will have no claim against any Reference Entity. Hedging arrangements of the Issuer may affect the value of the Notes and there may be conflicts of interest in respect of the Notes. The terms of the Notes may change by reference to market convention and as a result of determinations made by a relevant Credit Derivatives Determination Committee. A Reference Entity may be replaced due to events beyond the control of the Issuer. The risk associated with the Notes may increase as a result of changes to the Notes after the issue date.]</p>
[D.6] <i>(Applicable for Annex XII)</i>	Risk Warning	THE AMOUNT PAID ON REDEMPTION OF THE NOTES MAY BE LESS THAN THE PRINCIPAL AMOUNT OF THE NOTES, TOGETHER WITH ANY ACCRUED INTEREST, AND MAY IN CERTAIN CIRCUMSTANCES BE ZERO. INVESTORS MAY LOSE THE VALUE OF THEIR ENTIRE INVESTMENT, OR PART OF IT, AS THE CASE MAY BE.]

Section E – Offer

Element	Title	
E.2b <i>(Applicable for Annexes V and XII)</i>	Reasons for offer and use of proceeds when different from making profit and/or hedging certain risks	The net proceeds from each issue of Notes will be applied by the Issuer to meet part of its general financing requirements.
E.3 <i>(Applicable</i>	Terms and conditions of	[Not Applicable - The offer relating to the Notes is an Exempt Offer.]

<p><i>for Annexes V and XII)</i></p>	<p>the offer</p>	<p>[This issue of Notes is being offered in a Non-Exempt Offer in [Denmark/Finland/Ireland/Luxembourg/Sweden].</p> <p>The issue price of the Notes is [●] per cent. of their principal amount.</p> <p><i>[Summarise other details of any non-exempt offer, copying the language from items 12(iv) and 13 of Part B of the Final Terms.]</i></p> <p>An Investor intending to acquire or acquiring any Notes in a Non-exempt Offer from an Authorised Offeror will do so, and offers and sales of such Notes to an Investor by such Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price, allocations and settlement arrangements.]</p>
<p>E.4 <i>(Applicable for Annexes V, XII and XIII)</i></p>	<p>Interests material to the issue/offer, including conflicting interests</p>	<p>[Not Applicable – So far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.]</p> <p>[The [Authorised Offeror[s]] will be paid aggregate commissions equal to [●] per cent. of the principal amount of the Notes. So far as the Issuer is aware, no other person involved in the issue of the Notes has an interest material to the offer.]</p>
<p>E.7</p>	<p>Expenses charged to the investor</p>	<p>[The Issuer will charge investors [[●] per cent./in the range between [●] per cent. and [●] per cent.] of the principal amount of the Notes to be purchased by the relevant investor] [No expenses are being charged to an investor by the Issuer [or any Authorised Offeror (as defined above)].] [However, expenses may be charged by an Authorised Offeror [in the range between [●] per cent. and [●] per cent.] of the principal amount of the Notes to be purchased by the relevant investor.]</p>

SECTION B - RISK FACTORS AND DESCRIPTIONS OF THE NOTES

SECTION B.1 - RISK FACTORS

Prospective investors should read the entire Base Prospectus and reach their own views prior to making any investment decision.

The Issuer believes that the following factors may affect its ability to fulfil its obligations under any Notes. Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below. All of these factors are contingencies that may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with any Notes for other reasons which may not be considered significant risks by the Issuer based on information currently available to it and which it may not currently be able to anticipate.

The following is a general discussion of certain risks typically associated with the Issuer and the acquisition and ownership of Notes. In particular, it does not consider an investor's specific knowledge and/or understanding about risks typically associated with the Issuer and the acquisition and ownership of Notes, whether obtained through experience, training or otherwise, or the lack of such specific knowledge and/or understanding, or circumstances that may apply to a particular investor.

THE PURCHASE OF NOTES MAY INVOLVE SUBSTANTIAL RISKS AND MAY BE SUITABLE ONLY FOR INVESTORS WHO HAVE THE KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS NECESSARY TO ENABLE THEM TO EVALUATE THE RISKS AND THE MERITS OF AN INVESTMENT IN THE NOTES. PRIOR TO MAKING AN INVESTMENT DECISION, PROSPECTIVE INVESTORS SHOULD CONSIDER CAREFULLY, IN LIGHT OF THEIR OWN FINANCIAL CIRCUMSTANCES AND INVESTMENT OBJECTIVES, (I) ALL THE INFORMATION SET FORTH IN THIS BASE PROSPECTUS AND, IN PARTICULAR, THE CONSIDERATIONS SET FORTH BELOW AND (II) ALL THE INFORMATION SET FORTH IN THE RELEVANT ISSUE TERMS. PROSPECTIVE INVESTORS SHOULD MAKE SUCH ENQUIRIES AS THEY DEEM NECESSARY WITHOUT RELYING ON THE ISSUER OR ANY DEALER.

AN INVESTMENT IN NOTES MAY ENTAIL SIGNIFICANT RISKS NOT ASSOCIATED WITH INVESTMENTS IN A CONVENTIONAL DEBT SECURITY, INCLUDING BUT NOT LIMITED TO THE RISKS SET OUT BELOW. THE AMOUNT PAID ON REDEMPTION OF THE NOTES MAY BE LESS THAN THE PRINCIPAL AMOUNT OF THE NOTES, TOGETHER WITH ANY ACCRUED INTEREST, AND MAY IN CERTAIN CIRCUMSTANCES BE ZERO.

CERTAIN ISSUES OF NOTES INVOLVE A HIGH DEGREE OF RISK AND POTENTIAL INVESTORS SHOULD BE PREPARED TO SUSTAIN A LOSS OF ALL OR PART OF THEIR INVESTMENT.

Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this section, unless otherwise stated.

Factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme

The Group is exposed to a number of risks, the categories of which are credit risk, market risk, liquidity risk, operational risk, insurance risk and pension risk

The Group is exposed to a number of risks, which it manages at different organisational levels. The categories of risk are as follows:

- **Credit risk:** Credit risk is the risk of losses arising because counterparties or debtors fail to meet all or part of their payment obligations. Credit risk includes the risk of losses if a sovereign state encounter financial difficulties, or losses because of political decisions on nationalisation and expropriation, for example.
- **Market risk:** The risk of loss because the fair value of the Group's assets, liabilities and off balance sheet items varies with changes in market conditions.
- **Liquidity risk:** The risk of loss because the Group's funding costs increase disproportionately, lack of funding prevents the Group from establishing new business, or lack of funding ultimately prevents the Group from meeting its obligations.
- **Operational risk:** The risk of loss resulting from inappropriate or inadequate internal processes, human or system errors, or external events. It includes legal risk.
- **Insurance risk:** All types of risk in the Danica group (which consists of the Issuer's subsidiary, Forsikringselskabet Danica, Skadeforsikringsaktieselskab af 1999, which is the parent company of Danica Pension Livsforsikringsaktieselskab and its respective subsidiaries), including market risk, life insurance risk and operational risk.
- **Pension risk:** The risk of a pension shortfall in the Group's defined benefit plans that requires it to make additional contributions to cover pension obligations to current and former employees.

Regulatory changes could materially affect the Issuer's business

The Issuer is subject to financial services laws, regulations, administrative actions and policies in Denmark and in each other jurisdiction in which the Issuer carries on business. Changes in supervision and regulation, in particular in Denmark, could materially affect the Issuer's business, the products and services offered or the value of its assets. Although the Issuer works closely with its regulators and continually monitors the situation, future changes in regulation, fiscal or other policies can be unpredictable and are beyond the control of the Issuer.

The Issuer will face increased capital and liquidity requirements as a result of the new Basel III Framework

On 20 July 2011, the European Commission adopted its proposal for a review of the CRD ("**CRD IV**"), including implementation of the Basel Committee on Banking Supervision's proposals imposing, among other things, stricter capital and liquidity requirements upon banks ("**Basel III**") in the EU. CRD IV is not yet available in its complete form. Protracted political negotiations have led to a deviation from the original plan of implementing the rules in early 2013. After formal adoption of CRD IV, the European Banking Authority ("**EBA**") will propose detailed rules for many areas including, inter alia, liquidity requirements and certain aspects of capital requirements. The assessment of their effects is therefore a preliminary analysis based on the Issuer's interpretation of the latest drafts and political discussions on CRD IV.

Regardless of the lack of certainty of the final rules, it must be expected that the Issuer will face increased capital and liquidity requirements in the future, however the exact amounts have not yet been finally determined.

See “European implementation of the Basel III Framework” in “Description of the Group” below for a more complete description of Basel III.

The Group may have to pay additional amounts under deposit guarantee schemes or resolution funds

In Denmark and other jurisdictions, deposit guarantee schemes and similar funds (“**Deposit Guarantee Schemes**”) have been implemented from which compensation for deposits may become payable to customers of financial services firms in the event a financial services firm is unable to pay, or unlikely to pay, claims against it. In most jurisdictions in which the Group operates, these Deposit Guarantee Schemes are funded, directly or indirectly, by financial services firms which operate and/or are licensed in the relevant jurisdiction. Recently revised legislation regarding the Danish Deposit Guarantee Scheme (Bank Package IV (as defined below) and the Deposit Guarantee Scheme Directive) redefines the Danish scheme as a premium based scheme such that the participating banks’ payments to the scheme will be more constant every year in profit and loss terms. The premium payments will stop when the new target level of funds has been reached. The future target level of funds to be accumulated in Deposit Guarantee Schemes or resolution funds across different EU countries is still under consideration in the political negotiations regarding the Deposit Guarantee Scheme Directive, CMD and in discussions on a European Banking Union. The final agreement is anticipated during 2013 or 2014 to be followed by transposition into national legislation.

The Group may be affected by general economic and geopolitical conditions

The financial services industry generally prospers in conditions of economic growth, stable geopolitical conditions, capital markets that are transparent, liquid and buoyant, and positive investor sentiment. Each of the Group’s operating segments is affected by general economic and geopolitical conditions, which can cause the Group’s results of operations and financial position to fluctuate from year to year as well as on a long-term basis.

The general economic environment for the financial sector in Europe was difficult in 2012. The economic headwinds continued with increased uncertainty surrounding the euro and the ability of some European nations to repay their debts. Policy measures and intervention from the ECB and other central banks gradually eased the situation, however. Although many issues remain to be resolved, there is growing confidence that the economic situation in Europe will eventually normalise. Low growth and interest rate levels are still to be expected for some time to come, also in our home markets.

European implementation of the Basel III Framework and impact on Notes

The changes approved by the Basel Committee under Basel III may have an impact on the capital requirements in respect of the Notes and/or on incentives to hold the Notes for investors that are subject to requirements that follow the revised framework and, as a result, they may affect the liquidity and/or value of the Notes.

In general, investors should consult their own advisers as to the regulatory capital requirements in respect of the Notes and as to the consequences to and effect on them of any changes to the Basel II framework (including the Basel III changes described above) and the relevant implementing measures. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

Risks related to the market generally

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell its Notes

Certain stock exchanges and quotation systems may impose market making obligations on the Issuer and/or the relevant Dealer in respect of the listing and/or admission to trading of an issue of Notes. Details of any such market making obligations will be set out in the relevant Issue Terms.

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes. See also “The Group may be affected by general economic and geopolitical conditions” above.

If an investor holds Notes which are not denominated in the investor’s home currency, it will be exposed to movements in exchange rates adversely affecting the value of its holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes

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

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal as measured in the Investor’s Currency.

The market value of Notes will be affected by a number of factors independent of the creditworthiness of the Issuer

The market value of an issue of Notes will be affected by a number of factors independent of the creditworthiness of the Issuer, including, but not limited to:

- (i) market interest and yield rates;
- (ii) fluctuations in exchange rates;
- (iii) liquidity of the Notes in the secondary market;
- (iv) the time remaining to any redemption date or the maturity date;
- (v) economic, financial and political events in one or more jurisdictions, including factors affecting capital markets generally.

Credit ratings assigned to the Issuer may not reflect all the risks associated with an investment in the Notes

One or more independent credit rating agencies may assign credit ratings to the Issuer. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of Notes issued by the Issuer or the standing of the Issuer. Any rating agency may lower its rating or withdraw its rating if, in the sole judgement of the rating agency, the credit quality of the Issuer has declined or is in question. If any rating assigned to the Issuer is lowered, withdrawn or not maintained, the market value of the Notes may be reduced. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspected or withdrawn by the rating agency at any time.

Risks related to Notes generally

The Notes may not be a suitable investment for all investors

Each potential investor of Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement to this Base Prospectus;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the currency in which such potential investor's financial activities are principally denominated;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to the investor's overall portfolio. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the assistance of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on the clearing system procedures for transfer, payment and communication with the Issuer.

Bearer Notes may be represented by one or more Global Notes. Such Global Notes will be deposited with a common depositary or, in the case of New Global Notes, a common safe-keeper, for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Note, investors will not be entitled to receive Definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes,

investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

While the Notes are in global form, the Issuer will discharge its payment obligations under the Notes by making payments (i) to a common depositary (for Bearer Notes which are not in New Global Note form) or (ii) to a common safe-keeper (for Bearer Notes which are in New Global Note form). A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and/or Clearstream, Luxembourg to receive payments under the relevant Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in such a Global Note.

Because the VP Systems Notes are dematerialised securities, investors will have to rely on the clearing system procedures for transfer, payment and communication with the Issuer.

VP Systems Notes issued under the Programme will not be evidenced by any physical note or document of title other than statements of account made by the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be. Ownership of VP Systems Notes will be recorded and transfer effected only through the book entry system and register maintained by the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be.

Investors who purchase Notes in denominations that are not an integral multiple of the Specified Denomination may be adversely affected if definitive Notes are subsequently required to be issued

In relation to any issue of Bearer Notes which have denominations consisting of a minimum Specified Denomination plus an integral multiple of another smaller amount in excess thereof, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a Holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in its account with the relevant clearing system at the relevant time may not receive a Definitive Note in respect of such holding (should Definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

If such Notes in definitive form are issued, Holders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

The recognition as eligible collateral for the Eurosystem and intra-day credit operations by the Eurosystem of New Global Notes is dependent upon satisfaction of the Eurosystem eligibility criteria at the relevant time

Although the New Global Note form has been introduced to allow for the possibility of Bearer Notes being issued and held in a manner which will permit them to be recognised as eligible collateral for monetary policy of the central banking system for the Eurosystem and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life, in any particular case such recognition will depend upon satisfaction of the Eurosystem eligibility criteria at the relevant time.

There is no taxation gross-up on certain issues of Notes

If General Condition 8.3 (*No gross-up*) is specified as applicable in the relevant Issue Terms, the Issuer shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment, or enforcement of any Note and all payments made by the Issuer shall be made subject to any tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

Taxes and expenses may be payable by holders in connection with the Notes

Potential purchasers and sellers of Notes should be aware that they may be required to pay stamp taxes or other documentary charges in accordance with the laws and practices of the country where the Notes are transferred.

Potential purchasers who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, potential purchasers should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

There may be withholding under the EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland). In April 2013, the Luxembourg Government announced its intention to abolish the withholding system with effect from 1 January 2015 in favour of information exchange under the Directive.

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

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any Paying Agent (as defined herein) nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The Issuer is required to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to the Directive.

U.S. Foreign Account Tax Compliance Act withholding may affect payments on the Notes

The U.S. "Foreign Account Tax Compliance Act" (or "**FATCA**") imposes a new reporting regime and, potentially, a 30% withholding tax with respect to (i) certain payments from sources within the United States, (ii) "foreign pass thru payments" made to certain non-U.S. financial institutions that do not comply with this new reporting regime, and (iii) payments to certain investors that do not provide identification information with respect to interests issued by a participating non-U.S. financial institution. Whilst the Notes are in global form and held within the clearing systems, in all but the most remote circumstances, it is not expected that FATCA will affect the amount of any payment received by the clearing systems. However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA) and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. The Issuer's obligations under the Notes are discharged once it has paid the common depository or common safekeeper for the clearing systems and the

Issuer has therefore no responsibility for any amount thereafter transmitted through the clearing systems and custodians or intermediaries. Prospective investors should refer to the section “Taxation – Foreign Account Tax Compliance Act.”

The proposed financial transactions tax may apply in respect of certain dealings in Notes

On 14 February 2013, the European Commission issued proposals, including a draft Directive, for a financial transactions tax (“FTT”) to be adopted in certain participating EU member states (including Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia). If these proposals are adopted in their current form, the FTT would be a tax primarily on “financial institutions” (which would include the Issuer) in relation to “financial transactions” (which would include the conclusion or modification of derivative contracts and the purchase and sale of financial instruments).

Under the current proposals, the FTT would apply to persons both within and outside of the participating member states. Generally, it would apply where at least one party is a financial institution, and at least one party is established in a participating member state. A financial institution may be, or be deemed to be, “established” in a participating member state in a broad range of circumstances, including (a) by transacting with a person established in a participating member state or (b) where the financial instrument which is subject to the financial transaction is issued in a participating member state.

At this stage, it is too early to say whether the FTT proposals will be adopted and in what form. However, if the FTT is adopted based on the current proposals, then it may operate in a manner giving rise to tax liabilities for the Issuer with respect to certain transactions (for example, with reference to its hedging arrangements, or if physical settlement is applicable to certain types of Notes). The Issuer is, in certain circumstances, able to pass on any such liabilities to holders of the relevant Notes and therefore this may result in investors receiving less than expected in respect of such Notes. It should also be noted that the FTT could be payable in relation to relevant transactions by investors in respect of the Notes (including secondary market transactions) if conditions for a charge to arise are satisfied. Primary market transactions referred to in Article 5(c) of Regulation EC No 1287/2006 are exempt. There is however some uncertainty in relation to the intended scope of this exemption for certain money market instruments and structured issues.

The FTT proposal remains subject to negotiation between the participating member states described above and is the subject of legal challenge. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU member states may decide to participate. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

The Terms and Conditions of the Notes contain provisions which may permit their modification without the consent of all investors

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

The value of the Notes could be adversely affected by a change in applicable laws or administrative practice

The Terms and Conditions of the Notes are governed by the laws of England, except for certain provisions set out in General Condition 18 (*Governing Law and Jurisdiction*), which will be governed by the laws of Denmark, Norway, Finland or Sweden, as the case may be. No assurance can be given as to the impact of any possible judicial decision or change to the laws of England, Denmark, Norway or Sweden or administrative practice after the date of this Base Prospectus and any such change could materially adversely impact the value any Notes affected by it.

The Issuer has issued covered bonds. If any relevant claims in respect of these covered bonds are not met out of the pool of assets or the proceeds arising from it, any remaining claims will subsequently rank pari passu with the Issuer's obligations under the Notes

The Issuer has issued covered bonds in accordance with the Danish Financial Business Act.

In accordance with the UCITS Directive and the Capital Requirement Directive, the covered bonds have the benefit of priority over a matched pool of assets upon bankruptcy of the Issuer. To the extent that claims in relation to the covered bonds and related derivative contracts, any refinancing bonds issued by the administrator, any short-term loans taken out by the administrator and any senior debt (if any) issued with the benefit of the assets in the cover pool are not met out of the pool of assets or the proceeds arising from it, the residual claims will rank pari passu with the unsecured and unsubordinated obligations of the Issuer, including obligations in relation to Notes issued under the Programme

Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features. Investors should also note the descriptions of various types of Notes set out under Section B.2 (- *Description of the Notes*) below.

If the Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return

An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of such Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

If the Issuer's obligations under the Notes become illegal, the Issuer may redeem the Notes early

In the event that the Calculation Agent determines in good faith that the performance of the Issuer's obligations under a Series of Notes or that any arrangements made to hedge the Issuer's obligations under such Notes has or will become unlawful, illegal or otherwise prohibited in whole or in part, the Issuer may, having given notice to the Holders, redeem all, but not some only, of the Notes of such Series and, to the extent permitted by applicable law, will pay to each Noteholder in respect of each Calculation Amount held by such holder, an amount equal to the fair market value of such Calculation Amount (which, if so specified in the relevant Issue Terms, shall include amounts in respect of interest) on a day selected by the Issuer) ignoring the relevant unlawfulness, illegality or prohibition, adjusted to account fully for any losses, expenses and costs to the Issuer (or any of its affiliates) of unwinding any underlying and/or related hedging and funding arrangements, all as determined by the Calculation Agent, or, in respect of Exempt Notes, such other amount determined as specified in the relevant Pricing Supplement. Investors should note that any such amount may be zero.

The value of Fixed Rate Notes may be affected by movements in market interest rates

Investment in Fixed Rate Notes involves the risk that if market interest rates subsequently increase above the rate paid on the Fixed Rate Notes, this will adversely affect the value of the Fixed Rate Notes.

Investors in Floating Rate Notes which have a cap feature will not benefit from increases in reference rates which would apply to Floating Rate Notes with no cap

Floating Rate Notes have an interest rate equal to the sum of a reference rate such as LIBOR and the specified margin (if any) subject to a maximum specified rate. The maximum amount of interest payable in respect of these Notes will occur when the sum of the reference rate and the specified margin (if any) equals the maximum specified rate. Investors in Capped Floating Rate Notes will therefore not benefit from any increase in the relevant reference rate which, when the specified margin is added to such reference rate, would otherwise cause such interest rate to be exceeded the maximum specified rate. The market value of these Notes would therefore typically fall the closer the sum of the relevant reference rate and the margin is to the maximum specified rate.

Floating Rate Notes may be volatile investments

The amount of interest payable in respect of Notes having a variable rate of interest will vary depending on movements in the relevant interest rates and can be volatile investments. Interest rates are influenced by macro economic, political or financial factors, speculation and central bank and government intervention in one or more jurisdictions. In recent years, interest rates have been relatively low and stable, but this may not continue and interest rates may rise and/or become volatile. Fluctuations that have occurred in any interest rate in the past are not necessarily indicative, however, of fluctuations that may occur in such interest rate during the term of any Note. Fluctuations in interest rates will affect the value of Floating Rate Notes.

Where a Rate of Interest is determined in conjunction with a multiplier or other leverage factor, the effect of changes will be enhanced

If the amount of interest payable in respect of Floating Rate Notes is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the interest rates on interest payable will be magnified. If the amount of interest payable is determined in conjunction with a multiplier less than one, the effect of changes in the interest rates on interest payable will be minimised.

Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates

The market values of securities issued at a substantial discount (such as Zero Coupon Notes) or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for more conventional interest-bearing securities. Generally, the longer the remaining term of such securities, the greater the price volatility as compared to more conventional interest-bearing securities with comparable maturities.

General risks relating to Notes linked to Reference Item(s)

The relevant Issue Terms will (if applicable) contain information relating to any reference entity (each a “**Reference Entity**”), inflation index, index, equity security, exchange rate or other item(s) (each a “**Reference Item**”) to which the relevant Notes relate and which are specified in such Issue Terms. Notes linked to the credit of one or more Reference Entities are “**Credit-Linked Notes**”, Notes linked to an inflation index are “**Inflation-Linked Notes**”, Notes linked to one or indices are “**Index-Linked Notes**”, Notes linked to one or more equity securities are “**Equity-Linked Notes**”, Notes linked to one or more exchange rates are “**Currency-Linked Notes**” and, together with Credit-linked Notes, Inflation-Linked Notes, Index-Linked Notes and Equity-Linked Notes, are “**Reference Item-Linked Notes**”.

The Notes involve a high degree of risk and may entail significant risks not associated with investments in a conventional debt security.

Prospective investors in Notes should understand the risks of transactions involving Notes and should reach an investment decision only after careful consideration, with their advisers, of the suitability of such Notes in light of their particular financial circumstances, the information set forth herein and the information regarding the relevant Notes and the particular Reference Item(s) to which the value or credit of, or payments in respect of, the relevant Notes may relate, as specified in the relevant Issue Terms.

As the amount of interest payable in respect of Credit-Linked Notes and the likelihood of Credit-Linked Notes being redeemed early may be affected by the credit of the relevant Reference Entity, investors must generally be correct about changes in the credit of the relevant Reference Entity or Reference Entities.

As the principal payable at maturity in respect of Reference Item-Linked Notes other than Credit-Linked Notes will be linked to the performance of one or more Reference Item(s), investors must generally be correct about the direction, timing and magnitude of any anticipated change in the value of the relevant Reference Item(s).

The relevant Notes will represent an investment linked to the Reference Item(s) specified in the relevant Issue Terms and prospective investors should note that the return (if any) on their investment in Notes will depend upon the performance of, or events related to, such Reference Item(s) and, in the case of Credit-Linked Notes, the value of certain obligations issued by or guaranteed by such Reference Item(s). Potential investors should also note that whilst the market value of such Notes is linked to such Reference Item(s) and will be influenced (positively or negatively) by such Reference Item(s), any change may not be comparable and may be disproportionate. It is impossible to predict how the credit or level of a Reference Item will vary over time. Notes represent the right to receive payment of the relevant cash amount on any early redemption date or the relevant Maturity Date, as well as periodic payments of interest (if specified in the relevant Issue Terms), some or all of which may be determined by reference to the performance of the relevant Reference Item(s) or, in the case of Credit-Linked Notes, the value of certain obligations issued by or guaranteed by such Reference Item(s). The relevant Issue Terms will set out certain details in relation to any cash amount payable on any early redemption date or the Maturity Date and of any periodic interest payments.

PROSPECTIVE INVESTORS MUST REVIEW THE RELEVANT ISSUE TERMS TO ASCERTAIN WHAT THE RELEVANT REFERENCE ITEM(S) ARE AND TO SEE HOW ANY CASH AMOUNTS AND ANY PERIODIC INTEREST PAYMENTS ARE DETERMINED AND WHEN ANY SUCH AMOUNTS ARE PAYABLE BEFORE MAKING ANY DECISION TO PURCHASE ANY NOTES.

Fluctuations in the value and/or volatility and/or liquidity of the relevant Reference Item(s) or, in the case of Credit-Linked Notes, the value of obligations issued by or guaranteed by such Reference Item(s) may affect the value of the relevant Notes. Investors in Notes may risk losing their entire investment

There is no return on Notes other than the potential payment of the relevant cash amount on the Maturity Date and payment of any periodic interest payments.

Other factors which may influence the market value of Notes include interest rates, potential dividend or other types of distribution payments (as applicable) in respect of the relevant Reference Item(s), changes in the method of calculating the level of the relevant Reference Item(s) from time to time and market expectations regarding the future performance of the relevant Reference Item(s) (or the issuer of such Reference Item(s)), their composition and the Notes. In addition, the market value of the Notes will be affected by economic, financial and political events in one or more jurisdictions, including factors affecting any stock exchange on which any Reference Item (or component of such Reference Item) may be traded.

The price at which a Noteholder will be able to sell any Notes prior to maturity may be at a discount, which could be substantial, to the market value of such Notes on the issue date. The market value of Inflation-Linked Notes, Index-Linked Notes, Equity-Linked Notes or Currency-Linked Notes prior to maturity will depend on whether the market price, level or value of the Reference Item(s) is below, equal to

or above the market price, level or value of the relevant Reference Item(s) on the issue date. The historical market price of any inflation index, index or equity security should not be taken as an indication of such Reference Item's future performance during the term of any Note.

The Issuer may issue several issues of Notes relating to particular Reference Item(s). However, no assurance can be given that the Issuer will issue any Notes other than the Notes to which the relevant Issue Terms relate. At any given time, the number of Notes outstanding may be substantial. Notes provide opportunities for investment and pose risks to investors as a result of fluctuations in the value of the Reference Item(s) to which such Notes relate.

Investors will have no Claim against any Reference Item

A Note will not represent a claim against any Reference Item or the issuer or sponsor of any Reference Item and, in the event that the amount paid on redemption of the Notes is less than the principal amount of the Notes, a Noteholder will not have recourse under a Note to any Reference Item the obligations of any Reference Item or such issuer or sponsor.

Hedging arrangements of the Issuer may affect the value of the Notes

In the ordinary course of its business, including without limitation in connection with its market making activities, the Issuer and/or any of its affiliates may effect transactions for its own account or for the account of its customers and hold long or short positions in the Reference Item(s), obligations issued by the Reference Item(s) or related derivatives. In addition, in connection with the offering of the Notes, the Issuer and/or any of its affiliates may enter into one or more hedging transactions with respect to the Reference Item(s), obligations issued by the Reference Item(s) or related derivatives. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by the Issuer and/or any of its affiliates, the Issuer and/or any of its affiliates may enter into transactions in the Reference Item(s), obligations issued by the Reference Item(s) or related derivatives which may affect the market price, liquidity or value of the Notes and which could be adverse to the interests of the relevant Noteholders.

There may be conflicts of interest in respect of the Notes

Where the Issuer acts as Calculation Agent or the Calculation Agent is an affiliate of the Issuer, potential conflicts of interest may exist between the Calculation Agent and Noteholders, including with respect to certain determinations and judgements that the Calculation Agent may make pursuant to the Notes that may influence the amount receivable on redemption of the Notes.

The Issuer and any Dealer may, at the date hereof or at any time hereafter, be in possession of information in relation to a Reference Item that is or may be material in the context of the Notes and may or may not be publicly available to Noteholders. There is no obligation on the Issuer or any Dealer to disclose to Noteholders any such information.

The Issuer and/or any of its affiliates may have existing or future business relationships with any Reference Item(s) (including, but not limited to, lending, depositary, risk management, advisory and banking relationships), and will pursue actions and take steps that they or it deems necessary or appropriate to protect their and/or its interests arising therefrom without regard to the consequences for a Noteholder.

An investment in Notes linked to one or more Reference Items may entail significant risks not associated with investments in conventional debt securities, including but not limited to the risks set out in this section "General risks related to Notes linked to Reference Item(s)". The amount paid by the Issuer on redemption of such Notes may be less than the principal amount of the Notes, together with any accrued interest, and may in certain circumstances be zero.

Risks relating specifically to Credit-Linked Notes

General risks relating to Credit-Linked Notes

The Issuer may issue Credit-Linked Notes where the amount payable is dependent upon whether certain events (“**Credit Events**”) have occurred in respect of one or more Reference Entity/Entities and, if so, on the value of certain specified assets of such Reference Entity/Entities.

Prospective investors in any such Credit-Linked Notes should be aware that depending on the terms of the Credit-Linked Notes (i) they may receive no or a limited amount of interest (or other periodic payments), (ii) payments may occur at a different time than expected and (iii) they may lose all or a substantial portion of their investment.

The market price of Credit-Linked Notes may be volatile and will be affected by, amongst other things, the time remaining to the redemption date or settlement date, as applicable, prevailing credit spreads and the creditworthiness of the relevant Reference Entity/Entities which in turn may be affected by the economic, financial and political events in one or more jurisdictions.

Following the occurrence of a Credit Event, the Credit-Linked Notes will either (i) cease to bear interest, on all or part of the Calculation Amount, as applicable, from the Interest Payment Date immediately preceding the Credit Event Determination Date if "Accrual of Interest upon Credit Event" is specified as Not Applicable in the relevant Issue Terms, or (ii) cease to bear interest, on all or part of the Calculation Amount, as applicable, from the Credit Event Determination Date if "Accrual of Interest upon Credit Event" is specified as being Applicable in the relevant Issue Terms.

The Issuer, the Dealer(s) or any of their respective Affiliates may have acquired, or during the term of the Credit-Linked Notes may acquire, non-public information with respect to the Reference Entity/Entities that they may not disclose. Prospective investors must therefore make an investment decision based upon their own due diligence and purchase the Credit-Linked Notes in the knowledge that non-public information which the Issuer, the Dealer(s) or any of their respective Affiliates may have will not be disclosed to investors. None of the Issuer, the Dealer(s) or any of their respective Affiliates is under any obligation (i) to review on the Noteholders' behalf, the business, financial conditions, prospects, creditworthiness, status or affairs of the Reference Entity/Entities or conduct any investigation or due diligence into the Reference Entity/Entities or (ii) other than as may be required by applicable rules and regulations relating to the Securities, to make available (1) any information relating to the Notes or (2) any non-public information they may possess in respect of the Reference Entity/Entities.

Certain Credit-Linked Notes may be highly leveraged instruments, including without limitation (i) Credit-Linked Notes linked to a notional amount of Reference Entities or Obligations exceeding the Calculation Amount or Issue Price of the Credit-Linked Notes, as applicable, or (ii) Credit-Linked Notes linked to the first-to-default reference entity within a reference portfolio (or similar arrangements over a reference portfolio). The use of leverage is a speculative investment technique designed to enhance returns. However, such technique will also magnify the adverse impacts of a Credit Event.

In the event that the Calculation Agent is unable to identify a Substitute Reference Obligation prior to the Extension Date the Issuer shall have the right on or after the Extension Date to redeem or cancel the Credit-Linked Notes, as applicable, at their fair market value by notice to the Holders of the relevant Notes.

The Issuer's obligations in respect of Credit-Linked Notes are irrespective of the existence or amount of the Issuer's and/or any Affiliates' credit exposure to a Reference Entity and the Issuer and/or any Affiliate need not suffer any loss nor provide evidence of any loss as a result of the occurrence of a Credit Event.

2003 ISDA Credit Derivatives Definitions

While there are many similarities between the terms used in this Base Prospectus (in particular, in Reference Item Schedule 1 (*Credit-Linked Notes*) and the terms used in the 2003 ISDA Credit Derivative Definitions, as supplemented from time to time (the “**Credit Derivatives Definitions**”), there are a number

of differences. In particular, the Issuer has determined the certain provisions of the Credit Derivatives Definitions, which are intended for use by market participants in "over the counter" transactions, require amendment when incorporated in the terms of an offering of securities such as the Credit-Linked Notes. Therefore, a prospective investor should understand that the complete terms and conditions of the Credit-Linked Notes are as set out in this Base Prospectus and the relevant Issue Terms and that the Credit Derivative Definitions are not incorporated by reference herein. Consequently, investing in Credit-Linked Notes is not necessarily equivalent to investing a credit default swap that incorporates the Credit Derivatives Definitions.

While ISDA has published and supplemented the Credit Derivatives Definitions in order to facilitate transactions and promote uniformity in the credit derivatives market, the credit derivatives market has evolved over time and is expected to continue to change. Consequently, the Credit Derivatives Definitions and the terms applied to credit derivatives, including Credit-Linked Notes are subject to further evolution. Past events have shown that the view of market participants may differ as to how the Credit Derivatives Definitions operate or should operate. As a result of the continued evolution of the market, the Credit-Linked Notes may not conform to future market standards. Such a result may have a negative impact on the Credit-Linked Notes.

There can be no assurances that changes to the terms applicable to credit derivatives generally will be predictable or favourable to the Issuer or the Noteholders. Future amendment or supplements to the terms applicable to credit derivatives generally will only apply to Credit-Linked Notes that have already been issued if the Issuer and the Noteholders agree to amend such Credit-Linked Notes to incorporate such amendments or supplements and other conditions to amending the Credit-Linked Notes have been met.

Amendment of Reference Item Conditions in accordance with market convention

The Calculation Agent may from time to time amend any provision of Reference Item Schedule 1 (*Credit-Linked Notes*) to incorporate and/or reflect further or alternative documents from time to time published by ISDA with respect to the settlement of credit derivative transactions and/or the operation or application of determinations by the ISDA Credit Derivatives Determinations Committees which the Calculation Agent and the Issuer determine in a commercially reasonable manner are necessary to reflect or govern market practice for credit derivative transactions.

Cheapest to deliver

Following an Event Determination Date, subject to Auction Settlement procedures, if applicable, the Issuer is entitled to select Valuation Obligation(s) for valuation which have the lowest value in the market at the relevant time, provided such obligation satisfies certain specifications and limits for qualification as a Valuation Obligation.

Increase of risk due to the replacement of a Reference Entity or succession

Reference Entities may be replaced due to events beyond the control of the Issuer, such as the merger of a corporate entity with another entity, in which case the Reference Entity may be replaced by its successor. Each such replacement may result in an increase in the risks involved for the Noteholders.

Concentration risks in case of Credit-Linked Notes referring to a portfolio of Reference Entities

The probability of the occurrence of Credit Events with respect to the Reference Entities in a portfolio may depend on the degree of diversification among the Reference Entities. The composition of the portfolio of Reference Entities may change after the Issue Date. Such change may result in an increase of concentration among the Reference Entities and therefore also in an increase in the risks associated with such concentration.

Amendment of Reference Item Conditions in accordance with the terms of the Notes

In addition to any amendments the Calculation Agent may make from time to time to the provisions of the Reference Item Schedule 1 (*Credit-Linked Notes*) in accordance with market convention (described above), the Reference Item Schedule 1 (*Credit-Linked Notes*) themselves contain certain provisions which permit the Calculation Agent in certain circumstances to make certain adjustments to such Reference Item Schedule 1 (*Credit-Linked Notes*). Such adjustments may affect both payments made to Noteholders under the Credit-Linked Notes and the timing of any such payments.

Risks relating to Auction Settlement of Credit-Linked Notes

Where an Auction Final Price Determination Date occurs, the Auction Final Price will be determined according to an auction procedure set out in the applicable Transaction Auction Settlement Terms, a form of which will be published by ISDA on its website at www.isda.org (or any successor website thereto) from time to time and may be amended from time to time. The Auction Final Price determined pursuant to an auction may be less than the market value that would otherwise have been determined in respect of any particular obligation of the Reference Entity. The Issuer and the Noteholders may have little or no influence in the outcome of any such auction.

Following the occurrence of a Credit Event, the amount payable in respect of the Notes may be determined by reference to the Auction Final Price determined according to an auction procedure set out in the applicable Transaction Auction Settlement Terms. There is a possibility that the Issuer or the Calculation Agent (or one of their Affiliates) would act as a participating bidder in any such auction. 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 applicable currency conversion rates to be used to convert any obligations which are not denominated in the auction currency into such currency for the purposes of the auction; and (b) submitting bids, offers and physical settlement requests with respect to the relevant Obligations. In deciding whether to take any such action (or whether to act as a participating bidder in any auction), the Issuer or the Calculation Agent (or any Affiliate of any of them) shall be under no obligation to consider the interests of any Noteholder.

Role of the Credit Derivatives Determinations Committee

Credit Derivative Determinations Committees were established pursuant to the 2009 ISDA Credit Derivatives Determinations Committees and Auction Settlement Supplement to the 2003 ISDA Credit Derivatives Definitions (published on 12 March 2009) to make determinations that are relevant to the majority of the credit derivatives market and to promote transparency and consistency. In respect of a Credit Event relating to Credit-Linked Notes, prospective purchasers should note that the Credit Derivatives Determinations Committee has the power to make binding decisions on critical issues such as whether a Credit Event has occurred, which obligations are to be valued and whether an auction should take place in accordance with and as more fully described in the Credit Derivatives Determinations Committees Rules, as published by ISDA on its website at www.isda.org (or any successor website thereto) from time to time and as amended from time to time in accordance with the terms thereof. Consequently, payments on the Credit-Linked Notes and the timing of any such payments may be affected by any such relevant decisions if Auction Settlement is specified as the applicable Settlement Method for a series of Credit-Linked Notes in the relevant Issue Terms.

Credit Event and Succession Event Backstop Dates

In respect of a Credit Event relating to a series of Credit-Linked Notes, a Credit Event may not be triggered unless a request is submitted to ISDA for the relevant Credit Derivatives Determinations Committee to consider whether the relevant event constitutes a Credit Event within 60 calendar days of the occurrence of such potential Credit Event unless an Event Determination Date has already occurred with respect to such event. For Succession Events the look-back period is 90 calendar days and functions similarly. These provisions mean that there is a time limit on the ability to act on a Credit Event or

Succession Event and that it is possible that the Credit-Linked Notes could be affected by a Credit Event or Succession Event that took place prior to the Trade Date.

Settlement Suspension, Adjustments and Interest Provisions

If, following the determination of a Credit Event Determination Date in accordance with subparagraph (a) of the definition of Credit Event Determination Date, but prior to an applicable Valuation Date, ISDA publicly announces that the conditions to convening a Credit Derivatives Determinations Committee to determine the occurrence of a Credit Event have been satisfied, the Calculation Agent may at its option determine that the applicable timing requirements of the Reference Item Conditions and the definitions of Credit Event Redemption Date, Valuation Date, and any other Reference Item Condition as determined by the Calculation Agent shall toll and be suspended and remain suspended (such period of suspension, a “**Suspension Period**”) until such time as ISDA subsequently publicly announces that the relevant Credit Derivatives Determinations Committee has resolved (a) that a Credit Event has or has not occurred or (b) not to determine such matters. Once ISDA has publicly announced that the relevant Credit Derivatives Determinations Committee has made such resolution, the relevant timing requirements of the Reference Item Conditions that have previously tolled or been suspended shall resume on the Business Day following such public announcement by ISDA.

In the case of interest bearing Credit-Linked Notes, the Issuer shall be obliged to pay interest calculated in accordance with General Condition 5 and Payout Schedule 1 provided that if an Interest Payment Date falls in a Suspension Period, such Interest Payment Date will be deferred until after the end of the Suspension Period.

In the event of any such Suspension Period, the Calculation Agent may make (i) such consequential or other adjustment(s) or determination(s) to or in relation to these Reference Item Conditions as may be desirable or required either during or following any relevant Suspension Period to account for or reflect such suspension and (ii) determine the effective date of such adjustment(s) or determination(s).

Risks relating to Inflation-Linked Notes

The Issuer may issue Notes where the amount of principal (“**Inflation-Linked Redemption Notes**”) and/or interest (“**Inflation-Linked Interest Notes**”) payable is dependent upon the level, or changes in the level, of an inflation index or a basket of inflation indices (together “**Inflation-Linked Notes**”).

Potential investors in any such Notes should be aware that, depending on the terms of the Inflation-Linked Notes (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest may occur at a different time than expected and (iii) they may lose all or a substantial portion of their principal investment. In addition, movements in the level of the inflation index or basket of inflation indices may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant level of the inflation index or inflation indices may affect the actual yield to investors, even if the average level is consistent with their expectations.

If the amount of principal and/or interest payable is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the level of the inflation index or the inflation indices on principal and/or interest payable will be magnified.

Many economic and market factors may influence the value of Inflation Linked Notes including, inter alia, general economic, financial, political or regulatory conditions, fluctuations in the prices of various consumer goods and energy resources and inflation and expectations concerning inflation. Any such factors may either offset or magnify each other.

If the Calculation Agent determines that the level of a relevant inflation index has not been published or announced by a specified Relevant Determination Date, then a Substituted Index Level for the relevant inflation index will be determined by reference either to the terms of any specified Related Bond or by

reference to a formula as set out in the Conditions or as specified in the relevant Final Terms, as the case may be.

If the Calculation Agent determines that the level of an inflation index has not been published or announced by an Index Sponsor for two consecutive months or such other period as is specified in the relevant Issue Terms and/or an Index Sponsor announces that it will no longer continue to publish or announce such inflation index, the Calculation Agent shall either (i) determine a Successor Index pursuant to the terms of any specified Related Bond or (ii) designate a “Successor Index” as the replacement inflation index specified by the relevant Index Sponsor or (iii) if no successor inflation index can be determined by reference to (i) or (ii) the Calculation Agent may determine the relevant Successor Index. In each case, the Calculation Agent may make such adjustment(s) to the terms of the Notes it deems necessary or appropriate to account for any such replacement. If the Calculation Agent determines that there is no appropriate alternative inflation index, the Issuer may redeem the Notes early at the Early Redemption Amount.

If the Calculation Agent determines that an inflation index has been or will be rebased at any time, it may make such adjustments to the levels of such inflation index (following the terms of any specified Related Bond, where there is a Related Bond) so that such levels reflect the same rate of inflation as the inflation index before it was rebased and may make such adjustments to the terms of the Notes as it deems necessary.

If on or prior to a specified Relevant Determination Date, an Index Sponsor announces that it will make a material change to an inflation index, the Calculation Agent shall make appropriate adjustments to the terms of the Notes (consistent with any adjustments made to any Related Bond, where there is a Related Bond) to account for such change.

Risk relating to Index-Linked Notes

The Issuer may issue Notes where the amount of principal or interest (“**Index-Linked Notes**”) payable is dependent upon the level, or changes in the level, of an index or a basket of indices.

Potential investors in any such Notes should be aware that, depending on the terms of the Index-Linked Notes (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest may occur at a different time than expected and (iii) they may lose all or a substantial portion of their principal investment. In addition, movements in the level of the index or basket of indices may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant level of the index or indices may affect the actual yield to investors, even if the average level is consistent with their expectations.

If the amount of principal and/or interest payable is determined in conjunction with a multiplier or participation rate greater than one or by reference to some other leverage factor, the effect of changes in the level of the index or the indices on principal payable will be magnified.

The Calculation Agent may determine that an event giving rise to a Disrupted Day (as defined in “*Terms and Conditions of the Notes*” below) has occurred at any relevant time. Any such determination may have an effect on the timing of valuation and consequently the value of the Notes and/or may delay settlement. Prospective purchasers should review the “*Terms and Conditions of the Notes*” and the relevant Issue Terms to ascertain whether and how such provisions apply to the Notes.

If an Index Adjustment Event (being, in summary, a material change in the formula for or the method of calculating a relevant index, any other material modification of the relevant index, a cancellation of the relevant index or a failure to calculate and announce a relevant index) occurs, prospective purchasers should note that, at the Issuer’s option, the Notes may be subject to adjustment, the relevant index may be substituted by a replacement index or the Issuer may redeem the Notes early at the Early Redemption Amount together with, if so specified in the relevant Issue Terms, accrued interest.

The market price of such Notes may be volatile and may be affected by the time remaining to the redemption date and the volatility of the level of the index or indices. The level of the index or indices may be affected by the economic, financial and political events in one or more jurisdictions, including the stock exchange(s) or quotation system(s) on which any securities comprising the index or indices may be traded.

The value of an index on any day will reflect the value of its constituents on such day. Changes in the composition of such index and factors (including those described above) which either affect or may affect the value of the constituents, will affect the value of such Reference Item and therefore may affect the return on an investment in the relevant Notes.

In relation to Index-Linked Notes which are linked to an Index, the constituents of which are commodities or commodity futures or options contracts (a “**Commodity Index**”), investors should also note the following:

Investors in Notes linked to one or more Commodity Indices should note that commodity futures markets are highly volatile. Commodity markets are influenced by, among other things, changing supply and demand relationships, weather, governmental, agricultural, commercial and trade programmes and policies designed to influence commodity levels or prices, world political and economic events, and changes in interest rates. Moreover, certain commodities may be priced by reference to futures and options contracts on the relevant commodity and investors should note that investments in futures and options contracts involve additional risks including, without limitation, leverage (margin is usually a percentage of the face value of the contract and exposure can be nearly unlimited). A holder of a futures position may find that such position becomes illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as “daily price fluctuation limits” or “daily limits”. Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent a holder from promptly liquidating unfavourable positions and subject it to substantial losses. Futures contract prices in various commodities occasionally have exceeded the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent the liquidation of unfavourable positions and subject an investor in a Note relating to commodities linked to such contract prices to substantial losses. The yield on Notes relating to Commodities Indices may not perfectly correlate to the trend in the price of the underlying commodities as the use of such future commodity contracts generally involves a rolling mechanism. This means that the commodity futures contracts which expire prior to the relevant payment date under the relevant Notes are replaced with future commodity contracts that have a later expiry date. Investors may therefore only marginally benefit from any rise/fall in prices on such commodities. Investors should also consider that the relevant commodity futures contracts could have a trend which differs significantly from that of the commodity spot markets. The trend in the price of a commodity futures contract compared to the underlying commodity is closely linked to the present and future level of the production of the underlying commodity or to the level of estimated natural reserves, particularly in the case of energy commodities. In addition, the price of the relevant commodity futures contract may not be considered an accurate prediction of a market price, since it also includes the so-called “carrying costs” (such as, for example, warehouse costs, insurance covering the goods, transportation etc.), which also contribute toward the determination of the price of the commodity futures contracts. The above factors which directly influence the commodities prices substantially explain the imperfect correlation between the commodity spot markets and the commodity futures contracts.

Risk relating to Equity-Linked Notes

The Issuer may issue Notes where the amount of principal or interest payable is dependent upon the price of or changes in the price of an equity security or a basket of equity securities (“**Equity-Linked Notes**”).

Potential investors in any such Notes should be aware that, depending on the terms of the Equity-Linked Notes (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest may occur at a different time than expected and (iii) they may lose all or a substantial portion of their investment. In addition, movements in the price of the equity security or basket of equity securities may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or indices and the timing of changes in the relevant price of the equity security or equity securities may affect the actual yield to investors, even if the average price is consistent with their expectations.

If the amount of principal and/or interest payable is determined in conjunction with a multiplier or participation rate greater than one or by reference to some other leverage factor, the effect of changes in the price of the equity security or equity securities on principal payable will be magnified.

The Calculation Agent may determine that an event giving rise to a Disrupted Day (as defined in *“Terms and Conditions of the Notes”* below) has occurred at any relevant time. Any such determination may have an effect on the timing of valuation and consequently the value of the Notes and/or may delay settlement. Prospective purchasers should review the *“Terms and Conditions of the Notes”* and the relevant Issue Terms to ascertain whether and how such provisions apply to the Notes.

If *“Potential Adjustment Events”* (being, in summary, certain corporate events which may have a diluting, concentrative or other effect on the theoretical value of the relevant equity securities) and/or *“Extraordinary Events”* (being, in summary, a de-listing, a merger event, a tender offer, a nationalisation or an insolvency, in each case, affecting the relevant equity securities and certain additional extraordinary events relating to equity securities which are specified, in the applicable Issue Terms to be ETF shares) are specified as applicable in the relevant Issue Terms, prospective purchasers should note that the Notes may be subject to adjustment or, if *“Extraordinary Events”* are specified as applicable in the relevant Issue Terms, the Issuer may redeem the Notes early at the Early Redemption Amount together with, if so specified in the relevant Issue Terms, accrued interest.

Additional extraordinary events for the purposes of the above are: the implementation of any material change to the terms and conditions of a fund, any breach of the investment objectives of a fund, the failure by a fund administrator to calculate and make available the value of the fund within eight scheduled trading days of its scheduled publication, a material limitation or restriction is imposed on dealings or subscriptions and/or redemptions in any Fund Interests or there is a material reduction in the assets under management of a Fund, the annualised volatility of a Fund exceeds the prescribed percentage during any one-month rolling time period, the compulsory redemption of fund interests, a fund is wound up or terminated, a fund is superseded by a successor fund which does not satisfy the control procedures of the Calculation Agent, the cancellation or suspension of any relevant registration, license or approval in respect of the fund or any other event which has, in the determination of the Calculation Agent, an analogous effect.

In respect of Equity-Linked Notes relating to an equity security or equity securities originally quoted, listed and/or dealt as of the Trade Date in a currency of a member state of the European Union that has not adopted the single currency in accordance with the Treaty on the functioning of the European Union, as amended, if such equity security or equity securities is/are at any time after the Trade Date quoted, listed and/or dealt exclusively in euro on the relevant Exchange, prospective purchasers should note that the Calculation Agent will adjust any of the Terms and Conditions as the Calculation Agent determines to be appropriate to preserve the economic terms of the Notes. Prospective purchasers should also note that the Calculation Agent will make any conversion necessary for the purposes of any such adjustment as of the relevant Valuation Time at an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of the relevant Valuation Time.

The market price of such Notes may be volatile and may be affected by the time remaining to the redemption date, the volatility and/or liquidity of the equity security or equity securities, the dividend rate (if any) and the financial results and prospects of the issuer or issuers of the relevant equity security or equity

securities as well as economic, financial and political events in one or more jurisdictions, including factors affecting the stock exchange(s) or quotation system(s) on which any such securities may be traded.

Risks relating to Currency-Linked Notes

The Issuer may issue Notes where the amount of principal or interest payable is dependent upon movements in currency exchange rates (together “**Currency-Linked Notes**”).

Potential investors in any such Notes should be aware that, depending on the terms of the Currency-Linked Notes (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest may occur at a different time than expected and (iii) they may lose all or a substantial portion of their investment. In addition, movements in currency exchange rates may be subject to significant fluctuations that may not correlate with changes in interest rates or other indices and the timing of changes in the exchange rates may affect the actual yield to investors, even if the average level is consistent with their expectations.

If the amount of principal and/or interest payable is dependent upon movements in currency exchange rates and is determined in conjunction with a multiplier or participation rate greater than one or by reference to some other leverage factor, the effect of changes in the currency exchange rates on principal or interest payable will be magnified.

The market price of such Notes may be volatile and may depend upon the time remaining to the redemption date and the volatility of currency exchange rates. Movements in currency exchange rates may be dependent upon economic, financial and political events in one or more jurisdictions.

Additional Disruption Events

If “Additional Disruption Event” (being, among other things, certain disruption events affecting the hedging activities of the Issuer and/or any of its affiliates and/or any Hedging Party) are specified as applicable in the relevant Issue Terms, the Notes will be subject to adjustment or may be redeemed upon the occurrence of any of the Additional Disruption Events specified as applicable in the relevant Issue Terms.

SECTION B.2 - DESCRIPTION OF THE NOTES

The following are descriptions of the interest and redemption payments under certain types of Notes (other than Exempt Notes) which may be issued under the Programme.

INTEREST

The Interest Amount in respect of a Calculation Amount (“CA”) for any Interest Period in respect of any issue of Notes (other than Fixed Rate Notes where the Interest Amount in respect of a Calculation Amount is specified in the relevant Final Terms) will be calculated by reference to the following formula:

$$\text{CA} \times \text{Rate of Interest} \times \text{Day Count Fraction (“DCF”)}$$

The interest basis in respect of an Interest Period may change during the term of the Notes as specified in the relevant Final Terms. For the purposes of the following descriptions, the variable “**Underlying Rate**” may be (i) a single rate determined by reference to a screen page, (ii) a single rate (an “**ISDA Rate**”) determined as though such rate were a floating rate determined under the terms of an interest rate swap transaction documented under an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended from time to time, or (iii) a rate determined as the difference between two different ISDA Rates.

1. NON-STRUCTURED FLOATING RATE NOTES

Non-Structured Floating Rate Notes have a Rate of Interest which is an Underlying Rate multiplied by a leverage factor, plus or minus a specified percentage or “margin”. Such Rate of Interest, expressed as a formula:

$$(\text{Leverage} \times \text{Underlying Rate}) + \text{Margin}$$

Therefore, Non-Structured Floating Rate Notes are subject to (i) a variable underlying rate and (ii) a leverage factor. No cap or floor is applied to such rate.

Examples of the calculation of the Interest Amount in respect of Non-Structured Floating Rate Notes:

The following examples illustrate how the Interest Amount is calculated in respect of Non-Structured Floating Rate Notes:

Calculation Amount: EUR 1,000
Underlying Rate: 3 month EURIBOR
Payment Frequency: Quarterly
Day Count Fraction: Actual/360
Number of days in Interest Period: 91
Rounding: 2 decimal places
Leverage: 100%
Margin: Zero

Underlying Rate	Rate of Interest	Interest Amount
3 month EURIBOR = 1.00%	$(100\% \times 1.00\%) + 0 = 1.00\%$	$\text{EUR } 1,000 \times 1.00\% \times [91/360] = \text{EUR } 2.53$
3 month EURIBOR = 3.00%	$(100\% \times 3.00\%) + 0 = 3.00\%$	$\text{EUR } 1,000 \times 3.00\% \times [91/360] = \text{EUR } 7.58$

2. CAPPED FLOATING RATE NOTES

Capped Floating Rate Notes have a Rate of Interest which is an Underlying Rate multiplied by a leverage factor, subject to a specified maximum rate (or cap). Such Rate of Interest, expressed as a formula:

$$\text{Min [Cap; (Leverage x Reference Rate) + Margin]}$$

Therefore, Capped Floating Rate Notes are subject to (i) a variable underlying rate, (ii) a leverage factor and (iii) a specified cap. Where the Underlying Rate is greater than the specified cap, investors will not participate in the increase in the relevant variable underlying rate above such cap. The various parameters in the above formula may be different for each Interest Period.

Examples of the calculation of the Interest Amount in respect of Capped Floating Rate Notes:

The following examples illustrate how the Interest Amount is calculated in respect of Capped Floating Rate Notes:

Calculation Amount: EUR 1,000
Underlying Rate: 3 month EURIBOR
Payment Frequency: Quarterly
Day Count Fraction: Actual/360
Number of days in Interest Period: 91
Rounding: 2 decimal places
Cap: 2%
Leverage: 100%
Margin: Zero

Underlying Rate	Rate of Interest	Interest Amount
3 month EURIBOR = 1.00%	Min [2.00%; (100% x 1.00%) + 0] = 1.00%	EUR 1,000 x 1.00% x [91/360] = EUR 2.53
3 month EURIBOR = 3.00%	Min [2.00%; (100% x 3.00%) + 0] = 2.00%	EUR 1,000 x 2.00% x [91/360] = EUR 5.06

The above examples show that, where the Underlying Rate is greater than the cap (disregarding the effect of the Leverage and the Margin), the Rate of Interest will not be increased above the cap and the Interest Amount will be less than it would have been had the cap not been imposed.

3. FLOORED FLOATING RATE NOTES

Floored Floating Rate Notes have a Rate of Interest which is an Underlying Rate multiplied by a leverage factor, subject to a specified minimum rate (or floor). Such Rate of Interest, expressed as a formula:

$$\text{Max [Floor; (Leverage x Reference Rate) + Margin]}$$

Therefore, Floored Floating Rate Notes are subject to (i) a variable underlying rate, (ii) a leverage factor and (iii) a specified floor. Where the Underlying Rate is less than the specified floor, investors will not participate in the decrease in the relevant variable underlying rate below such floor. The various parameters in the above formula may be different for each Interest Period.

Examples of the calculation of the Interest Amount in respect of Floored Floating Rate Notes:

The following examples illustrate how the Interest Amount is calculated in respect of Floored Floating Rate Notes:

Calculation Amount: EUR 1,000
Underlying Rate: 6 month EURIBOR
Payment Frequency: Semi-annually
Day Count Fraction: Actual/360
Number of days in Interest Period: 182
Rounding: 2 decimal places
Floor: 2.50%
Leverage: 100%
Margin: Zero

Underlying Rate	Rate of Interest	Interest Amount
6 month EURIBOR = 2.00%	Max [2.50%; (100% x 2.00%) + 0] = 2.50%	EUR 1,000 x 2.50% x [182/360] = EUR 12.64
6 month EURIBOR = 4.00%	Max [2.50%; (100% x 4.00%) + 0] = 4.00%	EUR 1,000 x 4.00% x [182/360] = EUR 20.22

The above examples show that, where the Underlying Rate is less than the floor, the Rate of Interest will not be decreased below the floor and the Interest Amount will be greater than it would have been had the floor not been imposed.

4. COLLARED FLOATING RATE NOTES

Collared Floating Rate Notes have a Rate of Interest which is an Underlying Rate multiplied by a leverage factor, subject to a specified maximum rate (or cap) AND a minimum rate (or floor). Such Rate of Interest, expressed as a formula:

$$\text{Min (Cap; Max [Floor; (Leverage x Reference Rate) + Margin])}$$

Therefore, Collared Floating Rate Notes are subject to (i) a variable underlying rate, (ii) a leverage factor and (iii) a specified cap and a specified floor. Where the Underlying Rate is greater than the specified cap, investors will not participate in the increase in the relevant variable underlying rate above such cap and where the Underlying Rate is less than the specified floor, investors will not participate in the decrease in the relevant variable underlying rate below such floor. The various parameters in the above formula may be different for each Interest Period.

Examples of the calculation of the Interest Amount in respect of Collared Floating Rate Notes:

The following examples illustrate how the Interest Amount is calculated in respect of Collared Floating Rate Notes:

Calculation Amount: EUR 1,000
Underlying Rate: 6 month EURIBOR
Payment Frequency: Semi-annually
Day Count Fraction: Actual/360
Number of days in Interest Period: 183
Rounding: 2 decimal places
Cap: 4.00%

Floor: 2.00%
Leverage: 100%
Margin: Zero

Underlying Rate	Rate of Interest	Interest Amount
6 month EURIBOR = 5.00%	Min (4.00%; Max [2.00%; (100% x 5.00%) + 0]) = 4.00%	EUR 1,000 x 4.00% x [183/360] = EUR 20.33
6 month EURIBOR = 3.00%	Min (4.00%; Max [2.00%; (100% x 3.00%) + 0]) = 3.00%	EUR 1,000 x 3.00% x [183/360] = EUR 15.25
6 month EURIBOR = 1.00%	Min (4.00%; Max [2.00%; (100% x 1.00%) + 0]) = 2.00%	EUR 1,000 x 2.00% x [183/360] = EUR 10.17

The above examples show that, where the Underlying Rate is less than the floor, the Rate of Interest will not be decreased below the floor and the Interest Amount will be greater than it would have been had the floor not been imposed but where the Underlying Rate is greater than the cap, the Rate of Interest will not be increased above the cap and the Interest Amount will be less than it would have been had the cap not been imposed.

5. RANGE ACCRUAL NOTES

Range Accrual Notes have a Rate of Interest determined by reference to a specified fixed rate multiplied by an accrual rate which is determined by reference to the proportion of relevant observation dates within the relevant interest period for which the relevant Underlying Rate is greater than or equal to the specified lower barrier and equal to or less than the specified upper barrier. Such Rate of Interest, expressed as a formula:

$$\left[\text{Specified Rate 1} \times \left(\frac{n}{N} \right) \right] + \left[\text{Specified Rate 2} \times \left(\frac{N-n}{N} \right) \right]$$

The relevant observation dates may be each calendar day within the relevant interest period or may only be specific days within the relevant interest period (e.g. business days or specified weekly, monthly or quarterly dates).

Therefore, Range Accrual Notes are subject to (i) a variable underlying rate and (ii) the proportion of observation dates within the relevant interest period for which such variable underlying rate falls within the specified range and thus Range Accrual Notes can be volatile instruments and may pay little or no interest in respect of an interest period. The various parameters in the above formula may be different for each Interest Period.

Examples of the calculation of the Interest Amount in respect of Range Accrual Notes:

The following examples illustrate how the Interest Amount is calculated in respect of Range Accrual Notes:

Calculation Amount: EUR 1,000
Underlying Rate: 3 month EURIBOR
Payment Frequency: Quarterly
Day Count Fraction: Actual/Actual
Number of days in Interest Period: 90
Rounding: 2 decimal places

Specified Rate 1: 4.00%
 Specified Rate 2: 0.50%
 Observation dates: Each calendar day within the Interest Period
 Upper Barrier: 2.00%
 Lower Barrier: 0.00%

Number of observation dates where Underlying Rate falls within the parameters	Total number of observation dates in interest period	Rate of Interest	Interest Amount
45	90	$(4.00\% \times [45/90]) + (0.50\% \times [45/90]) = \mathbf{2.25\%}$	EUR 1,000 x 2.25% x [90/360] = EUR 5.63
0	90	$(4.00\% \times [0/90]) + (0.50\% \times [90/90]) = \mathbf{0.50\%}$	EUR 1,000 x 0.50% x [90/360] = EUR 1.25

The above examples show that (assuming that a higher rate of interest will accrue where the relevant Underlying Rate falls within specified range, as is the case above i.e. Specified Rate 1 is greater than Specified Rate 2), the larger the number of observation dates for which the relevant Underlying Rate falls within the specified range, the higher the Rate of Interest and consequently the larger the Interest Amount. Conversely, the smaller the number of observation dates for which the relevant Underlying Rate falls within the specified range, the lower the Rate of Interest and consequently the smaller the Interest Amount.

6. BINARY FLOATING RATE NOTES

Binary Floating Rate Notes have a Rate of Interest which will either be (i) a specified fixed rate if the Underlying Rate for an interest period is equal to or greater than the specified lower barrier or equal to or less than the specified upper barrier (“**Binary Rate 1**”) or (ii) a different specified fixed rate (which may be zero) (“**Binary Rate 2**”).

Therefore, Binary Floating Rate Notes are subject to the performance of a variable underlying rate and whether such variable underlying rate falls within the specified range on the relevant interest determination date. The various parameters may be different for each Interest Period.

Examples of the calculation of the Interest Amount in respect of Binary Floating Rate Notes:

The following examples illustrate how the Interest Amount is calculated in respect of Binary Floating Rate Notes:

Calculation Amount: EUR 1,000
 Underlying Rate: 6 month EURIBOR
 Payment Frequency: Semi-annually
 Day Count Fraction: Actual/360
 Number of days in Interest Period: 182
 Rounding: 2 decimal places

Binary Rate 1: 5.00% (where the Underlying Rate falls within the specified range)
 Binary Rate 2: 0.00% (where the Underlying Rate does not fall within the specified range)
 Upper Barrier: 2.00%
 Lower Barrier: 0.00%

Underlying Rate	Within parameters	Rate of Interest	Interest Amount
2.25%	NO	0.00%	EUR 1,000 x 0.00% x [182/360] = EUR 0.00
1.25%	YES	5.00%	EUR 1,000 x 5.00% x [182/360] = EUR 25.78

The above examples show that, where the relevant Underlying Rate falls within the specified range, the Rate of Interest is the higher specified rate. Conversely, where the relevant Underlying Rate falls outside the specified range, the Rate of Interest is the lower specified rate (in this case, zero).

7. STEEPENER NOTES

Steepener Notes have a rate of interest which is subject to a specified minimum rate (or floor) and is otherwise the lesser of (i) a specified maximum rate (or cap) and (ii) an Underlying Rate minus a specified fixed strike rate multiplied by a leverage factor. Different strike rates may apply in respect of different interest periods. Such Rate of Interest, expressed as a formula:

$$\text{Max [Floor; Min [Cap; Leverage x (Underlying Rate – Strike Rate)]]}$$

Therefore, Steepener Notes are subject to (i) a variable underlying rate and how it compares to a specified fixed strike rate, (ii) a leverage factor and (iii) a specified floor and a cap. The various parameters in the above formula may be different for each Interest Period.

Examples of the calculation of the Interest Amount in respect of Steepener Notes:

The following examples illustrate how the Interest Amount is calculated in respect of Steepener Notes:

Calculation Amount: EUR 1,000
 Underlying Rate: 10yr EUR OMX Swap Rate – 2yr EUR OMX Swap Rate
 Payment Frequency: Annually
 Day Count Fraction: Actual/Actual
 Number of days in Interest Period: 365
 Rounding: 2 decimal places
 Cap: 7.00%
 Floor: 0.00%
 Leverage: 500%
 Strike Rate: 0.50%

10yr EUR OMX Swap Rate	2yr EUR OMX Swap Rate	Rate of Interest	Interest Amount
3.20%	0.50%	Max [0.00%; Min (7.00%; 500% x (3.20% - 0.50% - 0.50%))] = 7.00%	EUR 1,000 x 7.00% x [365/365] = EUR 70.00
2.10%	0.70%	Max [0.00%; Min (7.00%; 500% x (2.10% - 0.70% - 0.50%))] = 4.50%	EUR 1,000 x 4.50% x [365/365] = EUR 45.00
1.1%	2.20%	Max [0.00%; Min (7.00%; 500% x (1.10% - 2.20% - 0.50%))] = 0.00%	EUR 1,000 x 0.00% x [365/365] = EUR 1.00

The above examples show that, where the Underlying Rate less the Strike Rate (multiplied by the leverage factor) is less than the floor, the Rate of Interest will not be decreased below the floor and the Interest Amount will be greater than it would have been had the floor not been imposed but, where the Underlying Rate less the Strike Rate (multiplied by the leverage factor) is greater than the cap, the Rate of Interest will not be increased above the cap and the Interest Amount will be less than it would have been had the cap not been imposed.

In addition, as the leverage factor is greater than 100 per cent., the application of such leverage magnifies the effect of changes in value of the Underlying Rate compared to the Strike Rate.

8. REVERSE FLOATING RATE NOTES

Reverse Floating Rate Notes have a rate of interest rate which is subject to a specified minimum rate (or floor) and is otherwise the lesser of (i) a specified maximum rate (or cap) and (ii) a specified fixed rate minus the product of a variable reference rate and a leverage factor. Such Rate of Interest, expressed as a formula:

$$\text{Max [Floor; Min [Cap; Fixed Rate – (Leverage x Underlying Rate)]]}$$

Therefore, Reverse Floating Rate Notes are subject to (i) a specified fixed rate and how it compares to a variable reference rate (which may be subject to a leverage factor) and (ii) a specified floor and a cap. The various parameters in the above formula may be different for each Interest Period.

Examples of the calculation of the Interest Amount in respect of Reverse Floating Rate Notes:

The following examples illustrate how the Interest Amount is calculated in respect of Reverse Floating Rate Notes:

Calculation Amount: EUR 1,000
 Underlying Rate: 12 month EURIBOR
 Payment Frequency: Annually
 Day Count Fraction: Actual/360
 Number of days in Interest Period: 365
 Rounding: 2 decimal places
 Cap: 7.00%
 Floor: 2.00%
 Leverage: 200%
 Fixed Rate: 4.50%

Underlying Rate	Rate of Interest	Interest Amount
0.75%	Max [2.00%; Min (7.00%; 4.50% - [200% x 0.75%])] = 3.00%	EUR 1,000 x 3.00% x [365/360] = EUR 30.42
1.50%	Max [2.00%; Min (7.00%; 4.50% - [200% x 1.50%])] = 2.00%	EUR 1,000 x 2.00% x [365/360] = EUR 20.28

The above examples show that, where the Fixed Rate less than the Underlying Rate (multiplied by the leverage factor) is less than the floor, the Rate of Interest will not be decreased below the floor and the Interest Amount will be greater than it would have been had the floor not been imposed.

In addition, as the leverage factor is greater than 100 per cent., the application of such leverage magnifies the effect of changes in value of the Underlying Rate compared to the Fixed Rate.

9. SNOWBALL NOTES

Snowball Notes have a rate of interest which is subject to a specified minimum rate (or floor) and is otherwise the lesser of (i) a specified maximum rate (or cap) and (ii) an accreting fixed rate of interest minus the product of a variable reference rate and a leverage factor. Such Rate of Interest, expressed as a formula:

$$\text{Max [Floor; Min [Cap; (Rate of Interest}_{t-1} + \text{Snowball Amount)} - (\text{Leverage} \times \text{Underlying Rate})]]$$

Therefore, the Snowball Amount will operate to increase the fixed rate to which the Underlying Rate (multiplied by any leverage factor) is compared and Snowball Notes are subject to (i) a specified accreting fixed rate and how it compares to a variable reference rate (which may be subject to a leverage factor) and (ii) a specified floor and a cap. The various parameters in the above formula may be different for each Interest Period.

Examples of the calculation of the Interest Amount in respect of Snowball Notes:

The following examples illustrate how the Interest Amount is calculated in respect of Snowball Notes:

Calculation Amount: EUR 1,000
 Underlying Rate: 3 month EURIBOR
 Payment Frequency: Quarterly
 Day Count Fraction: 30/360
 Number of days in Interest Period: 90
 Rounding: 2 decimal places
 Cap: 10.00%
 Floor: 1.00%
 Leverage: 200%
 Fixed Rate: 4.50%

Underlying Rate	Rate of Interest _{t-1}	Snowball Amount	Rate of Interest	Interest Amount
1.50%	1.75%	2.00%	Max [1.00%; Min (10.00%; [1.75% + 2.00%]) - [200% x 1.50%]] = 1.00%	EUR 1,000 x 1.00% x [90/360] = EUR 2.50
0.75%	3.25%	2.50%	Max [1.00%; Min (10.00%; [3.25% + 2.50%]) - [200% x 0.75%]] = 4.25%	EUR 1,000 x 4.25% x [90/360] = EUR 10.63

The above examples show that, where the accreting fixed rate less than the Underlying Rate (multiplied by the leverage factor) is less than the floor, the Rate of Interest will not be decreased below the floor and the Interest Amount will be greater than it would have been had the floor not been imposed.

In addition, as the leverage factor is greater than 100 per cent., the application of such leverage magnifies the effect of changes in value of the Underlying Rate compared to the accreting fixed rate.

10. INFLATION-LINKED INTEREST NOTES

Inflation-Linked Interest Notes have a rate of interest rate which will be calculated based on the change in value of the relevant inflation index. Such Rate of Interest, expressed as a formula:

$$\text{Specified Rate} \times \left[\frac{\text{Reference Level}_t}{\text{Reference Level}_{t-\alpha}} \right]$$

Therefore, Inflation-Linked Interest Notes are subject to (i) a specified fixed rate and (ii) the performance of the Reference Item over a certain time period, determined as the value the Reference Item in respect of a specified reference month divided by the value of the Reference Item in respect of a specified preceding reference month, expressed as a percentage. The Specified Rate may be different for each Interest Period.

Consequently, if the value of the Reference Item in respect of an Interest Period increases compared to the value of the Reference Item in respect of the specified preceding reference month for such Interest Period, the Rate of Interest will operate to increase the amount of interest for such Interest Period. Conversely, if the value of the Reference Item in respect of an Interest Period decreases compared to the value of the Reference Item in respect of the specified preceding reference month for such Interest Period, the Rate of Interest will operate to decrease the amount of interest for such Interest Period.

Examples of the calculation of the Interest Amount in respect of Inflation-Linked Interest Notes:

The following examples illustrate how the Interest Amount is calculated in respect of Inflation-Linked Interest Notes:

Reference Level for the Reference Month falling
3 months prior to the end of the relevant Interest Period: 2.00%
Calculation Amount: EUR 1,000
Specified Rate: 5.00%
Payment Frequency: Annually
Day Count Fraction: 30/360
Number of days in Interest Period: 360

Reference Level for the Reference Month falling 15 months prior to the end of the relevant Interest Period	Performance for such Interest Period	Interest Rate	Inflation-Linked Interest Amount
4.00%	4.00%/2.00% = 1.5 or 150% (expressed as a percentage)	5.00% x 150% = 7.50%	EUR 1,000 x 7.50% x [360/360] = EUR 75
1%	1.00%/2.00% = 0.5 or 50% (expressed as a percentage)	5.00% x 50% = 2.50%	EUR 1,000 x 2.50% x [360/360] = EUR 25

The above examples show that, where the level of the inflation index increases compared to the level of the inflation index for the specified preceding reference month for such Interest Period, the Rate of Interest will increase. Conversely, where the level of the inflation index decreases compared to the level of the inflation index for the specified preceding reference month for such Interest Period, the Rate of Interest will decrease.

11. INTEREST IN RESPECT OF CREDIT-LINKED NOTES

Payment of interest in respect of Credit-Linked Notes and/or the amount of interest payable in respect of Credit-Linked Notes are affected by the occurrence of relevant Credit Event(s). Notes which are not Portfolio Credit-Linked Notes will cease to bear interest on either the relevant Credit Event Determination Date or the Interest Payment Date immediately preceding the relevant Credit Event Determination Date (or, if none, the Issue Date). In the case of Portfolio Credit-Linked Notes, the occurrence of relevant Credit Events will reduce the amount of interest payable by reducing the principal amount by reference to which the relevant Interest Amount is calculated by an amount equal to the Reference Entity Notional Amount in respect of each Reference Entity the subject of a Credit Event. Such reduction may take effect either from the interest period end date immediately preceding the date on which the Conditions to Settlement have been satisfied or from the date on which the Conditions to Settlement have been satisfied.

Credit-Linked Notes may have a floating Rate of Interest, a fixed Rate of Interest or any other interest rate type or combination of interest rates specified above.

Examples of the calculation of the Interest Amount in respect of Credit-Linked Notes:

The following example illustrates how the Interest Amount may be calculated in respect of Portfolio Credit-Linked Notes:

Calculation Amount: EUR 1,000

Fixed Rate of Interest: 4%

Payment Frequency: Annually

Day Count Fraction: 30/360

Rounding: 2 decimal places

Number of Reference Entities: 10

Reference Entity Notional Amount: 100 for each Reference Entity

Number of credit events in the Portfolio	Adjusted Calculation Amount	Rate of Interest	Interest Amount	Redemption at maturity
0	EUR 1,000	4%	EUR 1,000 x 4.00% x [360/360] = EUR 4.00	EUR 1,000
1	EUR 1,000 – EUR 100 = EUR 900	4%	EUR 900 x 4.00% x [360/360] = EUR 3.60	EUR 900
3	EUR 1,000 – (3 x EUR 100) = EUR 700	4%	EUR 700 x 4.00% x [360/360] = EUR 2.89	EUR 700

The above examples show that, where the Conditions to Settlement have been satisfied in relation to one or more Reference Entities prior to an interest payment date, this will operate to reduce the principal amount by reference to which the Interest Amount is calculated and will therefore reduce the amount of interest payable from (and including) such interest payment date.

REDEMPTION

12. REDEMPTION IN RESPECT OF CREDIT-LINKED NOTES

Where the Issue Terms relating to a Tranche of Notes specifies that the Notes are Credit-Linked Notes and where the Final Redemption Amount is not specified in the relevant Issue Terms to be the

Reference Item-Linked Redemption Amount, if the Conditions to Settlement are satisfied in relation to any of the specified Reference Entities, the Notes will either be redeemed early by payment of the Credit-Linked Redemption Amount calculated as specified below or, where the Notes are Portfolio Credit-Linked Notes or where Maturity Credit Event Redemption is specified as applying in the relevant Issue Terms, the Notes will be redeemed on the Maturity Date and the Final Redemption Amount shall be the Credit-Linked Redemption Amount.

The Credit-Linked Redemption Amount shall be either a fixed amount specified in the relevant Issue Terms or an amount determined as follows:

- (i) in the case of Notes other than Portfolio Credit-Linked Notes, an amount determined as (i) the Calculation Amount (“CA”) multiplied by (ii) the final price or auction final price (determined as set out in the Conditions) in respect of the relevant Reference Entity (“FP”), less any Unwind Costs (“UC”), expressed as a formula:

$$(CA \times FP) - UC$$

- (ii) in the case of Notes which are Portfolio Credit-Linked Notes, an amount determined as (i) the Calculation Amount (“CA”) multiplied by (ii) the sum of the weighted (“W_i”) final prices or auction final prices (determined as set out in the Conditions) (“FP”) of each of the Reference Entities the subject of a Credit Event, less any Unwind Costs (“UC”), expressed as a formula:

$$\left(CA \times \left[\sum_{i=1}^b W_i \times FP_i \right] \right) - UC$$

Where the relevant final price or auction final price or the weighted sum of the final prices or auction final prices is less than 100%, investors will receive less than the Calculation Amount on redemption of the Notes.

13. REFERENCE ITEM-LINKED REDEMPTION AMOUNT = INFLATION-LINKED REDEMPTION AMOUNT

Where the Issue Terms relating to a Tranche of Notes specifies that the Reference Item-Linked Redemption Amount is the “Inflation-Linked Redemption Amount”, based on the performance of an inflation index, such Notes give the investor a right to receive a Final Redemption Amount which will be determined in accordance with the formula set out below. Such Notes will be Inflation-Linked Notes (linked to a single Inflation Index).

The Inflation-Linked Redemption Amount in respect of each Calculation Amount (“CA”) will be calculated based on the change in value of the Reference Item and will be determined as the Calculation Amount multiplied by an amount (which, depending on the specified Performance Floor, may be less than 100%) equal to the performance of the Reference Item multiplied by a participation rate. As a formula:

$$RPA \times M \times \left[\text{Performance Floor}; \left(PR \times \frac{\text{Reference Level}_f}{\text{Reference Level}_{f-\omega}} \right) \right] \times FX$$

where “RPA” or “Relevant Principal Amount” means the CA.

Where the performance of the Reference Item is multiplied by a participation rate (“PR”) greater than 100%, the effect on the Inflation-Linked Redemption Amount of changes in the level of the Reference Item will be magnified. Where PR is less than 100%, the effect of changes in the level of the Reference Item will be reduced.

In addition, where the relevant Issue Terms specify that FX Conversion is applicable, the Reference Item Amount will be adjusted to reflect changes in the specified exchange rate between the initial exchange rate and the final exchange rate on the specified FX valuation date(s).

Where the Performance Floor is less than 100%, depending on the performance of the Reference Item, the Inflation-Linked Redemption Amount may be less than the Calculation Amount and investors may receive on redemption less than the amount they originally invested.

The Inflation-Linked Redemption Amount is determined by reference to the performance of the Reference Item over a certain time period, determined as the level the Reference Item in respect of a specified reference month divided by the level of the Reference Item in respect of a specified preceding reference month, expressed as a percentage.

Consequently, if the level of the Reference Item increases compared to the level of the Reference Item in respect of the specified preceding reference month, the Inflation-Linked Redemption Amount will be greater than the Calculation Amount. Conversely, if the level of the Reference Item decreases compared to the level of the Reference Item in respect of the specified preceding reference month, the Inflation-Linked Redemption Amount may be less than the Calculation Amount (depending on the Performance Floor).

Inflation-Linked Notes which are also Credit Linked Notes

Where the Notes are Inflation-Linked Notes which are also Credit-Linked Notes, Maturity Credit Event Redemption shall apply and, where the Conditions to Settlement have been satisfied in relation to one or more Reference Entities, the Inflation-Linked Redemption Amount will be determined as specified above except that “CA” in the definition of Relevant Principal Amount shall substituted by the Credit-Linked Redemption Amount which shall be either a fixed amount specified in the relevant Issue Terms or an amount determined as (i) the Calculation Amount multiplied by (ii) the final price or auction final price (determined as set out in the Conditions) in respect of the relevant Reference Entity or, in respect of Portfolio Credit-Linked Notes, the sum of the weighted final prices or auction final prices (determined as set out in the Conditions) of each of the Reference Entities the subject of a Credit Event. The amount received on redemption may therefore be less than the Calculation Amount and may be zero.

Examples of the calculation of the Inflation-Linked Redemption Amount:

The following examples illustrate how the Inflation-Linked Redemption Amount is calculated in respect of Notes linked to a single Reference Item:

Reference Level for the Reference Month falling
3 months prior to the maturity date: 2.00%
Calculation Amount: EUR 1,000
Performance Floor: 100%
Participation Rate (PR): 100%
FX Conversion: Not Applicable: FX = 1

a) A positive performance

Reference Level for the Reference Month falling 15 months prior to the maturity date	Performance
4.00%	$4.00\%/2.00\% = 2$ or 200% (expressed as a percentage)

Inflation-Linked Redemption Amount =

$$\text{EUR } 1,000 \times \text{Max} [100\%; (100\% \times 200\%)] \times 1 = \text{EUR } 2,000$$

As the level of the inflation index has increased, investors participate in the increase and the Inflation-Linked Redemption Amount is greater than the Calculation Amount.

b) A negative performance

Reference Level for the Reference Month falling 15 months prior to the maturity date	Performance
1%	1.00%/2.00% = 0.5 or 50% (expressed as a percentage)

Inflation-Linked Redemption Amount =

$$\text{EUR } 1,000 \times \text{Max} [100\%; (100\% \times 50\%)] \times 1 = \text{EUR } 1,000$$

As the level of the inflation index has decreased but as the value of the Inflation-Linked Redemption Amount is floored at 100% (Performance Floor is equal to 100%), investors do not participate fully in the decrease in the level of the inflation index and the Inflation-Linked Redemption Amount is equal to the Calculation Amount.

Example of the calculation of the Inflation-Linked Redemption Amount where the Notes are also Credit-Linked Notes:

The following example illustrates how the Inflation-Linked Redemption Amount is calculated in respect of Inflation-Linked Notes which are also Credit-Linked Notes linked to the credit of a single Reference Entity:

Reference Level for the Reference Month falling
3 months prior to the maturity date: 2.00%
Calculation Amount: EUR 1,000
Performance Floor: 100%
Participation Rate (PR): 100%
FX Conversion: Not Applicable: FX = 1

Reference Entity Final Price: 40%
Unwind Costs: Zero

a) A positive performance of the inflation index where conditions to settlement have been satisfied in respect of the Reference Entity

Reference Level for the Reference Month falling 15 months prior to the maturity date	Performance
4.00%	4.00%/2.00% = 1.5 or 150% (expressed as a percentage)

Credit-Linked Redemption Amount =

$$(EUR1,000 \times 40\%) - 0 = EUR400$$

Inflation-Linked Redemption Amount =

$$EUR400 \times \text{Max} [100\%; (100\% \times 150\%)] \times 1 = EUR 600$$

As the level of the inflation index has increased, investors participate in the increase but such increase is determined by reference to the Credit-Linked Redemption Amount rather than the Calculation Amount and the Inflation-Linked Redemption Amount is therefore not greater than the Calculation Amount.

14. REFERENCE ITEM-LINKED REDEMPTION AMOUNT = CALL REDEMPTION AMOUNT

Where the Issue Terms relating to a Tranche of Notes specifies that the Reference Item-Linked Redemption Amount is the “Call Redemption Amount”, based on the economic performance of a Reference Item or a basket of Reference Items (other than Reference Items which are Reference Entities), such Notes give the investor a right to receive a Final Redemption Amount which will be determined in accordance with the formula set out below. Such Notes may be Index-Linked Notes (linked to an Index or a basket of Indices), Equity-Linked Notes (linked to an Underlying Equity or a basket of Underlying Equities) or Currency-Linked Notes (linked to a Subject Currency or a basket of Subject Currencies).

The Call Redemption Amount in respect of each Calculation Amount (“CA”) will be calculated based on the change in value of the relevant Reference Item(s) by reference to the following formula:

$$\text{RPA} + \text{Reference Item Amount}$$

where “RPA” or “**Relevant Principal Amount**” means the CA.

The Reference Item Amount will be determined as the Calculation Amount multiplied by an amount (which, depending on the specified Performance Floor, may be less than zero) determined by reference to the performance of the relevant Reference Item(s), as a formula:

$$\text{CA} \times \text{Max} [\text{Performance Floor}; (\text{PR} \times \text{Call Performance})] \times \text{FX}$$

Where Call Performance is multiplied by a participation rate (“PR”) greater than 100%, the effect on the Reference Item Amount of changes in the level of the relevant Reference Item(s) will be magnified. Where PR is less than 100%, the effect of changes in the level of the relevant Reference Item(s) will be reduced.

In addition, where the relevant Issue Terms specify that FX Conversion is applicable, the Reference Item Amount will be adjusted to reflect changes in the specified exchange rate between the initial exchange rate and the final exchange rate on the specified FX valuation date(s).

Call Performance is determined as the performance of the Reference Item (where the Notes relate to a single Reference Item) or the sum of the weighted performances of each of the Reference Items (where the Notes relate to a basket of Reference Items) MINUS 100%.

The performance of any Reference Item is determined as the value or the average value of the relevant Reference Item in respect of specified final valuation date(s) divided by the value, the average value or the highest or lowest value of the relevant Reference Item in respect of specified initial valuation date(s), expressed as a percentage. Where “**Look Back**” is specified to apply, the Initial Value will be determined by reference to the lowest value of the relevant Reference Item in respect of any of the specified initial valuation date(s).

Consequently, if the value of the Reference Item(s) increases compared to the value of the Reference Item(s) in respect of the specified initial valuation date(s), Call Performance will be positive and the Call Redemption Amount will be greater than the Calculation Amount. Conversely, if the value of the Reference Item(s) decreases compared to the value of the Reference Item(s) in respect of the specified initial valuation date(s), Call Performance will be negative and (subject to the Performance Floor) the Call Redemption Amount may be less than the Calculation Amount.

Index-Linked Notes/Equity-Linked Notes which are also Credit Linked Notes

Where the Notes are Index-Linked Notes or Equity-Linked Notes which are also Credit-Linked Notes, Maturity Credit Event Redemption shall apply and, where the conditions to settlement have been satisfied in relation to one or more Reference Entities, the Call Redemption Amount will be determined as specified above except that “CA” in the definition of Relevant Principal Amount (although not in the definition of Reference Item Amount) shall substituted by the Credit-Linked Redemption Amount which shall be either a fixed amount specified in the relevant Issue Terms or an amount determined as (i) the Calculation Amount multiplied by (ii) the final price or auction final price (determined as set out in the Conditions) in respect of the relevant Reference Entity or, in respect of Portfolio Credit-Linked Notes, the sum of the weighted final prices or auction final prices (determined as set out in the Conditions) of each of the Reference Entities the subject of a Credit Event. The amount received on redemption may therefore be less than the Calculation Amount and may be zero.

Examples of the calculation of the Call Redemption Amount:

The following examples illustrate how the Call Redemption Amount is calculated in respect of Notes linked to a basket of two equally weighted Reference Items:

Reference Items:
 Reference Item 1: Share A
 Reference Item 2: Share B
 Reference Item Initial Value:
 Reference Item 1: EUR 100
 Reference Item 2: EUR 100
 Reference Item Weighting:
 Reference Item 1: 50%
 Reference Item 2: 50%
 Calculation Amount: EUR 1,000
 Performance Floor: Zero
 Participation Rate (PR): 100%
 FX Conversion: Not Applicable: FX = 1

a) A positive Call Performance

Final Value of Reference Items	Performance	Call Performance
Share A: EUR 125	Share A: EUR125/EUR100 = 1.25 or 125% (expressed as a percentage)	$[(125\% \times 50\%) + (140\% \times 50\%)] - 100\% =$ <p style="text-align: center;">32.5%</p>
Share B: EUR 140	Share B: EUR140/EUR100 = 1.40 or 140% (expressed as a percentage)	

Call Redemption Amount =

$$\text{EUR } 1,000 + (\text{EUR } 1,000 \times \text{Max } [0; (100\% \times 32.5\%)] \times 1) = \text{EUR } 1,325$$

As the value of the shares has increased, investors participate in the increase in value and the Call Redemption Amount is greater than the Calculation Amount.

b) A negative Call Performance

Final Value of Reference Items	Performance	Call Performance
Share A: EUR 80	Share A: EUR 80/EUR100 = 0.80 or 80% (expressed as a percentage)	$[(80\% \times 50\%) + (95\% \times 50\%)] - 100\% =$ -12.5%
Share B: EUR 95	Share B: EUR 95/EUR100 = 0.95 or 95% (expressed as a percentage)	

Call Redemption Amount =

$$\text{EUR } 1,000 + (\text{EUR } 1,000 \times \text{Max } [0; (100\% \times -12.5\%)] \times 1) = \text{EUR } 1,000$$

The value of the shares has decreased but as the value of the Reference Item Amount is floored at zero (Performance Floor is equal to zero), investors do not participate fully in the decrease in the value of the shares and the Call Redemption Amount is equal to the Calculation Amount.

Examples of the calculation of the Call Redemption Amount where the Notes are also Credit-Linked Notes:

The following examples illustrate how the Call Redemption Amount is calculated in respect of Notes linked to a basket of two equally weighted Reference Items where the Notes are Equity-Linked Notes which are also Credit-Linked Notes linked to the credit of a single Reference Entity:

Reference Items:

Reference Item 1: Share A

Reference Item 2: Share B

Reference Item Initial Value:

Reference Item 1: EUR 100

Reference Item 2: EUR 100

Reference Item Weighting:

Reference Item 1: 50%

Reference Item 2: 50%

Calculation Amount: EUR 1,000

Performance Floor: Zero

Participation Rate (PR): 100%

FX Conversion: Not Applicable: FX = 1

Reference Entity Final Price: 40%

Unwind Costs: Zero

a) A positive Call Performance

Final Value of Reference Items	Performance	Call Performance
Share A: EUR 125	Share A: EUR125/EUR100 = 1.25 or 125% (expressed as a percentage)	$[(125\% \times 50\%) + (140\% \times 50\%)] - 100\% =$ <p style="text-align: center;">32.5%</p>
Share B: EUR 140	Share B: EUR140/EUR100 = 1.40 or 140% (expressed as a percentage)	

Credit-Linked Redemption Amount =

$$(\text{EUR}1,000 \times 40\%) - 0 = \text{EUR}400$$

Call Redemption Amount =

$$\text{EUR } 400 + (\text{EUR } 1,000 \times \text{Max } [0; (100\% \times 32.5\%)] \times 1) = \text{EUR } 725$$

As the value of the shares has increased, investors participate in the increase in value. However, as a Credit Event has occurred, although the Reference Item Amount is determined by reference to the full amount of the Calculation Amount, the Relevant Principal Amount is the Credit-Linked Redemption Amount rather than the full amount of the Calculation Amount and the Call Redemption Amount is therefore not greater than the Calculation Amount.

SECTION C - DOCUMENTS

SECTION C.1 - DOCUMENTS INCORPORATED BY REFERENCE

The Annual Reports of the Issuer for the financial years ended 31 December 2012 and 31 December 2011 (together, the “**Annual Reports**”) and the Interim Report – First Half 2013 of the Issuer for the first half year period ended 30 June 2013 (the “**Interim Report**”) shall be deemed to be incorporated in, and to form part of, this Base Prospectus. The financial statements in the Annual Reports have been audited, while the financial statements in the Interim Report have been reviewed by the Auditors.

The Issuer has undertaken, in connection with the listing of the Notes on the Official List and the trading of the Notes on the regulated market of the Irish Stock Exchange and the Global Exchange Market of the Irish Stock Exchange, that if, while Notes of the Issuer are outstanding and listed on the Official List and traded on the regulated market of the Irish Stock Exchange or the Global Exchange Market of the Irish Stock Exchange, there shall occur any change in the Terms and Conditions of the Programme or if any significant new factor, material mistake or inaccuracy relating to the information included in this Base Prospectus which is capable of affecting the assessment of the Notes arises or is noted between the time when this Base Prospectus is approved by the Central Bank and the time when trading of a particular Tranche (as defined herein) of Notes begins and which is not reflected in this Base Prospectus (or any of the documents incorporated by reference in this Base Prospectus), the Issuer will prepare or procure the preparation of a supplement to this Base Prospectus or, as the case may be, publish a new Base Prospectus for use in connection with any subsequent offering by the Issuer of Notes to be listed on the Official List and traded on the regulated market of the Irish Stock Exchange or the Global Exchange Market of the Irish Stock Exchange.

Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus.

The sources of the consolidated financial statements (including the auditors’ reports thereon and notes thereto) in the Annual Reports incorporated by reference herein are as follows:

<i>Information</i>	<i>Source</i>
Income Statement for the Group for the year ended 31 December 2012	2012 Annual Report pg. 50
Statement of Comprehensive Income for the Group for the year ended 31 December 2012	2012 Annual Report pg. 51
Balance Sheet for the Group for the year ended 31 December 2012	2012 Annual Report pg. 52
Statement of Capital for the Group for the year ended 31 December 2012	2012 Annual Report pgs. 53-55
Cash Flow Statement for the Group for the year ended 31 December 2012	2012 Annual Report pg. 56
Notes to the Financial Statements for the year ended 31 December 2012	2012 Annual Report pgs. 57-160

Auditors' Reports for the Group for the year ended 31 December 2012	2012 Annual Report pgs. 183-184
Income Statement for the Group for the year ended 31 December 2011	2011 Annual Report pg. 60
Statement of Comprehensive Income for the Group for the year ended 31 December 2011	2011 Annual Report pg. 61
Balance Sheet for the Group for the year ended 31 December 2011	2011 Annual Report pg. 62
Statement of Capital for the Group for the year ended 31 December 2011	2011 Annual Report pgs. 63-65
Cash Flow Statement for the Group for the year ended 31 December 2011	2011 Annual Report pg. 66
Notes to the Financial Statements for the year ended 31 December 2011	2011 Annual Report pgs. 67-161
Auditors' Reports for the Group for the year ended 31 December 2011	2011 Annual Report pgs. 184-185

The sources of the consolidated financial statements (including auditors' review report thereon and notes thereto) in the Interim Report incorporated by reference herein are as follows:

<i>Information</i>	<i>Source</i>
Unaudited Consolidated Income Statement for the Group for the first quarter ended 30 June 2013	Interim Report pg. 44
Unaudited Consolidated Statement of Comprehensive Income for the Group for the first quarter ended 30 June 2013	Interim Report pg. 45
Unaudited Consolidated Balance Sheet for the Group for the first quarter ended 30 June 2013	Interim Report pg. 46
Unaudited Consolidated Statement of Capital for the Group for the first quarter ended 30 June 2013	Interim Report pgs. 47-48
Unaudited Consolidated Cash Flow Statement for the Group for the first quarter ended 30 June 2013	Interim Report pg. 49
Notes to the Consolidated Financial Statements for the first quarter ended 30 June 2013	Interim Report pgs. 50-73
Auditors' Review Reports for the Group for the first quarter ended 30 June 2013	Interim Report pgs. 85-86

The Annual Reports and the Interim Report incorporated by reference herein can be viewed online at <http://www.danskebank.com/en-uk/ir/Reports/Pages/financial-reports.aspx?tab=0#tabanchor>. The Annual Reports and the Interim Report are English translations of the original reports in the Danish language. The Issuer accepts responsibility for the English translations of the Annual Reports and the Interim Report. This Base Prospectus is available for viewing at <http://www.centralbank.ie/regulation/securities-markets/prospectus/Pages/approvedprospectus.aspx>.

SECTION C.2 - DOCUMENTS AVAILABLE FOR INSPECTION

For as long as the Programme remains valid with the Central Bank, hard copies of the following documents will be available, upon request, free of charge, from the registered office of the Issuer and from the Specified Office of the Paying Agent for the time being in London (where applicable, with an English translation thereof):

- (a) the Articles of Association of the Issuer;
- (b) the Agency Agreement;
- (c) the VP Systems Agency Agreement; and
- (d) the Deed of Covenant.

For as long as the Programme remains valid with the Central Bank, copies of the following documents will be available on the website of the Central Bank at www.centralbank.ie:

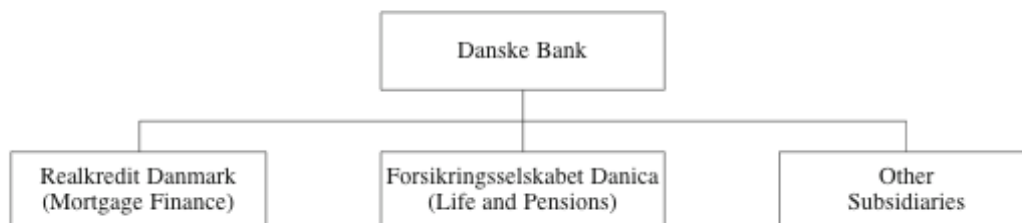
- (a) a copy of this Base Prospectus and any Final Terms relating to Notes which are admitted to trading on the regulated market of the Irish Stock Exchange; and
- (b) any supplements to this Base Prospectus, any future Base Prospectuses relating to the Programme and any supplements to future base prospectuses relating to the Programme.

For as long as the Programme remains valid with the Central Bank, copies of the following documents will be available on the website of the Issuer at www.danskebank.com:

- (a) the Annual Reports and the Interim Report (as defined in “*Documents Incorporated by Reference*”); and
- (b) any other documents incorporated herein by reference from time to time.

SECTION D - DESCRIPTION OF THE DANSKE BANK GROUP

The general corporate structure of the Danske Bank Group (the “**Danske Bank Group**” or the “**Group**”) is as shown below:



Overview

The Group is the leading financial service provider in Denmark – and one of the largest in the Nordic region – measured by total assets as at 31 December 2012¹. The Group offers its customers in Denmark and in its other markets a broad range of services that, depending on the market, include services in banking, mortgage finance, insurance, trading, leasing, real estate agency and investment management. The Group has a leading market position in Denmark and is one of the larger banks in Northern Ireland and Finland. The Group also has significant operations in its other main markets of Sweden, Norway, Ireland, and the Baltics. The Group currently serves approximately five million customers and approximately 2.2 million customers use the Group’s online services. As at 31 December 2012, the Group’s total assets amounted to DKK 3,485 billion (EUR 467.1 billion)² and the Group employed approximately 20,300 employees.

Danske Bank A/S (“**Danske Bank**” or the “**Issuer**”) is the parent company of the Group. The Issuer is an international retail bank that operates in 15 countries with a focus on the Nordic region. In Denmark, customers are also served by head office departments, finance centres and subsidiaries. The Group has branches in London, Hamburg and Warsaw and a representative office in Moscow. Its subsidiary in Luxembourg serves private banking customers and another in St. Petersburg serves corporate banking customers. The Group also conducts broker-dealer activities in New York.

The registered office of the Issuer is at 2-12 Holmens Kanal, DK-1092 Copenhagen K, Denmark, with telephone number +45 33 44 00 00 and Danish corporate registration number 61126228.

The Issuer’s History and Development

The Issuer was founded in Denmark and incorporated on 5 October 1871 and has, through the years, merged with a number of financial institutions. The Issuer is a commercial bank with limited liability and carries on business under the Danish Financial Business Act. The Issuer is registered with the Danish Commerce and Companies Agency.

In the period from 1997-2007, the Issuer strengthened its position in the Nordic region through acquisitions. In 1997, it acquired Östgöta Enskilda Bank in Sweden, in 1999, Fokus Bank A/S (“**Fokus Bank**”) in Norway and, in 2000, RealDanmark and its subsidiaries BG Bank A/S and Realkredit Danmark A/S. Furthermore, on 1 March 2005, the Issuer acquired Northern Bank Limited (“**Northern Bank**”) in Northern Ireland and National Irish Bank in the Republic of Ireland, and, on 1 February 2007, the purchase of Sampo Bank in Finland, including Sampo Bank’s activities in the three Baltic countries and a subsidiary in St. Petersburg, Russia, was completed.

¹ Source: Finansrådet (Danish Bankers' Association)

² Unless specified, DKK amounts are converted into EUR at 7.4604 DKK pr. EUR

Effective 1 June 1998, all branches of Östgöta Enskilda Bank were converted into branches of the Issuer and, effective 1 April 2007, Fokus Bank and National Irish Bank were converted into branches of the Issuer and, in June 2008, the three Baltic banks, AS Sampo Pank in Estonia, AS Sampo Banka in Latvia and AB Sampo bankas in Lithuania, were converted into branches of the Issuer. In November 2012, the Group rebranded its banking units and now markets all its banking operations under the Danske Bank brand name.

Financial highlights

Danske Bank Group	(DKKm)		(EURm)	
	2012	2011	2012	2011
Total income	47,685	43,377	6,391	5,835
Expenses	26,588	25,987	3,564	3,496
Profit before loan impairment charges	21,097	17,390	2,828	2,339
Loan impairment charges	12,529	13,185	1,679	1,774
Profit before tax	8,568	4,205	1,148	566
Total assets	3,485,181	3,424,403	467,157	460,628
Loans and advances	1,161,816	1,126,482	155,731	151,527
Loans and advances at fair value	732,762	720,741	98,220	96,949
Trading portfolio assets	812,927	909,755	108,966	122,374
Deposits	929,092	848,994	124,536	114,201
Earnings per share	5.1	1.9	0.7	0.3
Total capital ratio (%)	21.3	17.9	—	—
Core tier 1 capital ratio (%)	14.5	11.8	—	—
Exchange rate (DKK/EUR) (End of year)			7.4604	7.4342

Source: Annual Report 2012, pgs. 8 and 52; Annual Report 2011, pgs. 6 and 62.

Share ratios for 2011 have been divided by an adjustment factor to reflect the share capital increase in April 2011.

Business Units

Prior to 1 June 2012, the Group operated its business through five units: Banking Activities, Danske Markets, Danske Capital, Danica Pension and Other Activities. With effect from 1 June 2012, the Group created a new organisation structured around three business units: Personal Banking, Business Banking and Corporates & Institutions. The three new units operate across all of the Group's geographical markets. The main units are described below. The new organisation was the first step in a new strategy for the Danske Bank Group. The Group's business conditions have changed radically since the beginning of the crisis. The Group is now operating in a "new normal" environment. In response to the new challenges and opportunities, the new strategy "New Standards" was launched on 30 October 2012. The Group's financial reporting reflects the new structure with effect from 1 January 2013.

The following table sets forth certain information with respect to the Group's business units. The table below includes adjusted highlights for 2012:

(DKK million)	Personal Banking	Business Banking	C&I	Danske Capital	Danica Pension	Other Activities	Non-core	Adjusted highlights
Net interest income	11,172	9,497	1,975	8	-	29	-	22,681
Net fee income	3,715	2,155	1,115	1,945	-	-80	-	8,850
Net trading income	815	489	8,439	-3	-	754	-	10,494

(DKK million)	Personal Banking	Business Banking	C&I	Danske Capital	Danica Pension	Other Activities	Non-core	Adjusted highlights
Other income	608	483	17	-	-	178	-	1,286
Net income from insurance business	-	-	-	-	2,263	-	-	2,263
Total income	16,310	12,624	11,546	1,950	2,263	881	-	45,574
Expenses	11,864	6,030	4,307	982	-	1,465	-	24,648
Profit before loan impairment charges	4,446	6,594	7,239	968	2,263	-584	-	20,926
Loan impairment charges	2,748	3,830	1,154	-	-	-52	-	7,680
Profit before tax, core	1,698	2,764	6,085	968	2,263	-532	-	13,246
Profit before tax, Non-core	-	-	-	-	-	-	-4,678	-4,678
Profit before tax	1,698	2,764	6,085	968	2,263	-532	-4,678	8,568
Cost/income ratio (%)	72.7	47.8	37.3	50.4	-	166.3	-	54.1
Full-time-equivalent staff (end of year)	7,958	3,776	1,496	481	799	5,705	93	20,308
Loans and advances (end of year)	873,199	641,867	161,129	211	-	-46,553	44,537	1,674,390
Deposits (end of year)	373,921	252,970	161,815	115	-	-5,062	4,748	788,507

Organisational structure

Personal Banking

Personal Banking is responsible for the Group's personal and private banking customers, with the aim of pushing decision-making closer to customers and making processes simpler, faster and more agile. Personal Banking is in charge of its own customer relations, credit approval, business development, HR, communications and marketing. The unit encompasses operations in Denmark, Finland, Sweden, Norway, Ireland, Northern Ireland and Luxembourg.

Business Banking

Business Banking is responsible for the Group's business customers, with the aim of utilising all the skills and products the Group has to serve customers' needs, drive cross-sales and improve financial results. Business Banking is in charge of its own customer relations, credit approval, business development, HR,

communications and marketing. The unit is structured across four regional Danish divisions; business customers in Finland, Sweden, Norway, Ireland and Northern Ireland and the Baltics; as well as a Specialist Products division.

Corporates & Institutions (“C&I”)

C&I combines the competencies of Danske Markets, Corporate & Institutional Banking (CIB) and International Banking. The business unit is responsible for its own customer relations, credit approval, business development, HR, strategy and performance management and compliance. C&I is organised around the following divisions: Relationship Management; Sales, Research & Risk Advisory; Trading & Risk; Capital Markets; and Transaction Banking. Wholesale banking services are provided to the largest institutional and corporate customers in the Nordic region. Institutional Banking includes services provided to international financial institutions outside the Nordic region.

Danske Capital

This brand continues as a separate business units in the new organisational setup. The Private Banking concept and Danske Bank International have moved to Personal Banking, whereas investment concepts and the investment desk remain within Danske Capital.

Danske Capital develops and sells asset management solutions and wealth management products and services that are marketed through Personal Banking and directly to businesses, institutional clients and external distributors. Danske Capital also supports the advisory and asset management activities of Personal Banking. As at 31 December 2012, Danske Capital had 569 employees and is represented in Denmark, Sweden, Norway, Finland, Estonia, Lithuania and Luxembourg. As at 31 December 2012, the assets managed by Danske Capital amounted to DKK 687 billion (EUR 92.1 billion).

Danica Pension

This brand continues as separate business units in the new organisational setup. No significant organisational or rebranding exercises are planned for Danica Pension.

The Group’s insurance activities comprise conventional life insurance, unit-linked insurance and personal accident insurance. Danica Pension targets both personal and business customers. Its products are marketed through a range of distribution channels within the Group, primarily Personal Banking and Danica Pension’s own agents and advisers. Danica Pension sells two market-based product groups: Danica Balance and Danica Link. Products in these groups allow customers to select their own investment profiles, and the return on savings depends on market trends. Danica Pension also sells Danica Traditionel, a product that does not offer individual investment profiles and for which Danica Pension sets the rate of interest on policyholders’ savings. As at 31 December 2012, Danica Pension had 799 employees.

As at 31 December 2012, Danica Pension’s total investment assets (customer funds) amounted to DKK 291 billion (EUR 38.9 billion), with unit-linked assets (assets managed on behalf of policy holders) amounting to DKK 29 billion (EUR 3.9 billion).

Non-Core

The Non-core business unit is responsible for the controlled exit of part of the loan portfolio. The primary objective of the Non-core unit is to establish a dedicated organisation focused on working-out the Non-core loan portfolios with a view to maximising the return to the shareholders of the Group. There is no specific timeframe associated with the workout as the timeframe will be determined by the various strategies employed around each of the loan portfolios. The Non-core unit should be largely self-sufficient and should not interfere with the Group’s core business or strategy.

Other Activities

Other Activities consists of the following Group resource and service functions: Group Risk Management; Group Finance & Legal (including Group Treasury); Group HR; Group Communications; Group IT; and Group Services. These service areas support the main business units, performing tasks that span various customer groups and markets.

Funding structure

The Group continues to ensure that it has a prudent ratio between lending and long-term funding. In addition, the Group has comprehensive and well-established funding programmes, including covered bonds. The existing CP, CD and EMTN programmes are used for short- and medium-term funding, while covered bond issues are used mainly for longer-term funding. Covered bonds thus help diversify the Group's funding across investors and maturities.

Group funding sources (by type) (Year-end)

(%)	2012	2011
Central banks, Credit institutions and repo transactions	30	24
Short-term bonds	2	4
Long-term bonds	6	9
Total covered bonds	11	8
Deposits	41	45
Subordinated debt	3	3
Shareholders' equity	7	7
Total	100	100

Source: Annual Report 2012, pg. 153.

The Group has two channels through which it grants mortgage loans: (i) Realkredit Danmark A/S; and (ii) the Issuer itself.

The mortgage loans on the Realkredit Danmark A/S platform are funded through the issuance of mortgage bonds according to the Danish Mortgage-Credit Loans and Mortgage-Credit Bonds, etc. Act and executive orders issued by the Danish FSA.

Realkredit Danmark A/S currently issues mortgage covered bonds only through the Capital Centres of Realkredit Danmark A/S.

Shareholders' equity

The Issuer's shareholders' equity was DKK 138 billion (EUR 18.5 billion) as at the end of 2012 against DKK 126 billion (EUR 16.9 billion) at the end of 2011.³

At year-end 2012, the Issuer's authorised and issued share capital totalled DKK 10,086,200,000 (EUR 1,352 million) based on 1,008,620,000 shares of DKK 10 (EUR 1.34) each. The Issuer's shares are listed on the NASDAQ OMX Copenhagen A/S.

³ FX rate at 31 December 2011 = 7.4342 DKK per EUR.

On 30 October 2012 the Issuer announced that its Board of Directors had resolved to launch an offering of new shares in order to raise approximately DKK 7 billion (EUR 938 million)⁴ in new equity through an accelerated book building process. The offering of 76,880,966 new shares of DKK 10 (EUR 1.34) each represented approximately 8.3 per cent. of the Issuer's registered share capital before the capital increase and accounts for approximately 7.6 per cent. of the Issuer's registered share capital following completion of the capital increase. The final subscription price was DKK 93 (EUR 12.47) per new share, raising gross proceeds of DKK 7,149,929,838 (EUR 958,461,331) for the Issuer, and thus increasing the Issuer's share capital of nominal DKK 768,809,660 (EUR 103,060,358). Following the capital increase, the share capital of the Issuer consists of 1,008,620,000 shares of nominal value DKK 10 (EUR 1.34) each, equal to a nominal value of DKK 10,086,200,000 (EUR 1,352,073,782).

At year-end 2012, the Issuer had approximately 327,000 shareholders. According to the Danish Companies Act, shareholders must notify a company if their shareholding exceeds 5 per cent. of the company's share capital or higher percentages divisible by 5. Three shareholder groups have notified the Issuer that they hold more than 5 per cent. of its share capital:

- A.P. Møller and Chastine Mc-Kinney Møller Foundation, Copenhagen, held a total of (directly and indirectly) 22.84 per cent. of the share capital of which A.P. Møller-Maersk A/S directly holds 20 per cent.;
- Realdania, Copenhagen, held directly 10.07 per cent. of the share capital; and
- Cevian Capital II GP Limited (in its capacity as general partner of Cevian Capital II Master Fund LP, Cevian Capital II Co-Investment Fund LP and Cevian Capital II Co-Investment No. 3 LP) held 5.06 per cent. of the share capital.

In addition, on 27 February 2013 it was announced that Cevian Capital II Master Fund LP had increased its holding of shares in the Issuer whereby its holding of shares amounts to 51,174,252 shares in the Issuer of a nominal value of DKK 511,742,520, equivalent to 5.07 per cent. of the Issuer's share capital. The aforementioned holding and major shareholder announcement related only to Cevian Capital II Master Fund LP and did not include any holding of shares by Cevian Capital II Co-Investment Fund LP, Cevian Capital II Co-Investment No. 3 LP, Icahn Partners L.P., Icahn Partners Master Fund L.P., Icahn Partners Master Fund II L.P., Icahn Partners Master Fund III, L.P. and High River Limited Partnership.

On 6 March 2013 it was announced that Realdania had sold 52,000,000 shares in the Issuer on 6 March 2013 and thus now owned less than 5 per cent. of the share capital and voting rights of the Issuer. Realdania now directly owns 49,582,485 shares, equivalent to 4.91 per cent. of the Issuer's share capital.

The Issuer estimates that approximately 42 per cent. of its share capital is held by investors outside of Denmark. Most foreign investors are based in the United States and the United Kingdom.

Capital and Solvency

Pursuant to the Danish Act No. 67 of 3 February 2009 on State Capital Injections in Credit Institutions etc., as amended by the Consolidated Act. No. 876 of 15 September 2009, Act No. 516 of 12 June 2009, Act No. 1273 of 16 December 2009 and Act No. 556 of 21 December 2010, (the "**Credit Act**"), a scheme has been set up whereby the Danish state will offer to inject state funded tier 1 hybrid capital and/or to underwrite issues of tier 1 hybrid capital for Danish banks and mortgage credit institutions. The capital injections will be in the form of tier 1 hybrid capital without a set maturity and a possibility for redemption after three years. Redemption will be subject to approval from the DFSA.

⁴ Unless specified, DKK amounts in this paragraph are converted into EUR at 7.4598 DKK per EUR.

At the general meeting of the Issuer held on 4 March 2009, the shareholders authorised the Board of Directors to apply for and implement a tier 1 hybrid capital injection from the Danish state. In May 2009, the Issuer and Realkredit Danmark A/S received subordinated loan capital from the Danish state in the form of hybrid core capital of approximately DKK 24 billion (EUR 3,224 million)⁵ and approximately DKK 2 billion (EUR 269 million)⁶, respectively. The subordinated loans have strengthened the capital base, and the Group is better prepared to withstand losses that any further negative economic developments may cause. In May 2012, the subordinated loan capital of approximately DKK 2 billion (EUR 269 million) for Realkredit Danmark A/S was repaid. In contrast to the three-year redemption limitation described above, the Issuer's subordinated loan capital can only be redeemed at the earliest on 11 April 2014, i.e. 5 years after the issue date thereof. The following table below shows the total capital ratio, tier 1 capital ratio and core tier 1 capital ratio excluding hybrid capital. The second table shows the risk-weighted assets, subordinated debt and hybrid capital. The interest rate (defined as "annual yield") on the loans from the Danish state is 9.265 per cent. per annum, with an annual premium of 0.5 of a percentage point per annum for the conversion option. The interest rate will increase if the Issuer pays dividends in excess of DKK 5.5 billion (EUR 0.74 billion) per annum.

Pursuant to the agreement on state-funded capital injection between the Issuer and the Danish state, dated 5 May 2009 (the "**State-funded Hybrid Agreement**"), the Issuer is subject to, amongst other things, restrictions on capital reductions, share repurchases and the terms of new and existing share issues, restrictions on the distribution of dividends, restrictions on the use of funds to capitalise businesses in violation of the Credit Act and certain conditions concerning executive pay and bonuses. The State-funded Hybrid Agreement is annexed to the Articles of Association which are available for inspection at the places specified in "General Information".

Danske Bank Group

(%)	31 Dec. 2012	31 Dec. 2011
Total capital ratio.....	21.3	17.9
Tier 1 capital ratio	18.9	16.0
Core tier 1 capital ratio, excluding hybrid core capital	14.5	11.8

Note: The ratios are calculated in accordance with the Capital Requirements Directive.
Source: Annual Report 2012, pg. 55.

Danske Bank Group	(DKKm)		(EURm)	
	31 Dec. 2012	31 Dec. 2011	31 Dec. 2012	31 Dec. 2011
Risk-weighted assets	819,436	905,979	109,838	121,866
Subordinated debt, excluding hybrid capital	23,009	20,480	3,084	2,755
Hybrid capital	43,003	44,850	5,764	6,033
Hybrid capital included in tier 1 capital	40,248	42,366	5,395	5,699
Exchange Rate (DKK/EUR)			7.4604	7.4342

Source: (DKK amounts) Annual Report 2012, pgs. 55 and 96.

⁵ FX rate at 29 May 2009 = 7.4453 DKK per EUR.

⁶ FX rate at 11 May 2012 = 7.4334 DKK per EUR.

At 31 December 2012, the total capital ratio was 21.3 per cent., with a core tier 1 capital ratio of 14.5 per cent. and a tier 1 capital ratio of 18.9 per cent.

At the end of 2012, the Group's risk-weighted assets ("RWA") amounted to DKK 819 billion (EUR 109.8 billion), against DKK 906.0 billion (EUR 121.9 billion)⁷ at the end of 2011. The decline in RWA of DKK 87 billion (EUR 12 billion)⁸ from 2011 was caused primarily by the disposal of conduit loans and other portfolio changes.

The Group's capital base consists of tier 1 capital (equity capital and hybrid capital after deductions) and tier 2 capital. At 31 December 2012, the capital base amounted to DKK 174 billion (EUR 23.3 billion)⁸, and the total capital ratio was 21.3 per cent. The core tier 1 capital ratio stood at 14.5 per cent.

The Group's strong financial position was confirmed by the EBA's capitalisation test of European banks, which was published in December 2011 and again in a final report in October 2012. This test was conducted to assess European banks' need for recapitalisation. As expected, the Group passed the test with a capital level substantially above the EBA's requirement.

At the end of March 2012, the Issuer redeemed one subordinated loan of EUR 400 million (DKK 2,976 million)⁹. In September 2012, the Issuer issued subordinated debt, tier 2 capital, of USD 1 billion (DKK 5.7 billion)¹⁰. The issue was part of the Group's ongoing adjustment of the capital structure to meet the coming European capital requirements for banks, and the issue is expected to comply with the requirements for tier 2 capital under CRD IV. The loan has a maturity of 25 years and may be redeemed at par after five years. The tier 2 capital was included in the Group's capital base at 30 September 2012, and it raised the total capital ratio by 0.7 percentage points.

Restrictions on Distributions

As a result of the Issuer's participation in the Danish bank packages, the Issuer could not distribute dividends for the financial years ended 31 December 2008 and 2009. Since 1 October 2010, and for as long as the Danish state holds hybrid capital in the Issuer, the Group may distribute dividends only if the dividends can be paid in full out of the net profit. The loan agreement with the Danish state also stipulates an increase in the interest rate if annual dividend payments exceed DKK 5.5 billion (EUR 0.74 billion).

The Group aims to resume dividend payments of 40 per cent. of net profit as soon as it is prudent. Until capital targets and rating ambitions are met, the pay-out ratio may be lower. No dividend payment was made for 2012.

Risk Management

Introduction

The Issuer's Rules of Procedure for the Board of Directors and the Executive Board (the "**Rules of Procedure**") specify the responsibilities of the two boards and the division of responsibilities between them. The Rules of Procedure and the two-tier management structure, which were developed in accordance with Danish legislation, are central to the organisation of risk management and the policy on lending authority limits in the Group.

⁷ FX rate at 31 December 2011 = 7.4342 DKK per EUR.

⁸ FX rate at 31 December 2012 = 7.4604 DKK per EUR.

⁹ FX rate at 31 March 2012 = 7.4399 DKK per EUR.

¹⁰ FX rate at 21 September 2012 = 5.7439 DKK per USD.

The Board of Directors lays down overall policies, while the Executive Board is in charge of the Group's day-to-day management. The risk and capital management functions are separate from the credit assessment and credit-granting functions.

Responsibility for the day-to-day management of risks in the Group is divided between Group Finance & Legal, Group Risk Management and the business units. The Group has established a segregation of duties between units that enter into business transactions with customers or otherwise expose the Group to risk on the one hand, and units in charge of overall risk management on the other.

Group Risk Management

Group Risk Management is headed by the Group's chief risk officer (“**CRO**”), who is member of the Executive Board.

The department has overall responsibility for monitoring the Group's risk policies and for monitoring, following up and reporting on risk issues across risk types and organisational units. Group Risk Management also serves as a resource for referrals from local risk committees.

The department supports and challenges the rest of the risk management organisation in risk management practices and reporting. It serves as secretariat for the All Risk Committee. Senior staff from the department also chair the Risk Model and Parameter Committee, which monitors the Group's use of risk models, results of backtests and changes to parameters; the Operational Risk Committee, which evaluates the management of the Group's key operational risks; and the Product Risk Committee, which reviews risk related to possible new products. A specialised department in Group Risk Management is responsible for the day-to-day monitoring of operational risks.

In addition, the department has overall responsibility for setting the group-wide risk appetite and policies, for reviewing the approval and follow-up processes in the business units' lending books, and for monitoring and reporting on the Group's consolidated lending portfolio - including the determination of portfolio limits for specific industries and countries.

Group Risk Management is also responsible for facilitating the quarterly process of calculating and consolidating the impairment of credit exposures.

A unit within the department is responsible for developing credit rating and valuation models and for ensuring that they are available for day-to-day credit processing at the business units and that they meet statutory requirements. A separate unit is responsible for backtesting and validating credit risk parameters in collaboration with the business units.

Group Finance & Legal

Group Finance & Legal is headed by the Group's chief financial officer (“**CFO**”), who is member of the Executive Board. The department is responsible for the Group's financial reporting, budgeting and strategic business analysis, including the tools used by the business units for performance follow-up and analysis.

The department is also in charge of the Group's investor relations, capital structure, capital allocation, regulatory matters and relations with international rating agencies.

It is responsible for the day-to-day monitoring and control of market risk as well as the compilation of risk-weighted assets and the Group's internal capital adequacy assessment process (“**ICAAP**”).

Within Group Finance & Legal, Group Treasury is responsible for monitoring liquidity risk and funding needs. Group Treasury also ensures that the Group's structural liquidity profile enables the Group to

comply with the limits and meet the targets set by the Board of Directors and the All Risk Committee as well as regulatory and prudential requirements.

Furthermore, Group Treasury is responsible for asset liability management, private equity activities and long-term funding activities.

Business units

The business units' mandate to originate and accumulate risk exposure for the Group in their daily work is regulated by risk policies, instructions and limits. The Group strives to cultivate a corporate culture that supports and enforces the organisation's objective to undertake selected risks according to guidelines that have been agreed upon.

Responsibility for all business-related risks is with the heads of the business units and the heads of the operations and services areas. Their responsibilities extend across national borders, thus risk management is centralised by business segment. The segment-based organisation enables risk management processes to be tailored to the various customer segments and to be aligned across borders. Lending authorities for specific customer segments and products are granted to the individual business units. Credit decisions exceeding the delegated authorities are referred to the Executive Board and the Board of Directors as required.

The business units carry out all the fundamental tasks required for sound risk management and controls. These tasks include updating the information about customers that is used in risk management tools and models as well as maintaining and following up on customer relationships.

Each business unit is responsible for preparing documentation before undertaking business transactions and for recording the transactions properly. Each unit is also required to update information on customer relationships and other issues as necessary.

The business units must also ensure that all risk exposures comply with specific risk limits as well as the Group's other guidelines.

Certain risk areas, such as market risk and liquidity risk, are still managed centrally at the group level.

Increased attention from local regulators - especially where activities are organised in local legal entities - led the Group to strengthen governance structures for risk management from a local perspective. In the new organisation, country managers and local risk officers are responsible for ensuring compliance with local rules and regulations. Local risk committees as well as asset and liability management committees have also been set up where they are relevant.

Legal Proceedings

Owing to its business volume, the Group is continually a party to various lawsuits. In view of its size, the Group does not expect the outcomes of the cases pending to have any material effect on its financial position.

Bank Packages

Chapter 4a of the Danish Act No. 1003 of 10 October 2008 on Financial Stability ("**Bank Package I**"), as amended by Consolidated Act No. 875 of 15 September 2009, Act No. 516 of 12 June 2009, Act No. 1273 of 16 December 2009, Act No. 721 of 25 June 2010, Act No. 1556 of 21 December 2010 and Act No. 619 of 14 June 2011, and as further amended from time to time (the "**Act on Financial Stability**"), established a transition scheme whereby a Danish bank could apply individually for a state guarantee of its unsubordinated and unsecured debt and of its supplemental security (junior covered bonds) in respect of its

covered bonds, in each case issued no later than 31 December 2010 with a maturity of up to three years (the “**Transition Scheme**” or “**Bank Package II**”). Applications for a state guarantee under the Transition Scheme had to be submitted no later than 31 December 2010. The Danish Minister of Economic and Business Affairs is authorised to extend the 31 December 2010 time limit referred to above.

The Issuer was eligible to apply for a state guarantee in respect of its unsubordinated and unsecured debt, including unsubordinated notes, and its Senior Debt (junior covered bonds), in each case issued no later than 31 December 2010 with a maturity up to three years, provided that the Issuer satisfied the solvency requirements in the Danish Financial Business Act. All state-guaranteed debt issued by the Issuer was repaid in July 2012.

With effect from 1 October 2010 the Act on Financial Stability was amended inter alia to allow for a controlled winding-up of a distressed bank through the Financial Stability Company which is known as “**Bank Package III**”. The new resolution scheme is voluntary and contains no general state guarantee of creditors.

The intention of the new winding-up procedures is to wind up a distressed bank faster than under the traditional bankruptcy procedures. The new procedures do not alter the risk for the creditors, which is that under both the new winding-up procedures and the traditional bankruptcy procedures, the creditors may lose all or part of their claims.

The Act on Financial Stability was further amended with effect from 23 June 2011 in order to allow for the Guarantee Fund for Depositors and Investors to contribute with a financial inducement to encourage a sound bank to take over all activities of a distressed bank, including all unsubordinated and unsecured claims. On 25 August 2011 a number of consolidation initiatives was agreed upon by the vast majority of the political parties in the Danish Parliament (“**Bank Package IV**”). Bank Package IV provides for a strengthening of the compensation scheme in order to create greater incentives for sound banks to wholly or partly take over a bank in distress. In particular, Bank Package IV provides for the Danish state to contribute in the compensation scheme with an amount up to the equivalent of the haircut that would have been imposed on any state guaranteed bonds that were issued by the bank in distress. Contrary to Bank Package III, the unsubordinated and unsecured senior creditors will not suffer any loss if Bank Package IV is applied.

New Capital and Liquidity Regulations

New regulations for the financial sector are being proposed in the EU and beyond. The Group follows this process closely and supports measures that strengthen the resilience of the sector and its ability to support economic growth. The Group is of the opinion that the Basel III guidelines generally meet this criterion.

European implementation of the Basel III Framework

On 20 July 2011, the European Commission adopted its proposal for a review of the CRD (“**CRD IV**”), including implementation of Basel III in the EU. CRD IV is not yet available in its final form. Protracted political negotiations have led to a deviation from the original plan of implementing the rules in early 2013. After formal adoption of CRD IV, the European Banking Authority (“**EBA**”) will propose detailed rules for many areas including, inter alia, liquidity requirements and certain aspects of capital requirements. The following assessment of their effects is therefore a preliminary analysis based on the Issuer’s interpretation of drafts and political discussions on CRD IV.

Under the CRD IV and Basel III framework, the minimum capital requirement for common equity tier 1 (“**CET1**”) (which does not include hybrid capital) will be phased in gradually from the current 2 per cent. of risk-weighted assets to up to 9.5 per cent. in 2019. The 9.5 per cent. requirement will include a “capital conservation buffer requirement” of 2.5 per cent. and a “countercyclical buffer requirement” of 0-2.5 per cent. in addition to the minimum requirement of 4.5 per cent. The countercyclical buffer requirement will apply in periods of excess lending growth in the economy and can vary for each jurisdiction. If a bank

does not maintain these buffers (in excess of the 4.5 per cent. CET1 minimum requirement), restrictions will be placed on its ability to pay dividends and make other payments.

For each systemically important financial institution (“**SIFI**”) there will be additional capital requirements on top of the minimum requirements. In Denmark a SIFI expert committee has been established by the minister for business and growth. In its report, the committee recommended that the Issuer should be considered a Danish SIFI and that, among other things, an additional CET1 capital requirement of 3.5 per cent. on top of CRD IV should be applied.

The CRD IV framework also contains stricter requirements for the quality of capital that may count as CET1 capital and for the calculation of RWA. On the basis of the proposal, the Issuer made a preliminary assessment that its CET1 capital ratio as at 31 December 2012 would be reduced by around 2.0 percentage points when it is calculated on the basis of CRD IV with fully loaded capital deductions (fully phased-in rules by 2018).

The Group estimates that 1.4 percentage points of the reduction will derive from deductions from core tier 1 capital, mainly expected deductions for Danica Pension and for net assets in defined benefit pension plans. The deductions are expected to be phased in such a way that they will be set at 20 per cent. in 2014 and rise in equal annual steps to 100 per cent. in 2018.

According to the Group’s estimates, the remaining 0.6 of a percentage point of the reduction will come from a rise in RWA attributable to new capital requirements for derivative exposures in the form of the so-called Credit Valuation Adjustment risk charge and RWA increases for credit risk relating to exposures to financial customers as well as the Group’s investment in Danica Pension (see below). The estimated increase in RWA may fluctuate over time, however, because of changes in market conditions and market positions. CRD IV will have an immediate effect on the Group’s RWA when it takes effect. The effect on RWA from Danica Pension is expected to take place gradually, however, at the same pace at which the capital deduction for Danica Pension is phased in.

As regards liquidity, the Basel Committee proposed two liquidity ratios in December 2012:(i) the Liquidity Coverage Ratio (“**LCR**”) and the Net Stable Funding Ratio (“**NSFR**”). The LCR stipulates that banks must have a liquidity buffer that ensures a survival horizon of at least 30 calendar days in the case of a seriously stressed liquidity situation. The NSFR is intended to ensure a sound funding structure by promoting an increase in long-dated funding. The NSFR stipulates that at all times banks must have stable funding equal to the amount of their illiquid assets for one year ahead.

In January 2013, the Basel Committee issued revisions to its guideline for the LCR. The revisions include a phasing-in of the minimum requirement in which it will be set at 60 per cent. in 2015 and rise in equal annual steps to 100 per cent. on 1 January 2019. The revisions also include an expansion of the pool of level 2 liquid assets that can be counted in the liquidity buffer and a reduction of the weights assigned to certain liquidity outflows.

In Europe, the focus is on the LCR, but the definition of the LCR is still awaiting additional technical guidance from the EBA. Nevertheless, it is of great significance in the measurement of the Group’s liquidity buffer with the LCR that the CRD IV proposal enables most of the Group’s holdings of covered bonds, including Danish mortgage bonds, to be classified as level 1 liquid assets, on par with Danish government bonds, for example.

It is unclear how the EU authorities will choose to incorporate or modify the Basel Committee’s revisions to the LCR in CRD IV. The Basel Committee’s revisions are therefore not incorporated in the Group’s reported LCR. If the Basel Committee’s revisions are to be incorporated in CRD IV, and if CRD IV still enables most of the Group’s holdings of covered bonds, including Danish mortgage bonds, to be classified as level 1 liquid assets, these revisions are expected to have a positive effect on the Group’s LCR.

At the end of 2012, the Group's LCR was 121 per cent. The Group met the requirement by lengthening its funding profile, changing the composition of its liquidity buffer, and counting holdings of covered bonds and Danish mortgage bonds, including own issued bonds. The Group will include these holdings in the ratio until the EBA's final guidelines are announced before expected implementation of the requirement in the EU in 2015.

Once CRD IV is finalised, the Group will assess whether the new rules change the implications for the Group's capital and liquidity relative to the preliminary assessment.

Solvency II (insurance)

Once the new international insurance solvency rules, Solvency II, take effect, expected in 2014, the requirements for capital strength in the insurance area will be the focus of attention. The rules are intended to protect customers' funds and will generally increase the capital requirements. Danica is well-prepared for the new rules. Danica is closely monitoring the work on the coming EU solvency rules, Solvency II which, among other things, are set to change the existing volume-based capital requirement to a capital requirement that more accurately reflects the risks involved in the operation.

Solvency II was previously set to take effect at 1 January 2014. However, in the autumn of 2012 the European Insurance and Occupational Pensions Authority ("EIOPA") announced that this is no longer realistic. Instead, EIOPA expects the new rules to take effect at 1 January 2016. The postponement is due to the many remaining unresolved issues that are holding up the legislative process. A central unresolved issue is the treatment of long-term guarantees. Despite the lingering uncertainty as to the effective date of Solvency II, in 2012 Danica continued preparing for the transition to Solvency II. It is not yet possible to predict what Danica's capital requirements will be under Solvency II as the amounts of long-term guarantees, among other factors, are of great significance to the coming capital requirements. However, Danica does not expect the company's excess core capital to change significantly under the new rules once implemented.

Recent Developments

Danske Bank has received orders from the Danish FSA

The Danish Financial Supervisory Authority (the "FSA") has on 17 June 2013 issued orders to Danske Bank concerning its use of the internal ratings-based approach in capital adequacy calculations (the IRB approach) and solvency need calculations.

Apart from the order in relation to exposures on other institutions, Danske Bank does not agree with the orders and has appealed the decision to the Company Appeals Board.

The FSA's orders

The FSA has given Danske Bank four orders that can be summed up as follows:

- With effect from 31 December 2013, an order to change some specific elements of the IRB model and thus increase the risk weights for corporate exposures (two orders). In this connection, Danske Bank can reduce Pillar II add-ons.
- With effect from 30 June 2014, ensure that Through The Cycle Probability of Default (TTC PD) values for exposures with counterparty risk reflect the increase for the remaining corporate portfolio. In the meantime, Danske Bank must include an add-on in the solvency requirement.
- With effect from 30 June 2013, an order to set aside additional capital in its solvency need calculations to cover risks deriving from exposures to other institutions.
- With effect from 30 June 2013, an order to remove a deduction from the solvency need.

For further information about the orders, please see the FSA's decision.

Consequences of the orders

Danske Bank has begun implementing the new requirements.

Over time, the net effect of the orders would be a rise in risk-weighted assets of around DKK 100 billion relative to the figure for Q2 2013 DKK 779 billion (EUR 104 billion)¹¹.

Another consequence of the orders would be an increase in Danske Bank's capital requirement (Pillar I requirement) of DKK 8 billion (EUR 1.1 billion), from DKK 62 billion (EUR 8.3 billion) to DKK 70 billion (EUR 9.4 billion) calculated at 30 June 2013. There will be a corresponding reduction in Pillar II add-ons.

Calculated at 30 June 2013, the total capital ratio would be around 19.2 per cent. (the actual reported figure at 30 June 2013 was 21.8 per cent.), and the solvency need ratio under the Basel I transitional rules would be 10.0 per cent. (the actual reported figure at 30 June 2013 was 11.3 per cent.).

The DFSA's decision is available at www.danskebank.com/ir.

Management changes – New Chief Executive Officer

On 16 September 2013, the Board of Directors appointed Thomas F. Borgen as new Chief Executive Officer. Thomas F. Borgen replaced Eivind Kolding who resigned with effect as of 16 September 2013. Thomas F. Borgen has been employed with the Danske Bank Group since 1997 and comes from the position as Member of Danske Bank's Executive Board responsible for Corporate & Institutional Banking. These areas will for the time being continue to be a part of Thomas F. Borgen's field of responsibility.

¹¹ FX rate at 30 June 2013 = 7.4588 DKK per EUR.

Management of Danske Bank

The Issuer's administrative bodies are the Board of Directors and the Executive Board. The Board of Directors, which consists of non-executive directors, is elected by the shareholders of the Issuer at the annual general meeting, with the exception of those directors who are elected pursuant to prevailing law concerning employee representation on the Board of Directors (currently five). The non-employee directors, who are elected by the shareholders, are elected for terms of one year and the number of such directors may range from six to ten. Directors are eligible for re-election. The Issuer's Executive Board may consist of two to ten members who are responsible for the day-to-day business and affairs of the Issuer. The business address of the Board of Directors and the Executive Board is 2-12 Holmens Kanal, DK-1092 Copenhagen K, Denmark.

The present members of the Board of Directors and their external positions are as follows:

*Members of the Board of Directors elected
by the general meeting*

Ole Andersen, Chairman

Directorships and other offices:

Managing Director of OGA Holding ApS and the subsidiaries

- OGA Holding/D1 ApS
- OGA Holding/D4 ApS

Bang & Olufsen A/S (Chairman)

Chr. Hansen Holding A/S (Chairman)

EQT Partners (Senior Advisor)

ISS A/S (Chairman) and the subsidiary

- ISS World Services A/S (Chairman)

NASDAQ OMX Nordic (Member of the Nomination Committee)

Zebra A/S (Chairman).

Niels B. Christiansen, Vice Chairman

Directorships and other offices:

Chief Executive Officer of Danfoss A/S

Axcel II A/S (Chairman) and the subsidiaries

- Axcel Industriinvestor A/S (Chairman)
- Axcel II Management A/S (Chairman)

Danfoss Group – Chairman or board member in the subsidiaries

- Danfoss Development A/S (Chairman)
- Danfoss Power Electronics A/S
- Danfoss Ejendomsselskab A/S (Chairman)
- Danfoss International A/S (Chairman)

Denmark-America Foundation

The Confederation of Danish Industry (Vice Chairman of the Central Board and the Executive Committee)

	<p>Provinsindustriens Arbejdsgiverforening (Federation of Regional Industries) (member)</p> <p>Sauer-Danfoss Inc. (Vice Chairman)</p> <p>William Demant Holding A/S.</p>
Urban Bäckström	
Directorships and other offices:	<p>Director General of the Confederation of Swedish Enterprise.</p> <p>Exportrådet (Swedish Trade Council) (member of the Board of Directors)</p> <p>Institutet för Näringslivsforskning (Research Institute of Industrial Economics).</p>
Lars Förberg	
Directorships and other offices:	<p>Managing Partner, Cevian Capital</p> <p>Alent Plc</p> <p>Metso Oyj (Member of the Nomination Committee)</p> <p>Tieto Oyj (Member of the Nomination Committee)</p> <p>AB Volvo (Member of the Nomination Committee).</p>
Jørn P. Jensen	
Directorships and other offices:	<p>Deputy CEO and Chief Financial Officer of Carlsberg A/S and Carlsberg Breweries A/S</p> <p>Carlsberg Group - Chairman or board member in the subsidiaries</p> <ul style="list-style-type: none"> • Carlsberg Breweries A/S • Danish Malting Group A/S • Carlsberg IT A/S (Chairman) • Carlsberg Finans A/S (Chairman) • Carlsberg Group Procurement AG, Switzerland (Chairman) • Carlsberg Byen Komplementar ApS (Chairman) • Carlsberg Byen P/S (Chairman) • Carlsberg Byen Ejendom P/S (Chairman) • Carlsberg Byen I A/S (Chairman) • Carlsberg Ejendom Holding A/S (Chairman) • Investeringsaktieselskabet af 02.12.2005 (Chairman) • Carlsberg Insurance A/S • Carlsberg Invest A/S (Chairman)

- Carlsberg International A/S (Chairman)
- Boliginteressentskabet Tuborg (Chairman)
- Ejendomsaktieselskabet Tuborg Nord C (Chairman)
- Ejendomsaktieselskabet af 4. marts 1982 (Chairman)
- Oy Sinebrychoff Ab, Finland
- Carlsberg Accounting Service Centre SP.z.o.o., Poland (Chairman)
- Baltika Breweries, Russia

Committee on Corporate Governance

DONG Energy A/S (Board member and member of the audit and risk committee)

Ekeløf Invest ApS (CEO).

Carol Sergeant

Directorships and other offices:

Secure Trust Bank plc

Martin Currie Holdings Limited.

Member of High-level Expert Group on reforming the structure of the EU banking sector (Liikanen Group)

Chairman, Simple Financial Products Steering Group, HM Treasury, UK

Member UK Steering Committee on Internal Audit guidance for financial services

Public Concern at Work (UK Whistleblowing charity) (Chairman)

Cass Business School (Advisory Board member)

Newnham College, Cambridge (Board member)

St. Paul's Cathedral Foundation (Trustee).

Jim Hagemann Snabe

Directorships and other offices:

Co-Chief Executive Officer of SAP AG

Bang & Olufsen A/S (Vice Chairman)

Snabe ApS (CEO).

Trond Ø. Westlie

Directorships and other offices:

Group Chief Financial Officer and member of the Executive Board of A.P. Møller-Mærsk A/S

A.P. Møller-Mærsk Group - Chairman or board member in the subsidiaries

- Dansk Supermarked A/S (Vice Chairman)
- Maersk A/S
- Maersk Drilling Holding A/S

- Mærsk Oil & Gas A/S
- Rederiet A.P. Møller A/S
- APM Terminals B.V.
- APM Terminals Management B.V.
- F. Salling Holding A/S
- F. Salling A/S

Danmarks Skibskredit (member of the board and of the audit committee)

Pepita AS

Shama AS (member of Executive Board)

Subsea 7 S.A.

Tønsberg Delikatesse AS.

Members of the Board of Directors elected by the Group's employees in Denmark

Susanne Arboe

Adviser

Directorships and other offices:

Danske Kreds.

Helle Brøndum

Bank Clerk

Directorships and other offices:

None.

Carsten Eilertsen

Senior Personal Customer Adviser

Directorships and other offices:

Apostelgaardens Fond (Vice Chairman)

Danske Kreds (Vice Chairman)

Danske Unions

The Parish Church Council of Sct. Mortens Church (Vice Chairman)

The Næstved Cemeteries.

Charlotte Hoffmann

Personal Customer Adviser

Directorships and other offices:

None.

Per Alling Toubro

HR Specialist

Directorships and other offices:

None.

The present members of the Executive Board and their external positions are as follows:

Thomas F. Borgen

Head of Corporates & Institutions

Directorships and other offices:

Danmarks Skibskredit A/S (Vice Chairman)

VP Securities

Kong Olav V's Fond.

Tony Thierry Andersen

Head of Personal Banking

Directorships and other offices:

Danish Bankers Association (Chairman)

Bank ernes Kontantservice A/S

	Danske Bank Oyj (Chairman)
	Danske Bank International S.A. (Chairman)
	Forsikringselskabet Danica, Skadeforsikringsaktieselskab af 1999 (Vice chairman) and the subsidiary
	<ul style="list-style-type: none"> • Danica Pension, Livsforsikringsaktieselskab (Vice chairman)
	Nets Holding A/S
	Realkredit Danmark A/S (Chairman)
	The Private Contingency Association for the Winding up of Distressed Banks, Savings Banks and Cooperative Banks (Vice Chairman)
	Olga og Esper Boels Fond
	Ejendomsaktieselskabet Boels Gård
	YPO, Young Presidents Organization CFO
	Værdiansættelsesrådet
	ICC International Chamber of Commerce
	Det Økonomiske råd.
Robert Endersby	Head of Group Risk Management
Directorships and other offices:	Danske Bank's Fund
	Danske Bank Oyj (Vice Chairman)
	Northern Bank Limited.
Lars Mørch	Head of Business Banking
Directorships and other offices:	Danske Bank's Fund
	Northern Bank Limited (Chairman)
	Realkredit Danmark A/S (Vice Chairman).
Henrik Ramlau-Hansen	Head of Group Finance & Legal
Directorships and other offices:	Bluegarden Holding A/S
	Bluegarden A/S
	LR Realkredit
	Det Finansielle Råd
	Kreditforeningen Danmarks Pensionsafviklingskasse
	Realkredit Danmark A/S
	Forsikringselskabet Danica, Skadeforsikringsaktieselskab af 1999 (Member) and the subsidiary
	<ul style="list-style-type: none"> • Danica Pension, Livsforsikringsaktieselskab (Member).

The external positions for the members of the Board of Directors and the Executive Board may change. Updates of this information can be found on the Danske Bank homepage, www.danskebank.com/corporategovernance.

After application of the relevant laws and conflict of interest policies of the Issuer, no potential conflicts of interest exist between the duties to the Issuer of the persons on the Board of Directors and the Executive Board and their private interests and/or other duties listed above.

Corporate Authorities

The establishment of the Programme was authorised by a resolution of the Board of Directors of the Issuer passed on 24 January 2008. The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.

Significant Change and Material Adverse Change

- (i) There has been no significant change in the financial or trading position of the Issuer or of the Issuer and its subsidiaries taken as a whole since 30 June 2013, the last day of the financial period in respect of which the most recent financial statements of the Issuer have been prepared; and
- (ii) save as disclosed on page 7 of the Interim Report – First Half 2013, there has been no material adverse change in the prospects of the Issuer since 31 December 2012, the last day of the financial period in respect of which the most recently audited financial statements of the Issuer have been prepared.

Legal Proceedings

There are no governmental, legal or arbitration proceedings against or affecting the Issuer or any of its subsidiaries (and no such proceedings are pending or threatened of which the Issuer is aware) during a period covering at least the previous 12 months which have or may have in the recent past, individually or in the aggregate, significant effects on the profitability or the financial position of the Issuer or of the Issuer and its subsidiaries taken as a whole.

Auditors

The financial statements of the Issuer have been audited:

- (i) in the case of the financial year ended 31 December 2012, by KPMG Statsautoriseret Revisionspartnerselskab (“**KPMG**”) of Osvald Helmuths Vej 4, Postboks 250, DK-2000 Frederiksberg; and
- (ii) in the case of the financial year ended 31 December 2011, by PricewaterhouseCoopers Danmark Statsautoriseret Revisionsaktieselskab (“**PwC**”) (formerly operating as Grant Thornton Danmark) of Strandvejen 44, DK-2900 Hellerup and KPMG,

in each case being the relevant independent public auditors of the Issuer for the relevant period. Unqualified opinions have been reported on such financial statements and each of KPMG and PwC is a member of “FSR - Danske Revisorer” (Association of State Authorised Public Accountants). The Issuer’s Articles of Association and the Danish Financial Business Act provide that the Issuer’s Annual Report shall be audited by one or more state-authorised public accountants who shall be elected for one year at a time. The Annual General Meeting on 18 March 2013 approved that KPMG will be the sole state-authorised public accountants for the Issuer for 2013.

Use of Proceeds

The net proceeds of the issue of each Tranche of Notes will be applied by the Issuer to meet part of its general financing requirements. If, in respect of any particular issue of Notes which are derivative securities for the purposes of Article 15 of the Commission Regulation No 809/2004 implementing the Prospectus Directive, there is a particular identified use of proceeds, this will be stated in the relevant Final Terms.

SECTION E - GENERAL INFORMATION RELATING TO THE PROGRAMME AND THE NOTES

SECTION E.1 - GENERAL DESCRIPTION OF THE PROGRAMME

The following description of key features of the Programme does not purport to be complete and is qualified in its entirety by the remainder of this Base Prospectus. Words and expressions defined in “Overview of Form of the Notes” or “Terms and Conditions of the Notes” below shall have the same meanings in this description of key features of the Programme.

Issuer:	Danske Bank A/S.
Arranger:	Danske Bank A/S.
Dealer:	Danske Bank A/S and any other dealer appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Tranche of Notes.
Fiscal Agent:	Citibank, N.A., London Branch.
Irish Listing Agent:	Danske Bank A/S.
VP Systems Agent:	(i) In respect of VP Systems Notes cleared through the VP, VPS or Euroclear Sweden, Danske Bank A/S. (ii) In respect of VP Systems Notes cleared through Euroclear Finland, Danske Bank Oyj.
Listing and Admission to Trading:	Each Series may be admitted to the Official List and to trading on the regulated market or the Global Exchange Market of the Irish Stock Exchange and/or admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system (including, without limitation, the NASDAQ OMX Copenhagen A/S, the NASDAQ OMX Stockholm AB or the NASDAQ OMX Helsinki Oy or the NGM Stock Exchange) as may be agreed between the Issuer and the relevant Dealer and specified in the relevant Issue Terms or may be issued on the basis that they will not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system.
Initial Programme Amount:	EUR 5,000,000,000 (and, for this purpose, any Notes denominated in another currency shall be translated into euros at the date of the agreement to issue such Notes using the spot rate of exchange for the purchase of such currency against payment of euros being quoted by the Fiscal Agent on the date on which an agreement in respect of the relevant Tranche was made or such other rate as the Issuer and the relevant Dealer may agree) in aggregate principal amount of Notes outstanding at any one time. The maximum aggregate principal amount of Notes which may be outstanding under the Programme may be increased from time to time.
Issuance in Series:	Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date, the amount of the first payment of interest (if any) and/or the issue price thereof may be different in respect of different Tranches.

Issue Terms:	Each Tranche will be the subject of the Issue Terms which, for the purposes of that Tranche only, completes and/or (in the case of Exempt Notes only) amends and/or replaces the Conditions and must be read in conjunction with this Base Prospectus. The terms and conditions applicable to any particular Tranche of Notes are the Conditions as completed by the relevant Final Terms or, in the case of Exempt Notes, amended and/or replaced by the relevant Pricing Supplement. See also “Exempt Notes” below.
Forms of Notes:	Notes may be issued in bearer form (“ Bearer Notes ”) or in uncertificated and dematerialised book entry form cleared through the Danish, Norwegian, Finnish and/or Swedish, as the case may be, central securities depository (together the “ VP Systems Notes ” and individually the “ VP ”, “ VPS ”, “ Euroclear Finland ” and “ Euroclear Sweden ”, respectively), as described in “Overview of Form of the Notes” below. In respect of each Tranche of Bearer Notes, the Issuer will deliver a Temporary Global Note or (if so specified in the relevant Issue Terms in respect of Notes to which the TEFRA C Rules apply (as so specified in such Issue Terms)) a Permanent Global Note. Such Global Note which is not intended to be issued in New Global Note form (a “ Classic Global Note ” or “ CGN ”), as specified in the relevant Issue Terms, will be deposited on or around the relevant issue date therefor with Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and each Global Note which is intended to be issued in New Global Note form (a “ New Global Note ” or “ NGN ”), as specified in the relevant Issue Terms, will be deposited on or around the relevant issue date with a common safe-keeper for Euroclear and/or Clearstream, Luxembourg. Interests in each Temporary Global Note will, not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership, be exchangeable for interests in a Permanent Global Note or, if so specified in the relevant Issue Terms, for Definitive Notes in bearer form in accordance with its terms. Interests in each Permanent Global Note will be exchangeable for Definitive Notes in bearer form in accordance with its terms. Definitive Notes in bearer form will, if interest-bearing, have Coupons attached and, if appropriate, Talons. VP Systems Notes will not be evidenced by any physical note or document of title. Entitlements to VP Systems Notes will be evidenced by the crediting of VP Systems Notes to accounts with the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be.
Clearing Systems:	Euroclear, Clearstream, Luxembourg, VP, VPS, Euroclear Finland and/or Euroclear Sweden and/or, in relation to any Tranche of Notes, any other clearing system as may be specified in Part B of the relevant Issue Terms.
Currencies:	Notes may be denominated in any currency or currencies, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. Payments in respect of Notes may, subject to such compliance, be made in and/or linked to, any currency or currencies other than the currency in which such Notes are denominated.
Status of the Notes:	The Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank <i>pari passu</i> without any preference among themselves and at least <i>pari passu</i> with all other

unsubordinated and unsecured obligations (including liabilities in respect of deposits) of the Issuer, present and future (save for certain mandatory exceptions provided by law).

Issue Price:	Notes may be issued at any price and on a fully paid basis only.
Maturities:	Any maturity, subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.
Redemption:	Notes may be redeemed at the Redemption Amount specified in the relevant Issue Terms and determined as set out in Payout Schedule 2 (Redemption) and/or, in respect of Exempt Notes, in the relevant Pricing Supplement.
Optional Redemption:	Notes may be redeemed before their stated maturity at the option of the Issuer (either in whole or in part) and/or the Holders to the extent (if at all) specified in the relevant Issue Terms.
Tax Redemption:	Save where General Condition 8.3 (<i>No gross-up</i>) is specified as applicable in the relevant Issue Terms, early redemption will be permitted for tax reasons as described in General Condition 6.3 (<i>Early redemption for tax reasons</i>).
Interest:	Notes may be interest-bearing or non-interest bearing. Interest (if any) shall accrue at the rate specified in the relevant Issue Terms and determined as set out in Payout Schedule 1 (<i>Interest</i>) and/or, in respect of Exempt Notes, in the relevant Pricing Supplement.
Denominations:	The Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency and save that the minimum denomination of each Note admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which would otherwise require the publication of a prospectus under the Prospectus Directive will be EUR 1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).
Negative Pledge:	None.
Cross Default:	None.
Taxation:	If General Condition 8.1 (<i>Gross-up</i>) is specified as applicable in the relevant Issue Terms, all payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Denmark or any political subdivision therein or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer shall pay such additional amounts as will result in receipt by the Holders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required.

If General Condition 8.3 (*No gross-up*) is specified as applicable in the relevant Issue Terms, the Issuer shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment, or enforcement of any Note and all payments made by the Issuer shall be made subject to any tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

Governing Law:

The Notes shall be governed by, and shall be construed in accordance with, English law except for the registration of Notes in the VP, which shall be governed by, and shall be construed in accordance with, Danish law, the registration of Notes in the VPS, which shall be governed by, and shall be construed in accordance with, Norwegian law, the registration of Notes in Euroclear Finland, which shall be governed by, and shall be construed in accordance with, Finnish law and the registration of Notes in the Euroclear Sweden, which shall be governed by, and shall be construed in accordance with, Swedish law.

VP Systems Notes must comply with the relevant regulations of the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, and the holders of VP Systems Notes will be entitled to the rights and are subject to the obligations and liabilities which arise under the relevant Danish, Norwegian, Finnish or Swedish regulations and legislation.

Enforcement of Notes in Global Form:

In the case of Global Notes, individual investors' rights against the Issuer will be governed by a Deed of Covenant dated 21 June 2013, a copy of which will be available for inspection at the specified office of the Fiscal Agent.

Ratings:

The Issuer has been rated by the following rating agencies: Moody's Investors Service Ltd. ("**Moody's**"), Standard & Poor's Credit Market Services Europe Limited ("**S&P**") and Fitch Ratings Ltd ("**Fitch**"):

The Issuer ratings are as follows:

	Moody's	S&P	Fitch
senior unsubordinated long-term debt/long-term Issuer default rating	Baa1	A-	A
senior unsubordinated short-term debt/short-term Issuer default rating	P-2	A-2	F1

Each of Moody's, S&P and Fitch is established in the European Union and is registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**") and is included in the list of credit rating agencies registered in accordance with the CRA Regulation as of the date of this Base Prospectus. This list is available on the ESMA website at www.esma.europa.eu/page/List-registered-and-certified-CRAs (list last updated on 3 June 2013).

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused.

However, there is no guarantee that any rating of the Issuer assigned by any such rating agency will be maintained following the date of this Base Prospectus, and the Issuer may seek to obtain ratings from other rating agencies.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Up-to-date information should always be sought by direct reference to the relevant rating agency.

Selling Restrictions:

There are restrictions on the transfer of Notes prior to the expiration of the relevant distribution compliance period, see “*Subscription and Sale*” below. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States of America, the European Economic Area, the United Kingdom, Denmark, Finland, and Sweden see “*Subscription and Sale*” below.

Exempt Notes:

The Issuer may agree with any Dealer that Exempt Notes may be issued in a form not contemplated by the Conditions and this General Description of the Programme, in which event the relevant provisions will be included in the relevant Pricing Supplement.

SECTION E.2 - GENERAL INFORMATION RELATING TO ISSUANCE OF NOTES

Listing and Admission to Trading

Application has been made to the Irish Stock Exchange for Notes issued under the Programme to be admitted to the Official List and to trading on its regulated market.

Application has been made for Exempt Notes issued under the Programme to be admitted to the Official List and to trading on its Global Exchange Market.

However, Notes may be issued pursuant to the Programme which will not be admitted to listing on the Official List and admitted to trading and/or quotation by the regulated market or the Global Exchange Market of the Irish Stock Exchange or any other listing authority, stock exchange and/or quotation system or which will be admitted to listing, trading and/or quotation by such listing authority, stock exchange and/or quotation system (including, without limitation, the NASDAQ OMX Copenhagen A/S, the NASDAQ OMX Stockholm AB or the NASDAQ OMX Helsinki Oy or the NGM Stock Exchange) as the Issuer and the relevant Dealer(s) may agree.

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in relation to the Notes and is not itself seeking admission of the Notes to the Official List of the Irish Stock Exchange or admission of Exempt Notes to trading on the Global Exchange Market of the Irish Stock Exchange.

Clearing Systems

The Notes (other than VP Systems Notes) have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg. The appropriate common code and the International Securities Identification Number in relation to the Notes of each Series (other than VP Systems Notes) will be specified in the Issue Terms relating thereto. If the Notes are to clear through an additional or alternative clearing system (including the VP, VPS, Euroclear Finland or Euroclear Sweden), the appropriate information will be specified in the relevant Issue Terms. Euroclear and Clearstream, Luxembourg or the VP, VPS, Euroclear Finland and/or Euroclear Sweden, as the case may be, are the entities in charge of keeping the records.

Legend concerning United States Persons

Bearer Notes (other than Temporary Global Notes) which have a maturity of more than 365 days and any Coupon appertaining thereto will bear a legend substantially to the following effect: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code."

Settlement

Settlement arrangements will be agreed between the Issuer, the relevant Dealer and the Fiscal Agent or the relevant VP Systems Agent, as the case may be, in relation to each Tranche of Notes.

Content of Issue Terms

The Issue Terms will contain at least the following information in respect of each relevant Tranche of Notes (if applicable): Series number, Specified Currency, Aggregate Principal Amount, Issue Date, Issue Price, Form of Notes, Specified Denomination(s), Interest Basis, Business Day Convention, Maturity Date, Listing, ISIN, Common Code and any clearing system other than Euroclear and Clearstream, Luxembourg, as the case may be.

Issue price and amount of issue

The issue price and amount of the Notes of any Tranche to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of the issue of such Tranche in accordance with prevailing market conditions.

Post Issuance Information

The Issuer does not intend to provide post-issuance information, if not otherwise required by all applicable laws and regulations.

SECTION E.3 - OVERVIEW OF FORM OF THE NOTES

Words and expressions defined in “Terms and Conditions of the Notes” herein shall have the same meanings in this “Overview of Form of the Notes”.

The Notes of each Series will be in bearer form or, in the case of VP Systems Notes, uncertificated and dematerialised book entry form.

Form of Bearer Notes

Each Tranche of Bearer Notes will initially be in the form of either a temporary global note (the “**Temporary Global Note**”), without interest Coupons, or a permanent global note (the “**Permanent Global Note**”), without interest Coupons, in each case as specified in the relevant Issue Terms. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a “**Global Note**”) which is intended to be issued in CGN form, as specified in the relevant Issue Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a depositary or a common depositary for Euroclear and Clearstream, Luxembourg and each Global Note which is intended to be issued in NGN form as specified in the relevant Issue Terms, will be deposited on or around the relevant issue date with a common safe-keeper for Euroclear and/or Clearstream, Luxembourg.

The relevant Issue Terms will also specify whether United States Treasury regulation §1.163-5(c)(2)(i)(C) (or any successor United States Treasury regulation section, including without limitation, successor regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010) (the “**TEFRA C Rules**”) or United States Treasury regulation §1.163-5(c)(2)(i)(D) (or any successor United States Treasury regulation section, including without limitation, successor regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010) (the “**TEFRA D Rules**”) are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

Temporary Global Note exchangeable for Permanent Global Note

If the relevant Issue Terms specifies the form of Notes as being “Temporary Global Note exchangeable for a Permanent Global Note”, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, not earlier than forty days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership.

No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the prompt delivery (free of charge to the bearer) of such Permanent Global Note, duly authenticated and, in the case of a NGN, effectuated, to the bearer of the Temporary Global Note or (in the case of any subsequent exchange of a part of the Temporary Global Note) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (i) presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of the Fiscal Agent; and

- (ii) in either case, receipt by the Fiscal Agent of a certificate or certificates of non-U.S. beneficial ownership,

within seven days of the bearer requesting such exchange.

Temporary Global Note exchangeable for Definitive Notes

If the relevant Issue Terms specifies the form of Notes as being “Temporary Global Note exchangeable for Definitive Notes” and also specifies that the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Notes in definitive form (“**Definitive Notes**”) not earlier than forty days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Issue Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Fiscal Agent within thirty days of the bearer requesting such exchange.

Permanent Global Note exchangeable for Definitive Notes

If the relevant Issue Terms specifies the form of Notes as being “Permanent Global Note exchangeable for Definitive Notes”, then the Notes will initially be in the form of a Permanent Global Note. If the relevant Issue Terms specifies the form of Notes as being “Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes”, then the Notes will be initially in the form of a Temporary Global Note which will be exchangeable for a Permanent Global Note as set out above. In each case, the Permanent Global Note will be exchangeable, in whole but not in part only and at the request of the bearer of the Permanent Global Note, for Definitive Notes:

- (i) on the expiry of such period of notice as may be specified in the relevant Issue Terms; or
- (ii) at any time, if so specified in the relevant Issue Terms, save that this paragraph (ii) shall not apply if the relevant Issue Terms specify denominations consisting of a minimum Specified Denomination plus one or more integral multiples of another smaller amount; or
- (iii) if the relevant Issue Terms specifies “in the limited circumstances described in the Permanent Global Note”, then if:
 - (a) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of fourteen days (other than by reason of legal holidays) or announces an intention permanently to cease business or in fact does so; or
 - (b) any of the circumstances described in General Condition 9 (*Events of Default*) occurs.

The Permanent Global Note will become exchangeable, in whole but not in part only and at the request of the Issuer, for Definitive Notes if, by reason of any change in the laws of Denmark, the Issuer will be required to make any withholding or deduction from any payment in respect of the Notes which would not be required if the Notes are in definitive form.

Interest-bearing Definitive Notes will have attached thereto at the time of their initial delivery Coupons. Interest-bearing Definitive Notes, if so specified in the relevant Issue Terms, will have attached

thereto at the time of their initial delivery, Talons for further coupons and the expression Coupons shall, where the context so requires, include Talons.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons (if so specified in the relevant Issue Terms) attached, in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within thirty days of the bearer requesting such exchange.

The Permanent Global Note also provides, *inter alia*, that:

- (i) if Definitive Notes have not been delivered in accordance with the terms of the Permanent Global Note by 6.00 p.m. (London time) on the thirtieth day after the day on which such Permanent Global Note becomes due to be exchanged; or
- (ii) if the Permanent Global Note (or any part thereof) becomes due and payable in accordance with the Terms and Conditions or the date for final redemption of the Permanent Global Note has occurred, and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made on the due date for payment by 6.00 p.m. (London time) on such due date,

then such Permanent Global Note will become void in accordance with its terms but without prejudice to the rights conferred by the Deed of Covenant.

Legend concerning United States persons

In the case of any Tranche of Bearer Notes having a maturity of more than 365 days, the Global Notes, the Definitive Notes and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.”

The sections referred to in such legend provide that a United States person who holds a Bearer Note, Coupon or Talon will generally not be allowed to deduct any loss realised on the sale, exchange or redemption of such Note, Coupon or Talon and any gain (which might otherwise be characterised as capital gain) recognised on such sale, exchange or redemption will be treated as ordinary income.

Form of VP Systems Notes

Each Tranche of VP Systems Notes will be issued in uncertificated and dematerialised book entry form. Legal title to the VP Systems Notes will be evidenced by book entries in the records of the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be. Issues of VP Systems Notes are the subject of the VP Systems Agency Agreement. On the issue of such VP Systems Notes, the Issuer will send a copy of the relevant Issue Terms to the Fiscal Agent, with a copy sent to the relevant VP Systems Agent. On delivery of the relevant Issue Terms by the relevant VP Systems Agent to the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, and notification to the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, of the subscribers and their VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, account details by the relevant Dealer, the VP Systems Agent, acting on behalf of the Issuer, will give instructions to the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, to credit each subscribing account holder with the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, with a principal amount of the relevant VP Systems Notes equal to the principal amount thereof for which it has subscribed and paid.

No physical global or definitive Notes or any bearer security will be issued in respect of VP Systems Notes registered with Euroclear Sweden. Issuance and redemption of VP Systems Notes registered with Euroclear Sweden is subject to and will take place in accordance with the rules and procedures of Euroclear Sweden. Payments of principal, interest (if any) or any other amounts on any such VP Systems Notes will be made through Euroclear Sweden's system in accordance with the rules and operating procedures of Euroclear Sweden.

Settlement of sale and purchase transactions in respect of VP Systems Notes in the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, will take place in accordance with market practice at the time of the transaction. Transfers of interests in the relevant VP Systems Notes will take place in accordance with the rules and procedures for the time being of the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be.

The Terms and Conditions applicable to any VP Systems Notes will consist of the Conditions set out under “*Terms and Conditions of the Notes*” below and the provisions of the relevant Issue Terms which complete and/or (in the case of Exempt Notes only) amend and/or replace those Conditions.

Clearing Systems

Any reference herein to Euroclear and/or Clearstream, Luxembourg and/or the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer, the Fiscal Agent, the other Paying Agents and the relevant Noteholders.

SECTION E.4 - SUBSCRIPTION AND SALE

In respect of each Tranche of Notes issued under the Programme, a Dealer may, by entering into a purchase agreement (unless the Dealer is Danske Bank A/S or any affiliate), agree with the Issuer the basis upon which it agrees to purchase Notes. Any such agreement will extend to those matters stated under “*Overview of Form of the Notes*” above and “*Terms and Conditions of the Notes*” below.

United States of America: *Regulation S Category 2; TEFRA D, TEFRA C or “TEFRA Not Applicable” as specified in the relevant Issue Terms.*

Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in the preceding sentence have the meanings given to them by Regulation S under the Securities Act.

Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to U.S. persons, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U. S. Internal Revenue Code of 1986 and Treasury regulations promulgated thereunder. The relevant Issue Terms will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

Each Dealer will be required to agree (or, if the Dealer is Danske Bank A/S or any affiliate thereof, will be deemed to have agreed), that it will not offer, sell or deliver Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Notes comprising the relevant Tranche, as certified to the Fiscal Agent or the Issuer by such Dealer (or, in the case of a sale of a Tranche of Notes to or through more than one Dealer, by each of such Dealers as to the Notes of such Tranche purchased by or through it, in which case the Fiscal Agent or the Issuer shall notify each such Dealer when all such Dealers have so certified) (the “**distribution compliance period**”) within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each distributor, dealer or person to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the respective meanings given to them by Regulation S under the Securities Act.

In addition, until forty days after the commencement of the offering of Notes comprising any Tranche, any offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption under the Securities Act (if available).

The Notes do not constitute, and have not been marketed as, contracts of sale of a commodity for future delivery (or options thereon) subject to the United States Commodity Exchange Act, as amended, and trading in the Notes has not been approved by the United States Commodity Futures Trading Commission under the United States Commodity Exchange Act, as amended.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), each Dealer will be required to represent and agree (or, if the Dealer is Danske Bank A/S or any affiliate thereof, will be deemed to have represented and agreed) that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect

from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (i) if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a “**Non-exempt Offer**”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or Final Terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (ii) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (iii) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer(s) nominated by the Issuer for any such offer; or
- (iv) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (ii) to (iv) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “**Prospectus Directive**” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in the Relevant Member State and the expression “**2010 PD Amending Directive**” means Directive 2010/73/EU.

United Kingdom

Each Dealer will be required to represent and agree (or, if the Dealer is Danske Bank A/S or any affiliate thereof, will be deemed to have represented and agreed) that:

- (i) **Financial promotion:** it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 would not, if the Issuer was not an authorised person, apply to the Issuer; and
- (ii) **General compliance:** it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Denmark

Each Dealer will be required to represent and agree (or, if the Dealer is Danske Bank A/S or any affiliate thereof, will be deemed to have represented and agreed) that it has not offered or sold and will not offer, sell or deliver any Notes directly or indirectly in Denmark by way of a public offering, unless in compliance with the Danish Consolidated Act No. 982 of 6 August 2013 on Trading in Securities, as amended, and any Executive Orders issued thereunder and in compliance with Executive Order No. 984 of 6 August 2013 to the Danish Financial Business Act.

Finland

Each Dealer will be required to represent and agree (or, if the Dealer is Danske Bank A/S or any affiliate thereof, will be deemed to have represented and agreed), that it has not offered or sold and will not offer, sell or deliver any Notes directly or indirectly in Finland by way of a public offering, unless in compliance with all applicable provisions of the laws of Finland, including the Finnish Securities Markets Act (746/2012) and any regulation issued thereunder, as supplemented and amended from time to time.

Sweden

Each Dealer will be required to represent and agree (or, if the Dealer is Danske Bank A/S or any affiliate thereof, will be deemed to have represented and agreed) that it has not offered or sold and will not offer, sell or deliver any Notes directly or indirectly in Sweden by way of a public offering, unless in compliance with all applicable provisions of the laws of Sweden and in particular in compliance with the Swedish Financial Instruments Trading Act (lagen (1991:980) om handel med finansiella instrument) and any regulation or rule issued thereunder, as supplemented and amended from time to time.

General

With the exception of the application to the Central Bank for the approval of this document as a Base Prospectus issued in compliance with the Prospectus Directive and relevant implementing measures in Ireland, no action has been or will be taken in any country or jurisdiction by the Issuer or any Dealer that would permit a public offering of Notes, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required. Persons into whose hands this Base Prospectus or any Final Term comes are required by the Issuer and any Dealer to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or have in their possession or distribute such offering material, in all cases at their own expense.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification will be set out in the relevant Pricing Supplement (in the case of a supplement or modification relevant only to Exempt Notes) or (in any other case) in a supplement to this document.

SECTION E.5 - TAXATION

The following is a general description of relevant tax considerations and is not to be regarded as a complete tax analysis of all tax issues related to the Notes. This general description is based upon the law in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date.

Investors in Notes may be required to pay taxes and other charges in accordance with applicable laws. The tax treatment applicable to an investor will depend on its individual circumstances and prospective investors in Notes should consult their professional tax advisers if they are in doubt about their own tax position. In addition to the information below, investors should consider carefully the relevant Issue Terms to determine whether General Condition 8.1 (*Gross-up*) or General Condition 8.3 (*No gross-up*) is specified as applicable. The Issuer does not accept responsibility for the withholding of taxes at source.

Danish Taxation

The following summary applies to investors who are fully liable to tax in the Kingdom of Denmark. Investors who are fully liable to tax in the Kingdom of Denmark are individuals residing in the Kingdom of Denmark or individuals staying in the Kingdom of Denmark for a period of at least six months, as well as companies, foundations, etc., that are registered in the Kingdom of Denmark or whose effective place of management is in the Kingdom of Denmark.

The tax treatment applicable to an investor depends on the individual circumstances of such investor and such individual circumstances, as well as Danish tax law, may be subject to change in the future.

A Note qualifies as a financial contract under Danish tax law and gains and losses are taxed on an annual basis according to the “mark-to-market principle”, i.e. realised as well as unrealised gains and losses have to be recognised for tax purposes.

Individuals are liable to tax on capital gains, and losses can be offset or deducted pursuant to special rules. Taxable capital gains and deductible losses are included in the capital income. Losses can be offset against any capital gains of financial contracts etc. of the same income year. Further losses can be deducted directly from the capital income if such losses do not exceed the taxed net gains on financial contracts etc. in previous income years from and including the income year 2002. Any further losses can be offset against realised net gains on shares or distributing equity funds traded on a regulated market. This set-off is conditional on the Notes being linked solely to shares, share baskets or share indices, and that either the Notes, the underlying shares, the distributing equity funds or the shares comprised by the equity index are traded on a regulated market. Any losses in excess can be carried forward in the following income years and be offset against net capital gains of financial contracts or net gains from shares traded on a regulated market.

Self-employed persons can invest funds encompassed by the special business income scheme in the Notes.

Investors liable to tax on pensions returns, e.g. life insurance companies may invest in the Notes. Private funds placed in individual pension schemes with banks can be used for investments in the Notes if the Notes are traded on a regulated market. For individual pension saving accounts the Notes are encompassed by the 20 per cent ceiling on investment of pension funds, c.f. “The Executive Order on Pension Pools and Other Tax-Privileged Savings” etc. (“**Puljebekendtgørelsen**”).

Companies, foundations, etc., that are registered in the Kingdom of Denmark or whose management is based in the Kingdom of Denmark are liable to tax on capital gains, and losses are deductible in the taxable income.

For holders of Notes who are not fully liable to tax in the Kingdom of Denmark or who are subject to a Danish joint taxation scheme and do not carry on business in the Kingdom of Denmark through a permanent establishment, (i) payments of interest or principal amounts to any such holder of a Note are not subject to taxation in the Kingdom of Denmark, (ii) no withholding tax will be required on such payments, (iii) any gain realised upon the sale, exchange or retirement of a Note will not be subject to taxation in the Kingdom of Denmark and (iv) the applicable tax treatment is determined by the rules of the country of their residence.

Finnish Taxation

The following summary applies to investors who are fully liable to tax (tax residents) in Finland. Investors who are fully liable to tax in Finland are individuals having their home or main abode in Finland or individuals staying in Finland for a continuous period of more than six months, as well as companies, that are registered in Finland or otherwise established under Finnish law. A Finnish citizen is, however, normally deemed to be fully liable to tax in Finland until three years have elapsed from the end of the year during which the citizen left the country.

The tax treatment applicable to a holder of Notes depends on the individual circumstances of such investor and such individual circumstances. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date, including changes with retroactive effect.

Taxation of individuals

Under present Finnish domestic tax law, holders of Notes, who are individuals or an estate of a deceased person and resident in Finland for tax purposes, will be subject to Finnish capital income tax on interest payments under the Notes in accordance with Income Tax Act (1535/1992, as amended). Also any gains realised on the sale or redemption of the Notes as well as accrued interest received (secondary market compensation) when the Notes are disposed of during the loan period shall be subject to Finnish capital income tax. The current tax rate applicable to annual taxable capital income up to EUR 50,000 is 30 per cent., while it is 32 per cent. for the portion of taxable capital income exceeding EUR 50,000. Capital losses realised on the sale or redemption of the Notes are deductible only from capital gains realized during the same tax year or during the five subsequent tax years. Special tax provisions may apply to small capital gains and losses.

If Notes are acquired in the secondary market, any secondary market compensation paid is deductible from the capital income or, to the extent exceeding capital income, from earned income subject to limitations of the Income Tax Act.

If an investment in the Notes has been made under an agreement on long term savings in accordance with the Act on Long Term Savings (1183/2009), special taxation rules apply.

Tax withholding

A Finnish credit institution, broker or a Finnish branch of a foreign credit institution shall deduct a preliminary withholding tax (Fi: “**ennakonpidätys**”) from interest payments under the Notes and from secondary market compensation paid to resident individuals or estates of a deceased person. The rate of preliminary withholding tax for capital income in 2013 is 30 per cent.

Taxation of legal entities

For holders of Notes, who are resident limited companies or other resident entities subject to corporate income tax, interest payments and capital gains under the Notes are regarded as taxable income. The current tax rate for limited companies and other entities subject to corporate tax is 24.5 per cent.

Transfer Taxation

A transfer of the Notes is not subject to Finnish transfer taxation.

Tax Compliance Requirements

Under Finnish domestic tax law, a Finnish credit institution, a Finnish branch of a foreign credit institution or a Finnish broker is obliged to report any interest payments under the Notes and any secondary market compensations paid and received to the Finnish tax administration. Capital gains and losses derived from the Notes by individuals and estates of deceased persons shall also be reported to the Finnish tax administration under certain conditions.

Resident individuals and estates of deceased persons are required to review the tax information related to the Notes contained in their pre-completed annual tax return and, if necessary, correct or complete the information in the tax return.

Irish Taxation

The following is a summary of the principal Irish withholding tax consequences of ownership of the Notes for individuals who are resident and ordinarily resident in Ireland for tax purposes and for companies that are resident in Ireland for tax purposes. It is based on the laws and practice of the Revenue Commissioners currently in force in Ireland as at the date of this Base Prospectus and may be subject to change. The statements in this summary are based on the understanding that the Notes will be treated as debt for Irish tax purposes. It deals with Noteholders who beneficially own their Notes as an investment. Particular rules not discussed below may apply to certain classes of taxpayers holding Notes, including dealers in Notes and trusts. The summary does not constitute tax or legal advice and the comments below are of a general nature only and it does not discuss all aspects of Irish taxation that may be relevant to any particular holder of Notes.

Withholding Tax

Tax at the standard rate of income tax (currently 20 per cent.) is required to be withheld from payments of Irish source interest. The Issuer will not be obliged to withhold Irish income tax from payments of interest on the Notes so long as such payments do not constitute Irish source income. Interest paid on the Notes should not be treated as having an Irish source unless:

- (i) the Issuer is resident in Ireland for tax purposes; or
- (ii) the Issuer has a branch or permanent establishment in Ireland, the assets or income of which is used to fund the payments on the Notes; or
- (iii) the Issuer is not resident in Ireland for tax purposes but the register for the Notes is maintained in Ireland or (if the Notes are in bearer form) the Notes are physically held in Ireland.

It is anticipated that, (i) the Issuer is not and will not be resident in Ireland for tax purposes; (ii) the Issuer will not have a branch or permanent establishment in Ireland; (iii) that bearer Notes will not be physically located in Ireland; and (iv) the Issuer will not maintain a register of any registered Notes in Ireland.

Encashment Tax

In certain circumstances, Irish tax will be required to be withheld at the standard rate of income tax (currently 20 per cent.) from any interest paid on Notes issued by a company not resident in Ireland, where such interest is collected or realised by a bank or encashment agent in Ireland on behalf of any Noteholder who is Irish resident. Encashment tax does not apply where the Noteholder is not resident in Ireland and has made a declaration in the prescribed form to the encashment agent or bank.

Luxembourg Taxation

The following summary is of a general nature and is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. The information contained within this section is limited to Luxembourg withholding tax issues and prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Withholding Tax

Non-resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the laws of 21 June 2005, as amended (the “**Laws**”) mentioned below, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

Under the Laws implementing the EC Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the “**Territories**”), payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the Laws, which is a resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the competent fiscal authority of Luxembourg, or, in the case of an individual beneficial owner, has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Laws would at present be subject to withholding tax of 35 per cent.

Resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended (the “**Law**”) mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes.

Under the Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 10 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Law would be subject to withholding tax of 10 per cent.

Swedish Taxation

The following summary applies to investors who are domiciled and fully liable to tax in Sweden, i.e. tax residents in Sweden. The summary only applies to notes which from a Swedish tax perspective are regarded as listed. The information below is general and does not cover all categories of tax payers or situations e.g. the information does not cover the taxation of investments made through an investment savings account (“**investeringsparkonto**”) or securities treated as current assets (“**lager**”) for tax purposes. Other tax consequences may apply for investors who are not domiciled in Sweden and considered non-tax residents in Sweden.

The tax treatment applicable to an investor depends on the individual circumstances of such investor and such individual circumstances, as well as Swedish tax law, may be subject to change in the future. Tax consequences that are not outlined below may arise and investors should seek advice from their tax advisors prior to any decision to invest.

Taxation of individuals

Disposals of Notes are generally taxed according to the capital gains rules. Capital gains/losses are calculated as the difference between the relevant sales price (less any sales costs) and the relevant acquisition cost. Acquisition costs are generally determined based on the “average method”, meaning that the average acquisition cost of Notes of the same kind should be calculated. Alternatively, acquisition costs in respect of listed Notes which are considered equity-linked rights (Sw. *delägarätter*) are calculated by applying a standardised acquisition cost calculated as 20 per cent of the sales price less sales cost.

Normally the reference item(s) to which a security is linked are decisive when determining the tax consequences of an investment in the Note. If such reference item(s) are shares or share indices or a basket of shares the relevant security will be taxed as equity-linked rights (“**delägarätter**”). If such reference item(s) are other types of indices or a mixture of indices where the indices which are not share indices at date of issue exceed 50 per cent. of the reference item(s), the relevant Note will be taxed as a Swedish receivable (“**Sw. fordringsrätt**”) if the settlement currency is SEK. However, if the settlement currency of the relevant security is not SEK, it will be taxed as a foreign receivable (Sw. “**utländsk fordringsrätt**”).

Individuals are liable to tax on capital gains as investment income at a tax rate of 30 per cent. Capital losses on listed share-linked rights can be fully set off against capital gains on shares, equity-linked rights and other types of securities taxed as shares. Any further loss is deductible at 70 per cent. against any other capital income.

Capital losses on listed receivables are fully deductible against other investment income.

If the total investment income of an investor becomes negative after possible set-offs pursuant to the above, such a deficit can reduce tax on other types of income according to special rules. The tax reduction amounts to 30 per cent. of a deficit up to SEK 100,000. Should the deficit exceed SEK 100,000 a reduction of 21 per cent. of the excess may be granted. Deficits may not be carried forward to a subsequent fiscal year for individuals.

Tax Withholding

Preliminary tax withholding at a rate of 30 per cent. is made on interest paid to individuals residing in Sweden and to Swedish estates of deceased persons in accordance with chapter 10 and 17 Skatteförfarandelagen 2011:1244.

Swedish withholding tax is due at redemption of a zero-coupon note. However, no withholding tax is due if a zero-coupon note is disposed of before the maturity date.

Taxation of legal entities

Companies and other legal entities are normally taxed on all income. Capital gains on equity-linked rights, receivables and other assets are included in the company income and taxed at a rate of 22 per cent.

Capital losses can be set-off against other company income. However, capital losses on equity-linked rights can only be set-off against capital gains derived from the disposal of shares and other types of securities taxed as shares in the same year. Capital losses on equity-linked rights which are not utilised can be carried forward indefinitely. Such losses may, subject to special rules, in some circumstances be utilized by other group companies against that group company's capital gains on shares and other types of securities taxed as shares.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland). In April 2013, the Luxembourg Government announced its intention to abolish the withholding system with effect from 1 January 2015 in favour of information exchange under the Directive.

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

Foreign Account Tax Compliance Act

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 ("**FATCA**") impose a new reporting regime and potentially a 30 per cent. withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a "foreign financial institution", or "**FFI**" (as defined by FATCA)) that does not become a "**Participating FFI**" by entering into an agreement with the U.S. Internal Revenue Service ("**IRS**") to provide the Internal Revenue Service ("**IRS**") with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "United States Account" of the Issuer (a "**Recalcitrant Holder**"). The Issuer will be classified as an FFI.

The new withholding regime will be phased in beginning 1 July 2014 for payments from sources within the United States and will apply to "**foreign passthru payments**" (a term not yet defined) no earlier than 1 January 2017. This withholding would potentially apply to payments in respect of (i) any Notes characterised as debt (or which are not otherwise characterized as equity and have a fixed term) for U.S. federal tax purposes that are issued on or after the "**grandfathering date**", which is the later of (a) 1 July 2014 and (b) the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, or which are materially modified on or after the grandfathering date and (ii) any Notes characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Notes are issued before the grandfathering date, and additional Notes of the same series are issued on or after that date, the additional Notes may not be treated as grandfathered, which may have negative consequences for the existing Notes, including a negative impact on market price.

The United States and a number of other jurisdictions have announced their intention to negotiate intergovernmental agreements to facilitate the implementation of FATCA (each, an “IGA”). Pursuant to FATCA and the “Model 1” and “Model 2” IGAs released by the United States, an FFI in an IGA signatory country could be treated as a “**Reporting FI**” not subject to withholding under FATCA on any payments it receives. Further, an FFI in a Model 1 IGA jurisdiction would generally not be required to withhold under FATCA or an IGA (or any law implementing an IGA) (any such withholding being “**FATCA Withholding**”) from payments it makes. The Model 2 IGA leaves open the possibility that a Reporting FI might in the future be required to withhold as a Participating FFI on foreign passthru payments and payments that it makes to Recalcitrant Holders. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS. The United States and Denmark have signed an agreement (the “**US-Denmark IGA**”) based largely on the Model 1 IGA.

The Issuer expects to be treated as a Reporting FI pursuant to the US-Denmark IGA and does not anticipate being obliged to deduct any FATCA Withholding on payments it makes. There can be no assurance, however, that the Issuer will be treated as a Reporting FI, or that it would in the future not be required to deduct FATCA Withholding from payments it makes. Accordingly, the Issuer and financial institutions through which payments on the Notes are made may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Notes is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder.

Whilst the Notes are in global form and held within the clearing systems, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the Issuer, any paying agent and the common depositary or common safekeeper, as the case may be, given that each of the entities in the payment chain beginning with the Issuer and ending with the clearing systems is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Notes. The documentation expressly contemplates the possibility that the Notes may go into definitive form and therefore that they may be taken out of the clearing systems. If this were to happen, then a non-FATCA compliant holder could be subject to FATCA Withholding. However, definitive Notes will only be printed in remote circumstances.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Notes.

TO ENSURE COMPLIANCE WITH IRS CIRCULAR 230, EACH TAXPAYER IS HEREBY NOTIFIED THAT: (A) ANY TAX DISCUSSION HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY THE TAXPAYER FOR THE PURPOSE OF AVOIDING U.S. FEDERAL INCOME TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER; (B) ANY SUCH TAX DISCUSSION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) THE TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

SECTION F - TERMS AND CONDITIONS OF THE NOTES

SECTION F.1 - GENERAL CONDITIONS

*The following is the text of the terms and conditions of the Notes which will include (i) the additional terms and conditions set out in Reference Item Schedule 1 in the case of Credit-Linked Notes, (ii) the additional terms and conditions set out in Reference Item Schedule 2 in the case of Inflation-Linked Notes, (iii) the additional terms and conditions set out in Reference Item Schedule 3 in the case of Index-Linked Notes, (iv) the additional terms and conditions set out in Reference Item Schedule 4 in the case of Equity-Linked Notes, (v) the additional terms and conditions set out in Reference Item Schedule 5 in the case of Currency-Linked Notes or where FX Conversion is specified as applicable in the relevant Issue Terms and (vi) the additional terms and conditions set out in REFERENCE ITEM SCHEDULE 6 where “Additional Disruption Events” are specified as applicable in the relevant Issue Terms (Reference Item Schedule 1, Reference Item Schedule 2, Reference Item Schedule 3, Reference Item Schedule 4, Reference Item Schedule 5 and REFERENCE ITEM SCHEDULE 6 each a “**Reference Item Schedule**”), (iv) the additional terms and conditions set out in Payout Schedule 1 where the relevant Issue Terms specifies that the Notes bear interest and (v) the additional terms and conditions set out in Payout Schedule 2 (Payout Schedule 1 and Payout Schedule 2, each a “**Payout Schedule**” and, together with the Reference Item Schedules, each a “**Schedule**” and together the “**Schedules**”). The Conditions (as defined below), as completed by the relevant Final Terms or, in the case of Exempt Notes, amended and/or replaced by the relevant Pricing Supplement, will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Conditions, as completed by the relevant Final Terms or amended and/or replaced by the relevant Pricing Supplement. The following is also the text of the Conditions of the Notes which, as completed by the relevant Final Terms or, in the case of Exempt Notes, amended and/or replaced by the relevant Pricing Supplement, will be applicable to each VP Systems Note. VP Systems Notes will not be evidenced by any physical note or document of title other than statements of account made by the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be. Ownership of VP Systems Notes will be recorded and transfer effected only through the book entry system and register maintained by the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be.*

1. **Introduction**

1.1. *Programme*

Danske Bank A/S (the “**Issuer**”) has established a Structured Note Programme (the “**Programme**”) for the issuance of up to EUR 5,000,000,000 in aggregate principal amount of notes (the “**Notes**”). References herein to the “**Notes**” shall be references to the Notes of this Series (as defined below) and shall mean, as the context requires:

- (i) in relation to any Bearer Notes represented by a global Note (a “**Global Note**”), units of each Specified Denomination in the Specified Currency;
- (ii) any Global Note;
- (iii) in the case of any Bearer Notes, definitive Bearer Notes issued in exchange for a Global Note in bearer form; and
- (iv) VP Systems Notes.

References herein to “**Exempt Notes**” are to Notes for which no prospectus is required to be published under the Prospectus Directive.

1.2. *Issue Terms*

Notes are issued in series (each a “**Series**”) and each Series may comprise one or more tranches (each a “**Tranche**”) of Notes. Each Tranche is the subject of a Final Terms document (the “**Final Terms**”) or, in the case of Exempt Notes, a pricing supplement (the “**Pricing Supplement**”) which, in the case of the Final Terms, completes or, in the case of Exempt Notes, amends and/or replaces these terms and conditions (the “**General Conditions**”) and the applicable Schedule(s) (the General Conditions and the applicable Schedules together, the “**Conditions**”). The “**Terms and Conditions**” applicable to any particular Tranche of Notes are the Conditions as completed by the relevant Final Terms or, in the case of Exempt Notes, amended and/or replaced by the relevant Pricing Supplement. In the event of any inconsistency between the Conditions and the relevant Issue Terms, the relevant Issue Terms shall prevail.

For the purposes hereof, “**Issue Terms**” means either (i) where the Notes are not Exempt Notes, the relevant Final Terms or (ii) where the Notes are Exempt Notes, the relevant Pricing Supplement, and should be construed accordingly.

1.3. *Issue and Paying Agency Agreement and VP Systems Agency Agreement*

The Notes are the subject of either:

- (i) in the case of Notes other than VP Systems Notes, an issue and paying agency agreement dated 21 June 2013 (as supplemented, amended and/or replaced from time to time, the “**Agency Agreement**”) between, *inter alios*, the Issuer and Citibank, N.A., London Branch as fiscal agent (the “**Fiscal Agent**”, which expression includes any successor fiscal agent appointed from time to time in connection with the Notes); or
- (ii) in the case of VP Systems Notes:
 - (A) an agency agreement dated 21 June 2013 (as supplemented, amended and/or replaced from time to time, the “**VP Systems Agency Agreement**”) between the Issuer, Citibank, N.A., London Branch as Fiscal Agent in connection with the Agency Agreement, Danske Bank A/S as agent in respect of VP Systems Notes cleared through the VP, VPS and Euroclear Sweden and Danske Bank Oyj as agent in respect of VP Systems Notes cleared through Euroclear Finland (Danske Bank A/S in such capacity and Danske Bank Oyj each a “**VP Systems Agent**” and together the “**VP Systems Agents**”, which expression includes any successor agent appointed from time to time in connection with the relevant VP Systems Notes). The relevant VP Systems Agent will act as agent of the Issuer in respect of all dealings with the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, in respect of the relevant VP Systems Notes; and
 - (B) the Agency Agreement to the extent specified therein.

1.4. *Interest-bearing definitive Bearer Notes*

Interest-bearing definitive Bearer Notes have interest coupons (“**Coupons**”) and, if indicated in the relevant Issue Terms, talons for further Coupons (“**Talons**”) attached on issue. Any reference herein to “**Coupons**” shall, unless the context otherwise requires, be deemed to include a reference to Talons. Global Notes and VP Systems Notes do not have Coupons or Talons attached on issue.

1.5. *Deed of Covenant*

The Notes (other than VP Systems Notes) have the benefit of a deed of covenant dated 21 June 2013 (as supplemented, amended and/or replaced from time to time, the “**Deed of Covenant**”).

1.6. *The Notes*

All subsequent references in these Conditions to “Notes” are to the Notes which are the subject of the relevant Issue Terms. Copies of the relevant Issue Terms are available for inspection by Holders during normal business hours at the Specified Office of each of the Paying Agents. In the case of a Tranche of Exempt Notes which are not admitted to listing, trading and/or quotation on any listing authority, stock exchange and/or quotation system or which are not offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive (including Exempt Notes) copies of the Pricing Supplement will only be available for inspection by Holders (as defined in Condition 1.7 (*Summaries*) below) or, as the case may be, Relevant Account Holders (as defined in the Deed of Covenant) in respect of, such Notes.

1.7. *Summaries:*

Certain provisions of these Conditions are summaries of the Agency Agreement, the Deed of Covenant and/or the VP Systems Agency Agreement and are subject to their detailed provisions. The holders of the Notes (the “**Holders**” or “**Noteholders**”, which expressions shall, where appropriate and subject to Condition 3.4. (*Title to Global Notes*), be deemed to include holders of definitive Bearer Notes (as defined herein), holders of VP Systems Notes (as defined herein) and Couponholders (as defined below)) and, in the case of interest-bearing definitive Bearer Notes, the holders of the related Coupons, if any, (the “**Couponholders**”) are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement and the Deed of Covenant applicable to them. Copies of the Agency Agreement and the Deed of Covenant are available for inspection by Holders during normal business hours at the Specified Office of each of the Paying Agents. Holders of VP Systems Notes are bound by, and are deemed to have notice of, all the provisions of the VP Systems Agency Agreement and copies of the VP Systems Agency Agreement are available for inspection by Holders during normal business hours at the Specified Office of the VP Systems Agents.

2. **Interpretation**

2.1. *Definitions:*

In these Conditions the following expressions have the following meanings:

“**Affiliate**” means in relation to any entity (the “**First Entity**”), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes “**control**” means ownership of a majority of the voting power of an entity;

“**Applicable Business Centre(s)**” means, in respect of a Business Day, the city or cities specified as such in the relevant Issue Terms;

“**Applicable Financial Centre(s)**” means, in respect of a Payment Day, the city or cities specified as such in the relevant Issue Terms;

“**Bankruptcy Act**” means the Danish Bankruptcy Act (Consolidated Act No. 217 of 15 March 2011, as amended);

“**Bearer Notes**” means Notes issued in bearer form;

“**Business Day**” means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Applicable Business Centre and, if TARGET is an Applicable Business Centre, a TARGET Settlement Day;

“**Calculation Agent**” means the Person specified in the relevant Issue Terms as the party responsible for calculating the Redemption Amount(s) and/or the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Payout Schedule and/or the relevant Issue Terms;

“**Calculation Amount**” has the meaning given in the relevant Issue Terms;

“**Clearstream, Luxembourg**” means Clearstream Banking, société anonyme;

“**Code**” means the U.S. Internal Revenue Code of 1986;

“**Contractual Currency**” has the meaning given to such term in Condition 16 (*Currency Indemnity*);

“**Danish Financial Business Act**” means the Danish Financial Business Act (Consolidated Act No. 705 of 5 June 2012, as amended);

“**DFSA**” means the Danish Financial Supervisory Authority;

“**Early Redemption Amount**” means, in respect of each principal amount of the Notes equal to the Calculation Amount, either (i) an amount in the Specified Currency determined by the Calculation Agent which represents the fair market value of such Calculation Amount (which, if so specified in the relevant Issue Terms, shall include amounts in respect of interest) on a day selected by the Issuer (ignoring for the purposes of a redemption pursuant to Condition 6.7 (*Illegality*), the relevant unlawfulness, illegality or prohibition) but adjusted (except in the case of any early redemption pursuant to Condition 9 (*Events of Default*)) to account fully for the proportionate losses, expenses and costs to the Issuer and/or its Affiliates of unwinding any underlying and/or related hedging and funding arrangements in respect of the Notes (including, without limitation, any derivative contracts hedging the Issuer’s obligations under the Notes) provided that, for the purposes of determining the fair market value of such Calculation Amount for the purposes of Condition 9 (*Events of Default*), no account shall be taken of the financial condition of the Issuer which shall be presumed to be able to perform fully its obligations in respect of the Notes or (ii) any other amount as may be specified in, or calculated or determined in accordance with, Payout Schedule 2 (*Redemption*) or, in respect of Exempt Notes, specified in, or calculated or determined in accordance with the relevant Pricing Supplement;

“**euro**” means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the functioning of the European Union, as amended;

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

“**Euroclear Finland**” means Euroclear Finland Oy, the Finnish central securities depository;

“**Euroclear Sweden**” means Euroclear Sweden AB, the Swedish central securities depository;

“**Events of Default**” has the meaning given to such term in Condition 9 (*Events of Default*);

“**Exempt Notes**” shall have the meaning given to it in Condition 1.1 (*Programme*);

“**Extraordinary Resolution**” has the meaning given in the Agency Agreement;

“**Final Redemption Amount**” means, in respect of any Note, such amount as may be specified in, or determined in accordance with, Payout Schedule 2 (*Redemption*) and/or, in respect of Exempt Notes, in the relevant Pricing Supplement;

“**Hedging Party**” means any party to the Issuer’s and/or any of its Affiliates’ hedging activities in respect of the Notes.

“**Interest Amount**” has the meaning given to such term in Payout Schedule 1 (*Interest*);

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

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

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

“**Member States**” means the member states of the European Economic Area;

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

“**Optional Redemption Amount (Call)**” means, in respect of any Note, its Outstanding Principal Amount, or such other amount as may be specified in, or determined in accordance with, these Conditions or, in respect of Exempt Notes, the relevant Pricing Supplement;

“**Optional Redemption Amount (Put)**” means, in respect of any Note, its Outstanding Principal Amount, or such other amount as may be specified in, or determined in accordance with, these Conditions or, in respect of Exempt Notes, the relevant Pricing Supplement;

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

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

“**Outstanding Principal Amount**” means, in respect of a Note, its principal amount;

“**Paying Agents**” means the Fiscal Agent and any substitute or additional paying agents appointed in accordance with the Agency Agreement;

“**Payment Business Day**” means:

- (i) in the case of Bearer Notes, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in (a) in the case of Notes in definitive form only, the relevant place of presentation and (b) each Applicable Financial Centre specified in the relevant Issue Terms and, if TARGET is an Applicable Finance Centre, a TARGET Settlement Day; and
- (ii) in the case of VP Systems Notes, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Applicable Financial Centre specified in the relevant Issue Terms and, if TARGET is an Applicable Finance Centre, a TARGET Settlement Day;

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

“**Prospectus Directive**” means Directive 2003/71/EC as amended (which includes the amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in a relevant Member State of the European Economic Area);

“**Put Option Notice**” means a notice, in the form available from the Specified Office of any Paying Agent which must be delivered to the Specified Office of a Paying Agent by any Holder wanting to exercise its right to require the Issuer to redeem a Note at the option of the Holder;

“**Put Option Receipt**” means a receipt issued by a Paying Agent to a depositing Holder upon deposit of a Note with such Paying Agent by any Holder wanting to exercise a right to redeem a Note at the option of the Holder;

“**Redemption Amount**” means, as appropriate, the Final Redemption Amount, the Early Redemption Amount, the Optional Redemption Amount (Call), the Optional Redemption Amount (Put) or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, these Conditions or, in respect of Exempt Notes, the relevant Pricing Supplement;

“**Relevant Date**” means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Applicable Financial Centre of the currency of payment by the Fiscal Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Holders;

“**Securities Act**” means the United States Securities Act of 1933, as amended;

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

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

“**Specified Office**” has the meaning given in the Agency Agreement or the VP Systems Agency Agreement, as the case may be;

“**Subsidiary**” means, in relation to any Person (the “**first Person**”) at any particular time, any other Person (the “**second Person**”):

- (i) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or
- (ii) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person;

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

“**TARGET Settlement Day**” means any day on which the Trans-European Automated Real-time Gross settlement Express Transfer (TARGET2) System (“**TARGET**”), which was launched on 19 November 2007, or any successor thereto is open for the settlement of payments in euro;

“**Treaty**” means the Treaty on the functioning of the European Union, as amended;

“**VP**” means VP Securities Services (*VP Securities A/S*), the Danish central securities depository;

“**VPS**” means the Norwegian Central Securities Depository (*Verdipapirsentralen*), the Norwegian central securities depository;

“**VP Systems Notes**” means Notes issued in uncertificated and dematerialised book entry form cleared through the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be; and

2.2. *Interpretation:*

In these Conditions:

- (i) References herein to a numbered “Condition” are references to a Condition of these General Conditions, references in the Schedules to a “General Condition” are references to a Condition of these General Conditions, references (if any) in the Conditions to a “Reference Item Condition” are references to a Condition in the relevant Reference Item Schedule, references in the Conditions to an “Interest Payout Condition” are references to a Condition in Payout Schedule 1 (*Interest*) and references herein to a “Redemption Payout Condition” are references to a Condition in Payout Schedule 2 (*Redemption*).
- (ii) any reference to “Notes” shall be deemed to include references to Coupons, if relevant, and any reference to “ **Holders**” or “ **Noteholders**” shall be deemed to include references to Couponholders, if relevant;
- (iii) if the relevant Issue Terms specify that the Notes do not bear interest, references to “ **Coupons**” and “ **Couponholders**” are not applicable;
- (iv) in the case of Notes which have more than 27 interest payments remaining at the time of exchange of any Global Note for Notes in definitive form, references to “Coupons” shall be deemed to include references to Talons;
- (v) in the case of Notes which have less than 27 interest payments remaining at the time of exchange of any Global Note for Notes in definitive form, references to Talons are not applicable;
- (vi) any reference to “ **principal**” shall be deemed to include (A) the Redemption Amount or any other amounts payable pursuant to Payout Schedule 2 (Redemption), (B) any additional amounts in respect of principal which may be payable under Condition 8.1 (*Gross-up*), (C) any premium payable in respect of a Note and (D) any other amount in the nature of principal payable pursuant to these Conditions;
- (vii) any reference to “ **interest**” shall be deemed to include any amounts payable pursuant to Payout Schedule 1 (*Interest*), any additional amounts in respect of interest which may be payable under Condition 8.1 (*Gross-up*) and any other amount in the nature of interest payable pursuant to these Conditions;
- (viii) references to Notes being “outstanding” shall be construed in accordance with the Agency Agreement;
- (ix) if an expression is stated in Condition 2.1 (*Definitions*) to have the meaning given in the relevant Issue Terms, but the relevant Issue Terms gives no such meaning or specifies that such expression is “not applicable” then such expression is not applicable to the Notes;
- (x) any reference to the Agency Agreement, the Deed of Covenant or the VP Systems Agency Agreement shall be construed as a reference to the Agency Agreement, the Deed of Covenant or the VP Systems Agency Agreement, as the case may be, as amended and/or supplemented up to and including the Issue Date of the first Tranche of the Notes;
- (xi) if the relevant Issue Terms specify any Redemption Amount on a per Calculation Amount basis, the relevant Redemption Amount in respect of a Note shall be deemed to be the product of the relevant Redemption Amount per Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination of such Note; and

- (xii) VP Systems Notes are in dematerialised form, and any references in these Conditions to Coupons and Talons shall not apply to VP Systems Notes.

3. **Form, Denomination and Title**

3.1. *Form of Notes*

The Notes are Bearer Notes or VP Systems Notes, as specified in the relevant Issue Terms and, in the case of definitive Bearer Notes, serially numbered, in the Specified Currency and the Specified Denomination(s).

3.2. *Type of Notes*

The Notes may bear interest, depending upon the Interest Basis (if any) shown in the relevant Issue Terms. The Final Redemption Amount in respect of the Notes will depend on the Redemption/Payment Basis specified in the relevant Issue Terms.

3.3. *Title to definitive Notes*

Subject as set out below, title to the Bearer Notes and Coupons will pass by delivery in accordance with the provisions of the Agency Agreement. The Issuer and any Paying Agent will (except as otherwise required by law) deem and treat the bearer of any Bearer Note or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in Condition 3.4 (*Title to Global Notes*).

3.4. *Title to Global Notes*

For so long as any of the Bearer Notes is represented by a Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and the Paying Agents as the holder of such principal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such principal amount of such Notes, for which purpose the bearer of the relevant bearer Global Note shall be treated by the Issuer and any Paying Agent as the holder of such principal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions “**Noteholder**” and “**Holder**” and related expressions shall be construed accordingly.

Bearer Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be. References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the relevant Issue Terms or as may otherwise be approved by the Issuer and the Fiscal Agent.

3.5. *Exchanges*

Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination. Bearer Notes may not be exchanged for VP Systems Notes and *vice versa*.

3.6. *VP Systems Notes*

Title to VP Systems Notes will pass by registration in the registers between the direct or indirect accountholders at the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, in accordance with the rules and procedures of the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be. The Holder of a VP Systems Note will be the person evidenced (including any nominee) as such by a book entry in the records of the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be. The person so evidenced as a Holder of VP Systems Notes shall be treated as the Holder of such Notes for all purposes.

The Issuer shall be entitled to receive information regarding the identity of Holders maintained by the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, and from time to time shall be entitled to review the “debt ledgers” maintained by the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, which contain details of the Holders.

4. **Status of the Notes**

The Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* without any preference among themselves and at least *pari passu* with all other unsubordinated and unsecured obligations (including liabilities in respect of deposits) of the Issuer, present and future (save for certain mandatory exceptions provided by law).

5. **Interest**

The Notes may be interest bearing or non-interest bearing depending on the Interest Basis (if any) specified in the relevant Issue Terms. Interest shall accrue at the rate or shall be determined as set out in Payout Schedule 1 (*Interest*) and/or, in respect of Exempt Notes, in the relevant Pricing Supplement.

6. **Redemption and Purchase**

6.1. *Scheduled redemption*

Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 7 (*Payments*). The Final Redemption Amount shall be determined as set out in Payout Schedule 2 (*Redemption*) and/or, in respect of Exempt Notes, in the relevant Pricing Supplement.

6.2. *Early redemption*

The Notes may be redeemed early in the circumstances (if any) specified in Payout Schedule 2 (*Redemption*) and/or, in respect of Exempt Notes, in the relevant Pricing Supplement, subject as provided in Condition 7 (*Payments*).

6.3. *Early redemption for tax reasons*

If, in relation to any Series of Notes, Condition 8.1 (*Gross-up*) is specified in the relevant Issue Terms as being applicable and:

- (i) as a result of any change in the laws, regulations or rulings of Denmark or of any political subdivision thereof or any authority or agency therein or thereof having power to tax or in the interpretation or administration of any such laws, regulations or rulings which becomes effective on or after the Issue Date of the first Tranche of such Notes, the Issuer would be required to pay additional amounts as provided in Condition 8.1 (*Gross-up*); and

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

the Issuer may, at its option and having given no less than the minimum period of notice nor more than the maximum period of notice (if any) specified in the relevant Issue Terms (ending, in the case of Floating Rate Notes, on a day upon which interest is payable) to the Holders in accordance with Condition 15 (*Notices*) (which notice shall be irrevocable), redeem all (but not some only) of the outstanding Notes comprising the relevant Series at the Early Redemption Amount, together with, if so specified in the relevant Issue Terms, accrued interest, provided, however, that no such notice of redemption may be given earlier than ninety days (or, in the case of Notes which are Floating Rate Notes, a number of days which is equal to the aggregate of the number of days falling within the then current interest period applicable to the Notes plus sixty days) prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

If Condition 8.3 (*No gross-up*) is specified in the relevant Issue Terms as being applicable, this Condition 6.3 shall not apply to the Notes.

6.4. *Redemption at the option of the Issuer*

If Call Option is specified in the relevant Issue Terms as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Issue Terms, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call), together with accrued interest (if any) thereon upon the Issuer's giving not less than the minimum period of notice nor more than the maximum period of notice (if any) specified in the relevant Issue Terms to the Holders in accordance with Condition 15 (*Notices*) (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call)).

If the Notes are Bearer Notes in definitive form, the notice to Holders referred to in this Condition 6.4 shall specify the serial numbers of the Notes so to be redeemed.

If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Issue Terms, then any such redemption must be of a principal amount not greater than the maximum or be less than the minimum so specified.

The Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the Holder of its Put Option pursuant to Condition 6.6 (*Redemption at the option of Holder*).

6.5. *Partial redemption*

If the Notes are to be redeemed in part only on any date in accordance with Condition 6.4 (*Redemption at the option of the Issuer*):

- (i) in the case of Bearer Notes in definitive form, the Notes to be redeemed shall be drawn by lot in such European city as the Fiscal Agent may specify, or identified in such other manner or in such other place as the Fiscal Agent may approve and deem appropriate and fair;
- (ii) in the case of Global Notes, the Notes to be redeemed will be selected in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion); or

- (iii) in the case of VP Systems Notes, the Notes to be redeemed shall be selected in accordance with the standard procedures of the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, from time to time.

6.6. *Redemption at the option of Holder*

If Put Option is specified in the relevant Issue Terms as being applicable, upon a Holder of any Note giving not less than the minimum period of notice nor more than the maximum period of notice (if any) specified in the relevant Issue Terms to the Issuer, the Issuer will redeem such Note on the Optional Redemption Date (Put) at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date.

If the Note is a Bearer Note in definitive form, in order to exercise the option contained in this Condition 6.6, the Holder of such Note must, within the notice period described above, deposit at the Specified Office of any Paying Agent such Note together with all unmatured Coupons relating thereto and a duly completed Put Option Notice in the form obtainable from any Paying Agent specifying the aggregate Outstanding Principal Amount in respect of which such option is exercised. The Paying Agent with which a Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Holder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 6.6, may be withdrawn; provided, however, that if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Holder at such address as may have been given by such Holder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Holder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 6.6, the depositor of such Note and not such Paying Agent shall be deemed to be the holder of such Note for all purposes.

If the Notes are represented by a Global Note, in order to exercise the option contained in this Condition 6.6, the Holder of such Global Note must, within the notice period set out above, give written notice of such exercise to the Fiscal Agent specifying the principal amount of Notes in respect of which such option is being exercised.

If the Note is a VP Systems Note, in order to exercise the option contained in this Condition 6.6, the Holder of such Note must, within the notice period set out above, give notice to the relevant VP Systems Agent of such exercise in accordance with the standard procedures of the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, from time to time.

Any such notice will be irrevocable and may not be withdrawn.

The Holder of a Note may not exercise such Put Option in respect of any Note which is the subject of an exercise by the Issuer of its Call Option.

6.7. *Illegality*

In the event that the Calculation Agent determines that the performance of the Issuer's obligations under the Notes or that any arrangements made to hedge the Issuer's obligations under the Notes has or will become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, the Issuer having given not less than ten nor more than thirty days' notice to Holders in accordance with Condition 15 (*Notices*) (which notice shall be irrevocable), may, on expiry of such notice redeem all, but not some only, of the Notes, each Note being redeemed at the Early Redemption Amount together with, if so specified in the relevant Issue Terms, accrued interest.

6.8. *Purchase*

The Issuer or any of its Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price, provided that, in the case of Bearer Notes, all unmatured Coupons are purchased therewith. Such Notes may be held, reissued, resold or, in the case of Bearer Notes, surrendered to any Paying Agent for cancellation.

6.9. *Cancellation*

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Coupons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes purchased and cancelled pursuant to Condition 6.8 (*Purchase*) above (together, in the case of Bearer Notes, with all unmatured Coupons cancelled therewith) shall be forwarded to the Fiscal Agent or, in the case of VP Systems Notes, shall be deleted from the records of the VP, VPS, Euroclear Finland or Euroclear, as the case may be, and, in either case, cannot be reissued or resold.

7. **Payments**

7.1. *Method of payment*

Subject as provided below:

- (i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively); and
- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

7.2. *Presentation of definitive Bearer Notes and Coupons*

Payments of principal and unpaid amounts (if any and if applicable) in respect of accrued interest (in the case of early redemption of the Notes other than on a date scheduled for payment of such interest) in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in Condition 7.1 (*Method of payment*) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the Specified Office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

7.3. *Coupons for definitive Fixed Rate Notes (other than Long Maturity Notes)*

Fixed Rate Notes in definitive bearer form (other than Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of

principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 10 (*Prescription*)) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

7.4. *Coupons for definitive Notes (other than Fixed Rate Notes which are not Long Maturity Notes)*

Upon the date on which any Note (other than a Fixed Rate Note which is not a Long Maturity Note) in definitive bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A “**Long Maturity Note**” is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose principal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the principal amount of such Note.

7.5. *Bearer Global Notes*

Payments of principal and interest (if any) in respect of Notes represented by any Global Note in bearer form will (subject as provided below) be made in the manner specified above in relation to definitive Bearer Notes and otherwise in the manner specified in the relevant Global Note against presentation or surrender, as the case may be, of such Global Note at the Specified Office of any Paying Agent outside the United States. A record of each payment made against presentation or surrender of any Global Note in bearer form, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by the Paying Agent to which it was presented and such record shall be *prima facie* evidence that the payment in question has been made.

7.6. *General provisions applicable to payments*

The Holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular principal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the Holder of such Global Note.

7.7. *Payments in New York City*

Notwithstanding the foregoing provisions of this Condition 7, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the Specified Office of a Paying Agent in the United States if:

- (i) the Issuer has appointed Paying Agents with Specified Offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such Specified Offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due;

- (ii) payment of the full amount of such principal and interest at all such Specified Offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

7.8. *VP Systems Notes*

Payments of principal and interest in respect of VP Systems Notes shall be made to the Holders shown in the relevant records of the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, in accordance with, and subject to the rules and regulations from time to time governing, the VP, VPS, Euroclear Finland or Euroclear Sweden.

7.9. *Payment Business Day*

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Business Day, the Holder thereof shall not be entitled to payment until the next following Payment Business Day and shall not be entitled to further interest or other payment in respect of such delay.

7.10. *Payments subject to fiscal laws*

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 8 (*Taxation*)) any law implementing an intergovernmental approach thereto.

8. **Taxation**

8.1. *Gross-up*

If Condition 8.1 is specified in the relevant Issue Terms as being applicable, all payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Denmark or any political subdivision therein or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer shall pay such additional amounts as will result in receipt by the Holders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in relation to any payment in respect of any Note or Coupon:

- (i) to, or to a third party on behalf of, a Holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of it having some connection with Denmark other than:
 - (a) the mere holding of the Note or Coupon; or
 - (b) the receipt of principal, interest or other amount in respect of such Note or Coupon; or

- (ii) presented for payment more than thirty days after the Relevant Date, except to the extent that the relevant Holder would have been entitled to such additional amounts on presenting the same for payment on or before the expiry of such period of thirty days; or
- (iii) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (iv) presented for payment by or on behalf of a Holder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a Member State of the EU.

8.2. *Taxing jurisdiction*

If the Issuer becomes subject at any time to any taxing jurisdiction other than Denmark, references in these Conditions to Denmark shall be construed as references to Denmark and/or such other jurisdiction.

8.3. *No gross-up*

If Condition 8.3 is specified in the relevant Issue Terms as being applicable, the Issuer shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment, or enforcement of any Note and all payments made by the Issuer shall be made subject to any tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

9. **Events of Default**

9.1. *Events of Default*

The following events or circumstances, or, in respect of Exempt Notes, the following events or circumstances as modified by, and/or such other events as may be specified in, the relevant Pricing Supplement (each an “**Event of Default**”) shall be acceleration events in relation to the Notes of any Series, namely:

- (i) the Issuer fails to pay any amount of principal or interest in respect of the Notes of the relevant Series or any of them on the due date for payment thereof and such default continues for a period of five days on which banks are open for business in Copenhagen after written notice has been given by the Fiscal Agent or the Holder of any such Note to the Issuer; or
- (ii) the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Notes of the relevant Series and (except in any case where such default is incapable of remedy when no such continuation or notice, as is hereinafter mentioned, will be required) such default remains unremedied for thirty days after written notice requiring such default to be remedied has been received by the Issuer from the Fiscal Agent or the Holder of any such Note; or
- (iii) a distress, execution, seizure before judgment or other legal process is levied or enforced or sued out upon or against any part of the property, assets or revenues of the Issuer which is material in its effect upon the operation of the Issuer and is not discharged or stayed within sixty days of having been so levied, enforced or sued out; or
- (iv) (A) an application for the commencement of bankruptcy against the assets of the Issuer is filed and the application has been filed by or on behalf of the Issuer, or (B) a third party has

filed an application for the commencement of bankruptcy against the assets of the Issuer and (the earlier of) either (1) the DFSA advises the competent court to open up bankruptcy proceedings, or (2) the competent court opens bankruptcy proceedings against the assets of the Issuer, or (C) under Section 233 of the Danish Financial Business Act, the DFSA permits liquidators of the Issuer appointed pursuant to Sections 227 or 228 of the Danish Financial Business Act to file a petition for bankruptcy under and pursuant to Section 17 of the Bankruptcy Act in relation to the Issuer, or (D) under Sections 233 or 234 of the Danish Financial Business Act, the DFSA files a petition for bankruptcy under and pursuant to Section 17 of the Bankruptcy Act in relation to the Issuer; or

- (v) under Section 238 of the Danish Financial Business Act, the DFSA files a petition for the suspension of payments of the Issuer.

9.2. *Acceleration*

If any Event of Default shall occur in relation to any Series of Notes, any Holder of a Note of the relevant Series may, by written notice to the Issuer (effective upon receipt), at the specified office of the Fiscal Agent, declare that such Note and (if the Note is interest-bearing) together with all interest (if any) accrued thereon shall be forthwith due and payable, whereupon the same shall become immediately due and payable at its Early Redemption Amount, together with all interest (if any) accrued thereon without presentment, demand, protest or other notice of any kind, all of which the Issuer will expressly waive, anything contained in such Notes to the contrary notwithstanding, unless, prior thereto, all Events of Default in respect of the Notes of the relevant Series shall have been cured.

10. **Prescription**

Claims for principal shall become void unless the relevant Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date.

11. **Replacement of Notes and Coupons**

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

12. **Agents, Discretions and Determinations**

12.1. *Obligations of Agents*

In acting under the Agency Agreement or the VP Systems Agency Agreement and in connection with the Notes and the Coupons, each of the Paying Agents, the Calculation Agent and each VP Systems Agent acts solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any of the Holders or Couponholders, and each of them shall only be responsible for the performance of the duties and obligations expressly imposed upon it in the Agency Agreement, the VP Systems Agency Agreement or other agreement entered into with respect to its appointment or incidental thereto.

12.2. *Termination of Appointments*

The initial Paying Agents and the VP Systems Agents and their initial Specified Offices are listed in the Agency Agreement or the VP Systems Agency Agreement, as applicable. The Calculation Agent in respect of any Notes shall be specified in the relevant Issue Terms. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent (including the Fiscal Agent) or any VP Systems Agent or the Calculation Agent and to appoint an additional or successor fiscal agent, paying agent, calculation agent or agent in connection with the Notes; provided, however, that:

- (i) the Issuer shall at all times maintain a Fiscal Agent;
- (ii) the Issuer shall at all times maintain a Paying Agent (which may be the Fiscal Agent) in a jurisdiction within Europe, other than the jurisdiction in which the Issuer is incorporated;
- (iii) the Issuer shall at all times maintain a Paying Agent (which may be the Fiscal Agent) in a Member State of the European Union that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive;
- (iv) if a Calculation Agent is specified in the relevant Issue Terms, the Issuer shall at all times maintain a Calculation Agent;
- (v) if and for so long as the Notes are admitted to listing on any listing authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, the Issuer shall maintain a Paying Agent (which may be the Fiscal Agent) with a Specified Office in the place required by such listing authority, stock exchange and/or quotation system;
- (vi) in the case of VP Systems Notes, the Issuer shall at all times maintain a VP Systems Agent authorised to act as an account holding institution with the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be; and
- (vii) in the circumstances described in Condition 7.7 (*Payments in New York City*), a Paying Agent with a Specified Office in New York City.

12.3. *Change of Specified Offices*

The Paying Agents, the VP Systems Agents and the Calculation Agent reserve the right at any time to change their respective Specified Offices to some other Specified Office provided that (in the case of the Paying Agents only) such specified office shall be in the same city. Notice of any change in the identities or Specified Offices of any Paying Agent, the VP Systems Agents or the Calculation Agent shall promptly be given to the Holders in accordance with Condition 15 (*Notices*).

12.4. *Discretions and Determinations*

Except as otherwise expressly set out herein or, in respect of Exempt Notes, in the relevant Pricing Supplement, all discretions exercised and calculations and determinations made in respect of the Notes by either the Calculation Agent or the Issuer shall be made in its sole and absolute discretion and in good faith and shall (save in the case of manifest error) be final, conclusive and binding on the Issuer, the Fiscal Agent, the VP Systems Agents any other Paying Agent, the Noteholders and the Couponholders.

The Calculation Agent may, with the consent of the Issuer, delegate any of its obligations and functions to a third party as it deems appropriate.

12.5. *Exercise of Discretion*

In exercising its discretion in respect of the Notes as provided herein, each of the Issuer and the Calculation Agent may take into account such factors as it determines appropriate in each case, which may include in particular any circumstances or events which have or may have a material impact on the hedging arrangements entered into by the Issuer and/or any of its Affiliates and/or a Hedging Party in respect of the Notes. The exercise of the Issuer's and/or the Calculation Agent's discretion in respect of the Notes as provided herein are necessary because certain circumstances or events (for example a material modification or disruption to any reference item or basis of reference to which the Notes are linked) may occur subsequent to the issuance of the Notes which may materially affect the costs to the Issuer and/or any of its Affiliates and/or a Hedging Party of maintaining the relevant Notes or relevant hedging arrangements. Such circumstances or events may not have been reflected in the pricing of the Notes. In addition, as a result of certain circumstances or events (e.g. unavailability or material disruption to any reference source) it may no longer be reasonably practicable or otherwise appropriate for certain valuations in respect of the reference item or basis of reference to which the Notes are linked to be made, thus making it necessary for the Issuer and/or the Calculation Agent to exercise its discretion in such a case.

As used herein, "**hedging arrangements**" means the arrangements, if any, the Issuer makes to have available to it the relevant cash amounts to be paid under the Notes as these fall due. This may involve the Issuer and/or a Hedging Party investing directly in the reference item(s) or basis of reference to which the Notes are linked. Alternatively, the Issuer and/or a Hedging Party may make an indirect investment by entering into or acquiring a derivative contract referencing the reference item(s) or basis of reference to which the Notes are linked. Such hedging arrangements may be carried out on a portfolio basis (i.e. where the Hedging Party maintains arrangements for hedging the Notes together with other obligations of the Issuer or its Affiliates). The Issuer will select hedging arrangements which are efficient for it in the context of the tax, regulatory and business environment in which it operates. The Issuer and/or a Hedging Party may also adjust hedging arrangements from time to time but will not always be able to avoid adverse costs, taxes or regulatory changes which affect its hedging arrangements. For the avoidance of doubt, the Issuer is under no obligation to enter into any hedging arrangements and, if any hedging arrangements are entered into, such arrangements will not confer any rights or entitlements on any Noteholder and no Noteholder will have recourse to any such hedging arrangements.

12.6. *Determination of amounts payable*

The Calculation Agent will employ the methodology described in these Conditions and/or, in respect of Exempt Notes, the relevant Pricing Supplement to determine amounts payable in respect of the Notes and Coupons. When making any such determination in relation to any amounts so payable, the Calculation Agent may in its sole and absolute discretion consider any relevant information, which may but is not required to include, without limitation, one or more of the following:

- (i) quotations (either firm or indicative) supplied by one or more third parties or information sources;
- (ii) (information consisting of relevant market data in the relevant markets supplied by one or more third parties or information sources including, without limitation, relevant rates, prices, yields, yield curves, volatilities, spreads correlation or other relevant market data in the relevant market; or
- (iii) information of the types described in (i) or (ii) above from internal sources (including any Affiliates of the Calculation Agent) or other information of a type used by the Calculation Agent in the regular course of its business or in connection with similar transactions.

Whenever the Calculation Agent is required to make any determination it may, inter alia, decide issues of construction and legal interpretation. Any delay, deferral or forbearance by the Calculation Agent in the performance or exercise of any of its obligations or discretions under the Notes including, without limitation, the giving of any notice by it to any person, shall not affect the validity or binding nature of any later performance or exercise of such obligation or discretion.

12.7. *Disclaimer of liability*

The Calculation Agent makes no express or implied representations or warranties as to (i) the advisability of investing in or obtaining exposure to the Notes, (ii) the value of the Notes at any particular time on any particular date, or (iii) any amounts that may become payable in respect of the Notes.

Without limiting any of the foregoing, in no event shall the Calculation Agent have any liability (whether in negligence or otherwise) to any Noteholders for any direct, indirect, special, punitive, consequential or any other damages (including loss of profits) even if notified of the possibility of such damages.

12.8. *Conflict of Interest*

In addition to providing calculation agency services to the Issuer, the Calculation Agent or any of its Affiliates may perform further or alternative roles relating to the Issuer and any Series of Notes including, but not limited to, for example, being involved in arrangements relating to any of the reference items (for example as a calculation agent or, in the case of a proprietary index for example, as index sponsor). Furthermore, the Calculation Agent or any of its Affiliates may contract with the Issuer and/or enter into transactions which relate to the Issuer, the Notes or any of the reference items and as a result the Calculation Agent may face a conflict between its obligations as Calculation Agent and its and/or its Affiliates' interests in other capacities. Subject to all regulatory obligations, neither the Issuer nor the Calculation Agent in respect of the Notes shall owe any duty or responsibility to any Noteholder to avoid any conflict or to act in the interests of any Noteholder.

13. **Meetings of Holders; Modification and Waiver**

13.1. *Meetings of Holders of Notes other than VP Systems Notes*

This Condition 13.1 is applicable only in relation to Notes other than VP Systems Notes. The Agency Agreement contains provisions (which shall have effect as if incorporated herein) for convening meetings of Holders of Notes of any Series (other than VP Systems Notes) to consider matters relating to such Series of Notes, including (without limitation) the modification by Extraordinary Resolution (as defined in the Agency Agreement) of any provision of these Conditions and the Deed of Covenant insofar as the same may apply to such Notes. Any Extraordinary Resolution duly passed at any such meeting of Holders of Notes of any Series will be binding on all Holders of Notes of such Series, whether present or not at the meeting and on all Holders of Coupons relating to Notes of such Series.

In addition, a resolution in writing signed by or on behalf of all Holders who for the time being are entitled to receive notice of a meeting of Holders of Notes will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Holders of Notes.

13.2. *Modification of Notes other than VP Systems Notes*

This Condition 13.2 is applicable only in relation to Notes other than VP Systems Notes. The Issuer may, with the consent of the Fiscal Agent, amend the Notes, these Conditions and the Deed of Covenant without the consent of the Holders or Couponholders:

- (i) where such amendment is of a formal, minor or technical nature or to correct a manifest error or proven error or to cure, correct or supplement any defective provision of the Notes of the relevant Series and/or the Deed of Covenant; or
- (ii) where the Issuer determines (whether before or after issue) to list and/or trade the Notes of the relevant Series on a stock exchange, market or quotation system or a central securities depository, trading facility or clearing system and such amendment is made to enable such Notes to be listed and/or traded on such stock exchange, market or quotation system or central securities depository, trading facility or clearing system; or
- (iii) to comply with any mandatory provision of law or the rules of any stock exchange, market or quotation system, central securities depository, trading facility or clearing system.

Subject as aforesaid, no other modification may be made to these Conditions or the Deed of Covenant except with the sanction of an Extraordinary Resolution.

13.3. *Meeting of Holders of VP Systems Notes*

This Condition 13.3 is applicable only in relation to VP Systems Notes. The Agency Agreement contains provisions (which shall have effect as if incorporated herein) for convening meetings of Holders of VP Systems Notes of any Series to consider matters relating to such Series of Notes, including (without limitation) the modification by Extraordinary Resolution of any provision of these Conditions insofar as the same may apply to such Notes. Any Extraordinary Resolution duly passed at any such meeting of Holders of VP Systems Notes of any Series will be binding on all Holders of Notes of such Series, whether present or not at the meeting. Meetings of Holders shall be held in accordance with the Agency Agreement and in compliance with the relevant regulations of the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be. Any person requesting the convening of any such meeting or attending or voting at any such meeting shall be required to provide proof of their appointment as proxy, attorney or representative and/or ownership of Notes satisfactory to the Issuer and/or in the form specified by Issuer in the notice in respect of the relevant meeting given to Holders in accordance with Condition 15 (*Notices*).

In addition, a resolution in writing signed by or on behalf of all Holders who for the time being are entitled to receive notice of a meeting of Holders of Notes will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Holders of Notes.

13.4. *Modification of VP Systems Notes*

This Condition 13.4 is applicable only in relation to VP Systems Notes. The Issuer may amend the Notes and these Conditions without the consent of the Holders:

- (i) where such amendment is of a formal, minor or technical nature or to correct a manifest error or proven error or to cure, correct or supplement any defective provision of the Notes of the relevant Series; or
- (ii) where the Issuer determines (whether before or after issue) to list and/or trade the Notes of the relevant Series on a stock exchange, market or quotation system or a central securities depository, trading facility or clearing system and such amendment is made to enable such Notes to be listed and/or traded on such stock exchange, market or quotation system or central securities depository, trading facility or clearing system; or
- (iii) to comply with any mandatory provision of law or the rules of any stock exchange, market or quotation system, central securities depository, trading facility or clearing system.

Subject as aforesaid, no other modification may be made to these Conditions except with the sanction of an Extraordinary Resolution.

14. **Further Issues**

The Issuer may from time to time, without the consent of the Holders or the Couponholders, create and issue further Notes having the same Terms and Conditions as the Notes in all respects (or in all respects except for the first payment of interest, if any, on them and/or the issue price thereof) so as to form a single series with the Notes.

15. **Notices**

15.1. *Bearer Notes*

Notices to Holders of Bearer Notes will, save where another means of effective communication has been specified herein or, in respect of Exempt Notes, in the relevant Pricing Supplement, be deemed to be validly given:

- (i) in the case of any Bearer Notes represented by definitive Bearer Notes, if published in a leading English language daily newspaper having general circulation in Europe; or
- (ii) in the case of any Bearer Notes represented by a Global Note, if delivered to Euroclear and Clearstream, Luxembourg for communication by them to the persons shown in their respective records as having interests therein,

and, in either case, if such Notes are listed on the Official List of the Irish Stock Exchange (so long as such Notes are listed on the Official List of the Irish Stock Exchange and the rules of that exchange so permit), if published on the website of the Irish Stock Exchange (www.ise.ie).

The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Bearer Notes are for the time being listed or by which they have been admitted to trading.

Any notice so given will be deemed to have been validly given, in the case of any Bearer Notes represented by definitive Bearer Notes, on the date of first such publication (or, if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers) or, in the case of any Bearer Notes represented by a Global Note, on the date of such delivery to Euroclear and Clearstream, Luxembourg. Couponholders will be deemed for all purposes to have notice of the contents of any notice given to Holders of Bearer Notes in accordance with this Condition 15.1.

15.2. *VP Systems Notes*

All notices regarding the VP Systems Notes shall be given (i) if and for so long as the Notes are admitted to trading and/or listed on any stock exchange or any other relevant authority, by publication in any manner which complies with the rules of such stock exchange or other relevant authority and (ii) may be (a) given in accordance with the procedures of the VP, VP Lux, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, and/or (b) published in a relevant national newspaper and/or published on the website specified in the relevant Issue Terms.

15.3. *Validity of Notices*

Any notice so given will be deemed to have been validly given, (i) if published either (a) on the website of any stock exchange or other relevant authority on which the relevant VP Systems Notes are for the time being listed or by which they have been admitted to trading and/or (b) in a national

newspaper, on the date of the first such publication or (ii) if given in accordance with the procedures of the VP, VP Lux, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, on the date it is published in accordance with such procedures, or (iii) if given or published in any other manner in accordance with this Condition 15.3, on the date specified in the relevant notice or, if no such date is specified, on the third Business Day after the date of such notice.

Notices to the Issuer shall be given in writing to the Issuer at 2-12 Holmens Kanal, DK-1092 Copenhagen K, Denmark, attention: 4841 Danske Markets/Asset and Liability Management or such other address and/or addressee as the Issuer may notify to Holders from time to time in accordance with this Condition 15.3.

16. **Currency Indemnity**

The currency in which the Notes are denominated, as specified in the relevant Final Terms or, in respect of Exempt Notes, if different, the currency in which the Notes are payable, as specified in the relevant Pricing Supplement (the “**Contractual Currency**”), is the sole currency of account and payment for all sums payable by the Issuer in respect of the Notes, including damages. Any amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction or otherwise) by any Holder in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge to the Issuer to the extent of the amount of the Contractual Currency which such Holder is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that amount is less than the amount of the Contractual Currency expressed to be due to any Holder in respect of such Note or Coupon, the Issuer shall indemnify such Holder against any loss sustained by such Holder as a result. In any event, the Issuer shall indemnify each such Holder against any cost of making such purchase which is reasonably incurred. These indemnities constitute a separate and independent obligation from the Issuer’s other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Holder and shall continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due in respect of the Notes or any judgment or order. Any such loss as aforesaid shall be deemed to constitute a loss suffered by the relevant Holder and no proof or evidence of any actual loss will be required by the Issuer.

17. **Waiver and Remedies**

No failure to exercise, and no delay in exercising, on the part of the Holder of any Note, any right in these Conditions shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right. Rights hereunder shall be in addition to all other rights provided by law. No notice or demand given in any case shall constitute a waiver of rights to take other action in the same, similar or other instances without such notice or demand.

18. **Governing Law and Jurisdiction**

18.1. *Governing law*

The Notes, the Agency Agreement, the Deed of Covenant and the VP Systems Agency Agreement, and any non-contractual obligations arising therefrom or in connection therewith, shall be governed by, and construed in accordance with, English law, except for the registration of Notes in the VP, which shall be governed by, and shall be construed in accordance with, Danish law, the registration of Notes in the VPS, which shall be governed by, and shall be construed in accordance with, Norwegian law, the registration of Notes in Euroclear Finland, which shall be governed by, and shall be construed in accordance with Finnish law and the registration of Notes in Euroclear Sweden, which shall be governed by, and shall be construed in accordance with, Swedish law.

18.2. *English courts*

The courts of England have jurisdiction to settle any dispute (a “**Dispute**”) arising from or connected with the Notes (including any Dispute relating to any non-contractual obligations arising from or connected with the Notes).

18.3. *Appropriate forum*

The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.

18.4. *Rights of the Holders to take proceedings outside England*

Condition 18.2 (*English courts*) is for the benefit of the Holders only. As a result, nothing in this Condition 18 prevents any Holder from taking proceedings relating to a Dispute (“**Proceedings**”) in any other courts with jurisdiction. To the extent allowed by law, any Holder may take concurrent Proceedings in any number of jurisdictions.

18.5. *Service of process*

The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to the Issuer at 75 King William Street, London EC4N 7DT or at any address of the Issuer in Great Britain at which service of process may be served on it in accordance with Part 34 of the Companies Act 2006. Nothing in this paragraph shall affect the right of any Holder to serve process in any other manner permitted by law. This Condition 18 applies to Proceedings in England and to Proceedings elsewhere.

19. **Rights of Third Parties**

No person shall have any right to enforce any term or condition in respect of a Note under the Contracts (Rights of Third Parties) Act 1999.

SECTION F.2 - SCHEDULES TO THE GENERAL CONDITIONS

REFERENCE ITEM SCHEDULE 1 CREDIT-LINKED NOTES

1. **Credit-Linked Notes**

1.1. *Applicability*

This Reference Item Schedule 1 (Credit-Linked Notes) is applicable only in relation to Notes which are specified to be "Credit-Linked Notes" ("**Credit-Linked Notes**") in the relevant Issue Terms.

1.2. *Definitions*

2.5-year Limitation Date has the meaning given to that term in the definition of "Limitation Date".

5-year Limitation Date has the meaning given to that term in the definition of "Limitation Date".

20-year Limitation Date has the meaning given to that term in the definition of "Limitation Date".

2005 Matrix Supplement means the 2005 Matrix Supplement to the 2003 ISDA Credit Derivatives Definitions as published by ISDA on 7 March 2005.

"**Accreted Amount**" means, with respect to an Accreting Obligation, an amount equal to (a) the sum of (i) the original issue price of such obligation and (ii) the portion of the amount payable at maturity that has accreted in accordance with the terms of the obligation (or as otherwise described below), less (b) any cash payments made by the obligor thereunder that, under the terms of such obligation, reduce the amount payable at maturity (unless such cash payments have been accounted for in (a)(ii) above), in each case calculated as of the earlier of (1) the date on which any event occurs that has the effect of fixing the amount of a claim in respect of principal and (2) the applicable Valuation Date. Such Accreted Amount shall include any accrued and unpaid periodic cash interest payments only if "Include Accrued Interest" is specified as applicable in the relevant Issue Terms. If an Accreting Obligation is expressed to accrete pursuant to a straight-line method or if such Obligation's yield to maturity is not specified in, nor implied from, the terms of such Obligation, then, for the purposes of (a)(ii) above, the Accreted Amount shall be calculated using a rate equal to the yield to maturity of such Obligation. Such yield shall be determined on a semi-annual bond equivalent basis using the original issue price of such obligation and the amount payable at the scheduled maturity of such obligation, and shall be determined as of the earlier of (I) the date on which any event occurs that has the effect of fixing the amount of a claim in respect of principal and (II) the applicable Valuation Date. The Accreted Amount shall exclude, in the case of an Exchangeable Obligation, any amount that may be payable under the terms of such obligation in respect of the value of the Equity Securities for which such obligation is exchangeable.

The Calculation Agent shall determine in its reasonable discretion the accrued and unpaid periodic cash interest payments to be included in the Accreted Amount.

"**Accreting Obligation**" means any obligation (including, without limitation, a Convertible Obligation or an Exchangeable Obligation), the terms of which expressly provide for an amount payable upon acceleration equal to the original issue price (whether or not equal to the face amount thereof) plus an additional amount or amounts (on account of original issue discount or other accruals of interest or principal not payable on a periodic basis) that will or may accrete, whether or not (a) payment of such additional amounts is subject to a contingency or determined by reference to a formula or index, or (b) periodic cash interest is also payable.

“**Additional Interest Amount**” means an amount in the Specified Currency equal to the product of:

- (a) the Final Redemption Amount or Early Redemption Amount, as applicable;
- (b) the Average Overnight Rate in respect of the Additional Amount Period; and
- (c) the number of days in the Additional Amount Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (i) the last day of the Additional Amount Period is the 31st day of a month but the first day of the Additional Amount Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month or (ii) the last day of the Additional Amount Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)).

“**Additional Amount Period**” means, the period from and including (a) the Scheduled Termination Notice Date to but excluding (b) (i) the Repudiation/Moratorium Evaluation Date (where Reference Item Condition 1.6 (*Repudiation/Moratorium Extension*) applies), (ii) the Grace Period Extension Date (where Reference Item Condition 1.7 (*Grace Period Extension*)) or (iii) the DC Cut-off Date (where Reference Item Condition 1.8 (*Credit Derivatives Determinations Committee Extension*)) or (iv) the Postponed Maturity Date (where Reference Item Condition 1.9 (*Maturity Date Extension*)).

“**Affiliate**” means, in relation to any entity (the “**First Entity**”), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes **control** means ownership of a majority of the voting power of an entity.

“**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.

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

“**Auction Settlement Date**” means the date that is the number of Business Days specified in the Transaction Auction Settlement Terms (or, if a number of Business Days is not so specified, five Business Days) immediately following the Auction Final Price Determination Date.

“**Auction Settlement Notice**” has the meaning given to that term in Reference Item Condition 1.4 (*Auction Settlement*).

“**Average Overnight Rate**” means, in respect of the Additional Amount Period, a rate (expressed as a percentage) calculated by the Calculation Agent equal to the average of the Overnight Rates for each day in the period from and including the first day of such Additional Amount Period to but excluding the second Business Day immediately preceding the day on which such Additional Amount Period ends but which is excluded from the Additional Amount Period.

“Bankruptcy” means a Reference Entity:

- (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (b) 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;
- (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
- (d) institutes or has instituted against it a proceeding seeking a judgment of insolvency or Bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (i) 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 (ii) is not dismissed, discharged, stayed or restrained in each case within 30 calendar days of the institution or presentation thereof or before the Scheduled Termination Notice Date, whichever is earlier;
- (e) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (f) 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;
- (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 calendar days thereafter or before the Scheduled Termination Notice Date, whichever is earlier; or
- (h) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has any analogous effect to any of the events specified in paragraphs (a) to (g) (inclusive).

“Best Available Information” means:

- (a) in the case of a Reference Entity which files information with its primary securities regulator or primary stock exchange that includes unconsolidated pro forma financial information which assumes that the relevant Succession Event has occurred or which provides such information to its shareholders, creditors or other persons whose approval of the Succession Event is required, that unconsolidated pro forma financial information and, if provided subsequently to the provision of unconsolidated pro forma financial information but before the Calculation Agent makes its determination for the purposes of the definition of "Successor", other relevant information that is contained in any written communication provided by the Reference Entity to its primary securities regulator, primary stock exchange, shareholders, creditors or other persons whose approval of the Succession Event is required; or
- (b) in the case of a Reference Entity which does not file with its primary securities regulators or primary stock exchange, or which does not provide to shareholders, creditors or other persons whose approval of the Succession Event is required, the information contemplated

in (a) above, the best publicly available information at the disposal of the Calculation Agent to allow it to make a determination for the purposes of the definition of "Successor".

Information which is made available more than 14 calendar days after the legally effective date of the Succession Event shall not constitute "Best Available Information".

"Business Day Convention" means the convention for adjusting any relevant date if it would otherwise fall on a day that is not a Business Day. The following terms, when used in conjunction with the term "Business Day Convention" and a date, shall mean that an adjustments will be made if that date would otherwise fall on a day that is not a Business Day so that:

- (a) if "Following" is specified as the applicable Business Day Convention in the relevant Issue Terms, that date will be the first following day that is a Business Day;
- (b) if "Modified Following" is specified as the applicable Business Day Convention in the relevant Issue Terms, that date will be the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day; and
- (c) if "Preceding" is specified as the applicable Business Day Convention in the relevant Issue Terms, that date will be the first preceding day that is a Business Day.

"Cash Settlement Notice" has the meaning given to that term in Reference Item Condition 1.5 (*Cash Settlement*).

"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, 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 a 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".

For purposes of determining whether a Valuation Obligation satisfies the requirements of this definition of Conditionally Transferable Obligation, such determination shall be made as of the applicable Valuation Date, taking into account only the terms of the Valuation Obligation.

"Conditions to Settlement" means the requirements set out below which may be satisfied as set out herein:

- (a) all of the Conditions to Settlement shall be deemed to be satisfied by the occurrence of a Credit Event Determination Date, to the extent that such Credit Event Determination Date is not subsequently reversed prior to the Auction Final Price Determination Date, a Valuation Date, the Credit Event Redemption Date or the Maturity Date, as applicable;
- (b) where the Notes are First-to-Default Credit-Linked Notes, Conditions to Settlement shall be deemed to be satisfied with respect to the Notes on the first occasion Conditions to Settlement are satisfied with respect to any Reference Entity (the **"First Reference Entity"**). Where the Notes are First-to-Default Credit-Linked Notes and the Conditions to Settlement are satisfied with respect to more than one Reference Entity on the same day, the Calculation

Agent shall determine in its reasonable discretion the order in which such Conditions to Settlement were satisfied; and

- (c) if Notice of Publicly Available Information is specified as applicable in the relevant Issue Terms, the Notice of Publicly Available Information Condition to Settlement is satisfied by the delivery of a Notice of Publicly Available Information by the Calculation Agent to the Issuer that is effective during one of the periods specified in paragraph (a) of the definition of Credit Event Determination Date; provided that the Notice of Publicly Available Information Condition to Settlement shall be deemed to be satisfied in circumstances where ISDA publicly announces on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date) that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Credit Event has occurred with respect to the relevant Reference Entity or Obligation thereof.

“**Convertible Obligation**” means any obligation that is convertible, in whole or in part, into Equity Securities solely at the option of holders of such obligation or a trustee or similar agent acting for the benefit only of holders of such obligation (or the cash equivalent thereof, whether the cash settlement option is that of the issuer or of (or for the benefit of) the holders of such obligation).

“**Credit Derivatives Auction Settlement Terms**” means any Credit Derivatives Auction Settlement Terms published by ISDA, in accordance with the Rules, a form of which will be published by ISDA on its website at www.isda.org (or any successor website thereto) from time to time and may be amended from time to time in accordance with the Rules.

“**Credit Derivatives Determinations Committees**” means the committees established by ISDA for purposes of reaching certain DC Resolutions in connection with credit derivative transactions, as more fully described in the Credit Derivatives Determinations Committees Rules, as published by ISDA on its website at www.isda.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**”).

“**Credit Event**” means the occurrence of any one or more of the Credit Events specified in the relevant Issue Terms which may include Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium or Restructuring, or any additional Credit Event specified in the relevant Issue Terms.

The Calculation Agent shall determine in its reasonable discretion whether a Credit Event has occurred.

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:

- (a) any lack or alleged lack of authority or capacity of a 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, however described.

“Credit Event Backstop Date” means (a) for purposes of any event that constitutes a Credit Event (or with respect to Repudiation/Moratorium, the event described in paragraph (b) of the definition of Repudiation/Moratorium) for purposes of the relevant Notes, as determined by DC Resolution, the date that is 60 calendar days prior to the Credit Event Resolution Request Date or (b) otherwise, the date that is 60 calendar days prior to the earlier of (i) the first date on which both the Credit Event Notice and, if Notice of Publicly Available Information is specified as applicable in the relevant Issue Terms, the Notice of Publicly Available Information are delivered by the Calculation Agent to the Issuer and are effective during the Notice Delivery Period and (ii) in circumstances where (1) the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in paragraph (a) and (b) of the definition of Credit Event Resolution Request Date are satisfied in accordance with the Rules, (2) the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters and (3) the Credit Event Notice and, if Notice of Publicly Available Information is specified as applicable in the relevant Issue Terms, the Notice of Publicly Available Information are delivered by the Calculation Agent to the Issuer and are effective not more than fourteen calendar days after the day on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters, the Credit Event Resolution Request Date. The Credit Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

“Credit Event Determination Date” means, in respect of any Credit Event:

- (a) subject to subsection (b) below, if neither a DC Credit Event Announcement nor a DC No Credit Event Announcement has occurred, the first date on which both the Credit Event Notice and, if Notice of Publicly Available Information is specified as applicable in the relevant Issue Terms, the Notice of Publicly Available Information are delivered by the Calculation Agent to the Issuer and are effective during either:
 - (i) the Notice Delivery Period; or
 - (ii) the period (1) from, and including, the date on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine the matters described in paragraphs (a) and (b) of the definition of Credit Event Resolution Request Date (2) 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)); or
- (b) notwithstanding paragraph (a) above, if a DC Credit Event Announcement has occurred, either:
 - (i) the Credit Event Resolution Request Date, if:
 - (1) either:
 - I. "Auction Settlement" is specified as the applicable Settlement Method in the relevant Issue Terms; or
 - II. the relevant Credit Event is a Restructuring; and
 - (2) the Credit Event Notice is delivered by the Calculation Agent to the Issuer on or prior to the date falling two Business Days after the Exercise Cut-off Date; or
 - (ii) the first date on which the Credit Event Notice is delivered by the Calculation Agent to the Issuer during (1) the Notice Delivery Period or (2) the period from, and

including, the date on which ISDA publicly announces the occurrence of the relevant DC Credit Event Announcement 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)), if either:

- (1) Auction Settlement is not specified as the applicable Settlement Method in the relevant Issue Terms; or
- (2) Auction Settlement is specified as the applicable Settlement Method in the relevant Issue Terms and the Credit Event Notice is delivered by the Calculation Agent to the Issuer on a date that is later than the date falling two Business Days after the relevant Exercise Cut-off Date,

provided that, in the case of paragraph (b) above, (1) this shall be subject to any adjustment in accordance with Reference Item Condition 1.12 (*Credit Event Notice after Restructuring Credit Event*) and (2) no Credit Event Notice specifying a Restructuring as the only Credit Event has previously been delivered by the Calculation Agent to the Issuer unless the Restructuring specified in such Credit Event Notice is also the subject of the notice to ISDA resulting in the occurrence of the Credit Event Resolution Request Date; and

provided further that no Credit Event Determination Date will occur, and any Credit Event Determination Date previously determined with respect to an event shall be deemed not to have occurred, if, or to the extent that, prior to the Auction Final Price Determination Date, a Valuation Date, the Credit Event Redemption Date, the Maturity Date, as applicable, a DC No Credit Event Announcement Date occurs with respect to the relevant Reference Entity or Obligation thereof.

If, in accordance with the provisions above, (i) following the determination of a Credit Event Determination Date, such Credit Event Determination Date is deemed (1) to have occurred on a date that is different from the date that was originally determined to be the Credit Event Determination Date or (2) not to have occurred or (ii) a Credit Event Determination Date is deemed to have occurred prior to a preceding Interest Payment Date, the Calculation Agent will determine (I) such adjustment(s) to these Reference Item Conditions with respect to the relevant Notes (including any adjustment to payment amounts) as may be required to achieve as far as practicable the same economic position of Noteholders as would have prevailed had a Credit Event Determination Date not occurred on such deemed date of occurrence and (II) the effective date of such adjustment(s).

“**Credit Event Notice**” means an irrevocable notice from the Calculation Agent (which may be in writing (including by facsimile and/or email) and/or by telephone) to the Issuer (which the Calculation Agent has the right but not the obligation to deliver) that describes a Credit Event that occurred at or after the Credit Event Backstop Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) and on or prior to the Extension Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)).

A Credit Event Notice must contain a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred. 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 Redemption Date**” means, subject to Reference Item Condition 1.10 (*Settlement Suspension*), the day falling the number of Business Days specified as the “Credit Event Redemption Period” in the relevant Issue Terms following (a) the calculation of the Final Price or (b) the Auction Final Price Determination Date, if applicable, provided, in the case of (b), that the Credit Event Redemption Date shall not fall earlier than the Auction Settlement Date.

“**Credit Event Redemption Period**” means the number of Business Days specified as such in the relevant Issue Terms.

“**Credit Event Resolution Request Date**” means, with respect to a notice to ISDA, delivered in accordance with the Rules, requesting that a Credit Derivatives Determinations Committee be convened to Resolve:

- (a) whether an event that constitutes a Credit Event for purposes of the Notes has occurred with respect to the relevant Reference Entity or Obligation thereof; and
- (b) if the relevant Credit Derivatives Determinations Committee Resolves that such event has occurred, the date of the occurrence of such event,

the date, as publicly announced by ISDA, that the relevant Credit Derivatives Determinations Committee Resolves to be the first date on which such notice was effective and on which the relevant Credit Derivatives Determinations Committee was in possession, in accordance with the Rules, of Publicly Available Information with respect to the DC Resolutions referred to in paragraphs (a) and (b) above.

“**DC Credit Event Announcement**” means, with respect to a Reference Entity, a public announcement by ISDA that the relevant Credit Derivatives Determinations Committee has Resolved that (a) an event that constitutes a Credit Event has occurred with respect to such Reference Entity (or an Obligation thereof) and (b) such event occurred on or after the Credit Event Backstop Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) and on or prior to the Extension Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)). A DC Credit Event Announcement will be deemed not to have occurred unless (i) the Credit Event Resolution Request Date with respect to such Credit Event occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date) and (ii) the Trade Date occurs on or prior to the Auction Final Price Determination Date, the Auction Cancellation Date, or the date that is 21 calendar days following the No Auction Announcement Date, if any, as applicable.

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

“**DC Resolution**” has the meaning set out in the Rules.

“**Default Requirement**” means the amount specified as such in the relevant Issue Terms or its equivalent as calculated by the Calculation Agent in the relevant Obligation Currency or, if a Default Requirement is not specified in the relevant Issue Terms, US\$10,000,000, or its equivalent as calculated by the Calculation Agent in the relevant Obligation Currency, in either case, as of the occurrence of the relevant Credit Event.

The Calculation Agent shall determine the equivalent of the amount so specified in the relevant Issue Terms using its reasonable discretion.

“**Deliver**” means to deliver, novate, transfer (including, in the case of a Qualifying Guarantee, transfer of the benefit of the Qualifying Guarantee), assign or sell, as appropriate, in the manner customary for the settlement of the applicable Obligations (which shall include executing all

necessary documentation and taking any other necessary actions), in order to convey all right, title and interest free and clear of any and all liens, charges, claims or encumbrances (including without limitation any counterclaim, defence (other than a counterclaim or defence based on the factors set out in (a) to (d) in the definition of "Credit Event" above or right of set-off by or of the Reference Entity or, as applicable, an Underlying Obligor) Provided That to the extent that the Obligations consist of Direct Loan Participations, "Deliver" means to create (or procure the creation) of a participation and to the extent that the Obligations consist of Qualifying Guarantees, "Deliver" means to deliver both the Qualifying Guarantee and the Underlying Obligation. "Delivery" and "Delivered" will be construed accordingly.

"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 relevant Issue Terms and any successor currency. If no currency is specified in the relevant Issue Terms, the Domestic Currency shall be the lawful currency and any successor currency of (a) the relevant Reference Entity, if the Reference Entity is a Sovereign, or (b) the jurisdiction in which the relevant Reference Entity is organised, if the Reference Entity is not a Sovereign. In no event shall Domestic Currency include any successor currency if such successor currency is the lawful currency of any of Canada, Japan, Switzerland, the United Kingdom or the United States of America or the euro (or any successor currency to any such currency).

"Downstream Affiliate" means an entity, at the date of the event giving rise to the Credit Event which is the subject of the Credit Event Notice or the time of identification of a Substitute Reference Obligation (as applicable), whose outstanding Voting Shares are more than 50 per cent. owned, directly or indirectly, by the Reference Entity.

"Due and Payable Amount" means, subject as provided in sub-paragraph (d) of paragraph (ii) (*Interpretation of Provisions*) in the definition of "Valuation Obligation", the amount that is due and payable under (and in accordance with the terms of) a Valuation Obligation on the relevant Valuation Date, whether by reason of acceleration, maturity, termination or otherwise (excluding sums in respect of default interest, indemnities, tax gross-ups and other similar amounts).

"Eligible Transferee" means:

- (a) any:
 - (i) Issuer or other financial institution;
 - (ii) insurance or reinsurance company;
 - (iii) mutual fund, unit trust or similar collective investment vehicle (other than an entity specified in sub-paragraph (c)(i) below; and
 - (iv) registered or licensed broker or dealer (other than a natural person or proprietorship),provided, however, that in each case such entity has total assets of at least US\$500 million;
- (b) an Affiliate of an entity specified in the preceding sub-paragraph (a);
- (c) each of a corporation, partnership, proprietorship, organisation, trust or other entity:
 - (i) that is an investment vehicle (including, without limitation, any hedge fund, issuer of collateralised debt obligations, commercial paper conduit or other special purpose vehicle) that (1) has total assets of at least US\$100 million or (2) is one of a group of

investment vehicles under common control or management having, in the aggregate, total assets of at least US\$100 million; or

- (ii) that has total assets of at least US\$500 million; or
- (iii) the obligations of which under an agreement, contract or transaction are guaranteed or otherwise supported by a letter of credit or keep well, support, or other agreement by an entity described in sub-paragraphs (a), (b), (c)(ii) or (d); or

(d) a Sovereign, Sovereign Agency or Supranational Organisation.

All references in this definition to US\$ include equivalent amounts in other currencies.

“Enabling Obligation” means an outstanding Valuation Obligation that (a) is a Fully Transferable Obligation or a Conditionally Transferable Obligation, as applicable, and (b) has a final maturity date occurring on or prior to the Scheduled Termination Notice Date and following the Limitation Date immediately preceding the Scheduled Termination Notice Date (or, in circumstances where the Scheduled Termination Notice Date occurs prior to the 2.5-year Limitation Date, following the final maturity date of the Latest Maturity Restructured Bond or Loan, if any).

“Equity Securities” means:

- (a) in the case of a Convertible Obligation, equity securities (including options and warrants) of the issuer of such obligation or depositary receipts representing equity securities of the issuer of such obligation together with any other property distributed to or made available to holders of those equity securities from time to time; and
- (b) in the case of an Exchangeable Obligation, equity securities (including options and warrants) of a person other than the issuer of such obligation or depositary receipts representing those equity securities of a person other than the issuer of such obligation together with any other property distributed to or made available to holders of those equity securities from time to time.

“Exchangeable Obligation” means any obligation that is exchangeable, in whole or in part, for Equity Securities solely at the option of holders of such obligation or a trustee or similar agent acting for the benefit only of holders of such obligation (or the cash equivalent thereof, whether the cash settlement option is that of the issuer or of (or for the benefit of) the holders of such obligation).

“Excluded Obligation” means any obligation of a Reference Entity specified as such or of a type described in the relevant Issue Terms.

“Excluded Valuation Obligation” means any obligation of a Reference Entity specified as such or of a type described in the relevant Issue Terms.

“Exercise Cut-off Date” means, with respect to a Credit Event:

- (a) if such Credit Event is not a Restructuring (or if such Credit Event is a Restructuring, such Restructuring has occurred with respect to the relevant Notes for which neither "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" nor "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified as applicable in the relevant Issue Terms), either:
 - (i) the Relevant City Business Day prior to the Auction Final Price Determination Date, if any;
 - (ii) the Relevant City Business Day prior to the Auction Cancellation Date, if any; or

- (iii) the date that is 21 calendar days following the No Auction Announcement Date, if any,
as applicable; or
- (b) if such Credit Event is a Restructuring for purposes of the relevant Notes for which either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified as applicable in the relevant Issue Terms and:
 - (i) the relevant Credit Derivatives Determinations Committee has Resolved that Transaction Auction Settlement Terms and/or Parallel Auction Settlement Terms may be published, the date that is five Business Days following the date on which ISDA publishes the Final List applicable to such Credit Derivatives Auction Settlement Terms in accordance with the Rules; or
 - (ii) a No Auction Announcement Date occurs pursuant to paragraph (a) of the definition of No Auction Announcement Date, the date that is 21 calendar days following such No Auction Announcement Date.

“Extension Date” means the latest of (a) the Scheduled Termination Notice Date; (b) the Grace Period Extension Date if (i) "Grace Period Extension" is specified as applying in the relevant Issue Terms, (ii) the Credit Event that is the subject of the Credit Event Notice or the notice to ISDA resulting in the occurrence of the Credit Event Resolution Request Date, as applicable, is a Failure to Pay that occurs after the Scheduled Termination Notice Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)), and (iii) the Potential Failure to Pay with respect to such Failure to Pay occurs on or prior to the Scheduled Termination Notice Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)); and (c) the Repudiation/Moratorium Evaluation Date if (i) the Credit Event that is the subject of the Credit Event Notice or the notice to ISDA resulting in the occurrence of the Credit Event Resolution Request Date, as applicable, is a Repudiation/Moratorium for which the event described in paragraph (b) of the definition of Repudiation/Moratorium occurs after the Scheduled Termination Notice Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)), (ii) the Potential Repudiation/Moratorium with respect to such Repudiation/Moratorium occurs on or prior to the Scheduled Termination Notice Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) and (iii) the Repudiation/Moratorium Extension Condition is satisfied.

“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 a 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.

“Final List” has the meaning set out in the Rules.

“Final Price” means either:

- (a) if a Fixed Recovery Percentage is specified in the relevant Issue Terms, such Fixed Recovery Percentage; or

- (b) if a Fixed Recovery Percentage is not specified in the relevant Issue Terms, the price of the Valuation Obligation, expressed as a percentage, determined in accordance with the Valuation Method specified in the relevant Issue Terms. The Calculation Agent shall as soon as practicable after obtaining all Quotations for a Valuation Date, make available for inspection by Holder at the specified office of the Principal Paying Agent (i) each such Quotation that it receives in connection with the calculation of the Final Price and (ii) a written computation showing its calculation of the Final Price.

“**First Reference Entity**” has the meaning given in the definition of Conditions to Settlement.

“**Full Quotation**” means, in accordance with the Quotation Method each firm quotation obtained from a Quotation Dealer at the Valuation Time, to the extent reasonably practicable, for an amount of the Reference Obligation with an Outstanding Principal Balance 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. 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". For purposes of determining whether a Valuation Obligation satisfies the requirements of this definition of "Fully Transferable Obligation", such determination shall be made as of the relevant Valuation Date, taking into account only the terms of the Valuation Obligation.

“**Governmental Authority**” means any *de facto* or *de jure* government (or any agency, instrumentality, ministry or department thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central Issuer) of a Reference Entity or of the jurisdiction of organisation of a Reference Entity.

“**Grace Period**” means:

- (a) subject to paragraphs (b) and (c) below, the applicable grace period with respect to payments under the relevant Obligation under the terms of such Obligation in effect as of the date as of which such Obligation is issued or incurred;
- (b) if Grace Period Extension is specified as applying in the relevant Issue Terms, a Potential Failure to Pay has occurred on or prior to the Scheduled Termination Notice Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) and the applicable grace period cannot, by its terms, expire on or prior to the Scheduled Termination Notice Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)), the Grace Period shall be deemed to be the lesser of such grace period and the period specified as such in the relevant Issue Terms or, if no period is specified in the relevant Issue Terms, 30 calendar days; and
- (c) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Business Days shall be deemed to apply to such Obligation; provided that, unless Grace Period Extension is specified as applying in the relevant Issue Terms, such deemed Grace Period shall expire no later than the Scheduled Termination Notice Date.

“**Grace Period Business Day**” means a day on which commercial Issuers 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 and if a place or places are not so specified, in the jurisdiction of the Obligation Currency.

“**Grace Period Extension Date**” means, if:

- (a) Grace Period Extension is specified as applying in the relevant Issue Terms; and
- (b) a Potential Failure to Pay occurs on or prior to the Scheduled Termination Notice Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)),

the date that is the number of days in the Grace Period after the date of such Potential Failure to Pay.

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

“**Latest Maturity Restructuring Bond or Loan**” has the meaning given to that term in the definition of "Restructuring Maturity Limitation Date".

“**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 (the “**5-year Limitation Date**”), 7.5 years, 10 years, 12.5 years, 15 years, or 20 years (the “**20-year Limitation Date**”), as applicable. Limitation Dates shall not be subject to adjustment in accordance with any Business Day Convention unless it is specified in the relevant Issue Terms that Limitation Dates will be adjusted in accordance with a specified Business Day Convention.

“**Listed**” means an obligation that is quoted, listed or ordinarily purchased and sold on an exchange.

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

- (a) 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);
- (b) if exactly three Full Quotations are obtained, 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);
- (c) if exactly two Full Quotations are obtained, the arithmetic mean of such Full Quotations;
- (d) if fewer than two Full Quotations and a Weighted Average Quotation is obtained, such Weighted Average Quotation;
- (e) if fewer than two Full Quotations are obtained and no Weighted Average Quotation is obtained, subject as provided in the definition of Quotation, an amount as determined by the Calculation Agent on the next Business Day on which two or more Full Quotations or a Weighted Average Quotation is obtained; and
- (f) if two or more Full Quotations or a Weighted Average Quotation are not obtained on or prior to the tenth Business Day following the applicable Valuation Date, the Market Value shall be any Full Quotation obtained from a Quotation Dealer at the Valuation Time on such

tenth Business Day, or if no Full Quotation is obtained, the weighted average of any firm quotations for the Reference Obligation obtained from Quotation Dealers at the Valuation Time on such tenth 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.

“**Merger Event**” means that at any time during the period from (and including) the Trade Date to (but excluding) the Scheduled Termination Notice Date, the Issuer or a Reference Entity (any such entity, the “**Mergor**”) consolidates or amalgamates with, or merges into, or transfers all or substantially all of its assets to (a) where the Mergor is the Issuer, a Reference Entity or (b) where the Mergor is a Reference Entity, the Issuer, or the Issuer and a Reference Entity become Affiliates.”

“**Minimum Quotation Amount**” means the amount specified as such in the relevant Issue Terms (or its equivalent in the currency of the relevant obligation) or, if no amount is so specified, the lower of (a) US\$1,000,000 (or its equivalent in the currency of the relevant obligation) and (b) the Quotation Amount.

“**Modified Eligible Transferee**” means any Issuer, 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 Scheduled Termination Notice Date, provided that, in circumstances where the Scheduled Termination Notice Date is later than the 2.5-year Limitation Date, at least one Enabling Obligation exists. Where "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified as applicable in the relevant Issue Terms and the Scheduled Termination Notice Date is later than the 2.5-year Limitation Date and prior to the 5-year Limitation Date, a Restructured Bond or Loan will not constitute an Enabling Obligation. Notwithstanding the foregoing, if the Scheduled Termination Notice Date is either (i) on or prior to the 2.5-year Limitation Date or (ii) later than the 2.5-year Limitation Date and on or prior to the 5-year Limitation Date and no Enabling Obligation exists, the Modified Restructuring Maturity Limitation Date will be the 5-year Limitation Date in the case of a Restructured Bond or Loan only.

Subject to the foregoing, in the event that the Scheduled Termination Notice Date is later than (A) the 2.5 year Limitation Date and no Enabling Obligation exists or (B) the 20-year Limitation Date, the Modified Restructuring Maturity Limitation Date will be the Scheduled Termination Notice Date.

“**Movement Option**” means, where either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified as applicable in the relevant Issue Terms, and where a No Auction Announcement Date has occurred pursuant paragraph (b) of the definition of No Auction Announcement Date, the option of the Issuer to apply to the Notes, for purposes of settlement, the Parallel Auction Settlement Terms, if any, for purposes of which the Permissible Deliverable Obligations are more limited than the Valuation Obligations that could be selected by the Calculation Agent if the Notes were to be settled in accordance with Reference Item Condition 1.5 (*Cash Settlement*) (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 no effective Notice to Exercise Movement Option is delivered by the Issuer on or prior to the Movement Option Cut-off Date, the Notes will be settled in accordance with Reference Item Condition 1.5 (*Cash Settlement*). If an effective Notice to Exercise Movement Option is delivered by the Issuer on or prior to the Movement Option Cut-off Date, such event will be notified to Noteholders in accordance with General Condition 15 (*Notices*).

“Movement Option Cut-off Date” means the date that is six Business Days following the Exercise Cut-off Date.

“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.

“No Auction Announcement Date” means, with respect to a Credit Event, the date on which ISDA first publicly announces that (a) no Transaction Auction Settlement Terms and, if applicable, no Parallel Auction Settlement Terms will be published, (b) following the occurrence of a Restructuring where either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified as applicable in the relevant Issue Terms only, no Transaction Auction Settlement Terms will be published, but Parallel Auction Settlement Terms will be published or (c) the relevant Credit Derivatives Determinations Committee has Resolved that no Auction will be held following a prior public announcement by ISDA to the contrary.

“Notice Delivery Period” means the period from and including the Trade Date to and including the date that is fourteen calendar days after the Extension Date.

“Notice of Publicly Available Information” means an irrevocable notice from the Calculation Agent (which may be by telephone) to the Issuer (which the Calculation Agent has the right but not the obligation to deliver) that cites Publicly Available Information confirming the occurrence of the Credit Event or Potential Repudiation/Moratorium, as applicable, described in the Credit Event Notice or Repudiation/Moratorium Extension Notice. In relation to a Repudiation/Moratorium Credit Event, the Notice of Publicly Available Information must cite Publicly Available Information confirming the occurrence of both paragraphs (a) and (b) of the definition of Repudiation/Moratorium. The notice given must contain a copy or description in reasonable detail, of the relevant Publicly Available Information. If Notice of Publicly Available Information is specified as applicable in the relevant Issue Terms and a Credit Event Notice or Repudiation/Moratorium Extension Notice, as applicable, contains Publicly Available Information, such Credit Event Notice or Repudiation/Moratorium Extension Notice will also be deemed to be a Notice of Publicly Available Information.

“Notice to Exercise Movement Option” means, where (a) either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified as applicable in the relevant Issue Terms and (b) cash settlement pursuant to Reference Item Condition 1.5 (*Cash Settlement*) would otherwise be applicable pursuant to Reference Item Condition 1.4 (*Auction Settlement*), an irrevocable notice from the Issuer to the Calculation Agent (which may be in writing (including by facsimile and/or email) and/or by telephone) that (i) specifies the Parallel Auction Settlement Terms applicable in accordance with the definition of Movement Option and (ii) is effective on or prior to the Movement Option Cut-off Date.

“Obligation” means:

- (a) any obligation of a Reference Entity (either directly, as a provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as applicable in the relevant Issue Terms, as provider of any Qualifying Guarantee) determined pursuant to the method described in "Method for Determining Obligations" below (but excluding any Excluded Obligation);
- (a) each Reference Obligation specified in the relevant Issue Terms, unless specified as an Excluded Obligation; and

- (b) any Additional Obligation of a Reference Entity specified as such in the relevant Issue Terms.

“Method for Determining Obligations”. For the purposes of paragraph (a) of this definition of "Obligation", the term "Obligation" may be defined as each obligation of each Reference Entity described by the Obligation Category specified in the relevant Issue Terms, and having each of the Obligation Characteristics (if any) specified in the relevant Issue Terms, in each case, as of the date of the event which constitutes the Credit Event which is the subject of either the Credit Event Notice or the notice to ISDA resulting in the occurrence of the Credit Event Resolution Request Date, as applicable. The following terms shall have the following meanings:

- (i) **“Obligation Category”** means Payment, Borrowed Money, Reference Obligations Only, Bond, Loan, or Bond or Loan, only one of which shall be specified in the relevant Issue Terms, where:
- 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. **“Reference Obligations Only”** means any obligation that is a Reference Obligation and no Obligation Characteristics shall be applicable to Reference Obligations Only;
 - IV. **“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;
 - V. **“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
 - VI. **“Bond or Loan”** means any obligation that is either a Bond or a Loan;
- (ii) **“Obligation Characteristics”** means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed and Not Domestic Issuance specified in the relevant Issue Terms, where:
- I. **“Not Subordinated”** means an obligation that is not Subordinated to (1) the most senior Reference Obligation in priority of payment or, (2) if no Reference Obligation is specified in the relevant Issue Terms, any unsubordinated Borrowed Money obligation of the Reference Entity; provided that, if any of the events set forth under paragraph (a) of the definition of Substitute Reference Obligation has occurred with respect to all of the Reference Obligations or if the final paragraph of the definition of

Successor is applicable with respect to the Reference Obligation (each, in each case, a “Prior Reference Obligation”) and no Substitute Reference Obligation has been identified for any of the Prior Reference Obligations at the time of the determination of whether an obligation satisfies the “Not Subordinated” Obligation Characteristic or Valuation Obligation Characteristic, as applicable, “Not Subordinated” shall mean an obligation that would not have been Subordinated to the most senior such Prior Reference Obligation in priority of payment. For purposes of determining whether an obligation satisfies the “Not Subordinated” Obligation Characteristic or Valuation Obligation Characteristic, the ranking in priority of payment of each Reference Obligation or each Prior Reference Obligation, as applicable, shall be determined as of the date as of which the relevant Reference Obligation or Prior Reference Obligation, as applicable, was issued or incurred and shall not reflect any change to such ranking in priority of payment after such date;

“**Subordination**” means, with respect to an obligation (the “**Subordinated Obligation**”) and another obligation of the Reference Entity to which such obligation is being compared (the “**Senior Obligation**”), a contractual, trust or other similar arrangement providing that (i) upon the liquidation, dissolution, reorganisation or winding up of the Reference Entity, claims of the holders of the Senior Obligation will be satisfied prior to the claims of the holders of the Subordinated Obligation or (ii) the holders of the Subordinated Obligation will not be entitled to receive or retain payments in respect of their claims against the Reference Entity at any time that the Reference Entity is in payment arrears or is otherwise in default under the Senior 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, the existence of preferred creditors arising by operation of law or of collateral, credit support or other credit enhancement 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;

- II. “**Specified Currency**” means an obligation that is payable in the currency or currencies specified as such in the relevant Issue Terms (or, if “Specified Currency” is specified in the relevant Issue Terms and no currency is so specified, any of the lawful currencies 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 currencies shall be referred to collectively in the relevant Issue Terms as the “**Standard Specified Currencies**”).
- III. “**Not Sovereign Lender**” means any obligation that is not primarily owed to a Sovereign or Supranational Organisation, including, 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 Domestic Currency.
- V. “**Not Domestic Law**” means any obligation that is not governed by the laws of (a) the relevant Reference Entity, if such Reference Entity is a Sovereign,

or (b) the jurisdiction of organisation of the relevant Reference Entity, if such Reference Entity is not a Sovereign.

VI. “**Not Domestic Issuance**” means any obligation other than an obligation that was, at the time the relevant obligation was issued (or reissued, as the case may be) or incurred, intended to be offered for sale primarily in the domestic market of the relevant Reference Entity. Any obligation that is registered or qualified for sale outside the domestic market of the relevant Reference Entity (regardless of whether such obligation is also registered or qualified for sale within the domestic market of the relevant Reference Entity) shall be deemed not to be intended for sale primarily in the domestic market of the Reference Entity.

“**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 Currency**” means the currency or currencies in which the 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 a Reference Entity under one or more Obligations.

“**Outstanding Principal Balance**” means, subject as provided in in the definition of Valuation Obligation:

- (a) with respect to any Accreting Obligation, the Accreted Amount thereof; and
- (b) with respect to any other obligation, the outstanding principal balance of such obligation, provided that with respect to any Exchangeable Obligation that is not an Accreting Obligation, “**Outstanding Principal Balance**” shall exclude any amount that may be payable under the terms of such obligation in respect of the value of the Equity Securities for which such obligation is exchangeable.

“**Overnight Rate**” means, in respect of any day in an Additional Amount Period:

- (a) where the Specified Currency is euro, a reference rate equal to the overnight rate as calculated by the European Central Issuer and appearing on Reuters Page EONIA (or such other source, including any successor to such page or service, as the Calculation Agent shall determine to be appropriate) in respect of that day, if that day is a day on which the TARGET 2 System is open, or otherwise in respect of the day on which the TARGET 2 System is open immediately preceding a day on which the TARGET 2 System is open;
- (b) where the Specified Currency is USD, a reference rate equal to the rate set forth in H.15 (519) for that day opposite the caption "Federal Funds (effective)", as such rate is displayed on Reuters Screen FEDFUNDS1 (or such other source, including any successor to such page or service, as the Calculation Agent shall determine to be appropriate) in respect of that day if that day is a Business Day or in respect of the Business Day immediately preceding that day if that day is not a Business Day; or

- (c) where the Specified Currency is a currency other than USD or EUR, the Overnight Rate specified in the relevant Issue Terms.

As used herein, 'H.15 (519)' means the weekly statistical release designated as such, or any successor publication published by the Federal Reserve System Board of Governors, available through the worldwide website of the Board of Governors of the Federal Reserve System at <http://www.bog.frb.fed.us/releases/h15>, or any successor site or publication.

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

“Parallel Auction Cancellation Date” means "Auction Cancellation Date" as defined in the relevant Parallel Auction Settlement Terms.

“Parallel Auction Final Price Determination Date” means "Auction Final Price Determination Date" as defined in the relevant Parallel Auction Settlement Terms.

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

“Parallel Auction Settlement Terms” means, following the occurrence of a Restructuring where either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified as applicable in the relevant Issue Terms, any Credit Derivatives Auction Settlement Terms published by ISDA with respect to such Restructuring in accordance with the Rules, and for which (a) the Deliverable Obligation Terms are the same as the Reference Transaction, and (b) the Reference Transaction would not be an Auction Covered Transaction provided that if no such Credit Derivatives Auction Settlement Terms are published, the Calculation Agent may select in its reasonable discretion the applicable Credit Derivatives Auction Settlement Terms.

“Payment Requirement” means the amount specified as such in the relevant Issue Terms or its equivalent in the relevant Obligation Currency or, if a Payment Requirement is not specified in the relevant Issue Terms, US\$1,000,000, or its equivalent as calculated by the Calculation Agent 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 in the Final List pursuant to the Deliverable Obligation Terms applicable to the relevant Auction.

“Permitted Currency” means (a) the legal tender of any Group of 7 country (or any country that becomes a member of the Group of 7 if such Group of 7 expands its membership), or (b) the legal tender of any country which, as of the date of such change, is a member of the Organisation for Economic Co-operation and Development and has a local currency long term debt rating of either AAA or higher assigned to it by Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc. or any successor to the rating business thereof, Aaa or higher assigned to it by Moody's Investors Service's Limited, or any successor to the rating business thereof or AAA or higher assigned to it by Fitch Ratings Ltd or any successor to the rating business thereof.

“Potential Credit Event” means a Potential Failure to Pay (if Failure to Pay is an applicable Credit Event in respect of the Reference Entity), a Potential Repudiation/Moratorium (if Repudiation/Moratorium is an applicable Credit Event in respect of the Reference Entity) or if a Credit Event Resolution Request Date has occurred and the Credit Derivatives Determinations Committee has not made its determination, such event will be deemed to be a Potential Credit Event. A Credit Derivatives Determinations Committee and the Calculation Agent may each determine whether a Potential Failure to Pay or a Potential Repudiation/Moratorium has occurred provided that

any such determination made by a Credit Derivatives Determinations Committee will be binding on the Calculation Agent.

“Potential Failure to Pay” means the failure by a 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, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Obligations, in accordance with the terms of such Obligations at the time of such failure.

“Potential Repudiation/Moratorium” means the occurrence of an event described in paragraph (a) of the definition of Repudiation/Moratorium.

“Public Source” means each source of Publicly Available Information specified as such in the relevant Issue Terms (or if a source is not specified in the relevant Issue Terms, each of Bloomberg Service, Dow Jones Telerate Service, Reuter Monitor Money Rates Services, Dow Jones News Wire, Wall Street Journal, New York Times, Nihon Keizai Shinbun, Asahi Shinbun, Yomiuri Shinbun, Financial Times, La Tribune, Les Echos and The Australian Financial Review (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” means:

- (a) information that reasonably confirms any of the facts relevant to the determination that the Credit Event or a Potential Repudiation/Moratorium, as applicable, described in a Credit Event Notice or Repudiation/Moratorium Extension Notice has occurred and which:
 - (i) has been published in or on not less than the Specified Number of Public Sources, regardless of whether the reader or user thereof pays a fee to obtain such information provided that, if either the Calculation Agent, the Issuer or any of their respective Affiliates and/or agents is cited as the sole source of such information, then such information shall not be deemed to be Publicly Available Information unless either the Calculation Agent, the Issuer, or any of their Affiliates and/or agents is acting in its capacity as trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent Issuer for an Obligation; or
 - (ii) is information received from or published by (1) a Reference Entity or, as the case may be, a Sovereign Agency in respect of a Reference Entity which is a Sovereign or (2) a trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent Issuer for an Obligation; or
 - (iii) is information contained in any petition or filing instituting a proceeding described in paragraph (d) of the definition of Bankruptcy against or by a Reference Entity; or
 - (iv) is information contained in any order, decree, notice or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body;
- (b) in the event that the Calculation Agent is (i) the sole source of information in its capacity as trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent Issuer for the Obligation with respect to which a Credit Event has occurred and (ii) a holder of such Obligation, the Calculation Agent shall be required to deliver to the Issuer a certificate signed by a Managing Director (or other substantially equivalent title) of the Calculation Agent, which shall certify the occurrence of a Credit Event with respect to such Obligation;

- (c) in relation to any information of the type described in paragraphs (a)(ii), (iii) and (iv) above, the Calculation Agent may assume that such information has been disclosed to it without violating any law, agreement or understanding regarding the confidentiality of such information and that the entity disclosing 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;
- (d) Publicly Available Information need not state:
 - (i) in relation to the definition of "Downstream Affiliate", the percentage of Voting Shares owned, directly or indirectly, by the Reference Entity; and
 - (ii) that such occurrence:
 - (1) has met the Payment Requirement or Default Requirement;
 - (2) is the result of exceeding any applicable Grace Period; or
 - (3) has met the subjective criteria specified in certain Credit Events.

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

“Qualifying Guarantee” means an arrangement evidenced by a written instrument pursuant to which a Reference Entity irrevocably agrees (by guarantee of payment or equivalent legal arrangement) to pay all amounts due under an obligation (the **“Underlying Obligation”**) for which another party is the obligor (the **“Underlying Obligor”**) and that is not at the time of the Credit Event Subordinated to any unsubordinated Borrowed Money obligation of the Underlying Obligor (with references in the definition of Subordination to the Reference Entity deemed to refer to the Underlying Obligor). Qualifying Guarantees shall exclude any arrangement (i) structured as a surety bond, financial guarantee insurance policy, letter of credit or equivalent legal arrangement or (ii) pursuant to the terms of which the payment obligations of the Reference Entity can be discharged, reduced, assigned or otherwise altered as a result of the occurrence or non-occurrence of an event or circumstance (other than payment). The benefit of a Qualifying Guarantee must be capable of being Delivered together with the Delivery of the Underlying Obligation.

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

“Quotation” means each Full Quotation and the Weighted Average Quotation obtained and expressed as a percentage with respect to a Valuation Date in the manner that follows:

- (a) The Calculation Agent shall attempt to obtain Full Quotations with respect to each Valuation Date from five or more Quotation Dealers. If the Calculation Agent is unable to obtain two or more such Full Quotations on the same Business Day within three Business Days of a Valuation Date, then on the next following Business Day (and, if necessary, on each Business Day thereafter until the tenth Business Day following the relevant Valuation Date) the Calculation Agent shall attempt to obtain Full Quotations from five or more Quotation Dealers and, if two or more Full Quotations are not available, a Weighted Average Quotation. If the Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation on the same Business Day on or prior to the tenth Business Day following the applicable Valuation Date, the Quotations shall be deemed to be any Full Quotation obtained from a Quotation Dealer at the Valuation Time on such tenth Business

Day. If no Full Quotation is obtained, the weighted average of any firm quotations for the Reference Obligation obtained from Quotation Dealers at the Valuation Time on such tenth 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.

- (b) If "Include Accrued Interest" is specified in the relevant Issue Terms in respect of Quotations, such Quotations shall include accrued but unpaid interest.
- (c) If "Exclude Accrued Interest" is specified in the relevant Issue Terms in respect of Quotations, such Quotations shall not include accrued but unpaid interest.
- (d) If neither "Include Accrued Interest" nor "Exclude Accrued Interest" is specified in the relevant Issue Terms in respect of Quotations, the Calculation Agent shall determine, based on the then current market practice in the market of the Reference Obligation, whether such Quotations shall include or exclude accrued but unpaid interest. All Quotations shall be obtained in accordance with this specification or determination.
- (e) If any Quotation obtained with respect to an Accreting Obligation is expressed as a percentage of the amount payable in respect of such obligation at maturity, such Quotation will instead be expressed as a percentage of the Outstanding Principal Balance for the purposes of determining the Final Price.

"Quotation Amount" means the amount specified as such in the relevant Issue Terms (which may be specified by reference to an amount in a currency or by reference to a Representative Amount) or, if no amount is specified in the relevant Issue Terms, the aggregate nominal amount of the Notes (or its equivalent in the relevant Obligation Currency converted by the Calculation Agent in a commercially reasonable manner by reference to exchange rates in effect at the time that the relevant Quotation is being obtained).

"Quotation Dealer" means a dealer in obligations of the type of Obligation(s) for which Quotations are to be obtained including each Quotation Dealer specified in the relevant Issue Terms. If no Quotation Dealers are specified in the relevant Issue Terms, the Calculation Agent shall select the Quotation Dealers. Upon a Quotation Dealer no longer being in existence (with no successors), or not being an active dealer in the obligations of the type for which Quotations are to be obtained, the Calculation Agent may substitute any other Quotation Dealer(s) for such Quotation Dealer(s).

"Quotation Method" means the applicable Quotation Method specified in the relevant Issue Terms by reference to one of the following terms:

"Bid" means that only bid quotations shall be requested from Quotation Dealers;

"Offer" means that only offer quotations shall be requested from Quotation Dealers; or

"Mid-market" means that bid and offer quotations shall be requested from Quotation Dealers and shall be averaged for the purposes of determining a relevant Quotation Dealer's quotation.

If a Quotation Method is not specified in the relevant Issue Terms, Bid shall apply.

"Reference Entity" means the entity or entities specified as such in the relevant Issue Terms. Any Successor to a Reference Entity either (a) identified pursuant to the definition of "Successor" in Reference Item Condition 1.2 (*Definitions*) on or following the Trade Date or (b) in respect of which ISDA publicly announces on or following the Trade Date that the relevant Credit Derivatives Determinations Committee has Resolved, in respect of a Succession Event Resolution Request Date,

a Successor in accordance with the Rules shall, in each case, be the Reference Entity for the purposes of the relevant Series.

“Reference Entity Notional Amount” means, in respect of a Reference Entity, the amount specified as such for that Reference Entity in the relevant Issue Terms.

“Reference Obligation” means each obligation specified or of a type described as such in the relevant Issue Terms (if any are so specified or described) and any Substitute Reference Obligation.

“Reference Transaction” means a hypothetical credit derivative transaction (a) for which the Deliverable Obligation Terms and the Reference Obligation are (i) the same as in respect of the Notes (if such Deliverable Obligation Terms and Reference Obligation are specified in the relevant Issue Terms) or (ii) if and to the extent Deliverable Obligation Terms and/or the Reference Obligation are not specified, the Deliverable Obligation Terms and Reference Obligation determined by the Calculation Agent in a commercially reasonable manner to be appropriate in respect of a credit derivative transaction linked to the relevant Reference Entity, (b) with a Scheduled Termination Date matching the Scheduled Termination Notice Date of the Notes and (c) otherwise having such other characteristics as the Calculation Agent may in its reasonable discretion determine appropriate by reference to, without limitation, the Issuer's hedging arrangements and/or any credit derivative elections made in relation to the Notes.

“Relevant City Business Day” has the meaning set out in the Rules.

“Relevant Obligations” means the Obligations constituting Bonds and Loans of the Reference Entity outstanding immediately prior to the effective date of the Succession Event, excluding any debt obligations outstanding between the Reference Entity and any of its Affiliates and/or its agents, as determined by the Calculation Agent. The Calculation Agent will determine the entity which succeeds to such Relevant Obligations on the basis of the Best Available Information. If the date on which the Best Available Information becomes available (or is filed) precedes the legally effective date of the relevant Succession Event, any assumptions as to the allocation of obligations between or among entities contained in the Best Available Information will be deemed to have been fulfilled as of the legally effective date of the Succession Event, whether or not this is in fact the case.

“Representative Amount” means an amount that is representative for a single transaction in the relevant market and at the relevant time, such amount to be determined by the Calculation Agent.

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

- (a) an authorised officer of a Reference Entity or a Governmental Authority:
 - (i) 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
 - (ii) 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
- (b) 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 Notice Date.

“Repudiation/Moratorium Evaluation Date” means, if a Potential Repudiation/Moratorium occurs on or prior to the Scheduled Notice Maturity Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan

Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)), (a) if the Obligations to which such Potential Repudiation/Moratorium relates include Bonds, the date that is the later of (i) the date that is 60 days after the date of such Potential Repudiation/Moratorium and (ii) 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 (b) if the Obligations to which such Potential Repudiation/Moratorium relates do not include Bonds, the date that is 60 days after the date of such Potential Repudiation/Moratorium provided that, in either case, the Repudiation/Moratorium Evaluation Date shall occur no later than the Scheduled Termination Notice Date unless the Repudiation/Moratorium Extension Condition is satisfied.

“Repudiation/Moratorium Extension Condition” will be satisfied: (a) if ISDA publicly announces, pursuant to a valid request that was delivered in accordance with the Rules and effectively received on or prior to the date that is fourteen calendar days after the Scheduled Termination Notice Date, that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Potential Repudiation/Moratorium for purposes of a Series has occurred with respect to an Obligation of the relevant Reference Entity and that such event occurred on or prior to the Scheduled Termination Notice Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) or, if Reference Item Condition 1.9 (*Maturity Date Extension*) applies, the Postponed Maturity Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) or (b) otherwise, by the delivery by the Calculation Agent to the Issuer of a Repudiation/Moratorium Extension Notice and, if Notice of Publicly Available is specified as applicable in the relevant Issue Terms, a Notice of Publicly Available Information that are each effective on or prior to the date that is fourteen calendar days after the Scheduled Termination Notice Date. In all cases, the Repudiation/Moratorium Extension Condition will be deemed not to have been satisfied, or capable of being satisfied, if, or to the extent that, ISDA publicly announces, pursuant to a valid request that was delivered in accordance with the Rules and effectively received on or prior to the date that is fourteen calendar days after the Scheduled Termination Notice Date, that the relevant Credit Derivatives Determinations Committee has Resolved that either (i) an event does not constitute a Potential Repudiation/Moratorium for purposes of a Series with respect to an Obligation of the relevant Reference Entity or (ii) an event that constitutes a Potential Repudiation/Moratorium for purposes of a Series has occurred with respect to an Obligation of the relevant Reference Entity but that such event occurred after the Scheduled Termination Notice Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)).

“Repudiation/Moratorium Extension Notice” means an irrevocable notice (which may be in writing (including by facsimile and/or email) and/or by telephone) from the Calculation Agent to the Issuer (which the Calculation Agent has the right but not the obligation to deliver) that describes a Potential Repudiation/Moratorium that occurred on or prior to the Scheduled Termination Notice Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)). A Repudiation/Moratorium Extension Notice must contain a description in reasonable detail of the facts relevant to the determination that a Potential Repudiation/Moratorium has occurred and indicate the date of the occurrence. The Potential Repudiation/Moratorium that is the subject of the Repudiation/Moratorium Extension Notice need not be continuing on the date the Repudiation/Moratorium Extension Notice is effective.

“Resolve” has the meaning set out in the Rules, and "Resolved" and "Resolves" shall be interpreted accordingly.

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

“Restructuring” means, 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 the holders of the Obligation or is announced (or otherwise decreed) by a Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation, and such event is not expressly provided for under the terms of such Obligation in effect as of the later of (i) the Credit Event Backstop Date applicable to a Series and (ii) the date as of which such Obligation is issued or incurred:

- (a) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals;
- (b) a reduction in the amount of principal or premium payable at maturity or at scheduled redemption dates;
- (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;
- (d) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation; or
- (e) any change in the currency or composition of any payment of interest or principal to any currency which is not a Permitted Currency;

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

- (i) the payment in euro of interest or principal 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 occurrence of, agreement to or announcement of any of the events described in (a) to (e) above due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and
- (iii) the occurrence of, agreement to or announcement of any of the events described in (a) to (e) above in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity.

For the purposes of the definition of Restructuring and Reference Item Condition 1.12 (*Credit Event Notice after Restructuring Credit Event*), the term Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as applicable in the relevant Issue Terms, as provider of any Qualifying Guarantee. In the case of a Qualifying Guarantee and an Underlying Obligation, references to the Reference Entity in the initial paragraph and sub-paragraphs (a) to (e) above 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 of Restructuring shall continue to refer to the Reference Entity.

“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 Scheduled Termination Notice Date, provided that, in circumstances where the Scheduled Termination Notice Date is later than the 2.5-year Limitation Date, at least one Enabling Obligation exists. 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 Scheduled Termination Notice 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.

In the event that the Scheduled Termination Notice Date is later than (a)(i) the final maturity date of the Latest Maturity Restructured Bond or Loan, if any, or (ii) the 2.5-year Limitation Date, and, in either case, no Enabling Obligation exists or (b) the 20-year Limitation Date, the Restructuring Maturity Limitation Date will be the Scheduled Termination Notice Date.

“Rules” has the meaning given to that term in the definition of "Credit Derivatives Determinations Committee" above.

“Scheduled Termination Notice Date” means the day specified as such in the relevant Issue Terms.

“Settlement Currency” means the currency specified as such in the relevant Issue Terms, or if no currency is specified in the relevant Issue Terms, the Specified Currency of the Notes.

“Settlement Method” means, if (a) Auction Settlement is specified as the applicable Settlement Method in the relevant Issue Terms, Auction Settlement or (b) Cash Settlement is specified as the applicable Settlement Method in the relevant Issue Terms, Cash Settlement.

“Sovereign” means any state, political subdivision or government, or any agency, instrumentality, ministry, department or other authority (including without limiting the foregoing, the central Issuer) thereof.

“Sovereign Agency” means any agency, instrumentality, ministry, department or other authority (including, without limiting the foregoing, the central Issuer) of a Sovereign.

“Sovereign Restructured Deliverable Obligation” means an Obligation of a Sovereign Reference Entity (a) in respect of which a Restructuring that is the subject of the relevant Credit Event Notice has occurred and (b) described by the Valuation Obligation Category specified in the relevant Issue Terms, and, subject to paragraph (ii) "*Interpretation of Provisions*" in the definition of "Valuation Obligation", having each of the Valuation Obligation Characteristics, if any, specified in the relevant Issue Terms, in each case, immediately preceding the date on which such Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring without regard to whether the Obligation would satisfy such Valuation Obligation Category or Valuation Obligation Characteristics after such Restructuring.

“Specified Number” means the number of Public Source(s) specified in the relevant Issue Terms, or if no number is specified in the relevant Issue Terms, two.

“Substitute Reference Obligation” means one or more obligations of the Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as applicable in the relevant Issue Terms, as provider of any Qualifying Guarantee) that will replace one or more Reference Obligations, identified by the Calculation Agent in accordance with the following procedures:

- (a) In the event that:
- (i) a Reference Obligation is redeemed in whole; or
 - (ii) (1) the aggregate amounts due under any Reference Obligation have been materially reduced by redemption or otherwise (other than due to any scheduled redemption, amortisation or prepayments), (2) any Reference Obligation is an Underlying Obligation with a Qualifying Guarantee of a Reference Entity and, other than due to the existence or occurrence of a Credit Event, the Qualifying Guarantee is no longer a valid and binding obligation of such Reference Entity enforceable in accordance with its terms or (3) for any other reason, other than due to the existence or occurrence of a Credit Event, any Reference Obligation is no longer an obligation of a Reference Entity, the Calculation Agent shall identify one or more Obligations to replace such Reference Obligation.
- (b) Any Substitute Reference Obligation or Substitute Reference Obligations shall be an Obligation that (i) ranks *pari passu* in priority of payment with the ranking in priority of payment of each of the Substitute Reference Obligation and such Reference Obligation (with the ranking in priority of payment of such Reference Obligation being determined as of the date as of which such Reference Obligation was issued or incurred and not reflecting any change to such ranking in priority of payment after such date), (ii) preserves the economic equivalent, as closely as practicable as determined by the Calculation Agent of the payment obligations of the Issuer and (iii) is an obligation of the relevant Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as applicable in the relevant Issue Terms, as provider of any Qualifying Guarantee). The Substitute Reference Obligation or Substitute Reference Obligations identified by the Calculation Agent shall, if so selected at the discretion of the Calculation Agent, without further action, replace such Reference Obligation or Reference Obligations. The Calculation Agent shall use its reasonable discretion to determine whether the conditions met at (i) to (iii) above are fulfilled.
- (c) If more than one specific Reference Obligation is identified as a Reference Obligation in relation to a Series, any of the events set forth in paragraph (a) above has occurred with respect to one or more but not all of the Reference Obligations, and the Calculation Agent determines not to select a Substitute Reference Obligation or that no Substitute Reference Obligation is available for one or more of such Reference Obligations, each Reference Obligation for which no Substitute Reference Obligation is selected or available shall cease to be a Reference Obligation. The Calculation Agent shall use its reasonable discretion to determine whether the conditions set out in this clause (c) are met.
- (d) If more than one specific Reference Obligation is identified as a Reference Obligation in relation to a Series, any of the events set forth in paragraph (a) above has occurred with respect to all of the Reference Obligations, and the Calculation Agent determines that at least one Substitute Reference Obligation is available for any such Reference Obligation, then each such Reference Obligation may at the reasonable discretion of the Calculation Agent be replaced by a Substitute Reference Obligation and each Reference Obligation for which no Substitute Reference Obligation is available, or for which the Calculation Agent in its discretion determines not to select a Substitute Reference Obligation, will cease to be a Reference Obligation. The Calculation Agent shall use its reasonable discretion to determine whether the conditions set out in this clause (d) are met.
- (e) If:
- (i) more than one specific Reference Obligation is identified as a Reference Obligation in relation to a Series, any of the events set forth in paragraph (a) above has occurred

with respect to all of the Reference Obligations and the Calculation Agent determines not to select a Substitute Reference Obligation or that no Substitute Reference Obligation is available for any of the Reference Obligations; or

- (ii) only one specific Reference Obligation is identified as a Reference Obligation in relation to a Series, any of the events set forth in paragraph (a) above has occurred with respect to such Reference Obligation and the Calculation Agent determines not to select a Substitute Reference Obligation or that no Substitute Reference Obligation is available for that Reference Obligation,

then the Calculation Agent may continue to attempt to identify a Substitute Reference Obligation until the Extension Date although the Calculation Agent is not obliged to select a Substitute Reference Obligation at any time. If (A) either (i) Cash Settlement is specified as the Settlement Method in the relevant Issue Terms (or is applicable as the fallback settlement method pursuant to Reference Item Condition 1.4 (*Auction Settlement*) below) or (ii) Auction Settlement is specified as the Settlement Method in the relevant Issue Terms and, in each case, the Reference Obligation is the only Deliverable Obligation for the purposes of the relevant Auction or the only Valuation Obligation and (B) on or prior to the Extension Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)), a Substitute Reference Obligation has not been identified, the Issuer shall have the right on or after the Extension Date to early redeem the Notes at the Early Redemption Amount by notice to Noteholders in accordance with General Condition 15 (*Notices*).

The Calculation Agent shall use its reasonable discretion when determining the Early Redemption Amount, taking into account the creditworthiness of the Reference Entity at the time of early redemption.

- (f) For the purposes of identification of a Reference Obligation, any change in the Reference Obligation's CUSIP or ISIN number or other similar identifier will not, in and of itself, convert such Reference Obligation into a different Obligation.

“Succession Event” means (a) with respect to a Reference Entity that is not a Sovereign, an event such as a merger, consolidation, amalgamation, transfer of assets or liabilities, de-merger, spin-off or other similar event in which one entity succeeds to the obligations of another entity, whether by operation of law or pursuant to any agreement or (b) with respect to a Reference Entity that is a Sovereign, an event such as an annexation, unification, secession, partition, dissolution, consolidation, reconstitution or other event that results in any direct or indirect successor(s) to such Reference Entity. Notwithstanding the foregoing, "Succession Event" shall not include an event (i) in which the holders of obligations of the Reference Entity exchange such obligations for the obligations of another entity, unless such exchange occurs in connection with a merger, consolidation, amalgamation, transfer of assets or liabilities, de-merger, spin-off or other similar event or (ii) with respect to which the legally effective date (or, in the case of a Reference Entity that is a Sovereign, the date of occurrence) has occurred prior to the Succession Event Backstop Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) applicable to the relevant Series.

“Succession Event Backstop Date” means (a) for purposes of any event that constitutes a Succession Event for purposes of the relevant Notes, as determined by DC Resolution, the date that is 90 calendar days prior to the Succession Event Resolution Request Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) or (b) otherwise, the date that is 90 calendar days prior to the earlier of (i) the date on which the Succession Event Notice is effective and (ii) in circumstances where (I) the conditions to

convening a Credit Derivatives Determinations Committee to Resolve the matters described in paragraphs (a) and (b) of the definition of Succession Event Resolution Request Date are satisfied in accordance with the Rules, (II) the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters and (III) the Succession Event Notice is delivered by the Calculation Agent to the Issuer not more than fourteen calendar days after the day on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters, the Succession Event Resolution Request Date. The Succession Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention unless specified in the relevant Issue Terms that the Succession Event Backstop Date will be adjusted in accordance with a specified Business Day Convention.

“**Succession Event Notice**” means an irrevocable notice from the Calculation Agent (which may be in writing (including by facsimile and/or email) and/or by telephone) to the Issuer that describes a Succession Event that occurred on or after the Succession Event Backstop Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)).

A Succession Event Notice must contain a description in reasonable detail of the facts relevant to the determination, of (a) whether a Succession Event has occurred and (b) if relevant, the identity of any Successor(s).

“**Succession Event Resolution Request Date**” means, with respect to a notice to ISDA, delivered in accordance with the Rules, requesting that a Credit Derivatives Determinations Committee be convened to Resolve:

- (a) whether an event that constitutes a Succession Event for purposes of a Series has occurred with respect to the relevant Reference Entity; and
- (b) if the relevant Credit Derivatives Determinations Committee Resolves that such event has occurred, (i) with respect to a Reference Entity that is not a Sovereign, the legally effective date of such event or (ii) with respect to a Reference Entity that is a Sovereign, the date of the occurrence of such event,

the date, as publicly announced by ISDA, that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which such notice is effective.

“**Successor**” means:

- (a) in relation to a Reference Entity that is not a Sovereign, the entity or entities, if any, determined as set forth below:
 - (i) if one entity directly or indirectly succeeds to seventy-five per cent. or more of the Relevant Obligations of the Reference Entity by way of a Succession Event, that entity will be the sole Successor;
 - (ii) if only one entity directly or indirectly succeeds to more than twenty-five per cent. (but less than seventy-five per cent.) of the Relevant Obligations of the Reference Entity by way of a Succession Event, 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;
 - (iii) if more than one entity each directly or indirectly succeed to more than twenty-five per cent. of the Relevant Obligations of the Reference Entity by way of a Succession Event, 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 these Terms and Conditions and/or the relevant Issue Terms will be adjusted as provided below;

- (iv) if one or more entities each directly or indirectly succeed to more than twenty-five per cent. of the Relevant Obligations of the Reference Entity by way of a Succession Event, 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 these Terms and Conditions and/or the relevant Issue Terms will be adjusted as provided below;
 - (v) if one or more entities directly or indirectly succeed to a portion of the Relevant Obligations of the Reference Entity by way of a Succession Event, but no entity succeeds to more than twenty-five per cent. of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor and the Reference Entity will not be changed in any way as a result of the Succession Event; and
 - (vi) if one or more entities directly or indirectly succeed to a portion of the Relevant Obligations of the Reference Entity by way of a Succession Event, 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 (or, if two or more entities succeed to an equal percentage of Relevant Obligations, the entity from among those entities which succeeds to the greatest percentage of obligations of the Reference Entity) will be the sole Successor; and
- (b) in relation to a Sovereign Reference Entity, each entity which becomes a direct or indirect successor to such Reference Entity by way of Succession Event, irrespective of whether any such successor assume(s) any of the obligations of such Reference Entity.

The Calculation Agent will be responsible for determining, as soon as reasonably practicable after it becomes aware of the relevant Succession Event (but no earlier than fourteen calendar days after the legally effective date of the occurrence of the relevant Succession Event), and with effect from the legally effective date of the occurrence of the Succession Event, whether the relevant thresholds set forth above have been met, or which entity qualifies under (a)(vi) above, as applicable; provided that the Calculation Agent will not make any such determination if, at such time, either (A) ISDA has publicly announced that the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in (a) above and paragraphs (a) and (b)(1) of the definition of Succession Event Resolution Request Date (in the case of a Reference Entity that is not a Sovereign) or (b) above and paragraphs (a) and (b)(2) of the definition of Succession Event Resolution Request Date (in the case of a Sovereign Reference Entity) are satisfied in accordance with the Rules (until such time (if any) that ISDA subsequently publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine a Successor) or (B) ISDA has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved that no event that constitutes a Succession Event has occurred. In calculating the percentages used to determine whether the relevant thresholds set forth above have been met, or which entity qualifies under (a)(vi) above, as applicable, the Calculation Agent shall use, with respect to each applicable Relevant Obligation included in such calculation, the amount of the liability with respect to such Relevant Obligation listed in the Best Available Information and shall, as soon as practicable after such calculation, make such calculation available for inspection by Noteholders at the specified office of the Fiscal Agent.

Where pursuant to paragraph (a)(iii) or (a)(iv) or (b) above, more than one Successor has been identified, the Calculation Agent shall adjust such of the Terms and Conditions and/or the relevant

Issue Terms as it acting in a commercially reasonable manner shall determine to be appropriate to reflect that the relevant Reference Entity has been succeeded by more than one Successor and shall determine the effective date of that adjustment. The Calculation Agent shall be deemed to be acting in a commercially reasonable manner if it adjusts such of the Terms and Conditions and/or the relevant Issue Terms in such a manner as to reflect the adjustment to and/or division of any credit derivative transaction(s) related to or underlying the Notes under the provisions of the 2003 ISDA Credit Derivatives Definitions. The Calculation Agent shall adjust such of the Terms and Conditions and/or the relevant Issue Terms using its reasonable discretion.

Upon the Calculation Agent making such adjustment and notifying the Issuer of such adjustment, the Issuer shall give notice as soon as practicable to the Noteholders in accordance with General Condition 15 (*Notices*) stating the adjustment to the Terms and Conditions and/or the relevant Issue Terms and giving brief details of the relevant Succession Event.

For the purposes of this definition of "Successor", "succeed" means, with respect to a Reference Entity and its Relevant Obligations (or, as applicable, obligations), that a party other than such Reference Entity (i) assumes or becomes liable for such Relevant Obligations (or, as applicable, obligations) whether by operation of law or pursuant to any agreement or (ii) issues Bonds that are exchanged for Relevant Obligations (or, as applicable, obligations), and in either case such Reference Entity is no longer an obligor (primarily or secondarily) or guarantor with respect to such Relevant Obligations (or, as applicable, obligations). The determinations required pursuant to paragraph (a) of this definition of "Successor" shall be made, in the case of an exchange offer, on the basis of the Outstanding Principal Balance of Relevant Obligations tendered and accepted in the exchange and not on the basis of the Outstanding Principal Balance of Bonds for which Relevant Obligations have been exchanged.

Where:

- (i) a Reference Obligation is specified in the relevant Issue Terms; and
- (ii) one or more Successors to the Reference Entity have been identified; and
- (iii) any one or more such Successors have not assumed the Reference Obligation,

a Substitute Reference Obligation will be determined in accordance with the definition of "Substitute Reference Obligation" above.

Notwithstanding the provisions above and sub-paragraph (b) of the definition of Reference Entity, in the case of First to Default Credit-Linked Notes and Portfolio Credit-Linked Notes, where one or more Reference Entities (each an "**Affected Reference Entity**") and/or the Issuer would, but for this provision, be identified as a Successor pursuant thereto and at least one other entity which is not a Reference Entity is also identified as a Successor in respect of the relevant Succession Event, each Affected Reference Entity and/or the Issuer, as applicable, shall not be regarded as a "Successor" for the purposes of the Notes. Where pursuant to the provisions above or sub-paragraph (b) of the definition of Reference Entity one or more Reference Entities (each an "**Affected Reference Entity**") and/or the Issuer would, but for this provision, be identified as a Successor pursuant thereto but no other entities which are not Reference Entities or the Issuer are identified as a Successor in respect of the relevant Succession Event, each Affected Reference Entity and/or the Issuer, as applicable, shall not be regarded as a "Successor" for the purposes of the Notes and, in respect of each Affected Reference Entity or the Issuer, as applicable, the Calculation Agent shall use reasonable endeavours to (a) select an Alternative Reference Entity to be the Successor in respect of the relevant Succession Event and (b) select an Alternative Reference Obligation to be the Reference Obligation in respect of such Alternative Reference Entity after the relevant Succession Event. If the Calculation Agent is unable to select an Alternative Reference Entity or an Alternative Reference Obligation, then: (i) no Successor shall be appointed; (ii) the Affected Reference Entity to which the relevant Succession Event relates shall be deemed to have ceased to be a Reference Entity; (iii) that portion of any interest payable which is referable to the purchase of credit protection purchased by the Issuer under the Notes in respect of the Affected Reference Entity shall be reduced accordingly

as determined by the Calculation Agent; and (iv) the Calculation Agent may make such adjustments to the Terms and Conditions to account for the Successor Associated Costs, which may include, without limitation, reducing the Final Redemption Amount, Credit-Linked Redemption Amount by an amount equal to the Successor Associated Costs, in each case with effect from the date determined by the Calculation Agent to be the date on which the relevant Succession Event was effective.

Where:

“**Alternative Reference Entity**” means an entity which satisfies both the Industry Requirement and the Spread Requirement as determined by the Calculation Agent in its reasonable discretion.

“**Alternative Reference Obligation**” means any obligation of the Alternative Reference Entity selected by the Calculation Agent in its reasonable discretion which, as far as practicable, in the determination of the Calculation Agent is substantially similar in economic terms to the relevant Reference Obligation of the Reference Entity to which the Succession Event relates.

“**Industry Requirement**” means an entity that is in the same industry group specified by Moody's Investor Service, Inc. or any successor to the rating business thereof or Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc. or any successor to the rating business thereof as the Reference Entity to which the relevant Succession Event relates, as determined by the Calculation Agent in its reasonable discretion.

“**Spread**” means the bid-side quotation obtained by the Calculation Agent from such leading dealer in the credit default swap market selected by the Calculation Agent in its reasonable discretion for a credit default swap in respect of the relevant entity with a credit protection period commencing on the date determined by the Calculation Agent to be the date of the relevant Succession Event and ending on the Maturity Date and with the Reference Obligation(s) specified in the relevant Issue Terms.

“**Spread Requirement**” means an entity that, as at the date of selection, has a Spread not greater than the Spread of the Reference Entity to which the relevant Succession Event relates, immediately prior to the relevant Succession Event as determined by the Calculation Agent in its reasonable discretion.

“**Successor Associated Costs**” means an amount per unit or nominal amount of Notes equal to the Calculation Amount (which may not be less than zero) equal to such Notes' *pro rata* share of the total amount of any and all costs and losses associated with or incurred by the Issuer and/or any Affiliate in connection with the Affected Reference Entity ceasing to be a Reference Entity, including, without limitation, any costs and losses associated with or incurred by the Issuer and/or any Affiliate in connection with unwinding, substituting, re-establishing and/or incurring any funding relating to the Notes and/or any hedge positions (including without limitation, any derivative transaction) relating to the Notes, and any related costs due to costs or losses being incurred prior to the maturity or settlement of the Notes, all as determined by the Calculation Agent in its reasonable discretion.

“**Supranational Organisation**” means any entity or organisation established by treaty or other arrangement between two or more Sovereigns or the Sovereign Agencies of two or more Sovereigns, and includes, without limiting the foregoing, the International Monetary Fund, European Central Issuer, International Issuer for Reconstruction and Development and the European Issuer for Reconstruction and Development.

“**Trade Date**” means the date specified as such in the relevant Issue Terms.

“**Transaction Auction Settlement Terms**” means, with respect to a Credit Event, the Credit Derivatives Auction Settlement Terms for which the Reference Transaction would be an Auction Covered Transaction.

“**Unwind Costs**” means the amount specified in the relevant Issue Terms or if "Standard Unwind Costs" are specified in the relevant Issue Terms, an amount determined by the Calculation Agent equal to the sum of (without duplication) all costs, expenses (including, without limitation, loss of funding and break funding charges and fees), tax and duties incurred by the Issuer and/or any of its Affiliates and/or agents in connection with the redemption of the Notes and/or the termination, settlement or re-establishment of any hedge or related trading position as a result of the redemption of the Notes or the occurrence of any Credit Event, such amount to be apportioned *pro rata* amongst each unit or nominal amount of Notes equal to the Calculation Amount.

“**Valuation Date**” means where Cash Settlement is specified as applying in the relevant Issue Terms, if "Single Valuation Date" is specified in the relevant Issue Terms, the date that is the number of Business Days specified in the Issue Terms after the satisfaction of all Conditions to Settlement or, if the number of Business Days is not so specified, five Business Days after the satisfaction of all Conditions to Settlement (or, if "Cash Settlement" is applicable as the fallback settlement method pursuant to Reference Item Condition 1.4 (*Auction Settlement*) below, the date that is the number of Business Days specified in the relevant Issue Terms or, if the number of Business Days is not so specified, five Business Days after the Auction Cancellation Date, if any, or the relevant No Auction Announcement Date, if any, as applicable), and if "Multiple Valuation Dates" is specified in the relevant Issue Terms, each of the following dates:

- (a) subject to Reference Item Condition 1.10 (*Settlement Suspension*), the date that is the number of Business Days specified in the relevant Issue Terms (or, if the number of Business Days is not specified, five Business Days) following the satisfaction of all Conditions to Settlement (or if Cash Settlement is applicable as the fallback settlement method pursuant to Reference Item Condition 1.4 (*Auction Settlement*) below, the date that is the number of Business Days specified in the relevant Issue Terms (or, if the number of Business Days is not specified, five Business Days) following the Auction Cancellation Date, if any, or the relevant No Auction Announcement Date, if any, as applicable); and
- (b) each successive date that is the number of Business Days specified in the relevant Issue Terms or, if the number of Business Days is not so specified, five Business Days after the date on which the Calculation Agent obtains a Market Value with respect to the immediately preceding Valuation Date.

When "Multiple Valuation Dates" is specified in the relevant Issue Terms, the total number of Valuation Dates shall be equal to the number of Valuation Dates specified in the relevant Issue Terms (or, if the number of Valuation Dates is not so specified, five Valuation Dates).

If neither Single Valuation Date nor Multiple Valuation Dates is specified in the relevant Issue Terms, Single Valuation Date shall apply.

“**Valuation Method**”:

- (a) The following Valuation Methods may be specified in the relevant Issue Terms for a Series with only one Valuation Date:
 - “**Market**” means the Market Value determined by the Calculation Agent with respect to the Valuation Date; or
 - “**Highest**” means the highest Quotation obtained by the Calculation Agent with respect to the Valuation Date.

- (b) If no such Valuation Method is specified in the relevant Issue Terms, the Valuation Method shall be Highest.
- (c) The following Valuation Methods may be specified in the relevant Issue Terms for a Series with more than one Valuation Date:
 - “**Average Market**” means the unweighted arithmetic mean of the Market Values determined by the Calculation Agent with respect to each Valuation Date; or
 - “**Highest**” means the highest Quotation obtained by the Calculation Agent with respect to any Valuation Date; or
 - “**Average Highest**” means the unweighted arithmetic mean of the highest Quotations obtained by the Calculation Agent with respect to each Valuation Date.
- (d) If no such Valuation Method is specified in the relevant Issue Terms, the Valuation Method shall be Average Highest.
- (e) Notwithstanding paragraphs (a) and (b), if Quotations include Weighted Average Quotations or fewer than two Full Quotations, the Valuation Method shall be Market or Average Market, as the case may be.

“**Valuation Obligation**” means:

- (a) any obligation of a Reference Entity (either directly, as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as applicable in the relevant Issue Terms, as provider of any Qualifying Guarantee) determined pursuant to the method described in "(i) Method for Determining Valuation Obligations" below (but excluding any Excluded Valuation Obligation specified in the relevant Issue Terms) that (i) is payable in an amount equal to its Outstanding Principal Balance or Due and Payable Amount, as applicable, (ii) is not subject to any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in paragraphs (a) to (d) of the definition of "Credit Event" above) or right of set-off by or of a Reference Entity or, as applicable, an Underlying Obligor and (iii) in the case of a Qualifying Guarantee other than a Qualifying Affiliate Guarantee, is capable, at the applicable Valuation Date, of immediate assertion or demand by or on behalf of the holder or holders against the Reference Entity for an amount at least equal to the Outstanding Principal Balance or Due and Payable Amount apart from the giving of any notice of non-payment or similar procedural requirement, it being understood that acceleration of an Underlying Obligation shall not be considered a procedural requirement;
- (b) subject to the second paragraph of the definition of "Not Contingent" in "(i) Method for Determining Valuation Obligations" below, each Reference Obligation, unless specified in the relevant Issue Terms as an Excluded Valuation Obligation;
- (c) solely in relation to a Restructuring Credit Event applicable to a Sovereign Reference Entity, any Sovereign Restructured Deliverable Obligation (but excluding any Excluded Valuation Obligation) that (i) is payable in an amount equal to its Outstanding Principal Balance or Due and Payable Amount, as applicable, (ii) is not subject to any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in paragraphs (a) to (d) of the definition of "Credit Event" above) or right of set-off by or of a Reference Entity or, as applicable, an Underlying Obligor and (iii) in the case of a Qualifying Guarantee other than a Qualifying Affiliate Guarantee, is capable, at the applicable Valuation Date, of immediate assertion or demand by or on behalf of the holder or holders against the Reference Entity for an amount at least equal to the Outstanding Principal Balance or Due and Payable Amount being Delivered apart from the giving of any notice of non-payment or

similar procedural requirement, it being understood that acceleration of an Underlying Obligation shall not be considered a procedural requirement; and

(d) any Additional Valuation Obligation of a Reference Entity specified as such in the relevant Issue Terms.

(i) **Method for Determining Valuation Obligations.** For the purposes of this definition of "Valuation Obligation", the term "Valuation Obligation" may be defined as each obligation of each Reference Entity described by the Valuation Obligation Category specified in the relevant Issue Terms, and, subject to (ii)(III) below, having each of the Valuation Obligation Characteristics, if any, specified in the relevant Issue Terms, in each case, as of the date of the event which constitutes the Credit Event which is the subject of either the Credit Event Notice or the notice to ISDA resulting in the occurrence of the Credit Event Resolution Request Date, as applicable. The following terms shall have the following meanings:

I. **"Valuation Obligation Category"** means one of Payment, Borrowed Money, Reference Obligations Only, Bond, Loan, or Bond or Loan (each as defined in the definition of "Obligation" below, except that, for the purpose of determining Valuation Obligations, the definition of "Reference Obligations Only" shall be amended to state that no Valuation Obligation Characteristics shall be applicable to Reference Obligations Only).

II. **"Valuation Obligation Characteristics"** means any one or more of Not Subordinated, Credit Linked Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed, Not Domestic Issuance (each as defined in the definition of "Obligation" below), Not Contingent, Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer where:

(1) **"Not Contingent"** means any obligation having an Outstanding Principal Balance or, in the case of obligations that are not Borrowed Money, a Due and Payable Amount, that pursuant to the terms of such obligation may not be reduced as a result of the occurrence or non-occurrence of an event or circumstance (other than payment). A Convertible Obligation, an Exchangeable Obligation and an Accreting Obligation shall constitute Valuation Obligations that are Not Contingent if such Valuation Obligation otherwise meets the requirements of the preceding sentence so long as, in the case of a Convertible Obligation or an Exchangeable Obligation, the right (x) to convert or exchange such obligation or (y) to require the issuer to purchase or redeem such obligation (if the issuer has exercised or may exercise the right to pay the purchase or redemption price, in whole or in part, in Equity Securities) has not been exercised (or such exercise has been effectively rescinded) on or before the relevant Valuation Date.

If a Reference Obligation is a Convertible Obligation or an Exchangeable Obligation, then such Reference Obligation may be included as a Valuation Obligation only if the rights referred to in paragraphs (x) and (y) of the preceding paragraph have not been exercised (or such exercise has been effectively rescinded) on or before the applicable Valuation Date.

- (2) “**Assignable Loan**” means a Loan that is capable of being assigned or novated to, at a minimum, commercial Issuers or financial institutions (irrespective of their jurisdiction of organisation) that are not then a lender or a member of the relevant lending syndicate, without the consent of the relevant Reference Entity or the guarantor, if any, of such Loan (or the consent of the applicable borrower if a Reference Entity is guaranteeing such Loan) or any agent;
- (3) “**Consent Required Loan**” means a Loan that is capable of being assigned or novated with the consent of the relevant Reference Entity or the guarantor, if any, of such Loan (or the consent of the relevant borrower if a Reference Entity is guaranteeing such loan) or any agent;
- (4) “**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 each Holder that provides each Holder with recourse to the participation seller for a specified share in any payments due under the relevant Loan which are received by such participation seller, any such agreement to be entered into between each Holder and either (A) the Issuer (to the extent that the Issuer is 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);
- (5) “**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); or
 - (B) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds;
- (6) “**Maximum Maturity**” means an obligation that has a remaining maturity from the relevant Valuation Date of not greater than the period specified in the relevant Issue Terms;
- (7) “**Accelerated or Matured**” means an obligation under which the total amount owed, whether at maturity, by reason of acceleration, upon termination or otherwise (other than amounts in respect of default interest, indemnities, tax gross-ups and other similar amounts), is, or on or prior to the applicable Valuation Date will be, 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

- (8) “**Not Bearer**” means any obligation that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via Euroclear, Clearstream International or any other internationally recognised clearing system.

(ii) Interpretation of Provisions

- I. If the Obligation Characteristic "Listed" is specified in the relevant Issue Terms, the relevant Issue Terms shall be construed as though Listed had been specified as an Obligation Characteristic only with respect to Bonds and shall only be relevant if Bonds are covered by the selected Obligation Category;
- II. if (1) either of the Valuation Obligation Characteristics "Listed" or "Not Bearer" is specified in the relevant Issue Terms, the relevant Issue Terms shall be construed as though such Valuation Obligation Characteristic had been specified as a Valuation Obligation Characteristic only with respect to Bonds and shall only be relevant if Bonds are covered by the selected Valuation Obligation Category; (2) the Valuation Obligation Characteristic "Transferable" is specified in the relevant Issue Terms, the relevant Issue Terms 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 (and shall only be relevant to the extent that obligations other than Loans are covered by the selected Valuation Obligation Category); or (3) any of the Valuation Obligation Characteristics "Assignable Loan", "Consent Required Loan" or "Direct Loan Participation" is specified in the relevant Issue Terms, the relevant Issue Terms shall be construed as though such Valuation Obligation Characteristic had been specified as a Valuation Obligation Characteristic only with respect to Loans and shall only be relevant if Loans are covered by the selected Valuation Obligation Category;
- III. if any of Payment, Borrowed Money, Loan or Bond or Loan is specified as the Valuation Obligation Category and more than one of Assignable Loan, Consent Required Loan and Direct Loan Participation are specified as Valuation Obligation Characteristics, the Valuation Obligations may include any Loan that satisfies any one of such D Valuation Obligation Characteristics specified and need not satisfy all such Valuation Obligation Characteristics; and
- IV. in the event that an Obligation or a Valuation Obligation is a Qualifying Guarantee, the following will apply:
- (1) For purposes of the application of the Obligation Category or the Valuation Obligation Category, the Qualifying Guarantee shall be deemed to be described by the same category or categories as those that describe the Underlying Obligation.
- (2) For purposes of the application of the Obligation Characteristics or the Valuation Obligation Characteristics, both the Qualifying Guarantee and the Underlying Obligation must satisfy on the relevant date each of the applicable Obligation Characteristics or the

Valuation Obligation Characteristics, if any, specified in the relevant Issue Terms from the following list: Not Subordinated, Credit Linked Specified Currency, Not Sovereign Lender, Not Domestic Currency and Not Domestic Law. For these purposes, unless otherwise specified in the relevant Issue Terms, (x) the lawful currency of any of Canada, Japan, Switzerland, the United Kingdom or the United States of America or the euro shall not be a Domestic Currency and (y) the laws of England and the laws of the State of New York shall not be a Domestic Law.

- (3) For purposes of the application of the Obligation Characteristics or the Valuation Obligation Characteristics, only the Qualifying Guarantee must satisfy on the relevant date the Obligation Characteristic or the Valuation Obligation Characteristic of Not Subordinated, if specified in the relevant Issue Terms.
- (4) For purposes of the application of the Obligation Characteristics or the Valuation Obligation Characteristics, only the Underlying Obligation must satisfy on the relevant date each of the applicable Obligation Characteristics or the Valuation Obligation Characteristics, if any, specified in the relevant Issue Terms from the following list: Listed, Not Contingent, Not Domestic Issuance, Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer.
- (5) 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.
- (6) The terms "Outstanding Principal Balance" and "Due and Payable Amount" (as they are used in the Terms and Conditions) when used in connection with Qualifying Guarantees are to be interpreted to be the then "Outstanding Principal Balance" or "Due and Payable Amount", as applicable, of the Underlying Obligation which is supported by a Qualifying Guarantee.

For the avoidance of doubt the provisions of this paragraph (ii) apply in respect of the definitions of Obligation and Valuation Obligation as the context admits.

“Valuation Time” means the time specified as such in the relevant Issue Terms or, if no time is so specified, 11.00 a.m. in the principal trading market for the Valuation Obligation.

“Voting Shares” shall mean those 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 Quotation Dealers at the Valuation Time, to the extent reasonably practicable, each for an amount of the Reference Obligation with an Outstanding Principal Balance of as large a size as available but less than the Quotation Amount (but, if a Minimum Quotation Amount is specified in the relevant Issue Terms, of a size equal to the Minimum Quotation Amount or, if quotations of a size equal to the Minimum Quotation Amount are not available, quotations as near in size as practicable to the Minimum Quotation Amount) that in aggregate are approximately equal to the Quotation Amount.

1.3. *Redemption of Credit-Linked Notes*

Where the Notes are First-to-Default Credit-Linked Notes and Maturity Credit Event Redemption is not specified as applying in the relevant Issue Terms, if Conditions to Settlement are satisfied in relation to any of the specified Reference Entities, then the Notes will be redeemed in accordance with Reference Item Condition 1.4 (*Auction Settlement*) or Reference Item Condition 1.5 below (*Cash Settlement*) below as applicable in relation only to the First Reference Entity (as defined in the definition of Conditions to Settlement).

Where the Notes are Portfolio Credit-Linked Notes or where Maturity Credit Event Redemption is specified as applying in the relevant Issue Terms, if the Conditions to Settlement are satisfied in relation to one or more of the specified Reference Entities then notwithstanding anything to the contrary in the Reference Item Conditions, no settlement in accordance with Reference Item Condition 1.4 (*Auction Settlement*) or Reference Item Condition 1.5 (*Cash Settlement*) below, as applicable, will occur and, unless purchased and cancelled or otherwise redeemed early, each unit or principal amount of Credit-Linked Notes equal to the Calculation Amount will be redeemed by the Issuer at the relevant Final Redemption Amount determined as set out in Redemption Payout Condition 2 (*Redemption in respect of Credit-Linked Notes*) which will take into account the number of Reference Entities in respect of which Conditions to Settlement have been satisfied. For these purposes, other than as provided in Reference Item Condition 1.12 (*Credit Event Notice after Restructuring Credit Event*), the Conditions to Settlement may only be satisfied once in respect of each Reference Entity and it should be noted that specific provisions apply for the purposes of determining any Successor as set out in the definition of “Successor” in Reference Item Condition 1.2 (*Definitions*).

For the avoidance of doubt the provisions of Reference Item Condition 1.6 (*Repudiation/Moratorium Extension*), 1.7 (*Grace Period Extension*), 1.8 (*Credit Derivatives Determinations Committee Extension*) and 1.9 (*Maturity Date Extension*) will each apply to First-to-Default Credit-Linked Notes, and Portfolio Credit-Linked Notes meaning that the Maturity Date may be delayed beyond the Scheduled Termination Notice Date in certain circumstances.

1.4. *Auction Settlement*

If Conditions to Settlement are satisfied then, where Auction Settlement is specified as the applicable Settlement Method in the relevant Issue Terms and a Credit Event Determination Date occurs on or prior to the Auction Final Price Determination Date, the Issuer shall give notice (such notice an “**Auction Settlement Notice**”) to the Holders in accordance with General Condition 15 (*Notices*) and, subject to any adjustment in accordance with Reference Item Condition 1.12 (*Credit Event Notice after Restructuring Credit Event*), redeem, all but not some only of the Notes and pay in respect of each unit or nominal amount of Notes equal to the Calculation Amount, the Credit-Linked Redemption Amount in the relevant Specified Currency on the Credit Event Redemption Date.

Unless settlement has occurred in accordance with the above paragraph, if (a) an Auction Cancellation Date occurs, (b) a No Auction Announcement Date occurs (and in circumstances where such No Auction Announcement Date occurs pursuant to paragraph (b) of the definition of No Auction Announcement Date, the Issuer has not exercised the Movement Option), (c) ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved, following a Credit Event Resolution Request Date, not to determine the matters described in paragraphs (a) and (b) of the definition of Credit Event Resolution Request Date, (d) a Credit Event Determination Date was determined pursuant to paragraph (a) of the definition of Credit Event Determination Date and no Credit Event Resolution Request Date has occurred on or prior to the date falling three Business Days after such Credit Event Determination Date or (e) a Credit Event Determination Date was determined pursuant to paragraph (b)(ii)(1) or (b)(ii)(2) of the definition of Credit Event Determination Date, then the Issuer shall redeem the Notes in accordance with Reference Item Condition 1.5 below (*Cash Settlement*) below.

If Conditions to Settlement are satisfied and the Notes become redeemable in accordance with this Reference Item Condition 1.4 (Auction Settlement), upon payment of the Credit-Linked Redemption Amounts in respect of the Notes, the Issuer shall have discharged its obligations in respect of the

Notes and shall have no other liability or obligation whatsoever in respect thereof. The Credit-Linked Redemption Amount may be less than the Calculation Amount of a Note. Any shortfall shall be borne by the Holders and no liability shall attach to the Issuer.

1.5. *Cash Settlement*

If a Credit Event occurs and Conditions to Settlement are satisfied then where Cash Settlement is specified as the applicable Settlement Method in the relevant Issue Terms or if settlement pursuant to this Reference Item Condition 1.5 (*Cash Settlement*) applies pursuant to the terms of Reference Item Condition 1.4 (*Auction Settlement*) above, the Issuer shall give notice (such notice a “**Cash Settlement Notice**”) to the Noteholders in accordance with General Condition 15 (*Notices*) and redeem, all but not some only of the Notes, and pay in respect of each unit or nominal amount of Credit-Linked Notes equal to the Calculation Amount, the Credit Linked Redemption Amount in the relevant Specified Currency on the Credit Event Redemption Date.

If Conditions to Settlement are satisfied and the Notes become redeemable in accordance with this Reference Item Condition 1.5 (Cash Settlement), upon payment of the Credit-Linked Redemption Amount in respect of the Notes, the Issuer shall have discharged its obligations in respect of the Notes and shall have no other liability or obligation whatsoever in respect thereof. The Credit-Linked Redemption Amount may be less than the Calculation Amount of a Note. Any shortfall shall be borne by the Holders and no liability shall attach to the Issuer.

1.6. *Repudiation/Moratorium Extension*

Where Repudiation/Moratorium is specified as a Credit Event in the relevant Issue Terms, the provisions of this Reference Item Condition 1.6 (*Repudiation/Moratorium Extension*) shall apply.

Where in respect of any Reference Entity the Conditions to Settlement have not been satisfied on or prior to the Scheduled Termination Notice Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) but the Repudiation/Moratorium Extension Condition has been satisfied on or prior to the Scheduled Termination Notice Date or, if Reference Item Condition 1.9 (*Maturity Date Extension*) applies, the Postponed Maturity Date (as defined in Reference Item Condition 1.9 (*Maturity Date Extension*)) and the Repudiation/Moratorium Evaluation Date in respect of such Potential Repudiation Moratorium will fall after the Scheduled Termination Notice Date, then the Calculation Agent may notify the Holders in accordance with General Condition 15 (*Notices*) that a Potential Repudiation/Moratorium has occurred and:

- (a) where a Repudiation/Moratorium has not occurred on or prior to the Repudiation/Moratorium Evaluation Date each unit or nominal amount of Notes equal to the Calculation Amount will be redeemed by the Issuer by payment of the Final Redemption Amount on the second Business Day following the Repudiation/Moratorium Evaluation Date;
- (b) where a Repudiation/Moratorium has occurred on or prior to the Repudiation/Moratorium Evaluation Date and Conditions to Settlement are satisfied, the provisions of Reference Item Condition 1.4 (*Auction Settlement*) or Reference Item Condition 1.5 (*Cash Settlement*) or, in the case of Portfolio Credit-Linked Notes, Reference Item Condition 1.3 (*Redemption of Credit-Linked Notes*), as applicable, shall apply; and
- (c) if "Additional Interest Amount" is specified as applicable in the relevant Issue Terms, in the case of interest bearing Notes, the Issuer shall pay an Additional Interest Amount in respect of each Note and the Additional Amount Period ending on (but excluding) the Repudiation/Moratorium Evaluation Date, but, in each case, shall only be obliged to make such payments of interest on the second Business Day following the Repudiation/Moratorium Evaluation Date.

1.7. *Grace Period Extension*

If "Grace Period Extension" is specified as applicable in the relevant Issue Terms, the provisions of this Reference Item Condition 1.7 (*Grace Period Extension*) shall apply.

Where in respect of any Reference Entity the Conditions to Settlement have not been satisfied on or prior to the Scheduled Termination Notice Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) 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 Termination Notice Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) (and such Grace Period(s) is/are continuing as at the Scheduled Termination Notice Date), then the Calculation Agent may notify the Holders in accordance with General Condition 15 (*Notices*) that a Potential Failure to Pay has occurred and:

- (a) where a Failure to Pay has not occurred on or prior to the Grace Period Extension Date each unit or nominal amount of Notes equal to the Calculation Amount will be redeemed by the Issuer by payment of the Final Redemption Amount on the second Business Day following the Grace Period Extension Date;
- (b) where a Failure to Pay has occurred on or prior to the Grace Period Extension Date and Conditions to Settlement are satisfied, the provisions of Reference Item Condition 1.4 (*Auction Settlement*) or Reference Item Condition 1.5 (*Cash Settlement*) or, in the case of Portfolio Credit-Linked Notes, Reference Item Condition 1.3 (*Redemption of Credit-Linked Notes*), as applicable, shall apply to the Notes; and
- (c) if "Additional Interest Amount" is specified as applicable in the relevant Issue Terms, in the case of interest bearing Notes, the Issuer shall pay an Additional Interest Amount in respect of each Note and the Additional Amount Period ending on (but excluding) the Grace Period Extension Date, but, in each case, shall only be obliged to make such payments of interest on the second Business Day following the Grace Period Extension Date.

1.8. *Credit Derivatives Determinations Committee Extension*

If a Credit Event Resolution Request Date or a Potential Credit Event has occurred and the Credit Derivatives Determinations Committee has not made its determination on or prior to the Scheduled Termination Notice Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) then the Calculation Agent may notify Holders in accordance with General Condition 15 (*Notices*) that the Maturity Date has been postponed to a date (the "DC Cut-off Date") being the earliest of: (a) 15 Business Days following the date on which the Credit Derivatives Determinations Committee Resolves that a Credit Event has occurred; (b) the second Business Day following the date on which the Credit Derivatives Determinations Committee Resolves that a Credit Event has not occurred and (c) 15 Business Days following the date on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine whether a Credit Event has occurred and:

- (a) where a Credit Event has not occurred on or prior to the DC Cut-off Date each unit or nominal amount of Notes equal to the Calculation Amount will be redeemed by the Issuer by payment of the Final Redemption Amount on the second Business Day following the DC Cut-off Date;
- (b) where a Credit Event has occurred on or prior to the DC Cut-off Date and Conditions to Settlement are satisfied, the provisions of Reference Item Condition 1.4 (*Auction Settlement*) or Reference Item Condition 1.5 (*Cash Settlement*) or in the case of Portfolio Credit-Linked

Notes, Reference Item Condition 1.3 (*Redemption of Credit-Linked Notes*), as applicable, shall apply to the Notes; and

- (c) if "Additional Interest Amount" is specified as applicable in the relevant Issue Terms, in the case of interest bearing Notes, the Issuer shall pay an Additional Interest Amount in respect of each Note and the Additional Amount Period ending on (but excluding) the DC Cut-off Date, but, in each case, shall only be obliged to make such payments of interest on the second Business Day following the DC Cut-off Date.

1.9. *Maturity Date Extension*

Without prejudice to Reference Item Condition 1.10 (*Settlement Suspension*), if in respect of any Reference Entity:

- (a) on (i) the Scheduled Termination Notice Date, (ii) if applicable, the Repudiation/Moratorium Evaluation Date, (iii) if Grace Period Extension is specified as applying in the relevant Issue Terms, the Grace Period Extension Date, (iv) if applicable, the DC Cut-off Date or (v) the last day of the Notice Delivery Period, as the case may be, Conditions to Settlement have not been satisfied but a Credit Event may have occurred; and the Calculation Agent shall use its reasonable discretion to determine whether a Credit Event has occurred; or
- (b) on the Scheduled Termination Notice Date a Potential Repudiation/Moratorium may have occurred; and the Calculation Agent shall use its reasonable discretion to determine whether a Potential Repudiation/Moratorium has occurred,

then, the Calculation Agent may notify the Holders in accordance with General Condition 15 (*Notices*) that the Maturity Date, the Scheduled Termination Notice Date, the Repudiation/Moratorium Evaluation Date, the Grace Period Extension Date and/or the DC Cut-off Date, as the case may be, has been postponed to a date (such date the "**Postponed Maturity Date**") specified in such notice falling 15 Business Days after the previous Scheduled Termination Notice Date, Repudiation/Moratorium Evaluation Date or Grace Period Extension Date or DC Cut-off Date, as the case may be, or if such day is not a Business Day the immediately succeeding Business Day and:

- (i) in the case of Reference Item Condition 1.9(a) (*Maturity Date Extension*), where the Conditions to Settlement are not satisfied on or prior to the Postponed Maturity Date, or, in the case of Reference Item Condition 1.9(b) (*Maturity Date Extension*), the Repudiation/Moratorium Extension Condition is not satisfied on or prior to the Postponed Maturity Date, subject as provided below each unit or nominal amount of Notes equal to the Calculation Amount will be redeemed by the Issuer by payment of the Final Redemption Amount on the second Business Day following the Postponed Maturity Date; and
- (ii) where:
 - (A) in the case of Reference Item Condition 1.9(a) (*Maturity Date Extension*), the Conditions to Settlement are satisfied on or prior to the Postponed Maturity Date, the provisions of Reference Item Condition 1.4 (*Auction Settlement*) or Reference Item Condition 1.5 (*Cash Settlement*) or, in the case of Portfolio Credit-Linked Notes, Reference Item Condition 1.3 (*Redemption of Credit-Linked Notes*), as applicable, shall apply to the Notes; or
 - (B) in the case of Reference Item Condition 1.9(b) (*Maturity Date Extension*) the Repudiation/Moratorium Extension Condition is satisfied on or prior to the Postponed Maturity Date, the provisions of Reference Item Condition 1.6 (*Repudiation/Moratorium Extension*) shall apply to the Notes; and

- (iii) if "Additional Interest Amount" is specified as applicable in the relevant Issue Terms, in the case of interest bearing Notes (other than where the provisions of Reference Item Condition 1.6 (*Repudiation/Moratorium Extension*) shall apply to the Notes), the Issuer shall pay an Additional Interest Amount in respect of each Note and the Additional Amount Period ending on (but excluding) the Postponed Maturity Date, but, in each case, shall only be obliged to make such payments of interest on the second Business Day following the Postponed Maturity Date.

1.10. *Settlement Suspension*

- (a) Without prejudice to Reference Item Condition 1.9 (*Maturity Date Extension*), in respect of any Reference Entity if, following the determination of a Credit Event Determination Date in accordance with sub-paragraph (a) of the definition of Credit Event Determination Date but prior to the Maturity Date, ISDA publicly announces that the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in sub-paragraphs (a) and (b) of the definition of Credit Event Resolution Request Date are satisfied in accordance with the Rules, the Calculation Agent may determine that the applicable timing requirements of these Reference Item Conditions and the definitions of Credit Event Redemption Date, Valuation Date and any other Reference Item Condition as determined by the Calculation Agent in its reasonable discretion, shall toll and be suspended and remain suspended (such period of suspension, a Suspension Period) until such time as ISDA subsequently publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved (a) the matters described in sub-paragraphs (a) and (b) of the definition of Credit Event Resolution Request Date or (b) not to determine such matters. Once ISDA has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved (i) the matters described in sub-paragraphs (a) and (b) of the definition of Credit Event Resolution Request Date or (ii) not to determine such matters, the relevant timing requirements of the Reference Item Conditions that have previously tolled or been suspended shall resume on the Business Day following such public announcement by ISDA.
- (b) In the event of any such Suspension Period, the Calculation Agent may make (i) such consequential or other adjustment(s) or determination(s) to or in relation to the General Conditions and these Reference Item Conditions as may be desirable or required either during or following any relevant Suspension Period to account for or reflect such suspension and (ii) determine the effective date of such adjustment(s) or determination(s).
- (c) In the case of interest bearing Notes, the Issuer shall be obliged to pay interest calculated in accordance with General Condition 5 (*Interest*) and Payout Schedule 1 (*Interest*) provided that if an Interest Payment Date falls in a Suspension Period, such Interest Payment Date will be deferred until such date as determined by the Calculation Agent falling no earlier than the first Business Day and no later than the fifth Business Day following the end of the Suspension Period, all subject to the provisions of General Condition 5 (*Interest*) and Reference Item Conditions 1.6 (*Repudiation/Moratorium Extension*), 1.7 (*Grace Period Extension*) and 1.8 (*Credit Derivatives Determinations Committee Extension*).

1.11. *Redemption following a Merger Event*

If this Reference Item Condition 1.11 (*Redemption following a Merger Event*) is specified as applicable in the relevant Issue Terms, other than in the case of First to Default Credit-Linked Notes and Portfolio Credit-Linked Notes, in the event that in the determination of the Calculation Agent a Merger Event has occurred, the Issuer may give notice to the Holders in accordance with General Condition 15 (*Interest*) and redeem the Notes at the Early Redemption Amount.

1.12. *Credit Event Notice after Restructuring Credit Event*

If this Reference Item Condition 1.12 (*Credit Event Notice after Restructuring Credit Event*) is specified as applicable in the relevant Issue Terms, then, notwithstanding anything to the contrary in the Terms and Conditions, upon the occurrence of a Restructuring with respect to a Series for which either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified as applicable in the relevant Issue Terms:

- (a) the Calculation Agent may deliver multiple Credit Event Notices with respect to such Restructuring, each such Credit Event Notice setting forth an amount (the Partial Trigger Amount) that may be less than the principal amount outstanding of each Note (or, in the case of Portfolio Credit-Linked Notes, the relevant, Reference Entity Notional Amount) immediately prior to the delivery of such Credit Event Notice. In such circumstances the Reference Item Conditions and related provisions shall be deemed to apply to the Partial Trigger Amount only;
- (b) other than in the case of Portfolio Credit-Linked Notes or Notes where Maturity Credit Event Redemption is specified as applying in the relevant Issue Terms, each relevant Note shall be redeemed in part (such redeemed part being equal to the Partial Trigger Amount) and on such partial redemption, the relevant Note or, if the Notes are represented by a Global Security, such Global Security, shall be endorsed to reflect such part redemption.

For the avoidance of doubt (i) the principal amount of each such Note not so redeemed in part shall remain outstanding and interest shall accrue on the Calculation Amount of such Note as provided in General Condition 5 (*Interest*) and Payout Schedule 1 (*Interest*) or, if applicable, the Adjusted Calculation Amount (adjusted in such manner as the Calculation Agent determines to be appropriate), (ii) the Reference Item Conditions and related provisions shall apply to such Note in the event that subsequent Credit Event Notices are delivered in respect of the Reference Entity that was the subject of the Restructuring Credit Event and (iii) if, following a Restructuring Credit Event, different Credit Event Determination Dates have been determined with respect to different portions of amounts payable to Holders under the relevant Series, the Calculation Agent will (1) determine such adjustment(s) to these Reference Item Conditions as may be required to achieve as far as practicable the same economic effect as if each such portion was a separate series or otherwise reflect or account for the effect of the above provisions of this Reference Item Condition 1.12 and (2) the effective date of such adjustment(s).

In addition, in the case of First-to-Default Credit-Linked Notes, once the Conditions to Settlement have been satisfied in respect of the First Reference Entity, where the Credit Event is a Restructuring Credit Event, no further Credit Event Notices may be delivered in respect of any other Reference Entity.

1.13. *Provisions relating to Multiple Holder Obligation*

If this Reference Item Condition 1.13 is specified as applicable in the relevant Issue Terms, notwithstanding anything to the contrary in the definition of Restructuring and related provisions, the occurrence of, agreement to, or announcement of, any of the events described in sub-paragraphs (a) to (e) of the definition of "Restructuring" in Reference Item Condition 1.2 (*Definitions*) shall not be a Restructuring unless the Obligation in respect of any such events is a Multiple Holder Obligation.

1.14. *Provisions taken from the ISDA supplement titled "Additional Provisions for Physically Settled Default Swaps - Monoline Insurer as Reference Entity (January 2005)"*

If this Reference Item Condition 1.14 is specified as applicable in the relevant Issue Terms, the following provisions will apply:

- (a) Obligation and Valuation Obligation. Paragraph (a) of the definition of "Obligation" in Reference Item Condition 1.2 (*Definitions*) and paragraph (a) of the definition of "Valuation

Obligation" in Reference Item Condition 1.2 (*Definitions*) are hereby amended by adding "or Qualifying Policy" after "or as provider of a Qualifying Affiliate Guarantee".

- (b) Interpretation of Provisions. In the event that an Obligation or a Valuation Obligation is a Qualifying Policy, paragraph (ii) of the definition of "Valuation Obligation" in Reference Item Condition 1.2 (*Definitions*) will apply, with references to the "Qualifying Guarantee", the "Underlying Obligation" and the "Underlying Obligor" deemed to include the "Qualifying Policy", the "Insured Instrument" and the "Insured Obligor", respectively, except that:
- (i) the Obligation Category Borrowed Money and the Obligation Category and Valuation Obligation Category Bond shall be deemed to include distributions payable under an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the Valuation Obligation Category Bond shall be deemed to include such an Insured Instrument, and the terms "obligation" and "obligor" as used in these Reference Item Conditions in respect of such an Insured Instrument shall be construed accordingly;
 - (ii) references in the definitions of "Assignable Loan" and "Consent Required Loan" to "the "guarantor" and "guaranteeing" shall be deemed to include "the "insurer" and "insuring", respectively;
 - (iii) neither the Qualifying Policy nor the Insured Instrument must satisfy on the relevant date the Valuation Obligation Characteristic of Accelerated or Matured, whether or not that characteristic is otherwise specified as applicable in the relevant Issue Terms;
 - (iv) if the Assignable Loan, Consent Required Loan, Direct Loan Participation or Transferable Valuation Obligation Characteristics are specified in the relevant Issue Terms and if the benefit of the Qualifying Policy is not transferred as part of any transfer of the Insured Instrument, the Qualifying Policy must be transferable at least to the same extent as the Insured Instrument; and
 - (v) with respect to an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the term "Outstanding Principal Balance" shall mean the outstanding Certificate Balance and "maturity", as such term is used in the Maximum Maturity Valuation Obligation Characteristic, shall mean the specified date by which the Qualifying Policy guarantees or insures, as applicable, that the ultimate distribution of the Certificate Balance will occur.

For the avoidance of doubt, if Reference Item Condition 1.14 is specified as applying in the relevant Issue Terms, the amendments to paragraph (ii) of the definition of "Valuation Obligation" in Reference Item Condition 1.2 (*Definitions*) provided in Reference Item Condition 1.15 (*Supplement to provisions relating to Qualifying Guarantee and Underlying Obligation*) shall not be construed to apply to Qualifying Policies and Insured Instruments.

- (c) Not Contingent. An Insured Instrument will not be regarded as failing to satisfy the Not Contingent Valuation Obligation Characteristic solely because such Insured Instrument is subject to provisions limiting recourse in respect of such Insured Instrument to the proceeds of specified assets (including proceeds subject to a priority of payments) or reducing the amount of any Instrument Payments owing under such Insured Instrument, provided that such provisions are not applicable to the Qualifying Policy by the terms thereof and the Qualifying Policy continues to guarantee or insure, as applicable, the Instrument Payments that would have been required to be made absent any such limitation or reduction. By specifying that this Reference Item Condition 1.14 is applicable, no inference should be

made as to the interpretation of the "Not Contingent" Valuation Obligation Characteristic in the context of limited recourse or similar terms applicable to Valuation Obligations other than Qualifying Policies.

- (d) Deliver. For the purposes of the definition of "Deliver" in Reference Item Condition 1.2 (*Definitions*), Deliver with respect to an obligation that is a Qualifying Policy means to Deliver both the Insured Instrument and the benefit of the Qualifying Policy (or a custodial receipt issued by an internationally recognised custodian representing an interest in such an Insured Instrument and the related Qualifying Policy), and "Delivery" and "Delivered" will be construed accordingly.
- (e) Provisions for Determining a Successor. The paragraph commencing "For the purposes of this definition of "Successor" ..." in the definition of "Successor" in Reference Item Condition 1.2 (*Definitions*) is hereby amended by adding "or insurer" after "or guarantor".
- (f) Substitute Reference Obligation. The first paragraph of the definition of "Substitute Reference Obligation" and paragraph (b) thereof in Reference Item Condition 1.2 is hereby amended by adding "or Qualifying Policy" after "or as provider of a Qualifying Affiliate Guarantee". For the purposes of sub-paragraph (a)(ii)(B) of the definition of "Substitute Reference Obligation", references to "the Qualifying Guarantee" and the "Underlying Obligation" shall be deemed to include "the Qualifying Policy" and "the Insured Instrument" respectively.
- (g) Restructuring
 - (i) With respect to an Insured Instrument that is in the form of a pass-through certificate or similar funded beneficial interest or a Qualifying Policy with respect thereto, paragraphs (a) to (e) inclusive of the definition of "Restructuring" in Reference Item Condition 1.2 (*Definitions*) are hereby amended to read as follows:
 - "(i) a reduction in the rate or amount or the Instrument Payments in paragraph (A)(x) of the definition thereof that are guaranteed or insured by the Qualifying Policy;
 - (ii) a reduction in the amount of the Instrument Payments described in paragraph (A)(y) of the definition thereof that are guaranteed or insured by the Qualifying Policy;
 - (iii) a postponement or other deferral of a date or dates for either (x) the payment or accrual of the Instrument Payments described in paragraph (A)(x) of the definition thereof or (y) the payment of the Instrument Payments described in paragraph (A)(y) of the definition thereof, in each case that are guaranteed or insured by the Qualifying Policy;
 - (iv) a change in the ranking in priority of payment of (x) any Obligation under a Qualifying Policy in respect of Instrument Payments, causing the Subordination of such Obligation to any other Obligation or (y) any Instrument Payments, causing the Subordination of such Insured Instrument to any other instrument in the form of a pass-through certificate or similar funded beneficial interest issued by the Insured Obligor, it being understood that, for this purpose, Subordination will be deemed to include any such change that results in a lower ranking under a priority of payments provision applicable to the relevant Instrument Payments; or

(v) any change in the currency or composition of any payment of Instrument Payments that are guaranteed or insured by the Qualifying Policy to any currency which is not a Permitted Currency."

(ii) Paragraph (iii) of the definition of "Restructuring" in Reference Item Condition 1.2 (*Definitions*) is hereby amended by adding "or, in the case of a Qualifying Policy and an Insured Instrument, where (A) the Qualifying Policy continues to guarantee or insure, as applicable, that the same Instrument Payments will be made on the same dates on which the Qualifying Policy guaranteed or insured that such Instrument Payments would be made prior to such event and (B) such event is not a change in the ranking in the priority of payment of the Qualifying Policy" after "Reference Entity".

(iii) The definition of "Restructuring" in Reference Item Condition 1.2 (*Definitions*) is hereby amended by the insertion of the following paragraph after the final paragraph thereof:

"For purposes of the definition of "Restructuring" in Reference Item Condition 1.2 (*Definitions*) and if Reference Item Condition 1.13 (*Provisions relating to Multiple Holder Obligation*) is specified as applying in the relevant Issue Terms, for the purposes of the Reference Item Conditions the term Obligation shall be deemed to include Insured Instruments for which the Reference Entity is acting as provider of a Qualifying Policy. In the case of a Qualifying Policy and an Insured Instrument, references to the Reference Entity in the definition of "Restructuring" shall be deemed to refer to the Insured Obligor and the references to the Reference Entity in paragraphs (e)(i) to (iii) inclusive in the definition of "Restructuring" shall continue to refer to the Reference Entity."

(h) Fully Transferable Obligation and Conditionally Transferable Obligation. In the event that "Restructuring Maturity Limitation and Fully Transferable Obligation" and/or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation" is specified as applying in the relevant Issue Terms and a Fully Transferable Obligation or Conditionally Transferable Obligation is a Qualifying Policy, the Insured Instrument must meet the requirements of the relevant definition. References in the definition of "Conditionally Transferable Obligation" to the "guarantor" and "guaranteeing" shall be deemed to include "the "insurer" and "insuring" respectively. With respect to an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the term "final maturity date", as such term is used in the definition of "Restructuring Maturity Limitation Date", shall mean the specified date by which the Qualifying Policy guarantees or insures, as applicable, that the ultimate distribution of the Certificate Balance will occur.

(i) Other Provisions. For purposes of paragraph (d)(ii) of the definition of "Valuation Obligation" and the definitions of "Credit Event" and "Deliver" in Reference Item Condition 1.2 (*Definitions*), references to the "Underlying Obligation" and the "Underlying Obligor" shall be deemed to include "Insured Instruments" and the "Insured Obligor" respectively.

(j) Additional Definitions.

Qualifying Policy means a financial guaranty insurance policy or similar financial guarantee pursuant to which a Reference Entity irrevocably guarantees or insures all Instrument Payments of an instrument that constitutes Borrowed Money (modified as set forth in this Reference Item Condition 1.14) (the "**Insured Instrument**") for which another party (including a special purpose entity or trust) is the obligor (the "**Insured Obligor**"). Qualifying Policies shall exclude any arrangement (i) structured as a surety bond, letter of credit or equivalent legal arrangement or (ii) pursuant to the express contractual terms of which the payment obligations of the Reference Entity can be discharged or reduced as a

result of the occurrence or non-occurrence of an event or circumstance (other than the payment of Instrument Payments)

Instrument Payments means (A) in the case of any Insured Instrument that is in the form of a pass-through certificate or similar funded beneficial interest, (x) the specified periodic distributions in respect of interest or other return on the Certificate Balance on or prior to the ultimate distribution of the Certificate Balance and (y) the ultimate distribution of the Certificate Balance on or prior to a specified date and (B) in the case of any other Insured Instrument, the scheduled payments of principal and interest, in the case of both (A) and (B) (1) determined without regard to limited recourse or reduction provisions of the type described in Reference Item Condition 1.14(c) above and (2) excluding sums in respect of default interest, indemnities, tax gross-ups, make-whole amounts, early redemption premiums and other similar amounts (whether or not guaranteed or insured by the Qualifying Policy).

Certificate Balance means, in the case of an Insured Instrument that is in the form of a pass-through certificate or similar funded beneficial interest, the unit principal balance, certificate balance or similar measure of unreimbursed principal investment.

1.15. *Supplement to provisions relating to Qualifying Guarantee and Underlying Obligation*

If this Reference Item Condition 1.15 is specified as applicable in the relevant Issue Terms, these Reference Item Conditions shall be amended by:

- (a) the deletion of the definition of "Downstream Affiliate" and the substitution of the following therefor:

"Downstream Affiliate means an entity whose outstanding Voting Shares were, at the date of issuance of the Qualifying Guarantee, more than 50 per cent. owned, directly or indirectly, by the Reference Entity.";

- (b) the deletion of paragraphs (ii) (iv)(2) and (ii)(iv)(3) of the definition of "Valuation Obligation", the substitution of the following therefor and the re-numbering of the remaining paragraphs accordingly:

"(ii) For purposes of the application of the Obligation Characteristics or the Valuation Obligation Characteristics, both the Qualifying Guarantee and the Underlying Obligation must satisfy on the relevant date each of the applicable Obligation Characteristics or Valuation Obligation Characteristics, if any, specified in the relevant Issue Terms from the following list: Not Subordinated, Credit Linked Specified Currency, Not Sovereign Lender, Not Domestic Currency and Not Domestic Law. For these purposes, unless otherwise specified in the relevant Issue Terms, (A) the lawful currency of any of Canada, Japan, Switzerland, the United Kingdom or the United States of America or the euro shall not be a Domestic Currency and (B) the laws of England and the laws of the State of New York shall not be a Domestic Law."; and

- (c) the deletion of the definition of "Qualifying Guarantee" and the substitution of the following therefor:

"**Qualifying Guarantee** means an arrangement evidenced by a written instrument pursuant to which a Reference Entity irrevocably agrees (by guarantee of payment or equivalent legal arrangement) to pay all amounts due under an obligation (the "**Underlying Obligation**") for which another party is the obligor (the "**Underlying Obligor**"). Qualifying Guarantees shall exclude any arrangement (i) structured as a surety bond, financial guarantee insurance

policy, letter of credit or equivalent legal arrangement or (ii) pursuant to the terms of which the payment obligations of the Reference Entity can be discharged, reduced or otherwise altered or assigned (other than by operation law) as a result of the occurrence or non-occurrence of an event or circumstance (other than payment). The benefit of a Qualifying Guarantee must be capable of being Delivered together with the Delivery of the Underlying Obligation."

- (d) Reference Item Condition 1.13 (*Provisions relating to Multiple Holder Obligation*) shall be amended by the insertion of the following at the end of the first paragraph thereof:

"provided that any Obligation that is a Bond shall be deemed to satisfy the requirement in (ii) of the definition of "Multiple Holder Obligation" below".

1.16. *Provisions taken from the ISDA supplement titled Additional Provisions for LPN Reference Entities (published on 3rd October, 2006)*

If this Reference Item Condition 1.16 (*Provisions taken from the ISDA supplement titled Additional Provisions for LPN Reference Entities (published on 3rd October, 2006)*) is specified as applicable in the relevant Issue Terms, notwithstanding anything to the contrary in the Reference Item Conditions, the following provisions will apply:

- (a) provisions relating to Multiple Holder Obligation will be deemed to be Not Applicable with respect to any Reference Obligation (and any Underlying Loan);
- (b) each Reference Obligation will be an Obligation, notwithstanding anything to the contrary in the Reference Item Conditions including, but not limited to the definition of "Obligation" in Reference Item Condition 1.2 (*Definitions*), and in particular, notwithstanding that the obligation is not an obligation of the Reference Entity;
- (c) each Reference Obligation will be a Valuation Obligation notwithstanding anything to the contrary in the Reference Item Conditions including, but not limited to the definition of "Valuation Obligation" in Reference Item Condition 1.2 (*Definitions*) and in particular, notwithstanding that the obligation is not an obligation of the Reference Entity.

For the avoidance of doubt with respect to any LPN Reference Obligation that specifies an Underlying Loan or an Underlying Finance Instrument, the outstanding principal balance shall be determined by reference to the Underlying Loan or Underlying Finance Instrument (as applicable) relating to such LPN Reference Obligation.

The Not Subordinated Obligation Characteristic and Valuation Obligation Characteristic shall be construed as if no Reference Obligation was specified in respect of the Reference Entity;

- (d) the definition of Reference Obligation shall be deleted and the following substituted therefor:

"**Reference Obligation** means, as of the Trade Date, each of the obligations listed as a Reference Obligation of the Reference Entity in the relevant Issue Terms or set forth on the relevant LPN Reference Obligations List (each a "**Markit Published LPN Reference Obligation**"), as published by Markit Group Limited, or any successor thereto, which list is as of the Issue Date available at <http://www.markit.com/marketing/services.php>, any Additional LPN and each Additional Obligation."; and

- (e) the following additional definitions shall apply:

Additional LPN means any bond issued in the form of a loan participation note (a "**LPN**") by an entity (the "**LPN Issuer**") for the sole purpose of providing funds for the LPN Issuer

to (a) finance a loan to the Reference Entity (the “**Underlying Loan**”) or (b) provide finance to the Reference Entity by way of a deposit, loan or other Borrowed Money instrument (the “**Underlying Finance Instrument**”), provided that (i) either (x) in the event that there is an Underlying Loan with respect to such LPN, the Underlying Loan satisfies the Obligation Characteristics specified in respect of the Reference Entity or (y) in the event that there is an Underlying Finance Instrument with respect to such LPN, the Underlying Finance Instrument satisfies the Not Subordinated, Not Domestic Law and Not Domestic Currency Obligation Characteristics (ii) the LPN satisfies the following Valuation Obligation Characteristics: Transferable, Not Bearer, Credit Linked Specified Currency – Standard Specified Currencies, Not Domestic Law, Not Domestic Issuance; and (iii) the LPN Issuer has, as of the issue date of such obligation, granted a First Ranking Interest over or in respect of certain of its rights in relation to the relevant Underlying Loan or Underlying Finance Instrument (as applicable) for the benefit of the holders of the LPNs.

Additional Obligation means each of the obligations listed as an Additional Obligation of the Reference Entity in the relevant Issue Terms or set forth on the relevant LPN Reference Obligations List (each a “**Markit Published LPN Reference Obligation**”), as published by Markit Group Limited, or any successor thereto, as of the Trade Date, which list is currently available at <http://www.markit.com/marketing/services.php>.

First Ranking Interest means a charge, security interest (or other type of interest having similar effect) (an “**Interest**”), which is expressed as being "first ranking", "first priority", or similar (“**First Ranking**”) in the document creating such Interest (notwithstanding that such Interest may not be First Ranking under any insolvency laws of any related insolvency jurisdiction of the LPN Issuer).

LPN Reference Obligation means each Reference Obligation other than any Additional Obligation.

For the avoidance of doubt, any change to the issuer of an LPN Reference Obligation in accordance with its terms shall not prevent such LPN Reference Obligation constituting a Reference Obligation.

Each LPN Reference Obligation is issued for the sole purpose of providing funds for the issuer to finance a loan to the Reference Entity. For the purposes of the Reference Item Conditions each such loan shall be an Underlying Loan.

1.17. *Calculation Agent*

The determination by the Calculation Agent of any amount or of any state of affairs, circumstance, event or other matter, or the formation of any opinion or the exercise of any discretion required or permitted to be determined, formed or exercised by the Calculation Agent pursuant to these Reference Item Conditions and related provisions shall (in the absence of manifest error) be final and binding on the Issuer and the Noteholders and shall be without liability on the part of the Calculation Agent and without the Calculation Agent being obliged to consider the interests of the Issuer or the Noteholders. In performing its duties pursuant to these Reference Item Conditions, the Calculation Agent shall act in its reasonable discretion. Any delay, deferral or forbearance by the Calculation Agent in the performance or exercise of any of its obligations or its discretion under these Reference Item Conditions including, without limitation, the giving of any notice by it to any person, shall not affect the validity or binding nature of any later performance or exercise of such obligation or discretion, and neither the Calculation Agent nor the Issuer shall, in the absence of wilful misconduct and gross negligence, bear any liability in respect of, or consequent upon, any such delay, deferral or forbearance.

1.18. *Amendment of Reference Item Conditions in accordance with Market Convention*

The Calculation Agent may from time to time amend any provision of these Reference Item Conditions to incorporate and/or reflect further or alternative documents from time to time published by ISDA with respect to the settlement of credit derivative transactions and/or the operation or application of determinations by the ISDA Credit Derivatives Determinations Committees which the Calculation Agent determines in a commercially reasonable manner are necessary or desirable to reflect or govern market practice for credit derivative transactions and/or reflect hedging arrangements of the Issuer. Any amendment made in accordance with this Reference Item Condition 1.18 shall be notified to the Noteholders in accordance with General Condition 15 (Notices).

**REFERENCE ITEM SCHEDULE 2
INFLATION-LINKED NOTES**

2. **Inflation-Linked Notes**

2.1. *Applicability*

This Reference Item Schedule 2 (*Inflation-Linked Notes*) is applicable only in relation to Notes which are specified to be “Inflation-Linked Interest Notes” and/or “Inflation-Linked Redemption Notes” (each, “**Inflation-Linked Notes**”) in the relevant Issue Terms.

2.2. *Adjustments*

(i) Delay in Publication

(a) If the Calculation Agent determines, in respect of an Inflation Index and a Payment Date, that the level of such Inflation Index for a Reference Month (a “**Reference Level**”) which is relevant to the calculation of a payment under the Notes in respect of such Payment Date (a “**Relevant Level**”) has not been published or announced by the Relevant Determination Date for such Payment Date, the Calculation Agent shall determine the level of such Inflation Index for such Reference Month (a “**Substitute Inflation Index Level**”) in place of such Relevant Level by using the following methodology:

(A) if applicable, the Calculation Agent will take the same action to determine the Substitute Inflation Index Level for the Affected Payment Date as that taken by the calculation agent pursuant to the terms and conditions of any relevant Related Bond; or

(B) if there is no Fallback Bond or if (i) above does not result in a Substitute Inflation Index Level for the Affected Payment Date for any reason, then the Calculation Agent shall determine the Substitute Inflation Index Level by reference to the following formula:

$$\text{(Substitute Inflation Index Level = Base Level x (Latest Level/Reference Level))}$$

or, in respect of Exempt Notes, otherwise in accordance with any formula or provisions specified in the relevant Pricing Supplement.

where:

“**Base Level**” means, in respect of an Inflation Index, the level of such Inflation Index (excluding any “flash” estimates) published or announced by the relevant Inflation Index Sponsor in respect of the month which is 12 calendar months prior to the month for which the Substitute Inflation Index Level is being determined.

“**Latest Level**” means, in respect of an Inflation Index, the latest level of such Inflation Index (excluding any “flash” estimates) published or announced by the relevant Inflation Index Sponsor prior to the month in respect of which the Substitute Inflation Index Level is being determined.

“**Reference Level**” means, in respect of an Inflation Index, the level of such Inflation Index (excluding any “flash” estimates) published or announced by the

relevant Inflation Index Sponsor in respect of the month that is 12 calendar months prior to the month referred to in the definition of “Latest Level” above.

The Issuer shall promptly give notice to the Noteholders in accordance with General Condition 15 (*Notices*) of any Substitute Inflation Index Level.

- (b) If a Relevant Level in respect of a Payment Date is published or announced at any time after the Relevant Determination Date for such Payment Date, such Relevant Level will not be used in any calculations. The Substitute Inflation Index Level determined pursuant to Reference Item Condition 2.2(i)(a) (*Delay in Publication*) above will be the definitive level for that Reference Month.

(ii) Cessation of Publication

If the Calculation Agent determines that the level of an Inflation Index has not been published or announced for two consecutive months or such other period as is specified in the relevant Issue Terms (the “Period of Cessation of Publication”) and/or the relevant Inflation Index Sponsor announces that it will no longer continue to publish or announce such Inflation Index then the Calculation Agent shall determine a successor inflation index (a “Successor Inflation Index”) (in lieu of the relevant previously applicable Inflation Index) for the purposes of the Notes by using the following methodology:

- (a) if at any time (other than after an Inflation Index Cancellation) a successor inflation index has been designated in respect of an Inflation Index by the calculation agent pursuant to the terms and conditions of any relevant Related Bond, such successor inflation index shall be designated the “**Successor Inflation Index**” for such Inflation Index for the purposes of all subsequent Payment Dates, notwithstanding that any other Successor Inflation Index may previously have been determined pursuant to sub-paragraphs (b) or (c) below;
- (b) if a Successor Inflation Index is not determined pursuant to paragraph (a) above and no Inflation Index Cancellation has occurred and a notice has been given or an announcement has been made by the relevant Inflation Index Sponsor specifying that such Inflation Index will be superseded by a replacement inflation index specified by the relevant Inflation Index Sponsor and the Calculation Agent determines that such replacement Inflation Index is calculated and announced using the same or substantially similar formula or method of calculation as used in the calculation of the previously applicable Inflation Index, such replacement inflation index shall be the “**Successor Inflation Index**” for such Inflation Index for the purposes of the Notes from the date that such Successor Inflation Index comes into effect; or
- (c) if a Successor Inflation Index is not determined pursuant to paragraphs (a) or (b) above by the Relevant Determination Date in respect of the next succeeding Affected Payment Date, the Calculation Agent will determine an appropriate alternative inflation index for such Affected Payment Date and such inflation index will be deemed to be the “**Successor Inflation Index**” for such Inflation Index.

If a Successor Inflation Index is determined in accordance with the above, the Calculation Agent may make such adjustment(s) to the terms of the Terms and Conditions and/or the relevant Issue Terms as the Calculation Agent determines necessary or appropriate to account for such replacement and determine the effective date(s) of the adjustment(s) to the Notes.

If the Calculation Agent determines that there is no appropriate alternative inflation index, there will be deemed to be no Successor Inflation Index for such Inflation Index (an “Inflation Index Cancellation”) and, on giving notice to Noteholders in accordance with General Condition 15 (*Notices*), the Issuer shall redeem all, but not some only, of the Notes, each nominal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount together with, if so specified in the relevant Issue Terms, accrued interest.

Notice of the determination of a Successor Inflation Index and the date from which such inflation index becomes the Successor Inflation Index and any relevant adjustment(s) to the terms of the Terms and Conditions and/or the relevant Issue Terms or any Inflation Index Cancellation will be given to Noteholders by the Issuer in accordance with General Condition 15 (*Notices*).

(iii) Revised Inflation Index Levels and Manifest Error in Publication

- (a) In relation to an Inflation Index, either (i) the first publication and announcement of a level of such Inflation Index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations (“**No Revision**”) or (ii) the first publication or announcement of a level of such Inflation Index, or, if revised, any subsequent revisions of such level for a Reference Month shall be final and conclusive, PROVIDED THAT such revisions are published or announced up to and including the relevant Revision Cut-off Date (“**Revision**”), as specified in the relevant Issue Terms PROVIDED THAT if neither “No Revision” nor “Revision” is specified in the relevant Issue Terms, “No Revision” shall be deemed to apply for such Inflation Index.
- (b) If, in respect of a Payment Date and a Relevant Level in respect of such Payment Date, the Calculation Agent determines that the relevant Inflation Index Sponsor has corrected such Relevant Level to remedy a manifest error in its original publication, prior to the earlier of thirty days following publication of such Relevant Level and the Manifest Error Cut-off Date for such Payment Date the Calculation Agent may use such corrected Relevant Level to calculate any payments under the Notes in respect of such Payment Date. Corrections published on or after the earlier of thirty days following publication of such Relevant Level and the Manifest Error Cut-off Date for such Payment Date will be disregarded by the Calculation Agent for the purposes of determining any payments under the Notes.

(iv) Rebasing

If the Calculation Agent determines that an Inflation Index has been or will be rebased at any time, such Inflation Index as so rebased (the “**Rebased Inflation Index**”) will be used for purposes of determining any Relevant Level in respect of such Inflation Index from the date of such rebasing; provided, however, that the Calculation Agent shall make (A) such adjustments as are made by the calculation agent pursuant to the terms and conditions of any relevant Related Bond to the levels of such Rebased Inflation Index so that such Rebased Inflation Index levels reflect the same rate of inflation as the Inflation Index before it was rebased and/or (B) if there is no Related Bond, the Calculation Agent shall make such adjustments to the levels of such Rebased Inflation Index so that such Rebased Inflation Index levels reflect the same rate of inflation as the relevant Inflation Index before it was rebased and, in each case, the Issuer may make such adjustment(s) to the terms of the Terms and Conditions and/or the relevant Issue Terms as the Calculation Agent determines necessary or appropriate to account for such rebasing and determine the effective date of the adjustment(s) to the Notes.

Notice of any adjustment, early redemption or determination pursuant to this Reference Item Condition 2.2(iv) shall be given to Noteholders in accordance with General Condition 15 (*Notices*).

(v) Material Modification Prior to Payment Date

If, on or prior to the Relevant Determination Date in respect of any Payment Date, an Inflation Index Sponsor announces that it will make a material change to an Inflation Index, the Calculation Agent shall (A) make appropriate adjustment(s) to the terms of the Terms and Conditions and/or the relevant Issue Terms, consistent with any adjustments made to any relevant Related Bond as the Calculation Agent determines necessary or appropriate to account for such change to such Inflation Index and determine the effective date(s) of the adjustment(s) to the Notes, or (B) if there is no relevant Related Bond make only those adjustments to the Terms and Conditions and/or the relevant Issue Terms as the Calculation Agent determines necessary for the modified Inflation Index to continue as an Inflation Index.

Notice of any adjustment, early redemption or determination pursuant to this Reference Item Condition 2.2(v) shall be given to Noteholders in accordance with General Condition 15 (*Notices*).

2.3. *Definitions*

“**Affected Payment Date**” means each Payment Date in respect of which an Inflation Index has not been published or announced by the Relevant Determination Date for such Payment Date.

“**End Date**” means, in respect of a Fallback Bond, the date specified for such Fallback Bond in the relevant Issue Terms.

“**Fallback Bond**” means, in respect of an Inflation Index, a bond selected by the Calculation Agent and issued by the government of the country to whose level of inflation the relevant Inflation Index relates and which pays a coupon or redemption amount which is calculated by reference to such Inflation Index, with a maturity date which falls on (a) the same day as the End Date as specified in the relevant Issue Terms, (b) the next longest maturity after the End Date if there is no such bond maturing on the End Date, or (c) the next shortest maturity before the End Date if no bond defined in (a) or (b) is selected by the Calculation Agent. If the relevant Inflation Index relates to the level of inflation across the European Monetary Union, the Calculation Agent will select an inflation-linked bond that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union. In each case, the Calculation Agent will select the Fallback Bond from those inflation linked bonds issued on or before the Issue Date and, if there is more than one inflation-linked bond maturing on the same date, the Fallback Bond shall be selected by the Calculation Agent from those bonds. If the Fallback Bond redeems, the Calculation Agent will select a new Fallback Bond on the same basis, but selected from all eligible bonds in issue at the time the original Fallback Bond redeems (including any bond for which the redeemed bond is exchanged).

“**Index Sponsor**” means, in relation to an Inflation Index, the entity that publishes or announces (directly or through an agent) the level of such Inflation Index.

“**Inflation Index**” means the inflation index specified in the relevant Issue Terms or any Successor Inflation Index as nominated pursuant to this Reference Item Schedule 2 (*Inflation-Linked Notes*).

“**Manifest Error Cut-off Date**” means, in respect of a Payment Date, two Business Days prior to such Payment Date, unless otherwise specified in the relevant Issue Terms.

“Payment Date” means each date specified as such in the relevant Issue Terms or if none is so specified, each Interest Payment Date (if any) and/or the Maturity Date, as the case may be.

“Reference Month” means, in respect of an Inflation Index, the calendar month for which the level of such Inflation Index was reported, regardless of when this information is published or announced. If the period for which the Inflation Index level was reported is a period other than a month, the Reference Month shall be the period for which the Inflation Index level was reported.

“Related Bond” means, in respect of an Inflation Index, the bond specified as such in the relevant Issue Terms or, if no bond is so specified, the Fallback Bond. If the relevant Related Bond specified in the relevant Issue Terms is "Fallback Bond", then, for any Related Bond determination, the Calculation Agent shall use the Fallback Bond. If "Related Bond: Not Applicable" or no Related Bond is specified in the relevant Issue Terms and "Fallback Bond: Not Applicable" is specified in the relevant Issue Terms there will be no Related Bond. If a bond is selected as the Related Bond in the relevant Issue Terms and that bond redeems or matures before the relevant End Date, unless "Fallback Bond: Not Applicable" is specified in the relevant Issue Terms, the Calculation Agent shall use the Fallback Bond for any Related Bond determination.

“Relevant Determination Date” means, in respect of a Payment Date, the day that is five Business Days prior to such Payment Date, or such other date as is specified in the relevant Issue Terms.

“Revision Cut-off Date” means, in respect of an Inflation Index and a level of such Inflation Index for a Reference Month, the day that is two Business Days prior to any relevant Payment Date or such other cut-off date as is specified in the relevant Issue Terms.

REFERENCE ITEM SCHEDULE 3
INDEX-LINKED NOTES

3. **Index-Linked Notes**

3.1. *Applicability*

This Reference Item Schedule 3 (*Index-Linked Notes*) is applicable only in relation to Notes which are specified to be “Index-Linked Interest Notes” and/or “Index-Linked Redemption Notes” (each, “**Index-Linked Notes**”) in the relevant Issue Terms.

3.2. *Adjustments to an Index*

- (i) If an Index is (i) not calculated and announced by or on behalf of the Index Sponsor but is calculated and announced by or on behalf of a successor to the Index Sponsor (a “**Successor Index Sponsor**”) acceptable to the Calculation Agent or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then, in each case, that index (the “**Successor Index**”) will be deemed to be the Index.
- (ii) If (i) on or prior to a Relevant Determination Date the relevant Index Sponsor or (if applicable) the Successor Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating an Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in Component Securities and capitalisation and other routine events) (an “**Index Modification**”) or permanently cancels that Index and no Successor Index exists (an “**Index Cancellation**”), or (ii) on any Relevant Determination Date the Index Sponsor or (if applicable) the Successor Index Sponsor fails to calculate and announce that Index (an “**Index Disruption**” and, together with an Index Modification and an Index Cancellation, each an “**Index Adjustment Event**”), then the Issuer may take the action described in (a) or (b) below:
 - (A) require the Calculation Agent to determine if such Index Adjustment Event has a material effect on the Notes and, if so, to either (A) in relation to any Relevant Determination Date, calculate the relevant level using, in lieu of a published level for that Index, the level for that Index as at the relevant time on that Relevant Determination Date, as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to that change, failure or cancellation but using only those Component Securities that comprised that Index immediately prior to that Index Adjustment Event (other than those Component Securities that have since ceased to be listed on any relevant Exchange) or (B) substitute the Index with a replacement index using, in the determination of the Calculation Agent, the same or a substantially similar method of calculation as used in the calculation of the Index (the “**Substitute Index**”) and the Calculation Agent shall determine the adjustments, if any, to be made to the Terms and Conditions to account for such substitution; or
 - (B) give notice to the Holders in accordance with General Condition 15 (*Notices*) and redeem all, but not some only, of the Notes, each principal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount together with, if so specified in the relevant Issue Terms, accrued interest.
- (iii) If “Correction of Index Levels” is specified as applicable in the relevant Issue Terms and the official closing level of an Index published on any Relevant Determination Date and which is utilised for any calculation or determination made in respect of the Notes is subsequently

corrected and the correction (the “**Corrected Index Level**”) is published by the Index Sponsor or (if applicable) the Successor Index Sponsor prior to the relevant Correction Cut-Off Date specified in the relevant Issue Terms, then such Corrected Index Level shall be deemed to be the relevant level for such Index at the relevant time on such Relevant Determination Date and the Calculation Agent shall use such Corrected Index Level in determining the relevant amount payable in respect of the Notes.

- (iv) Upon the occurrence of an Index Adjustment Event, the Issuer shall give notice as soon as practicable to Holders in accordance with General Condition 15 (*Notices*) giving details of the action proposed to be taken in relation thereto. Without limiting the obligation of the Issuer to give notice to the Holders as set forth in the preceding sentence, failure by the Issuer to notify the Holders of the occurrence of an Index Adjustment Event shall not affect the validity of the occurrence and effect of such Index Adjustment Event.

3.3. *Additional provisions relating to Commodity Indices*

If, in the case of Exempt Notes, an Index is specified in the relevant Pricing Supplement to be a “Commodity Index”, additional provisions relating thereto may be set out in the relevant Pricing Supplement.

3.4. *Definitions*

The following expressions have the following meanings in the context of Index-Linked Notes only:

“**Component Security**” means, in relation to an Index, each security, commodity, futures contract or other security or asset comprising such Index;

“**Disrupted Day**” means, in relation to an Index:

- (i) where such Index is not specified in the relevant Issue Terms as being a Designated Multi-Exchange Index, any Scheduled Trading Day for such Index on which a relevant Exchange or any Related Exchange for such Index fails to open for trading during its regular trading session or on which a Market Disruption Event in respect of such Index has occurred; or
- (ii) where such Index is specified in the relevant Issue Terms as being a Designated Multi-Exchange Index, any Scheduled Trading Day for such Index on which (a) the relevant Index Sponsor fails to publish the level of such Index, (b) any Related Exchange for such Index fails to open for trading during its regular trading session or (c) a Market Disruption Event in respect of such Index has occurred.

The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with General Condition 15 (*Notices*) of the occurrence of a Disrupted Day on any Relevant Determination Date that, but for the occurrence of a Disrupted Day, would have been a Relevant Determination Date. Without limiting the obligation of the Calculation Agent to give notice to the Holders as set forth in the preceding sentence, failure by the Calculation Agent to notify the Holders of the occurrence of a Disrupted Day shall not affect the validity of the occurrence and effect of such Disrupted Day;

“**Exchange**” means, in relation to an Index:

- (i) where such Index is not specified in the relevant Issue Terms as being a Designated Multi-Exchange Index, each exchange or quotation system specified as such for such Index in the relevant Issue Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Component Securities comprising such Index has temporarily relocated (provided that the Calculation Agent has determined that

there is comparable liquidity relative to the Component Securities comprising such Index on such temporary substitute exchange or quotation system as on the original Exchange); or

- (ii) where such Index is specified in the relevant Issue Terms as being a Designated Multi-Exchange Index, in relation to each Component Security of that Index, the principal stock exchange on which such Component Security is principally traded, as determined by the Calculation Agent. Where “**Principal Exchanges**” is specified as the Exchange for a Designated Multi-Exchange Index in the relevant Issue Terms, this sub-paragraph (ii) shall be deemed to apply;

“**Exchange Business Day**” means, in relation to an Index:

- (i) where such Index is not specified in the relevant Issue Terms as being a Designated Multi-Exchange Index, any Scheduled Trading Day for such Index on which each Exchange and each Related Exchange for such Index are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time; or
- (ii) where such Index is specified in the relevant Issue Terms as being a Designated Multi-Exchange Index, any Scheduled Trading Day for such Index on which (a) the relevant Index Sponsor publishes the level of such Index and (b) each Related Exchange for such Index for such Index is open for trading during its regular trading session, notwithstanding any such Related Exchange closing prior to its Scheduled Closing Time;

“**Indices**” and “**Index**” mean, subject to adjustment in accordance with Reference Item Condition 3.2 (*Adjustments to an Index*), the indices or index specified in the relevant Issue Terms and related expressions shall be construed accordingly;

“**Index Sponsor**” means, in relation to an Index, the corporation or other entity that (i) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index and (ii) announces (directly or through an agent) the level of such Index on a regular basis during each Scheduled Trading Day for such Index;

“**Market Disruption Event**” means:

- (i) in relation to an Index other than a Designated Multi-Exchange Index:
 - (a) the occurrence or existence at any time during the one-hour period that ends at the relevant Valuation Time of:
 - (A) any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise:
 - (x) on any relevant Exchange(s) relating to Component Securities that comprise 20 per cent. or more of the level of the relevant Index; or
 - (y) in futures or options contracts relating to the relevant Index on any relevant Related Exchange; or
 - (B) any event (other than an event described in (b) below) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (x) to effect transactions in, or obtain market values for, on any relevant Exchange(s) Component Securities that comprise 20 per

cent. or more of the level of the relevant Index, or (y) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Index on any relevant Related Exchange; or

- (b) the closure on any Exchange Business Day of any relevant Exchange(s) relating to Component Securities that comprise 20 per cent. or more of the level of the relevant Index or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one-hour prior to the earlier of (A) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day or, if earlier, (B) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day,

which in any such case the Calculation Agent determines is material; or

- (ii) in relation to a Designated Multi-Exchange Index and a Component Security included in such Index either:

- (a) the occurrence or existence, in respect of any Component Security, of:
 - (A) a Trading Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded;
 - (B) an Exchange Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded; or
 - (C) an Early Closure in respect of such Component Security, which the Calculation Agent determines is material; and

the aggregate of all Component Securities in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists, comprises 20 per cent. or more of the level of the Index; or

- (b) the occurrence or existence, in respect of futures or options contracts relating to the Index, of: (A) a Trading Disruption at any time during the one-hour period that ends at the Valuation Time in respect of any Related Exchange, (B) an Exchange Disruption at any time during the one-hour period that ends at the Valuation Time in respect of any Related Exchange or (C) an Early Closure, in each case in respect of such futures or options contracts and which the Calculation Agent determines is material.

As used above:

“**Early Closure**” means the closure on any Exchange Business Day of the Exchange in respect of any Component Security or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange, as the case may be, at least one-hour prior to the earlier of: (i) the actual closing time for the regular trading session on such Exchange or Related Exchange, as the case may be, on such Exchange Business Day; and (ii) the submission deadline for orders to be entered into the

relevant Exchange or Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day;

“**Exchange Disruption**” means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for: (i) any Component Security on the Exchange in respect of such Component Security; or (ii) futures or options contracts relating to the Index on any Related Exchange; and

“**Trading Disruption**” means any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange, as the case may be, or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise: (i) relating to any Component Security on the Exchange in respect of such Component Security; or (ii) in futures or options contracts relating to the Index on any Related Exchange.

For the purposes of determining whether a Market Disruption Event in respect of an Index or a Component Security exists at any time, if a Market Disruption Event occurs in respect of a relevant Component Security at that time, then the relevant percentage contribution of that Component Security to the level of the Index shall be based on a comparison of (i) the portion of the level of the Index attributable to that Component Security and (ii) the overall level of the Index, in each case either (a) except where the Index is a Designated Multi-Exchange Index, immediately before the occurrence of such Market Disruption Event or (b) where the Index is a Designated Multi-Exchange Index, using the official opening weightings as published by the Index Sponsor as part of the market “opening data”.

In determining what is “material”, the Calculation Agent shall have regard to such circumstances as it deems appropriate, which may include (but are not limited to) the Issuer’s hedging arrangements in respect of the Notes.

“**Reference Price**” means, in relation to an Index and a Valuation Date, unless, in respect of Exempt Notes, the relevant Pricing Supplement provides otherwise, an amount equal to the official closing level of such Index as determined by the Calculation Agent (or, if a Valuation Time other than the Scheduled Closing Time is specified in the relevant Issue Terms, the level of such Index determined by the Calculation Agent at such Valuation Time) on that Valuation Date (as defined below);

“**Related Exchange**” means, in relation to an Index, each exchange or quotation system specified as such for such Index in the relevant Issue Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where “All Exchanges” is specified as the Related Exchange in the relevant Issue Terms, “Related Exchange” shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Index;

“**Relevant Determination Date**” means a Valuation Date or, in respect of Exempt Notes, any other relevant date specified as such in the relevant Pricing Supplement, as the case may be;

“**Scheduled Closing Time**” means, in relation to an Index and an Exchange or Related Exchange and a Scheduled Trading Day for such Index, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours;

“**Scheduled Trading Day**” means, in relation to an Index:

- (i) where such Index is not specified in the relevant Issue Terms as being a Designated Multi-Exchange Index, any day on which each Exchange and each Related Exchange for such Index are scheduled to be open for trading for their respective regular trading sessions; or
- (ii) where such Index is specified in the relevant Issue Terms as being a Designated Multi-Exchange Index, (a) any day on which the relevant Index Sponsor is scheduled to publish the level of such Index and (b) each Related Exchange for such Index is scheduled to be open for trading for its regular trading session;

“**Scheduled Valuation Date**” means, in relation to a Valuation Date, the original date that, but for the occurrence of an event causing a Disrupted Day, would have been that Valuation Date;

“**Trade Date**” means the date specified as such in the relevant Issue Terms;

“**Valid Date**” means, in relation to an Index, a Scheduled Trading Day for such Index that is not a Disrupted Day in relation to such Index and on which another Valuation Date does not or is not deemed to occur;

“**Valuation Date**” means each relevant date specified in the relevant Final Terms and designated as such in the relevant Payout Schedule or, in respect of Exempt Notes, in the relevant Pricing Supplement or, if any such date is not a Scheduled Trading Day for all of the Indices, the next following Scheduled Trading Day for all of the Indices unless, in the opinion of the Calculation Agent, such day is a Disrupted Day in relation to any of the Indices. If such day is a Disrupted Day in relation to any of the Indices then:

- (i) if “**Postponement**” is specified as applicable to the relevant Valuation Date in the relevant Issue Terms or if none of “Postponement”, “Modified Postponement” or “Omission” is so specified:
 - (A) where the Notes are specified in the relevant Issue Terms to relate to a single Index, that Valuation Date shall be the first succeeding Scheduled Trading Day for the Index that is not a Disrupted Day, unless each of the eight Scheduled Trading Days for the Index immediately following the relevant Scheduled Valuation Date is a Disrupted Day. In that case (x) that eighth Scheduled Trading Day for the Index shall be deemed to be that Valuation Date notwithstanding the fact that such day is a Disrupted Day and (y) the Calculation Agent shall determine the Reference Price by determining the level of the Index as of the Valuation Time on that eighth Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on that eighth Scheduled Trading Day of each Component Security comprised in the Index (or if an event giving rise to a Disrupted Day has occurred in respect of the relevant Component Security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant Component Security as of the Valuation Time on that eighth Scheduled Trading Day); or
 - (B) where the Notes are specified in the relevant Issue Terms to relate to a Basket of Indices, that Valuation Date for each Index not affected by the occurrence of a Disrupted Day shall be the relevant Scheduled Valuation Date and that Valuation Date for each Index affected by the occurrence of a Disrupted Day (each an “**Affected Index**”) shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Index, unless each of the eight Scheduled Trading Days for the Affected Index immediately following the relevant Scheduled

Valuation Date is a Disrupted Day relating to that Index. In that case, (x) that eighth Scheduled Trading Day shall be deemed to be that Valuation Date for the Affected Index, notwithstanding the fact that such day is a Disrupted Day, and (y) the Calculation Agent shall determine the Reference Price for the Affected Index by determining the level of that Index as of the Valuation Time on that eighth Scheduled Trading Day in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on that eighth Scheduled Trading Day of each Component Security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant Component Security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant Component Security as of the Valuation Time on that eighth Scheduled Trading Day); or

- (ii) if “**Modified Postponement**” is specified as applicable to the relevant Valuation Date in the relevant Issue Terms:
 - (A) where the Notes relate to a single Index, that Valuation Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the final Scheduled Valuation Date relating to the relevant determination, as determined by the Calculation Agent, then (A) that eighth Scheduled Trading Day shall be deemed to be that Valuation Date (irrespective of whether the eighth Scheduled Trading Day is already a Valuation Date), and (B) the Calculation Agent shall determine the relevant level for that Valuation Date in accordance with sub-paragraph (i)(A)(y) above; and
 - (B) where the Notes relate to a Basket of Indices, that Valuation Date for each Index not affected by the occurrence of a Disrupted Day shall be the relevant Scheduled Valuation Date and that Valuation Date for each Index affected by the occurrence of a Disrupted Day (each an “**Affected Index**”) shall be the first succeeding Valid Date in relation to the Affected Index. If the first succeeding Valid Date in relation to the Affected Index has not occurred as of the Valuation Time on the eighth Scheduled Trading Day for the Affected Index immediately following the final Scheduled Valuation Date relating to the relevant determination, as determined by the Calculation Agent, then (A) that eighth Scheduled Trading Day shall be deemed to be that Valuation Date (irrespective of whether that eighth Scheduled Trading Day is already a Valuation Date) in relation to such Affected Index, and (B) the Calculation Agent shall determine the relevant level for such Valuation Date in accordance with sub-paragraph (i)(B)(y) above; or
- (iii) if “**Omission**” is specified as applicable to the relevant Valuation Date in the relevant Issue Terms, then such date will be deemed not to be a relevant Valuation Date for the purposes of the relevant determination provided that, if through the operation of this provision there would not be a relevant Valuation Date for the relevant determination, then the provisions of paragraph (i) above will apply for the purposes of determining the relevant level in respect of the final Scheduled Valuation Date for the relevant determination, as if such Valuation Date were a Valuation Date that was a Disrupted Day for any of the Indices;

“**Valuation Period**” means each relevant period specified in the relevant Issue Terms and designated as such in the relevant Payout Schedule or, in respect of Exempt Notes, in the relevant Pricing Supplement;

“Valuation Period Date” means, in respect of a Valuation Period, and:

- (i) where the Notes are specified in the relevant Issue Terms to relate to a single Index, each Scheduled Trading Day falling during such Valuation Period, each such date being a “Valuation Date”; and
- (ii) where the Notes are specified in the relevant Issue Terms to relate to a Basket of Indices, each day which is a Scheduled Trading Day for all the Indices falling during such Valuation Period, each such date being a “Valuation Date”; and

“Valuation Time” means, in relation to an Index and:

- (i) any Reference Price:
 - (A) where such Index is not specified in the relevant Issue Terms as being a Designated Multi-Exchange Index, the time specified as such in the relevant Issue Terms or, if no Valuation Time is specified, the Scheduled Closing Time on the Exchange for such Index on the relevant Valuation Date. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time; or
 - (B) where the Index is specified in the relevant Issue Terms as being a Designated Multi-Exchange Index, the Valuation Time specified in the relevant Issue Terms or, if no Valuation Time is specified, (a) for the purposes of determining whether a Market Disruption Event in respect of such Index has occurred: (A) in respect of a Component Security, the Scheduled Closing Time on the relevant Exchange and (B) in respect of any options contracts or futures contracts on the Index, the close of trading on the relevant Related Exchange, and (b) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor;
- (ii) any Observation Price, the relevant time at which the level of such Index is being determined.

REFERENCE ITEM SCHEDULE 4 EQUITY-LINKED NOTES

4. **Equity-Linked Notes**

4.1. Applicability

This Reference Item Schedule 4 (*Equity-Linked Notes*) is applicable only in relation to Notes which are specified to be “Equity-Linked Interest Notes” and/or “Equity-Linked Redemption Notes” (each, “**Equity-Linked Notes**”) in the relevant Issue Terms.

4.2. *Potential Adjustment Events, Extraordinary Events, Correction of Underlying Equity Prices and Adjustments for Equity-Linked Notes in respect of Underlying Equities quoted in European Currencies*

- (i) If “Potential Adjustment Events” are specified as applicable in the relevant Issue Terms, then following the declaration by an Equity Issuer of the terms of any Potential Adjustment Event, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting, concentrative or other effect on the theoretical value of the Underlying Equities and, if so, will (a) make the corresponding adjustment, if any, to any of the terms of the Terms and Conditions as the Calculation Agent determines appropriate to account for that diluting, concentrative or other effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Underlying Equity) and (b) determine the effective date of that adjustment. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Underlying Equities traded on that options exchange.

Upon making any such adjustment, the Issuer shall give notice as soon as practicable to the Holders in accordance with General Condition 15 (*Notices*), describing the relevant adjustment and giving brief details of the Potential Adjustment Event.

- (ii) If “Extraordinary Events” are specified as applicable in the relevant Issue Terms and an Extraordinary Event occurs, in each case, in relation to an Underlying Equity, the Issuer may:
- (a) require the Calculation Agent to determine the appropriate adjustment, if any, to be made to any of the terms of the Terms and Conditions to account for the relevant Extraordinary Event and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, (i) in the case of Notes relating to a Basket of Underlying Equities only, the substitution of the Underlying Equity which is the subject of the relevant Extraordinary Event by another underlying equity selected by the Calculation Agent or the removal of such Underlying Equity or (ii) in the case of adjustments following a Merger Event or Tender Offer include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Underlying Equities; or
- (b) give notice to the Holders in accordance with General Condition 15 (*Notices*) and redeem all, but not some only, of the Notes, each principal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount together with, if so specified in the relevant Issue Terms, accrued interest.

If the provisions of Reference Item Condition 4.2(ii)(a) apply, the Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the relevant Extraordinary Event, made by an options exchange to options on the Underlying Equities traded on that options exchange.

Upon the occurrence (if applicable) of an Extraordinary Event, the Issuer shall give notice as soon as practicable to the Holders in accordance with General Condition 15 (*Notices*) stating the occurrence of the relevant Extraordinary Event, giving details thereof and the action proposed to be taken in relation thereto.

- (iii) If “Correction of Underlying Equity Prices” is specified as applicable in the relevant Issue Terms and the price of an Underlying Equity published on a Relevant Determination Date is subsequently corrected and the correction (the “**Corrected Underlying Equity Price**”) is published on the relevant Exchange prior to the relevant Correction Cut-Off Date specified in the relevant Issue Terms, then such Corrected Underlying Equity Price shall be deemed to be the relevant price for such Underlying Equity at the relevant time on that Relevant Determination Date and the Calculation Agent shall use such Corrected Underlying Equity Price in determining the relevant amount payable in respect of the Notes.
- (iv) In respect of Equity-Linked Notes relating to Underlying Equities originally quoted, listed and/or dealt as of the Trade Date in a currency of a Member State of the European Union that has not adopted the single currency in accordance with the Treaty on the functioning of the European Union, as amended, if such Underlying Equities are at any time after the Trade Date quoted, listed and/or dealt exclusively in euro on the relevant Exchange, then the Calculation Agent will adjust any of the terms of the Terms and Conditions as the Calculation Agent determines to be appropriate to preserve the economic terms of the Notes. The Calculation Agent will make any conversion necessary for the purposes of any such adjustment as of the Valuation Time at an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of the relevant Valuation Time. No adjustments under this Reference Item Condition 4.2(iv), will affect the currency denomination of any payments in respect of the Notes.

4.3. *Definitions*

The following expressions have the following meanings in the context of Equity-Linked Notes only:

“**De-Listing**” means, in respect of any relevant Underlying Equities, the Exchange announces that pursuant to the rules of such Exchange, such Underlying Equities cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any Member State of the European Union);

“**Disrupted Day**” means, in relation to an Underlying Equity, any Scheduled Trading Day for such Underlying Equity on which a relevant Exchange or any Related Exchange for such Underlying Equity fails to open for trading during its regular trading session or on which a Market Disruption Event in respect of such Underlying Equity has occurred.

The Issuer shall give notice as soon as practicable to the Holders in accordance with General Condition 15 (*Notices*) of the occurrence of a Disrupted Day on any Relevant Determination Date that, but for the occurrence of a Disrupted Day, would have been a Relevant Determination Date. Without limiting the obligation of the Calculation Agent to give notice to the Holders as set forth in the preceding sentence, failure by the Calculation Agent to notify the Holders of the occurrence of a Disrupted Day shall not affect the validity of the occurrence and effect of such Disrupted Day;

“**Equity Issuer**” means, in relation to an Underlying Equity, the issuer of such Underlying Equity;

“**Exchange**” means, in relation to an Underlying Equity, each exchange or quotation system specified as such for such Underlying Equity in the relevant Issue Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Underlying Equity has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Underlying Equity on such temporary substitute exchange or quotation system as on the original Exchange);

“**Exchange Business Day**” means, in relation to an Underlying Equity, any Scheduled Trading Day for such Underlying Equity on which each Exchange and each Related Exchange for such Underlying Equity are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time;

“**Extraordinary Event**” means a De-listing, a Merger Event, a Tender Offer, a Nationalisation or an Insolvency and (if applicable) any Additional Extraordinary Events specified in Reference Item Condition 4.4 (*Provisions applicable to Underlying Equities which are specified in the relevant Issue Terms to be ETF Shares*);

“**Insolvency**” means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of, or any analogous proceeding affecting, an Equity Issuer (i) all the Underlying Equities of that Equity Issuer are required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the Underlying Equities of that Equity Issuer become legally prohibited from transferring them;

“**Market Disruption Event**” means, in relation to an Underlying Equity:

- (i) the occurrence or existence at any time during the one-hour period that ends at the relevant Valuation Time of:
 - (a) any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise:
 - (A) relating to the Underlying Equity on the Exchange; or
 - (B) in futures or options contracts relating to the Underlying Equity on any relevant Related Exchange; or
 - (b) any event (other than an event described in (ii) below) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (A) to effect transactions in, or obtain market values for, the Underlying Equities on the Exchange, or (B) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Underlying Equity on any relevant Related Exchange; or
- (ii) the closure on any Exchange Business Day of any relevant Exchange(s) or Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one-hour prior to (A) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day or if earlier (B) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day,

which in any such case the Calculation Agent determines is material.

In determining what is “material”, the Calculation Agent shall have regard to such circumstances as it deems appropriate, which may include (but are not limited to) the Issuer’s hedging arrangements in respect of the Notes.

“**Merger Date**” means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent;

“**Merger Event**” means, in respect of any relevant Underlying Equities, any (i) reclassification or change of such Underlying Equities that results in a transfer of, or an irrevocable commitment to transfer, all such Underlying Equities outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of an Equity Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Equity Issuer is the continuing entity and which does not result in any such reclassification or change of all such Underlying Equities outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Underlying Equities of the Equity Issuer that results in a transfer of or an irrevocable commitment to transfer all such Underlying Equities (other than such Underlying Equities owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Equity Issuer or its subsidiaries with or into another entity in which the Equity Issuer is the continuing entity and which does not result in a reclassification or change of all such Underlying Equities outstanding but results in the outstanding Underlying Equities (other than Underlying Equities owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Underlying Equities immediately following such event, in each case if the Merger Date is on or before the relevant Valuation Date;

“**Nationalisation**” means that all the Underlying Equities or all or substantially all the assets of an Equity Issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof;

“**Potential Adjustment Event**” means, in respect of any Underlying Equity and the related Equity Issuer other than an Underlying Equity which is specified in the relevant Issue Terms to be an ETF Share and its related Equity Issuer, any of the following:

- (i) a subdivision, consolidation or reclassification of relevant Underlying Equities (unless resulting in a Merger Event), or a free distribution or dividend of any such Underlying Equities to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of the relevant Underlying Equities of (a) such Underlying Equities or (b) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of an Equity Issuer equally or proportionately with such payments to holders of such Underlying Equities or (c) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Equity Issuer as a result of a spin-off or other similar transaction or (d) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- (iii) an extraordinary dividend as determined by the Calculation Agent;
- (iv) a call by an Equity Issuer in respect of relevant Underlying Equities that are not fully paid;

- (v) a repurchase by an Equity Issuer or any of its subsidiaries of relevant Underlying Equities whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) in respect of an Equity Issuer, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Equity Issuer, pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (vii) any other event that has or may have, in the opinion of the Calculation Agent, a diluting, concentrative or other effect on the theoretical value of the relevant Underlying Equities;

“Reference Price” means, in relation to an Underlying Equity and a Valuation Date, unless, in respect of Exempt Notes, the relevant Pricing Supplement provides otherwise, an amount equal to the official closing price on that Valuation Date (or, if a Valuation Time other than the Scheduled Closing Time is specified in the relevant Issue Terms, the price at such Valuation Time on that Valuation Date) of such Underlying Equity quoted on the relevant Exchange for such Underlying Equity as determined by the Calculation Agent;

“Related Exchange” means, in relation to an Underlying Equity, each exchange or quotation system specified as such in relation to such Underlying Equity in the relevant Issue Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Underlying Equity has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Underlying Equity on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where “All Exchanges” is specified as the Related Exchange in the relevant Issue Terms, “Related Exchange” shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Underlying Equity;

“Relevant Determination Date” means a Valuation Date or, in respect of Exempt Notes, any other relevant date specified as such in the relevant Pricing Supplement, as the case may be;

“Scheduled Closing Time” means, in relation to an Underlying Equity and an Exchange or Related Exchange and a Scheduled Trading Day for such Underlying Equity, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours;

“Scheduled Trading Day” means, in relation to an Underlying Equity, any day on which each Exchange and each Related Exchange for such Underlying Equity are scheduled to be open for trading for their respective regular trading sessions;

“Scheduled Valuation Date” means, in relation to a Valuation Date, any original date that, but for the occurrence of an event causing a Disrupted Day, would have been that Valuation Date;

“Tender Offer” means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Equity Issuer, as determined by the Calculation

Agent, based upon the making of filings with governmental or self regulatory agencies or such other information as the Calculation Agent deems relevant;

“**Trade Date**” means the date specified as such in the relevant Issue Terms;

“**Underlying Equities**” and “**Underlying Equity**” mean the equity securities or equity security specified as such in the relevant Issue Terms and related expressions shall be construed accordingly;

“**Valid Date**” means, in relation to an Underlying Equity, a Scheduled Trading Day for such Underlying Equity that is not a Disrupted Day in relation to such Underlying Equity and on which another Valuation Date does not or is not deemed to occur;

“**Valuation Date**” means each relevant date specified in the relevant Issue Terms and designated as such in the relevant Payout Schedule or, in respect of Exempt Notes, in the relevant Pricing Supplement or, if any such date is not a Scheduled Trading Day for all the Underlying Equities, the next following Scheduled Trading Day for all the Underlying Equities unless, in the opinion of the Calculation Agent, such day is a Disrupted Day in relation to any of the Underlying Equities. If such day is a Disrupted Day in relation to any of the Underlying Equities:

- (i) if “**Postponement**” is specified as applicable to the relevant Valuation Date in the relevant Issue Terms or if none of “Postponement”, “Modified Postponement” or “Omission” is so specified:
 - (a) where the Notes are specified in the relevant Issue Terms to relate to a single Underlying Equity, that Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the relevant Scheduled Valuation Date is a Disrupted Day. In that case (x) the eighth Scheduled Trading Day shall be deemed to be that Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (y) the Calculation Agent shall determine the Reference Price using its good faith estimate of the value of the Underlying Equity as of the Valuation Time on that eighth Scheduled Trading Day; or
 - (b) where the Notes are specified in the relevant Issue Terms to relate to a Basket of Underlying Equities, that Valuation Date for each Underlying Equity not affected by the occurrence of a Disrupted Day shall be the relevant Scheduled Valuation Date and that Valuation Date for each Underlying Equity affected (each an “**Affected Equity**”) by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day for the Affected Equity that is not a Disrupted Day relating to the Affected Equity unless each of the eight Scheduled Trading Days for the Affected Equity immediately following the relevant Scheduled Valuation Date is a Disrupted Day relating to the Affected Equity. In that case (x) that eighth Scheduled Trading Day shall be deemed to be that Valuation Date for the Affected Equity, notwithstanding the fact that such day is a Disrupted Day, and (y) the Calculation Agent shall determine the Reference Price for the Affected Equity using its good faith estimate of the value for the Affected Equity as of the Valuation Time on that eighth Scheduled Trading Day; or
- (ii) if “**Modified Postponement**” is specified as applicable to the relevant Valuation Date in the relevant Issue Terms:
 - (a) where the Notes relate to a single Underlying Equity, that Valuation Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the final Scheduled Valuation Date relating to the relevant determination,

as determined by the Calculation Agent, then (A) that eighth Scheduled Trading Day shall be deemed to be that Valuation Date (irrespective of whether the eighth Scheduled Trading Day is already a Valuation Date), and (B) the Calculation Agent shall determine the relevant price for that Valuation Date in accordance with sub-paragraph (i)(a)(y) above; and

- (b) where the Notes relate to a Basket of Underlying Equities, that Valuation Date for each Underlying Equity not affected by the occurrence of a Disrupted Day shall be the relevant Scheduled Valuation Date and that Valuation Date for each Underlying Equity affected by the occurrence of a Disrupted Day (each an “**Affected Equity**”) shall be the first succeeding Valid Date in relation to the Affected Equity. If the first succeeding Valid Date in relation to the Affected Equity has not occurred as of the Valuation Time on the eighth Scheduled Trading Day for the Affected Equity immediately following the final Scheduled Valuation Date relating to the relevant determination, as determined by the Calculation Agent, then (A) that eighth Scheduled Trading Day shall be deemed to be that Valuation Date (irrespective of whether that eighth Scheduled Trading Day is already an Valuation Date) in relation to such Affected Equity, and (B) the Calculation Agent shall determine the relevant price for such Valuation Date in accordance with sub-paragraph (i)(b)(y) above; or
- (iii) if “**Omission**” is specified as applicable to the relevant Valuation Date in the relevant Issue Terms, then such date will be deemed not to be a relevant Valuation Date for the purposes of the relevant determination provided that, if through the operation of this provision there would not be a relevant Valuation Date for the relevant determination, then the provisions of paragraph (i) above will apply for the purposes of determining the relevant price in respect of the final Scheduled Valuation Date for the relevant determination, as if such Valuation Date were a Valuation Date that was a Disrupted Day for any of the Underlying Equities;

“**Valuation Period**” means each relevant period specified in the relevant Issue Terms and designated as such in the relevant Payout Schedule or, in respect of Exempt Notes, in the relevant Pricing Supplement;

“**Valuation Period Date**” means, in respect of a Valuation Period, and:

- (i) where the Notes are specified in the relevant Issue Terms to relate to a single Underlying Equity, each Scheduled Trading Day falling during such Valuation Period, each such date being a “Valuation Date”; and
- (ii) where the Notes are specified in the relevant Issue Terms to relate to a Basket of Underlying Equities, each day which is a Scheduled Trading Day for all the Underlying Equities falling during such Valuation Period, each such date being a “Valuation Date”; and

“**Valuation Time**” means, in relation to an Underlying Equity and:

- (i) any Reference Price, the time specified as such in the relevant Issue Terms or, if no Valuation Time is specified, the Scheduled Closing Time on the relevant Exchange for such Underlying Equity on the Relevant Determination Date. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time; or
- (ii) any Observation Price, the relevant time at which the price of such Underlying Equity is being determined.

4.4. *Provisions applicable to Underlying Equities which are specified in the relevant Issue Terms to be ETF Shares*

- (i) *Applicability:* This Reference Item Condition 4.4 (*Provisions applicable to Underlying Equities which are specified in the relevant Issue Terms to be ETF Shares*) is applicable only in relation to Underlying Equities which are specified to be “ETF Shares” in the relevant Issue Terms.
- (ii) *Potential Adjustment Event:* The following shall constitute a “**Potential Adjustment Event**” in respect of any ETF Share or any Fund for the purposes of Reference Item Condition 4.2 (*Potential Adjustment Events, Extraordinary Events, Correction of Underlying Equity Prices and Adjustments for Equity-Linked Notes in respect of Underlying Equities quoted in European Currencies*) above:

“**Potential Adjustment Event**” means any of the following:

- (i) a subdivision, consolidation or reclassification of relevant ETF Shares or a free distribution or dividend of relevant ETF Shares to existing holders by way of bonus, capitalisation or similar issue; or
- (ii) a distribution, issue or dividend to existing holders of relevant Fund Interests of (A) such ETF Shares; or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of the liquidation of the relevant Fund equally or proportionately with such payments to holders of such ETF Shares; or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the relevant Fund as a result of a spin-off or other similar transaction; or (D) any other type of securities, rights or warrants or other assets, in any case for payment (whether in cash or otherwise) at less than their prevailing market price, as determined by the Calculation Agent; or
- (iii) an extraordinary dividend as determined by the Calculation Agent; or
- (iv) a repurchase by a Fund of relevant ETF Shares, whether the consideration for such repurchase is cash, securities or otherwise other than in respect of a redemption of ETF Shares initiated by an investor in such ETF Shares that is consistent with the relevant Fund Documents; or
- (v) any other event which may have, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant ETF Shares.

A Potential Adjustment Event may be due to, for example but without limitation, the replacement of a portion of any Fund Interest with shares or units of or in relation to a side pocket or a special purpose vehicle to which the relevant Fund has linked or transferred any interest in its portfolio of assets (“**Spin-off Fund Interests**”).

- (iii) *Additional Extraordinary Events:* The following shall constitute “**Additional Extraordinary Events**” in respect of any ETF Share or any Fund for the purposes of the definition of Extraordinary Events set out in Reference Item Condition 4.3 (*Definitions*) above:
 - (A) the implementation of any change to the terms and conditions of the Fund, as detailed in the Fund Documents and as notified in advance by the Fund Administrator to holders of the ETF Shares, which is, in the determination of the Calculation Agent, of a material nature (including, but not limited to, such changes as (i) a change in the risk profile of the Fund; (ii) a change in the voting rights

associated with the ETF Shares; (iii) an alteration to the investment objectives of the Fund; or (iv) a change in the currency in which the ETF Shares are denominated so that the price or the net asset value (“NAV”) of the ETF Shares is quoted in a different currency from that in which it was quoted on the Trade Date); and/or

- (B) any breach of the investment objectives of the Fund (as defined in the Fund Documents) if such breach is, in the determination of the Calculation Agent, of a material nature; and/or
- (C) the Fund Administrator fails, for reasons other than of a technical or operational nature, to calculate and make available the relevant NAV within eight Scheduled Trading Days of the date scheduled for its publication; and/or
- (D) a material limitation is imposed on dealings in any Fund Interests, the Fund's dealing scheduled is changed (including, but not limited to, a change in notice periods for redemptions or imposition of gating provisions), subscription and/or redemption liquidity in any Fund Interest is reduced, there is a material reduction in the assets under management of the Fund since the Trade Date, or any other event occurs, which restricts, in whole or in part (on a temporary or permanent basis) dealings in any nature with respect to a Fund Interest (whether or not the relevant event occurs pursuant to any provisions permitting the Fund to restrict in any way dealings with respect to the relevant Fund Interest); and/or
- (E) the annualised Volatility of the Fund exceeds the percentage prescribed by any applicable law, regulation or the applicable constitutive documents of the Fund or the applicable Fund Documents during any one-month rolling time period. For the purposes of this sub-paragraph, “**Volatility**” means, in respect of any day and an ETF Share and the related Fund, the annualised standard deviation of the percentage changes in the official closing price of the relevant ETF Share on the relevant Exchange during the one-month period immediately preceding such day, as determined by the Calculation Agent; and/or
- (F) the compulsory redemption of the ETF Shares by the Fund for any reason at any time after the Trade Date; and/or
- (G) the Fund is wound up or terminated for any reason at any time after the Trade Date; and/or
- (H) the Fund is superseded by a successor fund (a “**Successor Fund**”) following a merger or similar event unless, in the determination of the Calculation Agent, such Successor Fund (i) has similar investment objectives to those of the Fund, (ii) is incorporated in the same jurisdiction as the Fund and (iii) is managed and administered by one or more individuals who, or corporate entities which, are reputable and experienced in their field and satisfy the compliance, due diligence and other control procedures of the Calculation Agent; and/or
- (I) the cancellation, suspension or revocation of any registration, licence or approval in respect of the Fund by any relevant authority or body; and/or
- (J) any other event which, in the determination of the Calculation Agent, has an analogous effect to any of the events specified above.

- (iv) *Additional Definitions:* The following expressions have the following meanings in the context of Underlying Equities which are ETF Shares only:

“**Fund**” means, in relation to an Underlying Equity which is an ETF Share, the Equity Issuer of such ETF Share;

“**Fund Administrator**” means, in relation to an Underlying Equity which is an ETF Share and the related Fund, the fund administrator, manager, trustee or similar person with primary administrative responsibility for such Fund and responsibility for the determination and publication of the relevant NAV specified in the Fund Documents, or any replacement (comprising one or more individuals or corporate entities) which is, reputable and experienced in its field and satisfies the compliance, due diligence and other control procedures of the Calculation Agent;

“**Fund Custodian**” means, in relation to an Underlying Equity which is an ETF Share and the related Fund, the custodian responsible for the custody of the assets of the Fund specified in the Fund Documents, or any replacement (comprising one or more individuals or corporate entities) which is, reputable and experienced in its field and satisfies the compliance, due diligence and other control procedures of the Calculation Agent;

“**Fund Documents**” means, in relation to an Underlying Equity which is an ETF Share and the related Fund, the current prospectus, documents of such Fund in respect of such ETF Share as amended or supplemented from time to time, as published or made available by the Fund Administrator;

“**Fund Executive Committee**” means, in relation to an Underlying Equity which is an ETF Share and the related Fund, the group of individuals which is responsible for overseeing the activities of such Fund specified in the Fund Documents, or any replacement (comprising one or more individuals) who is, reputable and experienced in their field and satisfies the compliance, due diligence and other control procedures of the Calculation Agent; and

“**Fund Investment Manager**” means, in relation to an Underlying Equity which is an ETF Share and the related Fund, the entity responsible for providing investment management advice to the Fund and/or the Fund Administrator and/or the Fund Executive Committee specified in the Fund Documents, or any replacement (comprising one or more individuals or corporate entities) which is, reputable and experienced in its field and satisfies the compliance, due diligence and other control procedures of the Calculation Agent.

REFERENCE ITEM SCHEDULE 5 CURRENCY-LINKED NOTES

5. **Currency-Linked Notes**

5.1. *Applicability*

This Reference Item Schedule 5 (*Currency-Linked Notes*) is applicable only in relation to Notes which are specified to be “Currency-Linked Interest Notes” and/or “Currency-Linked Redemption Notes” or if “FX Conversion” is specified as applicable (each, “**Currency-Linked Notes**”) in the relevant Issue Terms.

5.2. *Definitions*

The following expressions have the following meanings in the context of Currency-Linked Notes only:

“**Base Currency**” has the meaning given in the relevant Issue Terms;

“**Currency Business Day**” means a day on which commercial banks are open for business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in the Currency Business Day Centre(s) specified in the relevant Issue Terms;

“**Reference Price**” means, in relation to a Subject Currency and a Valuation Date, unless, in respect of Exempt Notes, the relevant Pricing Supplement provides otherwise, an amount equal to the spot rate of exchange appearing on the Relevant FX Screen Page at the Valuation Time on that Valuation Date for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Subject Currency for which one unit of the Base Currency can be exchanged) or, if such rate is not available, the arithmetic average (rounded, if necessary, to four decimal places (with 0.00005 being rounded upwards)) as determined by or on behalf of the Calculation Agent of the bid and offer Subject Currency/Base Currency exchange rates (expressed as aforesaid) at the Valuation Time on such Valuation Date provided by two or more leading dealers (as selected by the Calculation Agent) on a foreign exchange market (as selected by the Calculation Agent). If fewer than two such quotes are provided, the Calculation Agent shall determine the relevant spot rate at such time and by reference to such sources as it deems appropriate;

“**Relevant FX Screen Page**” has the meaning given in the relevant Issue Terms;

“**Subject Currency**” has the meaning given in the relevant Issue Terms; and

“**Valuation Date**” means each relevant date specified in the relevant Issue Terms and designated as such in the relevant Payout Schedule or, in respect of Exempt Notes, in the relevant Pricing Supplement or, if any such date is not a Currency Business Day, the immediately succeeding Currency Business Day; and

“**Valuation Period**” means each relevant period specified in the relevant Issue Terms and designated as such in the relevant Payout Schedule or, in respect of Exempt Notes, in the relevant Pricing Supplement;

“**Valuation Period Date**” means, in respect of a Valuation Period, each Currency Business Day falling during such Valuation Period; and

“**Valuation Time**” means, in relation to a Subject Currency and any Reference Price, the time specified as such in the relevant Issue Terms.

**REFERENCE ITEM SCHEDULE 6
ADDITIONAL DISRUPTION EVENTS**

6. Additional Disruption Events

6.1. Additional Disruption Event

If “Additional Disruption Events” are specified as applicable in the relevant Issue Terms, then if an Additional Disruption Event occurs, the Issuer may take the action described in (i) or (ii) below:

- (i) require the Calculation Agent to determine the appropriate adjustment, if any, to be made to any of the terms of the Terms and Conditions to account for the Additional Disruption Event and determine the effective date of that adjustment; or
- (ii) give notice to the Holders in accordance with General Condition 15 (*Notices*) and redeem all, but not some only, of the Notes, each principal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount together with, if so specified in the relevant Issue Terms, accrued interest.

Upon the occurrence of an Additional Disruption Event, the Issuer shall give notice as soon as practicable to the Holders in accordance with General Condition 15 (*Notices*) stating the occurrence of the Additional Disruption Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

6.2. Definitions

The following expressions have the following meanings in the context of Additional Disruption Events only:

“**Additional Disruption Event**” means any of Change of Law, Hedging Disruption, Increased Cost of Hedging, Increased Cost of Stock Borrow (applicable only for Index-Linked Notes and Equity-Linked Notes), Insolvency Filing (applicable only for Equity-Linked Notes) and/or Loss of Stock Borrow (applicable only for Index-Linked Notes and Equity-Linked Notes), in each case if specified in the relevant Issue Terms as being applicable;

“**Change in Law**” means that, on or after the Trade Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines that (X) it has become illegal to hold, acquire or dispose of any relevant Hedging Position or (Y) the Issuer will incur a materially increased cost in performing its obligations in relation to the Notes and/or the Issuer and/or any of its Affiliates and/or any Hedging Party will incur a materially increased cost in performing its obligations in relation to any hedging activities of the Issuer and/or any of its Affiliates in respect of the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer and/or any of its Affiliates and/or any Hedging Party);

“**Hedging Disruption**” means that the Issuer and/or any of its Affiliates and/or any Hedging Party is unable, or it is impracticable for the Issuer and/or any of its Affiliates and/or any Hedging Party, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary or appropriate to hedge the equity or other price risk of the Issuer issuing and performing its obligations with respect to the Notes and/or any hedging activities of the Issuer and/or any of its Affiliates and/or any

Hedging Party in respect of the Notes, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s);

“**Hedging Party**” means any party to the Issuer’s and/or any of its Affiliates’ hedging activities in respect of the Notes;

“**Hedging Position**” means any one or more of (i) positions or contracts (as applicable) in securities, futures contracts, options contracts, other derivative contracts or foreign exchange; (ii) stock loan transactions; or (iii) other instruments or arrangements (however described) entered into by a Hedging Party in order to hedge, individually or on a portfolio (or "book") basis, the Notes;

“**Hedging Shares**” means the number of Underlying Equities (in the case of Equity-Linked Notes) or Component Securities comprised in an Index (in the case of Index-Linked Notes) that the Issuer deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Notes or any Hedging Party deems necessary to hedge the equity or other price risk of entering into and performing its obligations in respect of any hedging activities of the Issuer and/or any of its Affiliates in respect of the Notes, as the case may be;

“**Increased Cost of Hedging**” means that the Issuer and/or any of its Affiliates and/or any Hedging Party would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary or appropriate to hedge the equity or other price risk of the Issuer issuing and performing its obligations with respect to the Notes, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging;

“**Increased Cost of Stock Borrow**” means that the Issuer and/or any of its Affiliates would incur a rate to borrow any Underlying Equity (in the case of Equity-Linked Notes) or any Component Security comprised in an Index (in the case of Index-Linked Notes) that is greater than the Initial Stock Loan Rate;

“**Initial Stock Loan Rate**” means, in respect of an Underlying Equity (in the case of Equity-Linked Notes) or a Component Security comprised in an Index (in the case of Index-Linked Notes), the Initial Stock Loan Rate specified in relation to such Underlying Equity or Component Security in the relevant Issue Terms;

“**Insolvency Filing**” means that an Equity Issuer institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgement of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Equity Issuer shall not be deemed an Insolvency Filing;

“**Loss of Stock Borrow**” means that the Issuer and/or any of its Affiliates and/or any Hedging Party is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any Underlying Equity (in the case of Equity-Linked Notes) or any Component Securities comprised in an Index (in the case of Index-Linked Notes) in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate; and

“**Maximum Stock Loan Rate**” means, in respect of an Underlying Equity (in the case of Equity-Linked Notes) or a Component Security comprised in an Index (in the case of Index-Linked Notes), the Maximum Stock Loan Rate specified in the relevant Issue Terms.

PAYOUT SCHEDULE 1
INTEREST

1. Fixed Rate Note Provisions

1.1. *Application*

This Interest Payout Condition 1 (*Fixed Rate Note Provisions*) is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Issue Terms as being applicable to one or more Interest Period(s).

1.2. *Fixed Coupon Amount and Broken Amount*

Unless otherwise specified in the relevant Pricing Supplement, in respect of Exempt Notes and subject as provided in Interest Payout Condition 5.2 (*Calculation of interest amount*) below, the amount of interest payable in respect of the Calculation Amount for each relevant Interest Period shall be the Fixed Coupon Amount or the relevant Broken Amount, as the case may be, the Fixed Coupon Amount and any Broken Amount, each an “**Interest Amount**”.

1.3. *Definitions applicable to Fixed Rate Notes*

The following expressions have the following meanings for the purposes of this Interest Payout Condition 1 (*Fixed Rate Note Provisions*):

“**Broken Amount**” has the meaning given in the relevant Issue Terms;

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

2. Floating Rate Note Provisions

2.1. *Application*

This Interest Payout Condition 2 (*Floating Rate Note Provisions*) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Issue Terms as being applicable to one or more Interest Period(s).

2.2. *Determination of Underlying Rate*

(i) Screen Rate Determination

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

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

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

- (C) if, in the case of Interest Payout Condition 2.2(i)(A) above, such rate does not appear on that page or, in the case of Interest Payout Condition 2.2(i)(B) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will:
- (a) request the principal Relevant Financial Centre office of each the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and
 - (b) determine the arithmetic mean of such quotations; and
- (D) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the principal financial centre of the Specified Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the principal financial centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading banks in the relevant Financial Centre interbank market for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

provided, however, that if the Calculation Agent is unable to determine a rate or, as the case may be, an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Underlying Rate applicable to the Notes during such Interest Period will be the rate or, as the case may be, the arithmetic mean last determined in relation to the Notes in respect of the immediately preceding Interest Period.

(ii) ISDA Determination

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

- (A) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Issue Terms;
- (B) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Issue Terms; and
- (C) the relevant Reset Date (as defined in the ISDA Definitions) is the day specified in the relevant Issue Terms.

(iii) Swap Rate Determination

If Swap Rate Determination is specified in the relevant Issue Terms as the manner in which the Underlying Rate(s) is/are to be determined, the Underlying Rate applicable to the Notes for each relevant Interest Period will be the relevant Swap Rate where “**Swap Rate**” in

relation to any Interest Period means the rate (which shall not be less than zero) determined by reference to the following:

$$\text{Swap Rate 1} - \text{Swap Rate 2}$$

Where:

“**Swap Rate 1**” means the Underlying Swap Rate having the Designated Maturity specified in the relevant Issue Terms.

“**Swap Rate 2**” means the Underlying Swap Rate having the maturity specified in the relevant Issue Terms.

“**Underlying Swap Rate**” means the Underlying Rate determined by the Calculation Agent in accordance with (i) where Screen Rate Determination is specified in the relevant Issue Terms as the manner in which the Underlying Swap Rates are to be determined, Interest Payout Condition 2.2(i) (*Screen Rate Determination*) above or (ii) where ISDA Determination is specified in the relevant Issue Terms as the manner in which the Underlying Swap Rates are to be determined, Interest Payout Condition 2.2(ii) (*ISDA Determination*) above and the relevant Issue Terms.

2.3. *Types of Floating Rate Notes*

(i) Non-Structured Floating Rate Notes

This Interest Payout Condition 2.3(i) (*Non-Structured Floating Rate Notes*) is applicable to the Notes only if the Non-Structured Floating Rate Note Provisions are specified in the relevant Issue Terms as being applicable to one or more Interest Period(s).

(A) Rate of Interest in respect of Non-Structured Floating Rate Notes

Where the relevant Issue Terms specifies that the Non-Structured Floating Rate Note Provisions apply, the Rate of Interest applicable to the Notes in respect of each relevant Interest Period will be determined by the Calculation Agent by reference to the following formula:

$$(\text{Leverage} \times \text{Underlying Rate}) + \text{Margin}$$

(B) Definitions relating to Non-Structured Floating Rate Notes

“**Leverage**” means (a) either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms or (b) if Leverage is specified as not applicable in the relevant Issue Terms, 100 per cent.;

“**Margin**” means (a) either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms or (b) if Margin is specified as not applicable in the relevant Issue Terms, zero;

“**Underlying Rate**” means, in respect of an Interest Period and the Interest Determination Date in respect of such Interest Period, the rate determined by the Calculation Agent in accordance with Interest Payout Condition 2.2 (*Determination of Underlying Rate*) in the manner specified in the relevant Issue Terms on such Interest Determination Date;

(ii) Capped Floating Rate Notes

This Interest Payout Condition 2.3(ii) (*Capped Floating Rate Notes*) is applicable to the Notes only if the Capped Floating Rate Note Provisions are specified in the relevant Issue Terms as being applicable to one or more Interest Period(s).

(A) Rate of Interest in respect of Capped Floating Rate Notes

Where the relevant Issue Terms specifies that the Capped Floating Rate Note Provisions apply, the Rate of Interest applicable to the Notes in respect of each relevant Interest Period will be determined by the Calculation Agent by reference to the following formula:

$$\text{Min [Cap; (Leverage x Underlying Rate) + Margin]}$$

(B) Definitions relating to Capped Floating Rate Notes

“**Cap**” means either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms;

“**Leverage**” means (a) either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms or (b) if Leverage is specified as not applicable in the relevant Issue Terms, 100 per cent.;

“**Margin**” means (a) either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms or (b) if Margin is specified as not applicable in the relevant Issue Terms, zero;

“**Underlying Rate**” means, in respect of an Interest Period and the Interest Determination Date in respect of such Interest Period, the rate determined by the Calculation Agent in accordance with Interest Payout Condition 2.2 (*Determination of Underlying Rate*) in the manner specified in the relevant Issue Terms on such Interest Determination Date;

(iii) Floored Floating Rate Notes

This Interest Payout Condition 2.3(iii) (*Floored Floating Rate Notes*) is applicable to the Notes only if the Floored Floating Rate Note Provisions are specified in the relevant Issue Terms as being applicable to one or more Interest Period(s).

(A) Rate of Interest in respect of Floored Floating Rate Notes

Where the relevant Issue Terms specifies that the Floored Floating Rate Note Provisions apply, the Rate of Interest applicable to the Notes in respect of each relevant Interest Period will be determined by the Calculation Agent by reference to the following formula:

$$\text{Max [Floor; (Leverage x Underlying Rate) + Margin]}$$

(B) Definitions relating to Floored Floating Rate Notes

“**Floor**” means either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms;

“**Leverage**” means (a) either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms or (b) if Leverage is specified as not applicable in the relevant Issue Terms, 100 per cent.;

“**Margin**” means (a) either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms or (b) if Margin is specified as not applicable in the relevant Issue Terms, zero;

“**Underlying Rate**” means, in respect of an Interest Period and the Interest Determination Date in respect of such Interest Period, the rate determined by the Calculation Agent in accordance with Interest Payout Condition 2.2 (*Determination of Underlying Rate*) in the manner specified in the relevant Issue Terms on such Interest Determination Date;

(iv) Collared Floating Rate Notes

This Interest Payout Condition 2.3(iv) (*Collared Floating Rate Notes*) is applicable to the Notes only if the Collared Floating Rate Note Provisions are specified in the relevant Issue Terms as being applicable to one or more Interest Period(s).

(A) Rate of Interest in respect of Collared Floating Rate Notes

Where the relevant Issue Terms specifies that the Collared Floating Rate Note Provisions apply, the Rate of Interest applicable to the Notes in respect of each relevant Interest Period will be determined by the Calculation Agent by reference to the following formula:

$$\text{Min (Cap; Max [Floor; (Leverage x Underlying Rate) + Margin])}$$

(B) Definitions relating to Collared Floating Rate Notes

“**Cap**” means either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms;

“**Floor**” means either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms;

“**Leverage**” means (a) either the percentage as such specified in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms or (b) if Leverage is specified as not applicable in the relevant Issue Terms, 100 per cent.;

“**Margin**” means (a) either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such

Interest Period in the relevant Issue Terms or (b) if Margin is specified as not applicable in the relevant Issue Terms, zero;

“**Underlying Rate**” means, in respect of an Interest Period and the Interest Determination Date in respect of such Interest Period, the rate determined by the Calculation Agent in accordance with Interest Payout Condition 2.2 (*Determination of Underlying Rate*) in the manner specified in the relevant Issue Terms on such Interest Determination Date;

(v) Range Accrual Notes

This Interest Payout Condition 2.3(v) (*Range Accrual Notes*) is applicable to the Notes only if the Range Accrual Note Provisions are specified in the relevant Issue Terms as being applicable to one or more Interest Period(s).

(A) Rate of Interest in respect of Range Accrual Notes

Where the relevant Issue Terms specifies that the Range Accrual Note Provisions apply, the Rate of Interest applicable to the Notes in respect of each relevant Interest Period will be determined by the Calculation Agent by reference to the following formula:

$$\left[\text{Specified Rate 1} \times \left(\frac{n}{N} \right) \right] + \left[\text{Specified Rate 2} \times \left(\frac{N - n}{N} \right) \right]$$

(B) Definitions relating to Range Accrual Notes

“**Interest Determination Date**” means, in respect of an Observation Date, such Observation Date or, if such Observation Date is not a Business Day, the immediately preceding Business Day. For the avoidance of doubt, a Business Day may be the Interest Determination Date for more than one Observation Date;

“**Lower Barrier**” means either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms;

“**n**” means, in respect of an Interest Period, the number of Observation Dates in such Interest Period for which the relevant Underlying Rate is equal to or greater than the Lower Barrier and equal to or less than the Upper Barrier;

“**N**” means, in respect of an Interest Period, the total number of Observation Dates in such Interest Period;

“**Observation Date**” means each calendar day or business day or weekly, monthly or quarterly days or other date(s) specified as such in the relevant Issue Terms;

“**Range Accrual Cut-off Date**” means, in respect of an Interest Period, the date falling the number of Business Days specified in the relevant Issue Terms immediately preceding the Interest Period Date falling at the end of such Interest Period;

“**Specified Rate 1**” means either the rate specified as such in the relevant Issue Terms or, in respect of an Interest Period, the rate specified as such for such Interest Period in the relevant Issue Terms;

“**Specified Rate 2**” means either the rate specified as such in the relevant Issue Terms or, in respect of an Interest Period, the rate specified as such for such Interest Period in the relevant Issue Terms;

“**Underlying Rate**” means, in respect of an Observation Date and the related Interest Determination Date, the relevant rate determined by the Calculation Agent in accordance with Interest Payout Condition 2.2 (*Determination of Underlying Rate*) in the manner specified in the relevant Issue Terms on such Interest Determination Date, provided that, if a Range Accrual Cut-off Date is specified in the relevant Issue Terms, the Underlying Rate for each Observation Date falling after the Range Accrual Cut-off Date for the relevant Interest Period shall be deemed to be the Underlying Rate for the Observation Date falling on or immediately preceding the Range Accrual Cut-off Date for the relevant Interest Period; and

“**Upper Barrier**” means either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Final Terms.

(vi) Binary Floating Rate Notes

This Interest Payout Condition 2.3(vi) (*Binary Floating Rate Notes*) is applicable to the Notes only if the Binary Floating Rate Note Provisions are specified in the relevant Issue Terms as being applicable to one or more Interest Period(s).

(A) Rate of Interest in respect of Binary Floating Rate Notes

Where the relevant Issue Terms specifies that the Binary Floating Rate Note Provisions apply, the Rate of Interest applicable to the Notes in respect of each relevant Interest Period will be determined by the Calculation Agent by reference to the following:

- (a) if the Underlying Rate for the Interest Determination Date in respect of such Interest Period is equal to or greater than the Lower Barrier and equal to or less than the Upper Barrier, the Rate of Interest for the relevant Interest Period shall be Binary Rate 1; or
- (b) otherwise, the Rate of Interest for the relevant Interest Period shall be Binary Rate 2.

(B) Definitions relating to Binary Floating Rate Notes

“**Binary Rate 1**” means either the rate specified as such in the relevant Issue Terms or, in respect of an Interest Period, the rate specified as such for such Interest Period in the relevant Issue Terms;

“**Binary Rate 2**” means either the rate specified as such in the relevant Issue Terms or, in respect of an Interest Period, the rate specified as such for such Interest Period in the relevant Issue Terms;

“**Lower Barrier**” means either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms;

“**Underlying Rate**” means, in respect of an Interest Period and the Interest Determination Date in respect of such Interest Period, the relevant rate determined by the Calculation Agent in accordance with Interest Payout Condition 2.2 (*Determination of Underlying Rate*) in the manner specified in the relevant Issue Terms on such Interest Determination Date; and

“**Upper Barrier**” means either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms.

(vii) Steepener Notes

This Interest Payout Condition 2.3(vii) (*Steepener Notes*) is applicable to the Notes only if the Steepener Note Provisions are specified in the relevant Issue Terms as being applicable to one or more Interest Period(s).

(A) Rate of Interest in respect of Steepener Notes

Where the relevant Issue Terms specifies that the Steepener Note Provisions apply, the Rate of Interest applicable to the Notes in respect of each relevant Interest Period will be determined by the Calculation Agent by reference to the following formula:

$$\text{Max [Floor; Min [Cap; Leverage x (Underlying Rate – Strike Rate)]]}$$

(B) Definitions relating to Steepener Notes

“**Cap**” means (a) either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms or (b) if Cap is specified as not applicable in the relevant Issue Terms, infinity;

“**Floor**” means (a) either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms or (b) if Floor is specified as not applicable in the relevant Issue Terms, zero;

“**Leverage**” means (a) either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms or (b) if Leverage is specified as not applicable in the relevant Issue Terms, 100 per cent.;

“**Strike Rate**” means either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms; and

“**Underlying Rate**” means, in respect of an Interest Period and the Interest Determination Date in respect of such Interest Period, the relevant rate determined by the Calculation Agent in accordance with Interest Payout Condition 2.2 (*Determination of Underlying Rate*) in the manner specified in the relevant Issue Terms on such Interest Determination Date.

(viii) Reverse Floating Rate Notes

The Interest Payout Condition 2.3(viii) (*Reverse Floating Rate Notes*) is applicable to the Notes only if the Reverse Floating Rate Note Provisions are specified in the relevant Issue Terms as being applicable to one or more Interest Period(s).

(A) Rate of Interest in respect of Reverse Floating Rate Notes

Where the relevant Issue Terms specifies that the Reverse Floating Rate Note Provisions apply, the Rate of Interest applicable to the Notes in respect of each relevant Interest Period will be determined by the Calculation Agent by reference to the following formula:

$$\text{Max [Floor; Min [Cap; Fixed Rate – (Leverage x Underlying Rate)]]}$$

(B) Definitions relating to Reverse Floating Rate Notes

“**Cap**” means (a) either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms or (b) if Cap is specified as not applicable in the relevant Issue Terms, infinity;

“**Floor**” means either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms or (b) if Floor is specified as not applicable in the relevant Issue Terms, zero;

“**Fixed Rate**” means either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms;

“**Leverage**” means (a) either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms or (b) if Leverage is specified as not applicable in the relevant Issue Terms, 100 per cent.; and

“**Underlying Rate**” means, in respect of an Interest Period and the Interest Determination Date in respect of such Interest Period, the relevant rate determined by the Calculation Agent in accordance with Interest Payout Condition 2.2 (*Determination of Underlying Rate*) in the manner specified in the relevant Issue Terms on such Interest Determination Date.

(ix) Snowball Notes

This Interest Payout Condition 2.3(ix) (*Snowball Notes*) is applicable to the Notes only if the Snowball Note Provisions are specified in the relevant Issue Terms as being applicable to one or more Interest Period(s).

(A) Rate of Interest in respect of Snowball Notes

Where the relevant Issue Terms specifies that the Snowball Note Provisions apply, the Rate of Interest applicable to the Notes in respect of each relevant Interest Period will be determined by the Calculation Agent by reference to the following formula:

$\text{Max} [\text{Floor}; \text{Min} [\text{Cap}; (\text{Rate of Interest}_{t-1} + \text{Snowball Amount}_t) - (\text{Leverage} \times \text{Underlying Rate})]]$

(B) Definitions relating to Snowball Notes

“**Cap**” means (a) either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms or (b) if Cap is specified as not applicable in the relevant Issue Terms, infinity;

“**Floor**” means (a) either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms or (b) if Floor is specified as not applicable in the relevant Issue Terms, zero;

“**Leverage**” means (a) either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the percentage specified as such for such Interest Period in the relevant Issue Terms or (b) if Leverage is specified as not applicable in the relevant Issue Terms, 100 per cent.;

“**Rate of Interest**_{*t-1*}” means, in respect of an Interest Period (*t*), the Rate of Interest for the immediately preceding Interest Period (*t-1*) or, in respect of the first Interest Period, the “**Rate of Interest**_{*t=0*}” specified in the relevant Issue Terms;

“**Snowball Amount**_{*t*}” means, in respect of an Interest Period (*t*), the Snowball Amount for such Interest Period (*t*) specified in the relevant Issue Terms; and
“**Underlying Rate**” means, in respect of an Interest Period and the Interest Determination Date in respect of such Interest Period, the relevant rate determined by the Calculation Agent in accordance with Interest Payout Condition 2.2 (*Determination of Underlying Rate*) in the manner specified in the relevant Issue Terms on such Interest Determination Date.

2.4. *Definitions applicable to Floating Rate Notes*

The following expressions have the following meanings for the purposes of this Interest Payout Condition 2 (Floating Rate Note Provisions):

“**BBSW**” means the Bank Bill Swap Reference Rate;

“**CIBOR**” means the Copenhagen interbank offered rate;

“**EURIBOR**” means the Euro-zone interbank offered rate;

“**Interest Determination Date**” has the meaning given in the relevant Issue Terms, unless otherwise defined in this Interest Payment Condition 2 (Floating Rate Note Provisions);

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

“**LIBOR**” means the London interbank offered rate;

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

“**NIBOR**” means the Norwegian interbank offered rate;

“**OMX Swap Rate**” means the fixing for the fixed rate leg in an interest rate swap compiled and published on the Relevant Screen Page by the NASDAQ OMX Group Inc.;

“**Reference Banks**” has the meaning given in the relevant Issue Terms or, if none, four major banks selected by the Calculation Agent in the market that is most closely connected with the Reference Rate;

“**Reference Rate**” has the meaning given in the relevant Issue Terms. In the case of Notes other than Exempt Notes, the Reference Rate shall be any one of LIBOR, EURIBOR, NIBOR, STIBOR, CIBOR, BBSW or the OMX Swap Rate;

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

“**Relevant Screen Page**” means the page, section or other part of a particular information service (including, without limitation, the Reuter Money 3000 Service) or the website specified as the Relevant Screen Page in the relevant Issue Terms, or such other page, section or other part as may replace it on that information service or such other information service or other website, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

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

“**STIBOR**” means the Stockholm interbank offered rate.

3. **Reference Item-Linked Interest Provisions in respect of Notes other than Credit-Linked Notes**

3.1. *Application*

This Interest Payout Condition 3 (*Reference Item-Linked Interest Provisions in respect of Notes other than Credit-Linked Notes*) is applicable to the Notes only if the Reference Item-Linked Interest Provisions in respect of Notes other than Credit-Linked Notes are specified in the relevant Issue Terms as being applicable to one or more Interest Period(s).

3.2. *Rate of Interest in respect of Inflation-Linked Interest Notes*

Where the Notes are specified in the relevant Issue Terms to be “Inflation-Linked Interest Notes” the Rate of Interest applicable to the Notes in respect of each relevant Interest Period will be determined by the Calculation Agent by reference to the following formula:

$$\text{Specified Rate} \times \left[\frac{\text{Reference Level}_t}{\text{Reference Level}_{t-\alpha}} \right]$$

Where:

“**Reference Level_t**” means, in respect of an Interest Period and the Interest Period Date falling at the end of such Interest Period, the Reference Level for the Reference Month falling the Number of Months (*t*) specified in the relevant Issue Terms prior to the month during which such Interest Period Date falls;

“**Reference Level_{t-α}**” means, in respect of an Interest Period and the Interest Period Date falling at the end of such Interest Period, the Reference Level for the Reference Month falling the Number of Months (*t - α*) specified in the relevant Issue Terms prior to the month during which such Interest Period Date falls; and

“**Specified Rate**” means either the percentage specified as such in the relevant Issue Terms or, in respect of an Interest Period, the interest rate specified as such for such Interest Period in the applicable Issue Terms.

4. **Credit-Linked Interest Provisions**

4.1. Where “Credit-Linked Interest Provisions” are specified as applicable in the relevant Issue Terms, the following provisions shall apply to the Notes:

4.2. In the case of Credit-Linked Notes other than Portfolio Credit-Linked Notes:

- (i) if “Accrual of Interest upon Credit Event” is specified as Not Applicable in the relevant Issue Terms, each Credit-Linked Note shall cease to bear interest from the Interest Payment Date immediately preceding the Credit Event Determination Date, or if the Credit Event Determination Date is an Interest Payment Date such Interest Payment Date or, if the Credit Event Determination Date falls prior to the first Interest Payment Date, no interest shall accrue on the Credit-Linked Notes; or
- (ii) if “Accrual of Interest upon Credit Event” is specified as being Applicable in the relevant Issue Terms, each Credit-Linked Note shall cease to bear interest from the Credit Event Determination Date.

4.3. For the purposes of determining the interest amounts in respect of Portfolio Credit-Linked Notes, where Portfolio Linked Interest Adjustment is specified as "Applicable" in the relevant Issue Terms, the Calculation Amount shall be deemed to be the Adjusted Calculation Amount.

For these purposes “**Adjusted Calculation Amount**” means, on any Interest Payment Date or other date for payment pursuant to Reference Item Condition 1 (*Credit-Linked Notes*), as the case may be:

- (i) if "Accrual of Interest upon Credit Event" is specified as Not Applicable in the relevant Issue Terms, an amount equal to (1) the Calculation Amount minus (2) the sum of the Reference Entity Notional Amounts (or, in the case of a Restructuring Credit Event, portion thereof, if applicable) in respect of the number of Reference Entities in respect of which Conditions to Settlement have been satisfied on or prior to the relevant Interest Payment Date or other date for payment pursuant to the Reference Item Conditions, as the case may be; or
- (ii) if "Accrual of Interest upon Credit Event" is specified as being Applicable in the relevant Issue Terms, an amount equal to (1) the Calculation Amount minus (2) the product of (A) the Calculation Amount and (B) (I) the sum of an amount in respect of each day in the relevant Interest Period equal to the sum of the Reference Entity Notional Amounts (or, in the case of a Restructuring Credit Event, portion thereof, if applicable) in respect of the number of Reference Entities in respect of which Conditions to Settlement have been satisfied on or prior to such day divided by (II) the number of days in the relevant Interest Period.

5. **General Provisions relating to Interest**

5.1. *Accrual of interest*

Subject as provided in Interest Payout Condition 4 (*Credit-Linked Interest Provisions*), Fixed Rate Notes, Floating Rate Notes and Inflation-Linked Interest Notes bear interest from, and including, the Interest Commencement Date at the applicable Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in General Condition 7 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the

Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Payout Schedule 1 (*Interest*) (as well after as before judgment) until whichever is the earlier of:

- (i) the day on which all sums due in respect of such Note have been paid; and
- (ii) the day which is seven days after the Fiscal Agent or the relevant VP Systems Agent, as applicable, has notified the Holders that it has received all sums due in respect of the Notes (except to the extent that there is any subsequent default in payment).

5.2. *Calculation of interest amount*

Except where a Fixed Coupon Amount or a Broken Amount is specified in the relevant Issue Terms and subject as provided herein, the Calculation Agent will, as soon as practicable after the time at which the Rate of Interest and/or the amount of interest (the “**Interest Amount**”) is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of such Interest Period either (i) in the case of Exempt Notes, as otherwise specified in the relevant Pricing Supplement or, (ii) if not so specified, by applying the Rate of Interest for such Interest Period to the Calculation Amount, and multiplying the product by the relevant Day Count Fraction.

5.3. *Rounding and Specified Denominations*

The amount of any Interest Amount determined as provided herein will be rounded to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards). For this purpose a “**sub-unit**” means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

Where the Specified Denomination of a Note is the Calculation Amount, the amount of interest in respect of such Note shall be the Interest Amount. Where the Specified Denomination of a Note is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amounts (determined in the manner provided above) for each Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

5.4. *Publication*

The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents (if applicable), each listing authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and, in the case of VP Systems Notes, the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, and the relevant VP Systems Agent as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date in respect of Floating Rate Notes only) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Holders in accordance with General Condition 15 (*Notices*). The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period (where applicable).

5.5. *Notifications etc.:*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Interest Payout Condition 5.5 by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Paying Agents (if applicable), the VP Systems Agents (if applicable), the Holders and the Couponholders and (subject

as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

6. **General Definitions relating to Interest**

“**Business Day Convention**”, in relation to any particular date, shall be as specified in the relevant Issue Terms and, if so specified in the relevant Issue Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (i) “**Following Business Day Convention**” means that the relevant date shall be postponed to the first following day that is a Business Day;
- (ii) “**Modified Following Business Day Convention**” or “**Modified Business Day Convention**” means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (iii) “**Preceding Business Day Convention**” means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (iv) “**FRN Convention**”, “**Floating Rate Convention**” or “**Eurodollar Convention**” means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Issue Terms as the Specified Period after the calendar month in which the preceding such date occurred provided, however, that:
 - (1) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
 - (2) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
 - (3) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (v) “**No Adjustment**” means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

“**Day Count Fraction**” means, in respect of the calculation of an amount for any period of time (the “**Calculation Period**”), such day count fraction as may be specified in the Conditions or the relevant Issue Terms and:

- (i) if “**Actual/Actual (ICMA)**” is so specified, means:
 - (a) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (A) the actual number of days in such Regular Period and (B) the number of Regular Periods in any year; and
 - (b) where the Calculation Period is longer than one Regular Period, the sum of:

- (i) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (A) the actual number of days in such Regular Period and (B) the number of Regular Periods in any year; and
- (ii) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (A) the actual number of days in such Regular Period and (B) the number of Regular Periods in any year;
- (ii) if “**Actual/365**”, “**Actual/Actual**” or “**Actual/Actual (ISDA)**” is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (iii) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Calculation Period divided by 365;
- (iv) if “**Actual/360**” is so specified, means the actual number of days in the Calculation Period divided by 360;
- (v) if “**30/360**” is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

- “**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;
- “**Y₂**” is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;
- “**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;
- “**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;
- “**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number is 31, in which case D1 will be 30; and
- “**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30; and
- (vi) if “**30E/360**” or “**Eurobond Basis**” is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

“Y1” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M2” is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

“D1” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30; and

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

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

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30.

“**Interest Commencement Date**” means the Issue Date of the Note or such other date as may be specified as the Interest Commencement Date in the relevant Issue Terms;

“**Interest Payment Date**” means, in respect of an Interest Period ending on or about such date:

- (i) the date or dates specified as such in the relevant Issue Terms and, if a Business Day Convention is specified in the relevant Issue Terms, as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (ii) if no such date or dates are so specified, each Interest Period Date;

“**Interest Period**” means either (i) in respect of Notes other than Notes cleared through Euroclear Sweden, each period beginning on (and including) the Interest Commencement Date or any Interest Period Date and ending on (but excluding) the next Interest Period Date or (ii) in respect of Notes cleared through Euroclear Sweden, each period beginning on (but excluding) the Interest Commencement Date or any Interest Period Date and ending on (and including) the next Interest Period Date;

“**Interest Period Date**” means:

- (i) the date or dates specified as such in the relevant Issue Terms and, if a Business Day Convention is specified in the relevant Issue Terms, as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Issue Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Period Date) or the previous Interest Period Date (in any other case);

“**Max**” means the greater of the items separated by a semi-colon in square brackets;

“**Min**” means the lesser of the items separated by a semi-colon in square brackets;

“**Rate of Interest**” means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Issue Terms or calculated or determined in accordance with the provisions of these Conditions and/or, in respect of Exempt Notes, the relevant Pricing Supplement;

“**Regular Period**” means:

- (i) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Period Date and each successive period from and including one Interest Period Date to but excluding the next Interest Period Date;
- (ii) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Period Date falls; and
- (iii) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Period

Date falls other than the Interest Period Date falling at the end of the irregular Interest Period; and

“**Specified Period**” has the meaning given in the relevant Issue Terms.

7. **Zero Coupon Note Provisions**

7.1. *Application*

This Interest Payout Condition 7 (*Zero Coupon Note Provisions*) is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Issue Terms as being applicable to one or more Interest Period(s).

7.2. *No Interest*

Except as otherwise detailed in Interest Payout Condition 7.3 (*Late Payment on Zero Coupon Notes*) below, no interest is payable in respect of the Notes and references in the General Conditions to “Coupons” and “Couponholders” are not applicable.

7.3. *Late Payment on Zero Coupon Notes*

If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:

- (i) the Reference price; and
- (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of:
 - (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Holder; and
 - (b) the day which is seven days after the Fiscal Agent has notified the Holders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

PAYOUT SCHEDULE 2 REDEMPTION

1. Final redemption and early redemption

1.1. Application – final redemption

Subject as provided in Redemption Payout Condition 2 (*Redemption in respect of Credit-Linked Notes*) below, the “**Final Redemption Amount**” for the purposes of General Condition 6.1 (*Scheduled redemption*) shall be the amount specified as the Final Redemption Amount in the relevant Issue Terms which amount may be the Reference Item-Linked Redemption Amount determined as set out below or, in respect of Exempt Notes, in the relevant Pricing Supplement.

Where any relevant scheduled date for valuation in respect of the determination of any Reference Item-Linked Redemption Amount is delayed pursuant to the provisions of these Conditions, the Maturity Date will be the later of the originally specified Maturity Date and the fifth Business Day following the last occurring date for valuation in respect of the Reference Item-Linked Redemption Amount to be paid on the Maturity Date. For the avoidance of doubt, where the Maturity Date is postponed pursuant to the provisions of Reference Item Condition 1 (*Credit-Linked Notes*), only the Maturity Date shall be affected by the provisions thereof, the valuation provisions shall not be affected by the postponement of the Maturity Date and no interest or other additional amount shall be payable in respect of any such postponement, except as otherwise specified in Reference Item Condition 1 (*Credit-Linked Notes*).

1.2. Application – early redemption

For the purposes of General Condition 6.2 (*Early redemption*), the Notes shall be redeemed early in the circumstances specified in Redemption Payout Condition 2.2 (*Early Redemption*) below.

1.3. Early redemption of Zero Coupon Notes

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

- (i) the Reference Price; and
- (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or, as the case may be, the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of the Day Count Fraction specified in the applicable Final Terms which will be either:

- (i) “**30/360**”, in which case the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable (the “Relevant Period”) and the denominator will be 360; or
- (ii) “**Actual/360**”, in which case the numerator will be equal to the actual number of days in the Relevant Period and the denominator will be 360; or

- (iii) “**Actual/Actual**”, in which case the numerator will be equal to the actual number of days in the Relevant Period and the denominator will be 365 or, if any portion of the Relevant Period falls in a leap year, the sum of (I) the actual number of days in that portion of the Relevant period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the Relevant Period falling in a non-leap year divided by 365.

2. **Redemption in respect of Credit-Linked Notes**

2.1. *Application*

This Redemption Payout Condition 2 (*Redemption in respect of Credit-Linked Notes*) is applicable to the Notes only if the Credit-Linked Provisions are specified as applicable and the Notes are specified to be Credit-Linked Notes in the relevant Issue Terms.

2.2. *Early Redemption*

Unless (i) otherwise specified in the relevant Pricing Supplement in respect of Exempt Notes or (ii) the Notes are Portfolio Credit-Linked Notes or Maturity Credit Event Redemption is specified as applying in the relevant Issue Terms, following satisfaction of the Conditions to Settlement, the Notes will be redeemed early as specified in Reference Item Condition 1 (*Credit-Linked Notes*), the Early Redemption Amount shall be the Credit-Linked Redemption Amount and the Early Redemption Date shall be the Credit Event Redemption Date.

2.3. *Final Redemption*

Where the Notes are Portfolio Credit-Linked Notes or Maturity Credit Event Redemption is specified as applying in the relevant Issue Terms, following satisfaction of the Conditions to Settlement:

- (iv) where the Final Redemption Amount is not specified to be the Reference Item-Linked Redemption Amount in the relevant Issue Terms, the Final Redemption Amount of the Notes payable on the Maturity Date will be the Credit-Linked Redemption Amount determined as set out in Redemption Payout Condition 2.4 (*Formula*) below; or
- (v) where the Final Redemption Amount is specified in the relevant Issue Terms to be the Reference Item-Linked Redemption Amount, the Final Redemption Amount shall be determined as set out in Redemption Payout Condition 3.2 (*Inflation-Linked Redemption Amount - Formula*) or Redemption Payout Condition 4.2 (*Call Redemption Amount - Formula*) below.

2.4. *Formula*

The “**Credit-Linked Redemption Amount**” shall be:

- (i) in the case of Notes other than Portfolio Credit-Linked Notes the amount specified as such in the relevant Issue Terms or if no such amount is specified in the relevant Issue Terms, an amount in the Specified Currency calculated by the Calculation Agent equal to:

$$(CA \times FP) - UC$$

- (ii) in the case of Portfolio Credit-Linked Notes the amount specified as such in the relevant Issue Terms or if no such amount is specified in the relevant Issue Terms, an amount in the Specified Currency calculated by the Calculation Agent equal to:

$$\left(CA \times \left[\sum_{i=1}^b W_i \times FP_i \right] \right) - UC$$

- 2.5. Provided that in no event shall the Credit-Linked Redemption Amount be less than zero or more than the Calculation Amount. *Definitions*

The following expressions have the following meanings for the purposes of this Redemption Payout Condition 2 (*Redemption in respect of Credit-Linked Notes*):

“**b**” means the number of Reference Entities.

“**CA**” is the Calculation Amount;

“**FP**” is the Final Price or the Auction Final Price, as applicable in each case in relation to the relevant Reference Entity. In the case of any Reference Entity in respect of which Conditions to Settlement are not satisfied on or prior to the Redemption Date, the “**FP**” will be 100 per cent.

“**Redemption Date**” means the date on which the Notes are to be redeemed in full.

“**UC**” is Unwind Costs.

“**W_i**” means the Reference Entity Notional Amount of the relevant Reference Entity (as specified in the applicable Issue Terms) expressed as a percentage of the sum of the Reference Entity Notional Amounts in respect of all Reference Entities.

3. **Inflation-Linked Redemption Amount**

3.1. *Application*

This Redemption Payout Condition 3 (*Inflation-Linked Redemption Amount*) is applicable to the Notes only if “Inflation-Linked Redemption Amount” is specified as the Reference Item-Linked Redemption Amount in the relevant Issue Terms.

3.2. *Formula*

The “**Inflation-Linked Redemption Amount**” in respect of each Calculation Amount shall be an amount in the Specified Currency determined by the Calculation Agent by reference to the following formula:

$$RPA \times \text{Max} \left[\text{Performance Floor}; \left(PR \times \frac{\text{Reference Level}_f}{\text{Reference Level}_{f-\omega}} \right) \right] \times \text{FX}$$

provided that, where the Notes are Credit Linked Notes, Maturity Credit Event Redemption is specified as applying in the relevant Issue Terms and the Conditions to Settlement have been satisfied in relation to one or more the specified Reference Entities, the Inflation-Linked Redemption Amount shall be determined as provided above except that references to “CA” in the definition of Relevant Principal Amount shall be deemed to be references to the Credit-Linked Redemption Amount as defined in Redemption Payout Condition 2.4 (*Redemption in respect of Credit-Linked Notes - Formula*) above.

3.3. *Definitions*

The following expressions have the following meanings for the purposes of this Redemption Payout Condition 3 (*Inflation-Linked Redemption Amount*):

“**FX**” is as defined in Redemption Payout Condition 5 (*Exchange Rate*) below.

“**Max**” means the greater of the items separated by a semi-colon in square brackets;

“**Performance Floor**” means the percentage specified in the relevant Issue Terms or, if the relevant Issue Terms specifies that “Performance Floor” is not applicable, 100 per cent..

“**PR**” means the participation rate, expressed as a percentage, specified in the relevant Issue Terms or, if the relevant Issue Terms specifies that “PR” is not applicable, 100 per cent.;

“**Reference Level_f**” means, in respect of the Maturity Date, the Reference Level for the Reference Month falling the Number of Months (*f*) specified in the relevant Issue Terms prior to the month during which the originally designated Maturity Date falls (without taking account of any subsequent postponement);

“**Reference Level_{f-ω}**” means, in respect of the Maturity Date, the Reference Level for the Reference Month falling the Number of Months (*f - ω*) specified in the relevant Issue Terms prior to the month during which the originally designated Maturity Date falls (without taking account of any subsequent postponement); and

“**Relevant Principal Amount**” means, subject as provided in Redemption Payout Condition 3.2 (*Formula*) above, the CA.

4. **Call Redemption Amount**

4.1. *Application*

This Redemption Payout Condition 4 (*Call Redemption Amount*) is applicable to the Notes only if “Call Redemption Amount” is specified as the Reference Item-Linked Redemption Amount in the relevant Issue Terms.

4.2. *Formula*

The “**Call Redemption Amount**” in respect of each Calculation Amount shall be an amount in the Specified Currency determined by the Calculation Agent by reference to the following formula:

$$\text{RPA} + \text{Reference Item Amount}$$

provided that, where the Notes are Credit Linked Notes, Maturity Credit Event Redemption is specified as applying in the relevant Issue Terms and the Conditions to Settlement have been satisfied in relation to one or more the specified Reference Entities, the Call Redemption Amount shall be determined as provided above except that references to “CA” in the definition of Relevant Principal Amount shall be deemed to be references to the Credit-Linked Redemption Amount as defined in Redemption Payout Condition 2.4 (*Redemption in respect of Credit-Linked Notes - Formula*) above.

where:

“**Reference Item Amount**” means an amount in the Specified Currency determined by the Calculation Agent reference to the following formula:

$$\text{CA} \times \text{Max} [\text{Performance Floor}; (\text{PR} \times \text{Call Performance})] \times \text{FX}$$

“**Relevant Principal Amount**” (“**RPA**”) means, subject as provided in the definition of Call Redemption Amount above, the CA.

4.3. Definitions

The following expressions have the following meanings for the purposes of this Redemption Payout Condition 4 (*Call Redemption Amount*):

“**Call Performance**” means a percentage determined by the Calculation Agent by reference to the following formula:

$$[\text{Relevant Performance} - 100\%];$$

“**FX**” is as defined in Redemption Payout Condition 5 (*Exchange Rate*) below.

“**Relevant Performance**” means:

- (i) where the Notes relate to a single Reference Item (*i*), RI Final Performance;
- (ii) where the Notes relate to a Basket of Reference Items (*i*), a ratio determined by the Calculation Agent by reference to the following formula:

$$\sum_{i=1}^n \text{RI Final Performance}_i * W_i ;$$

“**RI Final Performance**,” means, in relation to a Reference Item (*i*), an amount (expressed as a percentage) determined by the Calculation Agent by reference to the following formula:

$$\frac{\text{ReferenceItemFinal}_i}{\text{ReferenceItemInitial}_i} ; \text{ and}$$

“**W_i**” means, in relation to a Reference Item (*i*), the weighting for such Reference Item (*i*) specified in the relevant Issue Terms, if applicable.

4.4. Additional provisions

Where “Look-Back” is specified as applicable in the relevant Issue Terms, for the purposes of the definition of “**Reference Item Initial_i**” set out in Redemption Payout Condition 6 (*Additional Definitions*

General definitions) below, “Lowest” shall apply.

5. Exchange Rate

Where the relevant Issue Terms specifies that “FX Conversion” is applicable, Reference Item Schedule 5 (*Currency-Linked Notes*) shall be deemed to apply for the purposes of the determination of “FX” and:

“**FX**” shall be an amount (expressed as a percentage) determined by the Calculation Agent by reference to the following formula:

$$\frac{\text{FX}_{(\text{Final})}}{\text{FX}_{(\text{Initial})}} ,$$

Where:

“**FX_(Initial)**” means, in respect of the Subject Currency (*i = fx*), Reference Item Initial_i; and

“**FX_(Final)**” means, in respect of the Subject Currency ($i = fx$), Reference Item Final_i.

6. Additional Definitions

6.1. General definitions

The following expressions have the following meanings for the purposes of this Payout Schedule 2 (*Redemption*):

“**CA**” means the Calculation Amount;

“**FX**” means, if the relevant Issue Terms specifies that “FX Conversion” is applicable, an amount determined by the Calculation Agent as provided in Redemption Payout Condition 5 (Exchange Rate) or, if the relevant Issue Terms specifies that “FX Conversion” is not applicable, 1.

“**Max**” means the greater of the items separated by a semi-colon in square brackets;

“**n**” means (i) the total number of Reference Items to which the relevant Notes relate or (ii) as otherwise specified herein or, in respect of Exempt Notes, in the relevant Pricing Supplement;

“**Performance Floor**” means the percentage (which may be less than zero) specified in the relevant Issue Terms or, if the Issue Terms specifies that “Performance Floor” is not applicable, zero;

“**PR**” means the participation rate, expressed as a percentage, specified in the relevant Issue Terms or, if the Issue Terms specifies that “PR” is not applicable, 100 per cent.;

“**Reference Item**” means each reference item or asset (i where $i = 1 \dots n$) being, an Index or Underlying Equity or Subject Currency or, in respect of Exempt Notes, any other reference item or asset specified in the relevant Issue Terms. For the avoidance of doubt, where the Notes relate to a single Reference Item, $n = 1$;

“**Reference Item Initial_i**” means, in relation to a Reference Item (i):

- (i) the Strike Price specified for such Reference Item (i) in the relevant Issue Terms or, in the case of Exempt Notes, the amount determined as specified in the relevant Pricing Supplement;
- (ii) where an Initial Valuation Date is specified in the relevant Issue Terms, an amount equal to the Reference Price for such Reference Item (i) in relation to the Initial Valuation Date;
- (iii) where Initial Averaging Dates are specified in the relevant Issue Terms, an amount equal to the arithmetic mean of the Reference Prices for such Reference Item (i) in relation to each of the Initial Averaging Dates ($t = 1 \dots y$), as determined by the Calculation Agent, expressed as a formula:

$$\frac{1}{y} \sum_{t=1}^y \text{Reference Price}; \text{ or}$$

- (iv) where “Look-Back” is specified as applicable in the relevant Issue Terms, an amount equal to:
 - (a) where “Highest” is specified as applicable in this Payout Schedule 2 (*Redemption*) or, in the case of Exempt Notes, in the relevant Issue Terms, the highest Reference Price for such Reference Item (i) in relation to any Valuation Period Date during the specified Initial Valuation Period; or

- (b) where “Lowest” is specified as applicable in this Payout Schedule 2 (*Redemption*) or in, in the case of Exempt Notes, the relevant Issue Terms, the lowest Reference Price for such Reference Item (*i*) in relation to any Valuation Period Date during the specified Initial Valuation Period;

“**Reference Item Final_i**” means, in relation to a Reference Item (*i*):

- (i) where a Final Valuation Date is specified in the relevant Issue Terms, an amount equal to the Reference Price for such Reference Item (*i*) in relation to the Final Valuation Date;
- (ii) where Final Averaging Dates are specified in the relevant Issue Terms, an amount equal to the arithmetic mean of the Reference Prices for such Reference Item (*i*) in relation to each of the Final Averaging Dates ($t = 1 \dots y$), as determined by the Calculation Agent, expressed as a formula:

$$\frac{1}{y} \sum_{t=1}^y \text{ReferencePrice} ; \text{ or}$$

- (iii) where “Look-Back” is specified as applicable in the relevant Issue Terms, an amount equal to:
 - (a) where “Highest” is specified as applicable in this Payout Schedule 2 (*Redemption*) or, in the case of Exempt Notes, in the relevant Issue Terms, the highest Reference Price for such Reference Item (*i*) in relation to any Valuation Period Date during the specified Final Valuation Period; or
 - (b) where “Lowest” is specified as applicable in this Payout Schedule 2 (*Redemption*) or, in the case of Exempt Notes, in the relevant Issue Terms, the lowest Reference Price for such Reference Item (*i*) in relation to any Valuation Period Date during the specified Final Valuation Period; and

“ Σ ” means the sum of the values determined by reference to the specified formula in respect of each of the Reference Items ($i = 1 \dots n$).

6.2. *Dates and periods*

The following expressions have the following meanings for the purposes of this Payout Schedule 2 (*Redemption*):

“**Final Averaging Date**” means each date (t where: $t = 1 \dots y$) specified as such in the relevant Issue Terms, each such date being a “Valuation Date”;

“**Final Valuation Date**” means the date specified as such in the relevant Issue Terms, such date being a “Valuation Date”;

“**Final Valuation Period**” means the period specified as such in the relevant Issue Terms, such period being a “Valuation Period”;

“**Initial Averaging Date**” means each date (t where: $t = 1 \dots y$) specified as such in the relevant Issue Terms, each such date being a “Valuation Date”;

“**Initial Valuation Date**” means the date specified as such in the relevant Issue Terms, such date being a “Valuation Date”;

“**Initial Valuation Period**” means the period specified as such in the relevant Issue Terms, such period being a “Valuation Period”;

“**y**” means, in respect of Final Averaging Dates (*t*) or Initial Averaging Dates (*t*) specified in the relevant Issue Terms, the total number of any such dates or, in respect of Exempt Notes, as otherwise specified in the relevant Pricing Supplement.

SECTION F.3 - PRO FORMA FINAL TERMS

Pro Forma Final Terms for an issue of Notes other than Exempt Notes by Danske Bank A/S under the EUR 5,000,000,000 Structured Note Programme.

FINAL TERMS

DATED [●]

Series No. [●]

Tranche No. [●]

DANSKE BANK A/S

EUR 5,000,000,000

Structured Note Programme

Issue of

[Aggregate Principal Amount of Tranche] [Title of Notes]

Any person making or intending to make an offer of the Notes may only do so [:

(i) in those Public Offer Jurisdictions mentioned in Paragraph 13 (Terms and Conditions of the Offer) of Part B below, provided such person is of a kind specified in that paragraph and that the offer is made during the Offer Period specified in that paragraph; or

(ii) otherwise] in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or to supplement a prospectus pursuant to Article 16 of the Prospectus Directive, 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 Notes in any other circumstances.

The expression “**Prospectus Directive**” means Directive 2003/71/EC as amended (which includes the amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in a relevant Member State of the European Economic Area).

PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated [●] [and the Supplement No. [●] dated [●]] which [together] constitute[s] a base prospectus (the “**Base Prospectus**”) for the purposes of the Prospectus Directive. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Final Terms and the Base Prospectus. [A Summary of the Notes (which comprises the Summary in the Base Prospectus, as amended to reflect the provisions of this Final Terms), is annexed to this Final Terms.] The Base Prospectus and this Final Terms is available for viewing at and copies may be obtained from the Central Bank of Ireland’s website at www.centralbank.ie.

[The following alternative language applies if the first Tranche of an issue of Notes which is being increased was issued under a Base Prospectus with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated [*original date*] which are incorporated by reference in the Base Prospectus dated [*current date*], as supplemented by Supplement No. [●] dated [●] ([together,] the “**Base Prospectus**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Final Terms and the Base Prospectus, including the Conditions which are incorporated by reference in the Base Prospectus. [A Summary of the Notes (which comprises the Summary in the Base Prospectus, as amended to reflect the provisions of this Final Terms), is annexed to this Final Terms.] The Base Prospectus is available for viewing at and copies may be obtained from the Central Bank of Ireland’s website at www.centralbank.ie.]

[*Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote guidance for completing the Final Terms.*]

[*When completing any Final Terms, consideration should be given as to whether any information required to complete the Final Terms constitutes “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.*]

- | | | |
|----|--|--|
| 1. | Issuer: | Danske Bank A/S |
| 2. | (i) Series Number: | [●] |
| | (ii) Tranche Number: | [●] |
| | (iii) Date on which the Notes will be consolidated and form a single Series: | [Not Applicable]/[The Notes will be consolidated and form a single Series with [<i>identify earlier Tranche(s)</i>] on the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in item 32 (<i>Form of Notes</i> :) below, which is expected to occur on or about [<i>date</i>]] |
| 3. | Specified Currency or Currencies: | [●] |
| 4. | Aggregate Principal Amount: | [[●]] |
| | (i) [Series: | [●]] |
| | (ii) [Tranche: | [●]] |
| 5. | Issue Price: | [●] per cent. of the Aggregate Principal Amount [plus accrued interest from [<i>insert date</i>] (<i>if applicable</i>)] |
| 6. | (i) Specified Denominations: | [●] |

(N.B. In the case of Notes with a minimum denomination of EUR 100,000 or equivalent, where multiple denominations above EUR 100,000 or equivalent are being used the following sample wording should be followed:

“[EUR 100,000] and integral multiples of [EUR 1,000] in excess thereof up to and including [EUR 199,000]. No Notes in definitive form will be issued with a denomination above [EUR 199,000”)

(ii) Calculation Amount: [●]

(If only one Specified Denomination, insert the Specified Denomination.

If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations)

7. (i) Issue Date: [●]

(ii) Interest Commencement Date: [Issue Date/[●]/Not Applicable]

(iii) Trade Date: [●]

8. Maturity Date: [*specify date*][, subject to adjustment in accordance with the Business Day Convention specified in item 34 below] (*N.B. include adjustment wording for Floating Rate Notes*)

9. Interest Basis: [[●] per cent. Fixed Rate]
[[[Non-Structured/Capped/Floored/Collared] Floating Rate Notes / Range Accrual Notes / Binary Floating Rate Notes / Steeper Notes / Reverse Floating Rate Notes / Snowball Notes] determined by reference to [[●] [month/year] [Currency] [LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / BBSW/OMX Swap Rate] / the Swap Rate]]
[Inflation-Linked Interest]
[Zero Coupon]
[Change of Interest Basis: Applicable]
(further particulars specified at item[s] [20] [21] [and [22(i) / 22(ii) / 22(iii) / 22(iv) / 22(v) / 22(vi) / 22(vii) / 22(viii) / 22(ix)]] [23] [24] [and 25] below)
[Not Applicable – the Notes do not bear or pay any interest]

10. Redemption/Payment Basis: [Redemption at [par/[●] per cent.]]
[Inflation-Linked Redemption]
[Index-Linked Redemption]
[Equity-Linked Redemption]
[Currency-Linked Redemption]
[and Credit-Linked Redemption]
(further particulars specified at item[s] [28] [and [30(ii) / 30(iii)]] below)

11. Put/Call Options: [Call Option/
Put Option/Not Applicable]
(further particulars specified in item [26/27] below)

12. Tax Gross-Up: [General Condition 8.1 (*Gross-up*) applicable]/[General Condition 8.3 (*No gross-up*) applicable]

(N.B. Only one of General Condition 8.1 and 8.3 should be specified as applicable. If General Condition 8.1 is specified as applicable, General Condition 6.3 (Early redemption for tax reasons) will be applicable and General Condition 8.3 will not be applicable)

13. Date of Board approval for issuance of Notes obtained: [Not Applicable/give details]

(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes):

PROVISIONS RELATING TO REFERENCE ITEMS

14. **Inflation Linked Provisions** [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) The identity of the relevant Inflation Index: [Insert name of Inflation Index]

(ii) Payment Dates: [Specify/The provisions of Reference Item Condition 2.3 apply]

(iii) Relevant Determination Date: [Specify/The provisions of Reference Item Condition 2.3 apply]

(iv) Related Bond: [Applicable: [Specify/Fallback Bond]] / [Not Applicable]

[Issuer of Related Bond: [●]]

(v) Fallback Bond: [Applicable: [Specify/The provisions of Reference Item Condition 2.3 apply]

End Date: [●]

[Not Applicable]

(vi) Period of Cessation of Publication: [[●] months] / [The provisions of Reference Item Condition 2.2(ii) apply]

(vii) Revised Index Level: [No Revision/Revision] shall apply

(viii) Revision Cut-off Date: [[●] Business Days prior to [the/each] Payment Date] / [The provisions of Reference Item Condition 2.3 apply]

(ix) Manifest Error Cut-off Date: [[●] Business Days prior to [the/each] Payment Date] / [The provisions of Reference Item Condition 2.3 apply]

15. **Index-Linked Provisions** [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Whether the Notes relate to a basket of indices or a single index, the identity of the relevant Index/Indices, whether any such Index is a Designated Multi-Exchange Index and (if applicable) the relevant weightings:
- [Basket of Indices/Single Index]
- [[*Insert name of Index*]/The [Index is/Indices are] as specified in the Table below]
- [[The Index is a Designated Multi-Exchange Index]/[[The/Each] Index is a Multi-Exchange Index if so specified in the Table below]

(N.B. Designated Multi-Exchange Index only applies in relation to the EURO STOXX Index unless otherwise specifically agreed)

[W_i, the weighting, for each Index is as specified in the Table below]

- (ii) Strike Price: [[●]/As specified in the Table below/Not Applicable]
- (iii) Exchange(s): [[●]/Principal Exchanges/As specified in the Table below]
- (iv) Related Exchange(s): [[●]/As specified in the Table below/All Exchanges]
- (v) Valuation Time: [Reference Item Condition 3.4 (*Definitions*) applies/As specified in the Table below/Scheduled Closing Time/*specify other*]
- (vi) Correction of Index Levels: Correction of Index Levels [applies/does not apply and any relevant amounts shall be calculated without regard to any subsequently published correction]

(If Correction of Index Levels does not apply, delete the following sub paragraph)

[Correction Cut-Off Date: [In relation to a Relevant Determination Date, [●] Business Days after such Relevant Determination Date]]

TABLE

<i>i</i>	Index	Designated Multi-Exchange Index	Exchange	Related Exchange	[Valuation Time	[Strike Price	[W _i
1	[●]	[Yes/No]	[[●]/Principal Exchanges]	[[●]/All Exchanges]	[[●]/Scheduled Closing Time]	[●]	[●]
...	[●]	[Yes/No]	[[●]/Principal Exchanges]	[[●]/All Exchanges]	[[●]/Scheduled Closing Time]	[●]	[●]

n [●] [Yes/No] [[●]/Principal Exchanges] [[●]/All Exchanges] [[●]/Scheduled Closing Time] [●] [●]

16. Equity-Linked Provisions

[Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Whether the Notes relate to a basket of equity securities or a single equity security, details relating to the Underlying Equity/Equities, the identity of the relevant issuer(s) of the Underlying Equity/Equities, whether any such Underlying Equity is an ETF share and (if applicable) the relevant weightings: [Basket of Underlying Equities/Single Underlying Equity] [[*Insert type of Underlying Equity*]/The Underlying [Equity is/Equities are] as specified in the Table below] [[The/Each] Underlying Equity is an ETF Share [if so specified in the Table below]] [[*Insert name of Equity Issuer*]/[The Equity Issuer of [the/each] Underlying Equity is the entity specified in the Table below]

[W_i, the weighting, for each Underlying Equity is as specified in the Table below]

(ii) Strike Price: [[●]/As specified in the Table below/Not Applicable]

(iii) Exchange(s): [[●]/As specified in the Table below]

(iv) Related Exchange(s): [[●]/As specified in the Table below/All Exchanges]

(v) Valuation Time: [Reference Item Condition 4.3 (*Definitions*) applies/As specified in the Table below/Scheduled Closing Time/*specify other*]

(vi) Potential Adjustment Events: [Applicable/Not Applicable] [in respect of each Underlying Equity]

(vii) Extraordinary Events: [Applicable/Not Applicable] [in respect of each Underlying Equity]

(viii) Correction of Underlying Equity Prices: Correction of Underlying Equity Prices [applies/does not apply and any relevant amounts shall be calculated without regard to any subsequently published correction]

(If Correction of Underlying Equity Prices does not apply, delete the following sub paragraph)

[Correction Cut-Off Date: [In relation to a Relevant Determination Date, [●] Business Days after such Relevant Determination Date]]

TABLE

<i>i</i>	Underlying Equity	ETF Share	Equity Issuer	Exchange	Related Exchange	Valuation Time	Strike Price	W _i
1	[Common	[Yes/No]	[●]	[●]	[[●]/All Exchanges]	[●]	[●]	[●]

Stock/specify
other]

... [Common [Yes/No] [●] [●] [[●]/All Exchanges] [●] [●] [●]

Stock/specify
other]

n [Common [Yes/No] [●] [●] [[●]/All Exchanges] [●] [●] [●]

Stock/specify
other]

17. Currency-Linked Provisions

[Applicable/Not Applicable]

[FX Conversion applies as specified in item [30(ii)] [30(iii)] below and the provisions of Reference Item Schedule 5 (*Currency-Linked Notes*) shall apply to the Notes]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Whether the Notes relate to a basket of Subject Currencies or a single Subject Currency, the identity of the relevant Subject Currency/Currencies and (if applicable) the relevant weightings: [Basket of Subject Currencies/Single Subject Currency]
[[*Insert details of subject Currency/Currencies*]/The Subject [Currency is/Currencies are] as specified in the Table below]
[W_i, the weighting, for each Subject Currency is as specified in the Table below]
- (ii) Strike Price: [[●]/As specified in the Table below/Not Applicable]
- (iii) Base Currency: [[●]/As specified in the Table below]
- (iv) Relevant FX Screen Page: [[●]/As specified in the Table below]
- (v) Valuation Time: [[●]/As specified in the Table below]
- (vi) Currency Business Day Centre(s): [[●]/As specified in the Table below]

TABLE

<i>i</i>	Subject Currency	Base Currency	Relevant FX Screen Page	Valuation Time	Currency Business Day Centre(s)	[Strike Price	[W _i
1	[●]	[●]	[●] [●]	[●] ([●] time)	[●] [●]	[●]	[●]
...	[●]	[●]	[●] [●]	[●] ([●] time)	[●] [●]	[●]	[●]
<i>n</i>	[●]	[●]	[●] [●]	[●] ([●] time)	[●] [●]	[●]	[●]

18. Additional Disruption Events:

[Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of

this paragraph)

- (i) Change in Law: [Applicable/Not Applicable]
- (ii) Hedging Disruption: [Applicable/Not Applicable]
- (iii) Increased Cost of Hedging: [Applicable/Not Applicable]
- (iv) Increased Cost of Stock Borrow: [Applicable/Not Applicable]

(If applicable, include the following)

[The Initial Stock Loan Rate in respect of *[specify in relation to each Underlying Equity/Component Security]* is: [●]]

(N.B. Only applicable in the case of Index-Linked Notes and Equity-Linked Notes)

- (v) Insolvency Filing: [Applicable/Not Applicable]

(N.B. Only applicable in the case of Equity-Linked Notes)

- (vi) Loss of Stock Borrow: [Applicable/Not Applicable]

(If applicable, include the following)

[The Maximum Stock Loan Rate in respect of *[specify in relation to each Underlying Equity/Component Security]* is: [●]]

19. Credit-Linked Provisions

[Applicable – the Notes are Credit-Linked Notes/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Settlement Method: [Auction Settlement/Cash Settlement]

- (ii) First-to-Default Credit-Linked Securities: [Applicable/Not Applicable]

- (iii) Portfolio Credit-Linked Notes: [Applicable/Not Applicable]

- (iv) Maturity Credit Event Redemption: [Applicable/Not Applicable]

(Specify Applicable for Credit-Linked Notes which are also Zero Coupon Notes, Inflation-Linked Notes, Index-Linked Notes, Equity-Linked Notes or Currency-Linked Notes)

- (v) Reference Entity(ies): [Each/The] entity specified as a Reference Entity in the table below *(Specify elections for each Reference Entity in a table in the form below)*

TABLE

Reference Entity	[Reference Entity Notional Amount]	Reference Obligation	All Guarantees	Provisions relating to Qualifying Guarantee and Underlying Obligation:	Credit Events:	Provisions relating to Restructuring Credit Event:	Multiple Holder Obligation:	[Restructuring Maturity Limitation and Fully Transferable Obligation]	[Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation]
[●]	[●]	The obligations identified as follows: [●] Primary Obligor: [●] Maturity: [●] Coupon: [●] CUSIP/ISIN: [●] [Quotation Amount: [●]]	[Applicable/Not Applicable]	Reference Item Condition 1.15 [Applicable/Not Applicable]	[Bankruptcy] [Failure to Pay] [Grace Period Extension] [Applicable/Not Applicable] [If Applicable: Grace Period: [●] [calendar days] [Grace Period Business Days] [Obligation Default] [Obligation Acceleration] [Repudiation/Moratorium] [Restructuring]	Reference Item Condition 1.12 [Applicable/Not Applicable]	Provisions relating to Reference Item Condition 1.13 [Applicable/Not Applicable]	[Applicable/Not Applicable]	[Applicable/Not Applicable]

Reference Entity	Obligation Category: (select one only)	Obligation Characteristics: (select all of which apply)	Additional Obligation(s)	Excluded Obligation(s):	Valuation Obligation Category: (select one only)	Valuation Obligation Characteristics: (select all which apply)	Additional Valuation Obligation(s):	Excluded Valuation Obligation(s):
[●]	[Payment] [Borrowed Money] [Reference Obligations Only] [Bond] [Loan] [Bond or Loan]	[Not Subordinated] [Specified Currency: [specify currency]] [Standard Specified Currencies] [Not Sovereign Lender] [Not Domestic Currency:] [Domestic Currency means: [specify currency]] [Not Domestic Law] [Listed] [Not Domestic Issuance]	[insert name(s)] / [Not Applicable]	[insert name(s)] / [Not Applicable]	[Payment] [Borrowed Money] [Reference Obligations Only] [Bond] [Loan] [Bond or Loan]	[Not Subordinated] [Standard Specified Currencies] [Not Sovereign Lender] [Not Domestic Currency] [Domestic Currency means: [specify currency]] [Not Domestic Law] [Listed] [Not Contingent] [Not Domestic Issuance] [Assignable Loan] [Consent Required Loan] [Direct Loan Participation] [Qualifying Participation Seller: [insert details]] [Transferable] [Maximum Maturity: [●]] [Accelerated or Matured] [Not Bearer]	[Specify]	[Specify]

(Specify for each Reference Entity)

- (vi) Default Requirement: [insert amount in relevant currency] [Reference Item Condition 1.2 applies]
- (vii) Payment Requirement: [insert amount in relevant currency] [Reference Item Condition 1.2 applies]
- (viii) Scheduled Termination Notice Date: [●] (*Note: This date is the scheduled termination date for credit protection*)
- (ix) Conditions to Settlement: Notice of Publicly Available Information [Applicable/Not Applicable]
- [If Applicable:
- Public Source(s): [insert name(s)]
- Specified Number: [Insert number]]
- (x) Credit Event Backstop Date: [●] [Reference Item Condition 1.2 applies] (*Note: if inserting a date consider carefully how this affects Reference Item Condition 1*)
- (xi) Merger Event: Reference Item Condition 1.11 [Applicable/Not Applicable]
- (xii) Unwind Costs: [Standard Unwind Costs/insert other amount/Not Applicable]
- (xiii) Provisions relating to Monoline Insurer as Reference Entity: Reference Item Condition 1.14 [Applicable/Not Applicable]
- (xiv) Provisions relating to LPN Reference Entities: Reference Item Condition 1.16 [Applicable/Not Applicable]
- (xv) Credit Event Redemption Period: [●] Business Days
- (xvi) Additional Interest Amount: [Applicable/Not Applicable]
- (xvii) Fixed Recovery Percentage: [[●] per cent./Not Applicable]
- (xviii) Valuation Date: [●]

[Single Valuation Date: The Valuation Date in respect of a Reference Entity will be such date following satisfaction of all Conditions to Settlement as the Calculation Agent will select in its sole and absolute discretion as appropriate for determination of the Final Price which it may select by reference to (without limitation) (i) one or more market procedures or methodologies for determination of prices for the Reference Entity's obligations in connection with credit derivatives transactions which may include (but are not limited to) any Settlement Mechanism and/or (ii) the

Issuer's hedging arrangements.

[●] Business Days]

[Multiple Valuation Dates:

[●] Business Days and each of the [●] Business Days thereafter

Number of Valuation Dates: [●]]

[Not Applicable]

- (xix) Valuation Time: [[●] [a.m./p.m.] [●] time] / [Not Applicable]
- (xx) Quotation Method: [Bid/Offer/Mid-market] / [Not Applicable]
- (xxi) Quotation Amount: [*insert currency and amount*] / [Representative Amount] / [Not Applicable]
- (xxii) Minimum Quotation Amount: [*insert currency and amount*] / [Not Applicable]
- (xxiii) Quotation Dealers: [*Specify*] / [Not Applicable]
- (xxiv) Quotations: [Include Accrued Interest/Exclude Accrued Interest]
- (xxv) Valuation Method: [Market/Highest]
[Average Market/Highest/Average Highest]
[Not Applicable]
[If no quotations are available which would produce a Final Price greater than zero in accordance with the definition of Quotation then the Calculation Agent will determine the fair market value (which may be zero) by reference to such source(s) as it determines appropriate in its sole and absolute discretion]
- (xxvi) Business Day Convention: [Following/Modified Following/Preceding]
- (xxvii) Succession Event Backstop Date subject to adjustment in accordance with Business Day Convention: [Yes/No]
- (xxviii) Limitation Dates subject to adjustment in accordance with Business Day Convention: [Yes/No]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

20. **Fixed Rate Note Provisions** [Applicable [in respect of the Interest Period[s] falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]]/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
- (ii) Interest Period Date(s): [●] in each year *(Amend appropriately in the case of irregular coupons)*
- (iii) Interest Payment Date(s): [Each Interest Period Date] / [[●] in each year *(Amend appropriately in the case of irregular coupons)*]
- (iv) Interest Amount[(s)]: Fixed Coupon Amount[(s)]: [●] per Calculation Amount
- Broken Amount(s): [Not Applicable/[●] per Calculation Amount Payable on [●]]
- (Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)])*
- (v) Day Count Fraction: [30/360 / Actual/Actual ([ICMA]/[ISDA])]
21. **Floating Rate Note Provisions** [Applicable[. Interest will accrue on the basis specified below for the Interest Period[s] specified below] [in respect of the Interest Period[s] falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]]/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Type of Floating Rate Notes: The Notes are: [[Non-Structured / Capped / Floored / Collared] Floating Rate Notes / Range Accrual Notes / Binary Floating Rate Notes / Steepener Notes / Reverse Floating Rate Notes / Snowball Notes]
- (ii) Specified Period: [Not Applicable/[●]]
- (Specified Period and Interest Payment Dates are alternatives. A Specified Period, rather than Interest Payment Dates, will only be relevant if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention. Otherwise, insert "Not Applicable")*

- (iii) Interest Period Date(s): [Not Applicable] / [, subject to adjustment in accordance with the Business Day Convention specified in item 35 below][No Adjustment]
- (Specified Period and Interest Period Dates are alternatives. If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert "Not Applicable")*
- (iv) Interest Payment Dates: [Each Interest Period Date] / [, subject to adjustment in accordance with the Business Day Convention specified in item 35 below][No Adjustment]
- (v) Manner in which the Underlying Rate(s) is/are to be determined: [Screen Rate Determination/ISDA Determination] [CMS Determination and the relevant Underlying Swap Rates will be determined in accordance with [Screen Rate/ISDA] Determination]
- (vi) Screen Rate Determination: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- Reference Rate: [] [month/year] [Currency] [LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / BBSW] / [OMX Swap Rate]
 - Interest Determination Date(s): [] [As defined in Interest Payout Condition 2.3(v) (Range Accrual Notes)]
 - Relevant Screen Page: []
 - Relevant Time: [] in the Relevant Financial Centre
 - Relevant Financial Centre: []
 - Reference Banks: []
- (vii) ISDA Determination: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- Floating Rate Option: []
 - Designated Maturity: [] / [As specified in item 21(viii) below]
 - Reset Date: [] / [First day of the relevant Interest Period] / [The relevant Observation Date]
- (viii) CMS Determination: [Applicable/Not Applicable]

(If applicable, also complete the relevant provisions of item 21(vii) above. If not applicable, delete the remaining sub-paragraphs of this paragraph)

- Designated Maturity of [●]
Swap Rate 1:
- Designated Maturity of [●]
Swap Rate 2:

(ix) Day Count Fraction: [Actual/365 / Actual/Actual / Actual/Actual (ISDA)]
[Actual/365 (Fixed)]
[Actual/360]
[30/360]
[30E/360 / Eurobond basis]
[30E/360 (ISDA)]
(See Interest Payout Condition 6 (General Definitions relating to Interest) for alternatives)

22. **Provisions for specific types of Floating Rate Notes** [Applicable]. Interest will accrue on the basis specified below for the Interest Period[s] specified below/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Non-Structured Floating Rate Note Provisions: [Applicable [in respect of the Interest Period[s] falling during the period from (([and including/but excluding]) [●] to (([and including/but excluding])) [●])]/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(A) Leverage: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

(B) Margin: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

[TABLE

Interest Period ending on or about:	[Leverage	[Margin
[●]	[●]%	[●]%
[●]	[●]%	[●]%

(Specify for each Interest Period)]

- (ii) Capped Floating Rate Note Provisions: [Applicable [in respect of the Interest Period[s] falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]]/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (A) Cap: [[●] per cent.] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (B) Leverage: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (C) Margin: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

[TABLE]

Interest ending on or about:	Period	[Cap	[Leverage	[Margin
[●]		[●]%	[●]%	[●]%
[●]		[●]%]	[●]%]	[●]%]

(Specify for each Interest Period)

- (iii) Floored Floating Rate Note Provisions: [Applicable [in respect of the Interest Period[s] falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]]/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (A) Floor: [[●] per cent.] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (B) Leverage: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (C) Margin: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

[TABLE]

Interest ending about:	Period on or	[Floor	[Leverage	[Margin
------------------------	--------------	--------	-----------	---------

[●]		[●]%	[●]%	[●]%
[●]		[●]%	[●]%	[●]%

(Specify for each Interest Period)]

- (iv) Collared Floating Rate Note Provisions: [Applicable [in respect of the Interest Period[s] falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]]/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (A) Cap: [[●] per cent.] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

- (B) Floor: [[●] per cent.] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

- (C) Leverage: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

- (D) Margin: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

[TABLE

Interest ending about:	Period on or	[Cap	[Floor	[Leverage	[Margin
------------------------	--------------	------	--------	-----------	---------

[●]		[●]%	[●]%	[●]%	[●]%
[●]		[●]%	[●]%	[●]%	[●]%

(Specify for each Interest Period)]

- (v) Range Accrual Note Provisions: [Applicable [in respect of the Interest Period[s] falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]]/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (A) Specified Rate 1: [[●] per cent. per annum] / [In respect of an Interest Period, the rate specified for such Interest Period in the Table below]
- (B) Specified Rate 2: [[●] per cent. per annum] / [Zero] / [In respect of an Interest Period, the rate specified for such Interest Period in the Table below]
- (C) Upper Barrier(s): [[●] per cent.] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (D) Lower Barrier(s): [[●] per cent.] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

[TABLE

Interest Period ending on or about:	[Specified Rate 1	[Specified Rate 2	[Lower Barrier	[Upper Barrier
[●]	[●]%	[●]%	[●]%	[●]%
[●]	[●]%	[●]%	[●]%	[●]%

(Specify for each Interest Period)

- (E) Observation Date: Each [calendar day/Business Day/[●]] during the Interest Accrual Period
- (F) Range Accrual Cut-off Date: [Not Applicable] / [In respect of an Interest Period, [●] Business Days immediately preceding the Interest Period Date falling at the end of such Interest Period] / [●]
- (vi) Binary Floating Rate Note Provisions: [Applicable [in respect of the Interest Period[s] falling during the period from ((and including/but excluding)) [●] to (([and including/but excluding])) [●]]/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (A) Binary Rate 1: [[●] per cent. per annum] / [In respect of an Interest Period, the rate specified for such Interest Period in the Table below]
- (B) Binary Rate 2: [[●] per cent. per annum] / [In respect of an Interest Period, the rate specified for such Interest Period in the Table below]
- (C) Lower Barrier: [[●] per cent.] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

(D) Upper Barrier: [[●] per cent.] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

[TABLE]

Interest ending about:	Period on or	[Binary Rate 1	[Binary Rate 2	[Lower Barrier	[Upper Barrier
[●]		[●]%	[●]%	[●]%	[●]%
[●]		[●]%	[●]%	[●]%	[●]%

(Specify for each Interest Period)

(vii) Steepener Note Provisions: [Applicable [in respect of the Interest Period[s] falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]]/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(A) Cap: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

(B) Floor: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

(C) Leverage: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

(D) Strike Rate: [[●] per cent.] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

[TABLE]

Interest ending about:	Period on or	[Strike Rate	[Leverage	[Cap	[Floor
[●]		[●]%	[●]%	[●]%	[●]%
[●]		[●]%	[●]%	[●]%	[●]%

(Specify for each Interest Period)

(viii) Reverse Floating Rate Note Provisions: [Applicable [in respect of the Interest Period[s] falling during the period from ([and including/but excluding])

[●] to (([and including/but excluding])) [●]/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (A) Cap: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (B) Floor: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (C) Leverage: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (D) Fixed Rate: [[●] per cent.] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

[TABLE

Interest ending about:	Period on or	[Cap	[Floor	[Leverage	[Fixed Rate
[●]		[●]%	[●]%	[●]%	[●]%
[●]		[●]%	[●]%	[●]%	[●]%

(Specify for each Interest Period)

- (ix) Snowball Note Provisions: [Applicable [in respect of the Interest Period[s] falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (A) Cap: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (B) Floor: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (C) Leverage: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

- (D) Snowball Amount_t: [[●] per cent.] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (E) Rate of Interest_{t=0}: [[●] per cent. [per annum]] / [Zero]

[TABLE

Interest Period ending on or about:	[Snowball Amount _t	[Cap	[Floor	[Leverage
[●]	[●]%	[●]%	[●]%	[●]%
[●]	[●]%	[●]%	[●]%	[●]%

(Specify for each Interest Period)]

23. **Reference Item-Linked Interest Provisions in respect of Notes other than Credit-Linked Notes** [Applicable [in respect of the Interest Period[s] falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]]. The Notes are Inflation-Linked Interest Notes] / [Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Rate(s) of Interest and/or formula for calculating Interest Amount(s): The provisions of Interest Payout Condition 3.2 (*Rate of Interest in respect of Inflation-Linked Interest Notes*) apply
- (ii) Interest Period Date(s): [Not Applicable] / [[●][, subject to adjustment in accordance with the Business Day Convention specified in item 35 below][No Adjustment]]
- (iii) Interest Payment Dates: [Each Interest Payment Date] / [[●][, subject to adjustment in accordance with the Business Day Convention specified in item 35 below][No Adjustment]]
- (iv) Inflation-Linked Interest Note Provisions:
- (A) Day Count Fraction: [30/360 / Actual/Actual ([ICMA]/[ISDA])]
- (B) Specified Rate: [●] per cent. per annum
- (C) Number of Months:
$$\frac{(t)}{(t - \alpha)}$$
- [●] [●]

24. **Zero Coupon Note Provisions** [Applicable /Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Accrual Yield: [●] per cent. per annum
- (ii) Reference Price: [●]
- (iii) Day Count Fraction in relation to Early Redemption Amounts: [30/360] [Actual/360] [Actual/Actual]

25. **Credit-Linked Interest Provisions** [Applicable /Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Accrual of Interest upon Credit Event: [Applicable /Not Applicable]
- (ii) Portfolio Linked Interest Adjustment: [Applicable /Not Applicable]

(Only applicable in relation to Portfolio Credit-Linked Notes)

PROVISIONS RELATING TO REDEMPTION

26. **Call Option** [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Optional Redemption Date(s) (Call): [●]
- (ii) Optional Redemption Amount (Call): [●] per Calculation Amount
- (iii) Redeemable in part: [The Notes may be redeemed in part/Not Applicable]
 - (A) Minimum Redemption Amount: [●]
 - (B) Maximum Redemption Amount: [●]
- (iv) Notice period: Minimum Period: [●] days
Maximum Period: [Not Applicable/[●] days]

(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Fiscal Agent)

27. **Put Option** [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Optional Redemption Date(s) (Put):
- (ii) Optional Redemption Amount (Put): per Calculation Amount
- (iii) Notice period: Minimum Period: days
Maximum Period: [Not Applicable/ days]

(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 business days' notice) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Fiscal Agent)

28. Final Redemption Amount

[[Subject as provided in Redemption Payout Condition 2 (*Redemption in respect of Credit-Linked Notes*),] per Calculation Amount]

[[Subject as provided in Redemption Payout Condition 2 (*Redemption in respect of Credit-Linked Notes*), the/The] Final Redemption Amount shall be the Reference Item-Linked Redemption Amount as specified in item 30 below]

29. Early Redemption

- (i) Early redemption for tax reasons: [Applicable/Not Applicable]

(N.B. If general Condition 8.1 (Gross-up) is specified as applicable in item 12 above, specify "Applicable" here. If General Condition 8.3 (No gross-up) is specified as applicable in item 12 above specify "Not Applicable" here)

- (ii) Notice Period relating to early redemption for tax reasons: Minimum Period: days
Maximum Period: [Not Applicable/ days]

(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 business days' notice) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Fiscal Agent)

(iii) Early Redemption Amount payable (a) on redemption for taxation reasons or (b) on an illegality or (c) on an Event of Default or (d) in the case of Reference Item-Linked Notes, following an early redemption pursuant to the provisions of the relevant Reference Item Schedule: [As set out in the General Conditions/[●] per Calculation Amount]

(iv) Early Redemption Amount includes amount in respect of interest: [Yes: no additional amount in respect of interest to be paid/No: together with the Early Redemption Amount, accrued interest shall also be paid/Not Applicable]

30. **Reference Item-Linked Redemption Provisions** [Applicable. The Notes are [Inflation-Linked Redemption Notes/Index-Linked Redemption Notes/Equity-Linked Redemption Notes/Currency-Linked Redemption Notes]/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Final Redemption Amount: The Final Redemption Amount for the purposes of General Condition 6.1 (*Scheduled redemption*) is the Reference Item-Linked Redemption Amount, being the:

[Inflation-Linked Redemption Amount]

[Call Redemption Amount]

[Include whichever of the following applies and delete the remaining alternatives:]

(ii) Inflation-Linked Redemption Amount: Applicable: Redemption Payout Condition 3 (*Inflation-Linked Redemption Amount*) applies

(A) Participation Rate (PR): [[●]%/Not Applicable]

(B) Performance Floor: [[●]%/Not Applicable]

(C) FX Conversion: [Applicable/Not Applicable]

(D) Number of Months:
$$\frac{(f)}{[●]} \quad \frac{(f - \omega)}{[●]}$$

(iii) Call Redemption Amount: Applicable: Redemption Payout Condition 4 (*Call Redemption Amount*) applies

(A) Participation Rate (PR): [[●]%/Not Applicable]

(B) Performance Floor: [[●]%/Not Applicable]

(C) FX Conversion: [Applicable/Not Applicable]

31. **Redemption Valuation Provisions**

(i) Initial valuation to determine Reference Item Initial; [Applicable/Not Applicable]

(If not applicable and/or a Strike Price is specified for each Reference Item above, delete the remaining sub-paragraphs of this paragraph. If applicable, include whichever provisions apply and delete the remaining alternatives)

– Initial Valuation Date: [●]

– Initial Averaging Dates: As set out in the table below:

<i>t</i>	Initial Dates	Averaging
1	[●]	
...	[●]	
y	[●]	

– Adjustment provisions: In the event of a [Disrupted Day/Market Disruption Event]:

[Omission / Postponement / Modified Postponement] applies

(N.B. Specify for Valuation Dates only. Not relevant for Valuation Period Dates)

– Initial Valuation Period: The Initial Valuation Period is the period from (but excluding) [●] to (and including) [●]

Look-Back: [Applicable/Not Applicable]

[[Highest/Lowest] applies for the purposes of the definition of Reference Item Initial;]

(ii) Final Valuation to determine Reference Item Final; [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph. If applicable, include whichever provisions apply and delete the remaining alternatives)

– Final Valuation Date: [●]

– Final Averaging Dates: As set out in the table below:

<i>t</i>	Final Averaging Dates
----------	------------------------------

1	[●]
---	-----

...	[●]
-----	-----

y	[●]
---	-----

- Adjustment provisions: In the event of a [Disrupted Day/Market Disruption Event]:

[Omission / Postponement / Modified Postponement] applies

(N.B. Specify for Valuation Dates only. Not relevant for Valuation Period Dates)

- Final Valuation Period: The Final Valuation Period is the period from (but excluding) [●] to (and including) [●]

Look-Back: [Applicable/Not Applicable]

[[Highest/Lowest] applies for the purposes of the definition of Reference Item Final;]

(iii) FX valuation: [Applicable/Not Applicable]

- (A) Initial valuation to determine Reference Item Initial_i in respect of the Subject Currency: [Applicable/Not Applicable]

(If not applicable and/or a Strike Price is specified for the Subject Currency above, delete the remaining sub-paragraphs of this paragraph. If applicable, include whichever provisions apply and delete the remaining alternatives)

- Initial Valuation Date: [●]

- Initial Averaging Dates: As set out in the table below:

<i>t</i>	Initial Dates	Averaging
----------	----------------------	------------------

1	[●]	
---	-----	--

...	[●]	
-----	-----	--

y [●]

- Adjustment provisions: In the event of a [Disrupted Day/Market Disruption Event]:
[Omission / Postponement / Modified Postponement] applies

(N.B. Specify for Valuation Dates only. Not relevant for Valuation Period Dates)

- Initial Valuation Period: The Initial Valuation Period is the period from (but excluding) [●] to (and including) [●]
Look-Back: [Applicable/Not Applicable]
[[Highest/Lowest] applies for the purposes of the definition of Reference Item Initial;]

- (B) Final Valuation to determine Reference Item Final_i in respect of the Subject Currency: [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph. If applicable, include whichever provisions apply and delete the remaining alternatives)

- Final Valuation Date: [●]

- Final Averaging Dates: As set out in the table below:

<i>t</i>	Final Dates	Averaging
1	[●]	
...	[●]	
y	[●]	

- Adjustment provisions: In the event of a [Disrupted Day/Market Disruption Event]:
[Omission / Postponement / Modified Postponement] applies

(N.B. Specify for Valuation Dates only. Not relevant for Valuation Period Dates)

- Final Valuation Period: The Final Valuation Period is the period from (but excluding) [●] to (and including) [●]
 Look-Back: [Applicable/Not Applicable]
 [[Highest/Lowest] applies for the purposes of the definition of Reference Item Final_i]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

32. Form of Notes: [Bearer Notes]
 [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [●] days' notice/at any time/in the limited circumstances described in the Permanent Global Note]
 [Temporary Global Note exchangeable for Definitive Notes]
 [Permanent Global Note exchangeable for Definitive Notes on [●] days' notice/at any time/in the limited circumstances described in the Permanent Global Note]
(N.B. In the case of Bearer Notes, the exchange upon notice/at any time options as specified above and in the Conditions should not be expressed to be applicable if the Specified Denomination of the Notes in item 6 includes language substantially to the following effect: "[EUR 100,000 and integral multiples of EUR 1,000 in excess thereof and up to and including EUR 199,000]")
 [VP Systems Notes issued in uncertificated and dematerialised book entry form. See further item 11 of Part B below]
33. New Global Note form: [Applicable/Not Applicable]
34. Applicable Business Centre(s): [Not Applicable/*insert Applicable Business Centres*]
35. Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
36. Applicable Financial Centre(s) or other special provisions relating to Payment Business Days: [Not Applicable/*Insert Applicable Financial Centre*]
(See definition of Payment Business Day in the Conditions. Note that this item relates to the date and place of payment, and not to Interest Payment Dates/Maturity Date)
37. Notices for VP Systems Notes to be published on: [●] / [www.danskebank.com] / [As specified in General Condition 15.2 (*Notices - VP Systems Notes*)]

38. Talons for future Coupons to be attached to Definitive Notes: [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]

39. Name and address of the Calculation Agent: [●]

[*Relevant third party information*] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of the Issuer:

By:

Duly authorised

By:

Duly authorised

CC: Citibank, N.A., London Branch as Fiscal Agent

PART B - OTHER INFORMATION¹

1. Listing and Admission to Trading

- (i) Listing: [The Official List of the Irish Stock Exchange] / [The NASDAQ OMX Copenhagen A/S] / [The NASDAQ OMX Stockholm AB] / [The NASDAQ OMX Helsinki Oy] / [the NGM Stock Exchange] / [Not Applicable]
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [the regulated market of the Irish Stock Exchange] / [the NASDAQ OMX Copenhagen A/S] / [the NASDAQ OMX Stockholm AB] / [the NASDAQ OMX Helsinki Oy] / [the NGM Stock Exchange] with effect from [●]/Not Applicable]

(Where documenting a fungible issue need to indicate that original securities are already admitted to trading)

- (iii) Estimate of total expenses related to admission to trading*: [[●]/Not Applicable]

- (iv) Market Making: *[Insert the name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms and their commitment]*

2. [Interests of Natural and Legal Persons involved in the [Issue/Offer]

[Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

[Save as discussed in the “Subscription and Sale” section of the Base Prospectus, /Not Applicable:] so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer]

3. Reasons for the Offer, Estimated Net Proceeds and Total Expenses

- [(i) Reasons for the offer: [●]

*(See “Use of Proceeds” wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here)**]*

- [(ii) Estimated net proceeds: [●]

(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and

*sources of other funding)***

[(iii)] Estimated total expenses: [●]

*(Include breakdown of expenses)***

(It is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above)

4. **[Fixed Rate Notes only – Yield**

Indication of yield: [●]

[Calculated as *[include details of method of calculation in summary form]* on the Issue Date]**

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield]

5. **[[Floating Rate Notes only – Historic Interest Rates]****

Details of historic [LIBOR/EURIBOR/NIBOR/STIBOR/CIBOR/BBSW/OMX Swap Rate] rates can be obtained from [Reuters]]]

6. **[[Information relating to Reference Entity/Entities, explanation of effect on value of investment and associated risks and other information concerning the Reference Entity/Entities: (Credit-Linked Notes only)**

[Need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident]

[Need to include the name of [the/each] reference entity and need to include details of where the information about each reference entity can be obtained: [Information relating to [the/each] Reference Entity is available from internationally recognised published or electronically displayed sources such as Bloomberg and any web-site of [the/each] Reference Entity/[●]]]

The Issuer [intends to provide post-issuance information *[specify what information will be reported and where it can be obtained]*] [does not intend to provide post-issuance information]]]

7. **[[Performance of Inflation Index, explanation of effect on value of investment and associated risks and other information concerning the Inflation Index: (Inflation-Linked Notes only)**

[Need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident]

[Need to include details of where past and future performance and volatility of the Inflation Index can be obtained] [Need to include the name of the Inflation Index need to include details of where the information about the Inflation Index can be obtained]

[Include any disclaimer wording required by the Index Sponsor]

The Issuer [intends to provide post-issuance information *[specify what information will be reported and where it can be obtained]*] [does not intend to provide post-issuance information]]]

8. **[[Performance of [Index/Basket of Indices], explanation of effect on value of investment and associated risks and other information concerning the [Index/Basket of Indices]: (Index-Linked Notes only)**

[Need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident]

[Need to include details of where past and future performance and volatility of [the/each] index can be obtained] [Need to include the name of [the/each] index need to include details of where the information about [the/each] index can be obtained]

[Include any disclaimer wording required by the Index Sponsor(s)]

The Issuer [intends to provide post-issuance information *[specify what information will be reported and where it can be obtained]*] [does not intend to provide post-issuance information]]

9. **[[Performance of [Underlying Equity/Basket of Underlying Equities], explanation of effect on value of investment and associated risks and other information concerning the [Underlying Equity/Basket of Underlying Equities]: (Equity-Linked Notes only)**

[Need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident]

[Need to include details of where past and future performance and volatility of [the/each] underlying equity can be obtained] [Need to include the name of [the/each] issuer of [the/each] underlying equity and the ISIN or other identification code]

The Issuer [intends to provide post-issuance information *[specify what information will be reported and where it can be obtained]*] [does not intend to provide post-issuance information]]

10. **[[Performance of [[rate[s] of exchange/formula/currencies], explanation of effect on value of investment and associated risks and other information concerning the of [[rate[s] of exchange/formula/currencies]: (Only for Currency-Linked Notes or where “FX Conversion” is specified as applicable)**

[Need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident]

[Need to include details of where past and future performance and volatility of the [relevant rates/formula/currencies] can be obtained]

The Issuer [intends to provide post-issuance information *[specify what information will be reported and where it can be obtained]*] [does not intend to provide post-issuance information]]

11. **Operational Information:**

ISIN Code:

Common Code:

New Global Note intended to be held in a manner which would allow Eurosystem eligibility: [Not Applicable] *(Specify “Not Applicable” if the Notes are being issued in CGN form)*

[Yes. Note that the designation “Yes” simply means that the Notes are intended upon issue to be deposited with one of Euroclear Bank SA/NV or Clearstream, Banking, société anonyme as common safe-keeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria] *(If “Yes” selected, Bearer Notes must be issued in NGN form)*

[No. Whilst the designation is specified as “no” at the date of this Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of Euroclear Bank SA/NV or Clearstream Banking, société anonyme as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met]

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking société anonyme and the relevant identification number(s):

[Not Applicable/*give name(s) and number(s)*]/VP, VP identification number: [●]/VPS, VPS identification number: [●]/Euroclear Finland, Euroclear Finland identification number: [●]/Euroclear Sweden, Euroclear Sweden identification number: [●]]

The Issuer shall be entitled to obtain certain information from the register maintained by [the VP/the VPS/Euroclear Finland/ Euroclear Sweden] for the purpose of performing its obligations under the issue of VP Systems Notes] *(delete as applicable)*

Delivery:

Delivery [against/free of] payment

Names and addresses of additional Paying Agent(s) (if any):

[Not Applicable/[●]]

12. Distribution

(i) Name [and address]** of Dealer:

[Not Applicable/*give name [and address]***]

(ii) Total commission and concession**:

[●] per cent. of the Aggregate Principal Amount**

(iii) TEFRA Rules:

TEFRA [C/D/not applicable]

(iv) Non-exempt Offer:

[Not Applicable] [An offer of the Notes may be made by

[the [Dealer/Managers]] [and] [*specify names of other known financial intermediaries/placers making non-exempt offers (specific consent)*] (the “**Initial Authorised Offerors**”) [and any additional financial intermediaries who have or obtain the Issuer’s consent to use the Base Prospectus in connection with the Non-exempt Offer and who are identified on the Issuer’s website at www.danskebank.com as an Authorised Offeror] (together, being persons to whom the Issuer has given consent, the “**Authorised Offerors**”) other than pursuant to Article 3(2) of the Prospectus Directive in [Denmark/Finland/Ireland/Luxembourg/Sweden] (the “**Public Offer Jurisdiction[s]**”) during the period from [*specify date*] until [*specify date or formula such as “the Issue Date” or “the date which falls [●] business days thereafter”*] (the “**Offer Period**”). See further paragraph 13 below

(v) Other conditions to consent: [Not Applicable] (*Add here any other conditions to which the consent given is subject*)

(N.B. Consider any local regulatory requirements necessary to be fulfilled so as to be able to make a non-exempt offer in relevant jurisdictions. No such offer should be made in any relevant jurisdiction until those requirements have been met. Non-exempt offers may only be made into jurisdictions in which the Base Prospectus (and any supplement) has been notified/passported)

13. **[Terms and Conditions of the Offer:**

Offer Price: [Issue Price/Not Applicable/*specify*]

[Conditions to which the offer is subject:] [Not Applicable/*give details*]

[Description of the application process]: [Not Applicable/*give details*]

[Details of the minimum and/or maximum amount of application]: [Not Applicable/*give details*]

[Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants]: [Not Applicable/*give details*]

[Details of the method and time limits for paying up and delivering the Notes:]: [Not Applicable/*give details*]

[Manner in and date on which results of the offer are to be made public:]: [Not Applicable/*give details*]

[Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:]: [Not Applicable/*give details*]

[Whether tranche(s) have been reserved for certain countries:] [Not Applicable/*give details*]

[Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:] [Not Applicable/*give details*]

[Amount of any expenses and taxes specifically charged to the subscriber or purchaser:] [Not Applicable/*give details*]

[Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.] [None/*give details*]

- 1 Complete each section only if applicable. Otherwise delete and re-number sections accordingly.
- * Delete if the minimum denomination is less than EUR 100,000 (or its equivalent).
- ** Delete if the minimum denomination is greater than or equal to EUR 100,000 (or its equivalent).

ANNEX

SUMMARY OF THE NOTES**

[issue specific summary to be inserted]

SECTION F.4 - EXEMPT NOTES PRO FORMA PRICING SUPPLEMENT

Pro Forma Pricing Supplement for an issue of Exempt Notes by Danske Bank A/S under the EUR 5,000,000,000 Structured Note Programme.

PRICING SUPPLEMENT

DATED [●]

Series No. [●]

Tranche No. [●]

DANSKE BANK A/S

EUR 5,000,000,000

Structured Note Programme

Issue of

[Aggregate Principal Amount of Tranche] [Title of Notes]

No prospectus is required in accordance with the Prospectus Directive (as defined below) in relation to Notes which are the subject of this Pricing Supplement.

The Listing Particulars referred to below (as completed by this Pricing Supplement) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (as defined below) (each, a “**Relevant Member State**”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes 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 Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, 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 Notes in any other circumstances.

The expression “**Prospectus Directive**” means Directive 2003/71/EC as amended (which includes the amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in a relevant Member State of the European Economic Area).

PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Listing Particulars dated [●] [and the Supplement No. [●] dated [●]] ([together,] the “**Listing Particulars**”). This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with such Listing Particulars. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Listing Particulars. The Listing Particulars are available for viewing at and copies may be obtained from the Central Bank of Ireland’s website at www.centralbank.ie.

[The following alternative language applies if the first Tranche of an issue of Notes which is being increased was issued under Listing Particulars/a Base Prospectus with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the [Listing Particulars/Base Prospectus] dated [*original date*] which are incorporated by reference in the Listing Particulars dated [*current date*][, as supplemented by Supplement No. [●] dated [●]] ([together,] the

“**Listing Particulars**”). This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with the Listing Particulars. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Listing Particulars, including the Conditions which are incorporated by reference in the Listing Particulars. The Listing Particulars are available for viewing at and copies may be obtained from the Central Bank of Ireland’s website at www.centralbank.ie.]

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote guidance for completing the Pricing Supplement.]

1. Issuer: Danske Bank A/S
 2. (i) Series Number: [●]
 - (ii) Tranche Number: [●]
 - (iii) Date on which the Notes will be consolidated and form a single Series: [Not Applicable]/[The Notes will be consolidated and form a single Series with *[identify earlier Tranche(s)]* on the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in item 33 (*Form of Notes:*) below, which is expected to occur on or about *[date]*]
 3. Specified Currency or Currencies: [●]
 4. Aggregate Principal Amount:
 - (i) [Series: [●]]
 - (ii) [Tranche: [●]]
 5. Issue Price: [●] per cent. of the Aggregate Principal Amount [plus accrued interest from *[insert date]* (if applicable)]
 6. (i) Specified Denominations: [●]
 - (ii) Calculation Amount: [●]
- (If only one Specified Denomination, insert the Specified Denomination*
- If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations)*
7. (i) Issue Date: [●]
 - (ii) Interest Commencement Date: [Issue Date/[●]/Not Applicable]
 - (iii) Trade Date: [●]
 8. Maturity Date: [specify date][, subject to adjustment in accordance with the Business Day Convention specified in item 34 above]

(N.B. include adjustment wording for Floating Rate Notes)

9. Interest Basis: [[●] per cent. Fixed Rate]
[[[Non-Structured/Capped/Floored/Collared] Floating Rate Notes / Range Accrual Notes / Binary Floating Rate Notes / Steepener Notes / Reverse Floating Rate Notes / Snowball Notes] determined by reference to [[●] [month/year] [Currency] [LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / BBSW/OMX Swap Rate] / [●] / the Swap Rate]
[Inflation-Linked Interest]
[Zero Coupon]
[Specify other]
(further particulars specified at item[s] [21] [22] [and [23(i) / 23(ii) / 23(iii) / 23(iv) / 23(v) / 23(vi) / 23(vii) / 23(viii) / 23(ix)]] [24] [25] [and 26] below)
[Not Applicable – the Notes do not bear or pay any interest]
10. Redemption/Payment Basis: [Redemption at [par/[●] per cent.]]
[Inflation-Linked Redemption]
[Index-Linked Redemption]
[Equity-Linked Redemption]
[and Credit-Linked Redemption]
[Specify other]
(further particulars specified at item[s] [29] [and [31(ii) / 31(iii)]] below)
11. Change of Interest Redemption/Payment Basis: or [Not Applicable/or specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]
12. Put/Call Options: [Call Option/
Put Option/Not Applicable]

(further particulars specified in item [26/27] below)
13. Tax Gross-Up: [General Condition 8.1 (*Gross-up*) applicable]/[General Condition 8.3 (*No gross-up*) applicable]

(N.B. Only one of General Condition 8.1 and 8.3 should be specified as applicable. If General Condition 8.1 is specified as applicable, General Condition 6.3 will be applicable and General Condition 8.3 will not be applicable)
14. Date of Board approval for issuance of Notes obtained: [Not Applicable/give details]

(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes):

PROVISIONS RELATING TO REFERENCE ITEMS

15. **Inflation Linked Provisions** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) The identity of the relevant Inflation Index: [Insert name of Inflation Index]
- (ii) Payment Dates: [Specify/The provisions of Reference Item Condition 3.3 apply]
- (iii) Relevant Determination Date: [Specify/The provisions of Reference Item Condition 3.3 apply]
- (iv) Related Bond: [Applicable: [Specify/Fallback Bond]] / [Not Applicable]
- [Issuer of Related Bond: [●]]
- (v) Fallback Bond: [Applicable: [Specify/The provisions of Reference Item Condition 2.3 apply]
- End Date: [●]]
- [Not Applicable]
- (vi) Period of Cessation of Publication: [[●] months] / [The provisions of Reference Item Condition 2.2(ii) apply]
- (vii) Revised Index Level: [No Revision/Revision] shall apply
- (viii) Revision Cut-off Date: [[●] Business Days prior to [the/each] Payment Date] / [The provisions of Reference Item Condition 2.3 apply]
- (ix) Manifest Error Cut-off Date: [[●] Business Days prior to [the/each] Payment Date] / [The provisions of Reference Item Condition 2.3 apply]
16. **Index-Linked Provisions** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Whether the Notes relate to a basket of indices or a single index, the identity of the relevant Index/Indices, whether any such Index is a Designated Multi-Exchange Index and (if applicable) the relevant weightings: [Basket of Indices/Single Index]
- [[Insert name of Index]/The [Index is/Indices are] as specified in the Table below]
- [[The Index is a Designated Multi-Exchange Index]/[[The/Each] Index is a Multi-Exchange Index if so specified in the Table below]
- (N.B. Designated Multi-Exchange Index only applies in relation to the EURO STOXX Index unless otherwise specifically agreed)*

[W_i, the weighting, for each Index is as specified in the Table below]

- (ii) Strike Price: [[●]/As specified in the Table below/Not Applicable]
- (iii) Exchange(s): [[●]/Principal Exchanges/As specified in the Table below]
- (iv) Related Exchange(s): [[●]/As specified in the Table below/All Exchanges]
- (v) Valuation Time: [Reference Item Condition 3.4 (*Definitions*) applies/As specified in the Table below/Scheduled Closing Time/*specify other*]
- (vi) Correction of Index Levels: Correction of Index Levels [applies/does not apply and any relevant amounts shall be calculated without regard to any subsequently published correction]

(If Correction of Index Levels does not apply, delete the following sub paragraph)

[Correction Cut-Off Date: [In relation to a Relevant Determination Date, [●] Business Days after such Relevant Determination Date]]

TABLE

<i>i</i>	Index	Designated Multi-Exchange Index	Exchange	Related Exchange	[Valuation Time	[Strike Price	[W _i
1	[●]	[Yes/No]	[[●]/Principal Exchanges]	[[●]/All Exchanges]	[[●]/Scheduled Closing Time]	[●]	[●]
...	[●]	[Yes/No]	[[●]/Principal Exchanges]	[[●]/All Exchanges]	[[●]/Scheduled Closing Time]	[●]	[●]
<i>n</i>	[●]	[Yes/No]	[[●]/Principal Exchanges]	[[●]/All Exchanges]	[[●]/Scheduled Closing Time]	[●]	[●]

17. **Equity-Linked Provisions** [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Whether the Notes relate to a basket of equity securities or a single equity security, details relating to the Underling Equity /Equities, the identity of the relevant issuer(s) of the Underlying Equity/Equities, whether any such Underlying Equity is an ETF share and (if [Basket of Underlying Equities/Single Underlying Equity] [[*Insert type of Underlying Equity*]/The Underlying [Equity is/Equities are] as specified in the Table below] [[The/Each] Underlying Equity is an ETF Share [if so specified in the Table below]] [[*Insert name of Equity Issuer*]/[The Equity Issuer of

- applicable) the relevant [the/each] Underlying Equity is the entity specified in the weightings: Table below]
- [W_i, the weighting, for each Underlying Equity is as specified in the Table below]
- (ii) Strike Price: [[●]/As specified in the Table below/Not Applicable]
 - (iii) Exchange(s): [[●]/As specified in the Table below]
 - (iv) Related Exchange(s): [[●]/As specified in the Table below/All Exchanges]
 - (v) Valuation Time: [Reference Item Condition 4.3 (*Definitions*) applies/As specified in the Table below/Scheduled Closing Time/specify other]
 - (vi) Potential Adjustment Events: [Applicable/Not Applicable] [in respect of each Underlying Equity]
 - (vii) Extraordinary Events: [Applicable/Not Applicable] [in respect of each Underlying Equity]
 - (viii) Correction of Underlying Equity Prices: Correction of Underlying Equity Prices [applies/does not apply and any relevant amounts shall be calculated without regard to any subsequently published correction]
- (If Correction of Underlying Equity Prices does not apply, delete the following sub paragraph)*
- [Correction Cut-Off Date: [In relation to a Relevant Determination Date, [●] Business Days after such Relevant Determination Date]]

TABLE

<i>i</i>	Underlying Equity	ETF Share	Equity Issuer	Exchange	Related Exchange	[Valuation Time	[Strike Price	[W_i
1	[Common Stock/specify other]	[Yes/No]	[●]	[●]	[[●]/All Exchanges]	[●]	[●]	[●]
...	[Common Stock/specify other]	[Yes/No]	[●]	[●]	[[●]/All Exchanges]	[●]	[●]	[●]
<i>n</i>	[Common Stock/specify other]	[Yes/No]	[●]	[●]	[[●]/All Exchanges]	[●]	[●]	[●]

18. **Currency-Linked Provisions** [Applicable/Not Applicable]

[FX Conversion applies as specified in item [31(ii)] [31(iii)] below and the provisions of Reference Item Schedule 5 (*Currency-Linked Notes*) shall apply to the Notes]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Whether the Notes relate to a basket of Subject Currencies or a single Subject Currency, the identity of the relevant Subject Currency/Currencies and (if applicable) the relevant weightings: [Basket of Subject Currencies/Single Subject Currency]
[[Insert details of subject Currency/Currencies]/The Subject [Currency is/Currencies are] as specified in the Table below]
[W_i, the weighting, for each Subject Currency is as specified in the Table below]
- (ii) Strike Price: [[●]/As specified in the Table below/Not Applicable]
- (iii) Base Currency: [[●]/As specified in the Table below]
- (iv) Relevant FX Screen Page: [[●]/As specified in the Table below]
- (v) Valuation Time: [[●]/As specified in the Table below]
- (vi) Currency Business Day Centre(s): [[●]/As specified in the Table below]

TABLE

<i>i</i>	Subject Currency	Base Currency	Relevant FX Screen Page	Valuation Time	Currency Business Day Centre(s)	[Strike Price	[W _i
1	[●]	[●]	[●] [●]	[●] ([●] time)	[●] [●]	[●]	[●]
...	[●]	[●]	[●] [●]	[●] ([●] time)	[●] [●]	[●]	[●]
<i>n</i>	[●]	[●]	[●] [●]	[●] ([●] time)	[●] [●]	[●]	[●]

19. **Additional Disruption Events:** [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Change in Law: [Applicable/Not Applicable]
- (ii) Hedging Disruption: [Applicable/Not Applicable]
- (iii) Increased Cost of Hedging: [Applicable/Not Applicable]
- (iv) Increased Cost of Stock Borrow: [Applicable/Not Applicable]

(If applicable, include the following)

[The Initial Stock Loan Rate in respect of [specify in relation to each Underlying Equity/Component Security] is: [●]]

(N.B. Only applicable in the case of Index-Linked Notes and Equity-Linked Notes)

(v) Insolvency Filing: [Applicable/Not Applicable]

(N.B. Only applicable in the case of Equity-Linked Notes)

(vi) Loss of Stock Borrow: [Applicable/Not Applicable]

(If applicable, include the following)

[The Maximum Stock Loan Rate in respect of *[specify in relation to each Underlying Equity/Component Security]* is: [●]]

(N.B. Only applicable in the case of Index-Linked Notes and Equity-Linked Notes)

20. **Credit-Linked Provisions:** [Applicable – the Notes are Credit-Linked Notes/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Settlement Method: [Auction Settlement/Cash Settlement]

(ii) First-to-Default Credit-Linked Securities: [Applicable/Not Applicable]

(iii) Portfolio Credit-Linked Notes: [Applicable/Not Applicable]

(iv) Maturity Credit Event Redemption: [Applicable/Not Applicable]

(Specify Applicable for Credit-Linked Notes which are also Zero Coupon Notes, Inflation-Linked Notes, Index-Linked Notes, Equity-Linked Notes or Currency-Linked Notes)

(v) Reference Entity(ies): [Each/The] entity specified as a Reference Entity in the table below *(In the case of Portfolio Credit-Linked Notes, also insert all Reference Entity Notional Amounts. In the case of First-to-Default Credit-Linked Notes or Credit-Linked Notes, the remainder of this item 19 should be completed, where appropriate, setting out relevant options in relation to each Reference Entity. In this case insert the text: “in relation to [name of Reference Entity(ies)]” following each relevant election or alternatively set out in a table form which may be annexed to the Pricing Supplement. In this case state “See Annex” for each relevant item below)*

- (vi) Reference Obligation(s): [See Annex]
- [The obligation[s] identified as follows: []]
- Primary Obligor: []
- Maturity: []
- Coupon: []
- CUSIP/ISIN: []]
- [Quotation Amount: []]
- (vii) All Guarantees: [Applicable/Not Applicable] [See Annex]
- Provisions relating to Qualifying Guarantee and Underlying Obligation: Reference Item Condition 1.15: [Applicable/Not Applicable] [See Annex]
- (viii) Credit Events: [See Annex] [Bankruptcy]
- [Failure to Pay]
- [Grace Period Extension [Applicable/Not Applicable]
- [If Applicable:
- Grace Period: [●] [calendar days] [Grace Period Business Days]
- [Obligation Default]
- [Obligation Acceleration]
- [Repudiation/Moratorium]
- [Restructuring]
- Provisions relating to Restructuring Credit Event: Reference Item Condition 1.12 [Applicable/Not Applicable]
- Provisions relating to Multiple Holder Obligation: Reference Item Condition 1.13 [Applicable/Not Applicable]
- [Restructuring Maturity Limitation and Fully Transferable Obligation [Applicable/Not Applicable]]
- [Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation [Applicable/Not Applicable]]

- (ix) Default Requirement: *[insert amount in relevant currency]* [Reference Item Condition 1.2 applies]
- (x) Payment Requirement: *[insert amount in relevant currency]* [Reference Item Condition 1.2 applies]
- (xi) Scheduled Termination Notice Date: (Note: This date is the scheduled termination date for credit protection)
- (xii) Conditions to Settlement: Notice of Publicly Available Information [Applicable/Not Applicable]
- [If Applicable:
- Public Source(s): *[insert name(s)]*
- Specified Number: *[Insert number]*
- (xiii) Credit Event Backstop Date: [Reference Item Condition 1.2 applies] (Note: if inserting a date consider carefully how this affects Reference Item Condition I)
- (xiv) Obligation(s): [See Annex]
- Obligation Category: (select one only) [Payment]
- [Borrowed Money]
- [Reference Obligations Only]
- [Bond]
- [Loan]
- [Bond or Loan]
- Obligation Characteristics: [Not Subordinated]
- (select all of which apply)
- [Specified Currency: *[specify currency]* [Standard Specified Currencies]]
- [Not Sovereign Lender]
- [Not Domestic Currency:]
- [Domestic Currency means: *[specify currency]*]
- [Not Domestic Law]
- [Listed]
- [Not Domestic Issuance]

- (xv) Additional Obligation(s) *[insert name(s)]* / [Not Applicable]
- (xvi) Excluded Obligation(s): *[insert name(s)]* / [Not Applicable]
- (xvii) Merger Event: Reference Item Condition 1.11 [Applicable/Not Applicable]
- (xviii) Unwind Costs: [Standard Unwind Costs/*insert other amount*/Not Applicable]
- (xix) Provisions relating to Monoline Insurer as Reference Entity: Reference Item Condition 1.14 [Applicable/Not Applicable]
- (xx) Provisions relating to LPN Reference Entities: Reference Item Condition 1.16 [Applicable/Not Applicable]
- (xxi) Credit Event Redemption Period: [●] Business Days
- (xxii) Additional Interest Amount: [Applicable/Not Applicable]
- (xxiii) Fixed Recovery Percentage: [[●] per cent./Not Applicable]
- (xxiv) Valuation Date: [●]

[Single Valuation Date: The Valuation Date in respect of a Reference Entity will be such date following satisfaction of all Conditions to Settlement as the Calculation Agent will select in its sole and absolute discretion as appropriate for determination of the Final Price which it may select by reference to (without limitation) (i) one or more market procedures or methodologies for determination of prices for the Reference Entity's obligations in connection with credit derivatives transactions which may include (but are not limited to) any Settlement Mechanism and/or (ii) the Issuer's hedging arrangements.

[●] Business Days]

[Multiple Valuation Dates:

[●] Business Days and each of the [●] Business Days thereafter

Number of Valuation Dates: [●]]

[Not Applicable]

- (xxv) Valuation Time: [[●] [a.m./p.m.] [●] time] / [Not Applicable]
- (xxvi) Quotation Method: [Bid/Offer/Mid-market] / [Not Applicable]

- (xxvii) Quotation Amount: [insert currency and amount] / [Representative Amount] / [Not Applicable]
- (xxviii) Minimum Quotation Amount: [insert currency and amount] / [Not Applicable]
- (xxix) Quotation Dealers: [Specify] / [Not Applicable]
- (xxx) Quotations: [Include Accrued Interest/Exclude Accrued Interest]
- (xxxi) Valuation Method: [Market/Highest]
[Average Market/Highest/Average Highest]
[Not Applicable]
[If no quotations are available which would produce a Final Price greater than zero in accordance with the definition of Quotation then the Calculation Agent will determine the fair market value (which may be zero) by reference to such source(s) as it determines appropriate in its sole and absolute discretion]
- (xxxii) Business Day Convention: [Following/Modified Following/Preceding]
- (xxxiii) Succession Event Backstop Date subject to adjustment in accordance with Business Day Convention: [Yes/No]
- (xxxiv) Limitation Dates subject to adjustment in accordance with Business Day Convention: [Yes/No]
- (xxxv) Valuation Obligations: [See Annex]
- Valuation Obligation Category: (*select one only*) [Payment]
[Borrowed Money]
[Reference Obligations Only]
[Bond]
[Loan]
[Bond or Loan]
 - Valuation Obligation Characteristics: (*select all which apply*) [Not Subordinated]
[Standard Specified Currencies]
[Not Sovereign Lender]
[Not Domestic Currency]

[Domestic Currency means: *[specify currency]*]

[Not Domestic Law]

[Listed]

[Not Contingent]

[Not Domestic Issuance]

[Assignable Loan]

[Consent Required Loan]

[Direct Loan Participation]

[Qualifying Participation Seller: *[insert details]*]

[Transferable]

[Maximum Maturity: [●]]

[Accelerated or Matured]

[Not Bearer]

(xxxvi) Additional Valuation *[Specify]*
Obligation(s):

(xxxvii) Excluded Valuation *[Specify]*
Obligation(s):

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

21. **Fixed Rate Note Provisions** [Applicable [in respect of the Interest Period[s] falling during the period from ([and including/but excluding]) [●] to ([and including/but excluding]) [●]]/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
- (ii) Interest Period Date(s): [●] in each year *(Amend appropriately in the case of irregular coupons)*
- (iii) Interest Payment Date(s): [Each Interest Period Date] / [[●] in each year *(Amend appropriately in the case of irregular coupons)*]
- (iv) Interest Amount[(s)]: Fixed Coupon [●] per Calculation Amount
Amount[(s)]:

Broken Amount(s): [Not Applicable/[●] per Calculation Amount payable on [●]]

(Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)])

[specify other]

(v) Day Count Fraction: [30/360 / Actual/Actual ([ICMA]/[ISDA]) / *specify other*]

(vi) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/*give details*]

22. Floating Rate Note Provisions

[Applicable]. Interest will accrue on the basis specified below for the Interest Period[s] specified below [in respect of the Interest Period[s] falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]]/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Type of Floating Rate Notes: The Notes are: [[Non Structured / Capped / Floored / Collared] Floating Rate Notes / Range Accrual Notes / Binary Floating Rate Notes / Steepener Notes / Reverse Floating Rate Notes / Snowball Notes]

(ii) Specified Period: [Not Applicable/[●]]

(Specified Period and Interest Payment Dates are alternatives. A Specified Period, rather than Interest Payment Dates, will only be relevant if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention. Otherwise, insert "Not Applicable")

(iii) Interest Period Dates: [Not Applicable] / [[●]], subject to adjustment in accordance with the Business Day Convention specified in item 36 below][No Adjustment]

(Specified Period and Interest Period Dates are alternatives. If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert "Not Applicable")

(iv) Interest Payment Dates: [Each Interest Period Date] / [[●]], subject to adjustment in accordance with the Business Day Convention specified in item 36 below][No Adjustment]

(v) Manner in which the Underlying Rate(s) is/are to be [Screen Rate Determination/ISDA Determination] [CMS Determination and the relevant Underlying Swap Rates]

- determined: will be determined in accordance with [Screen Rate/ISDA Determination] [*specify other*]
- (vi) Screen Rate Determination: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- Reference Rate: [●]
 - Interest Determination Date(s): [●] / [As defined in Interest Payout Condition 2.3(v) (*Range Accrual Notes*)]
 - Relevant Screen Page: [●]
 - Relevant Time: [●] in the Relevant Financial Centre
 - Relevant Financial Centre: [●]
 - Reference Banks: [●]
- (vii) ISDA Determination: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- Floating Rate Option: [●]
 - Designated Maturity: [●] / [As specified in item 22(viii) below]
 - Reset Date: [●] / [First day of the relevant Interest Period] / [The relevant Observation Date]
- (viii) CMS Determination: [Applicable/Not Applicable]
- (If applicable, also complete the relevant provisions of item 22(vii) above. If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- Designated Maturity of Swap Rate 1: [●]
 - Designated Maturity of Swap Rate 2: [●]
- (ix) Day Count Fraction: [Actual/365 / Actual/Actual / Actual/Actual (ISDA)]
 [Actual/365 (Fixed)]
 [Actual/360]
 [30/360]
 [30E/360 / Eurobond basis]
 [30E/360 (ISDA)]
(See Interest Payout Condition 6 (General Definitions relating to Interest) for alternatives)

- (x) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: *[Specify]*

23. **Provisions for specific types of Floating Rate Notes** *[Applicable]. Interest will accrue on the basis specified below for the Interest Period[s] specified below/Not Applicable]*

(if not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Non-Structured Floating Rate Note Provisions: *[Applicable [in respect of the Interest Period[s] falling during the period from (([and including/but excluding]) [●] to (([and including/but excluding])) [●])/Not Applicable]*

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (A) Leverage: *[[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]*

- (B) Margin: *[[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]*

[TABLE

Interest Period ending on or about:	[Leverage	[Margin
<i>[●]</i>	<i>[●]%</i>	<i>[●]%</i>
<i>[●]</i>	<i>[●]%</i>	<i>[●]%</i>

(Specify for each Interest Period)

- (ii) Capped Floating Rate Note Provisions: *[Applicable [in respect of the Interest Period[s] falling during the period from (([and including/but excluding]) [●] to (([and including/but excluding])) [●])/Not Applicable]*

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (A) Cap: *[[●] per cent.] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]*

- (B) Leverage: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (C) Margin: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

[TABLE]

Interest ending about:	Period on or	Cap	[Leverage	[Margin
[●]		[●]%	[●]%	[●]%
[●]		[●]%]	[●]%]	[●]%]

(Specify for each Interest Period)

- (iii) Floored Floating Rate Note Provisions: [Applicable [in respect of the Interest Period[s] falling during the period from (([and including/but excluding]) [●] to (([and including/but excluding])) [●])/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (A) Floor: [[●] per cent.] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (B) Leverage: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (C) Margin: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

[TABLE]

Interest ending about:	Period on or	Floor	[Leverage	[Margin
[●]		[●]%	[●]%	[●]%
[●]		[●]%	[●]%]	[●]%]

(Specify for each Interest Period)

- (iv) Collared Floating Rate Note Provisions: [Applicable [in respect of the Interest Period[s] falling during the period from (([and including/but excluding]) [●] to (([and including/but excluding])) [●])/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (A) Cap: [[●] per cent.] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (B) Floor: [[●] per cent.] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (C) Leverage: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (D) Margin: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

[TABLE

Interest ending about:	Period on or	[Cap	[Floor	[Levera ge	[Margin
[●]		[●]%	[●]%	[●]%	[●]%
[●]		[●]%	[●]%	[●]%	[●]%

(Specify for each Interest Period)

- (v) Range Provisions: Accrual Note [Applicable [in respect of the Interest Period[s] falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]]/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (A) Specified Rate 1: [[●] per cent. per annum] / [In respect of an Interest Period, the rate specified for such Interest Period in the Table below]
- (B) Specified Rate 2: [[●] per cent. per annum] / [Zero] / [In respect of an Interest Period, the rate specified for such Interest Period in the Table below]
- (C) Upper Barrier(s): [[●] per cent.] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (D) Lower Barrier(s): [[●] per cent.] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

[TABLE

Interest Period ending on or about:	[Specified Rate 1	[Specified Rate 2	[Lower Barrier	[Upper Barrier
[●]	[●]%	[●]%	[●]%	[●]%
[●]	[●]%	[●]%	[●]%	[●]%

(Specify for each Interest Period)

- (E) Observation Date: Each [calendar day/Business Day/[●]] during the Interest Accrual Period
- (F) Range Accrual Cut-off Date: [Not Applicable] / [In respect of an Interest Period, [●]Business Days immediately preceding the Interest Period Date falling at the end of such Interest Period] / [●]
- (vi) Binary Floating Rate Note Provisions: [Applicable [in respect of the Interest Period[s] falling during the period from ((and including/but excluding)) [●] to (([and including/but excluding])) [●]]/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (A) Binary Rate 1: [[●] per cent. per annum] / [In respect of an Interest Period, the rate specified for such Interest Period in the Table below]
- (B) Binary Rate 2: [[●] per cent. per annum] / [In respect of an Interest Period, the rate specified for such Interest Period in the Table below]
- (C) Lower Barrier: [[●] per cent.] / [In respect of an Interest Period, the rate specified for such Interest Period in the Table below]
- (D) Upper Barrier: [[●] per cent.] / [In respect of an Interest Period, the rate specified for such Interest Period in the Table below]

[TABLE

Interest Period ending on or about:	[Binary Rate 1	[Binary Rate 2	[Lower Barrier	[Upper Barrier
[●]	[●]%	[●]%	[●]%	[●]%
[●]	[●]%	[●]%	[●]%	[●]%

(Specify for each Interest Period)

- (vii) Steepener Note Provisions: [Applicable [in respect of the Interest Period[s] falling during the period from ((and including/but excluding)) [●]

to (([and including/but excluding])) [●]/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (A) Cap: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (B) Floor: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (C) Leverage: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (D) Strike Rate: [[●] per cent.] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

[TABLE

Interest ending about:	Period on or	[Strike Rate	[Leverage	[Cap	[Floor
[●]		[●]%	[●]%	[●]%	[●]%
[●]		[●]%	[●]%	[●]%	[●]%

(Specify for each Interest Period)

- (viii) Reverse Floating Rate Note Provisions: [Applicable [in respect of the Interest Period[s] falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (A) Cap: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (B) Floor: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (C) Leverage: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]
- (D) Fixed Rate: [[●] per cent.] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

[TABLE

Interest ending about:	Period on or	[Cap	[Floor	[Leverage	[Fixed Rate
[●]		[●]%	[●]%	[●]%	[●]%
[●]		[●]%	[●]%	[●]%	[●]%

(Specify for each Interest Period)

(ix) Snowball Note Provisions: [Applicable [in respect of the Interest Period[s] falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]]/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(A) Cap: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

(B) Floor: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

(C) Leverage: [[●] per cent.] / [Not Applicable] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

(D) Snowball Amount: [[●] per cent.] / [In respect of an Interest Period, the percentage specified for such Interest Period in the Table below]

(A) Rate of Interest_{t=0}: [[●] per cent. [per annum]] / [Zero]

[TABLE

Interest Period ending on or about:	[Snowball Amount _t	[Cap	[Floor	[Leverage
[●]	[●]%	[●]%	[●]%	[●]%
[●]	[●]%	[●]%	[●]%	[●]%

(Specify for each Interest Period)

24. **Reference Item-Linked Interest Provisions in respect of Notes other than Credit-Linked Notes** [Applicable [in respect of the Interest Period[s] falling during the period from ([and including/but excluding]) [●] to (([and including/but excluding])) [●]]. The Notes are Inflation-Linked Interest Notes] / [Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Rate(s) of Interest and/or formula for calculating Interest Amount(s): The provisions of Interest Payout Condition 3.2 (*Rate of Interest in respect of Inflation-Linked Interest Notes*) apply
- (ii) Interest Period Date(s): [Not Applicable] / [[●][, subject to adjustment in accordance with the Business Day Convention specified in item 36 below][No Adjustment]]
- (iii) Interest Payment Dates: [Each Interest Payment Date] / [[●][, subject to adjustment in accordance with the Business Day Convention specified in item 36 below][No Adjustment]]
- (iv) Inflation-Linked Interest Note Provisions:
 - (A) Day Count Fraction: [30/360 / Actual/Actual ([ICMA]/[ISDA])]
 - (B) Specified Rate: [●] per cent. per annum
 - (C) Number of Months:

(t)	(t-a)
[●]	[●]

25. **Zero Coupon Note Provisions** [Applicable /Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Accrual Yield: [●] per cent. per annum
- (ii) Reference Price: [●]
- (iii) Any other formula/basis for determining amount payable for Zero Coupon Notes which are Exempt Notes: [specify]
- (iv) Day Count Fraction in relation to Early Redemption Amounts: [30/360] [Actual/360] [Actual/Actual]

26. **Credit-Linked Interest Provisions** [Applicable /Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Accrual of Interest upon Credit Event: [Applicable /Not Applicable]
- (ii) Portfolio Linked Interest Adjustment: [Applicable /Not Applicable]

(Only applicable in relation to Portfolio Credit-Linked Notes)

PROVISIONS RELATING TO REDEMPTION

27. **Call Option** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s) (Call): [●]
- (ii) Optional Redemption Amount (Call) and method, if any, of calculation of such amount(s): [[●] per Calculation Amount/[●]]
- (iii) Redeemable in part: [The Notes may be redeemed in part/Not Applicable]
- (A) Minimum Redemption Amount: [●]
- (B) Maximum Redemption Amount: [●]
- (iv) Notice period: Minimum Period: [●] days
Maximum Period: [Not Applicable/[●] days]
- (N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Fiscal Agent)*
28. **Put Option** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s) (Put): [●]
- (ii) Optional Redemption Amount (Put) and method, if any, of calculation of such amount(s): [[●] per Calculation Amount/[●]]
- (iii) Notice period: Minimum Period: [●] days
Maximum Period: [Not Applicable/[●] days]
- (N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 business days' notice) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and*

the Fiscal Agent)

29. **Final Redemption Amount** [[Subject as provided in Redemption Payout Condition 2 (*Redemption in respect of Credit-Linked Notes*),] [●] per Calculation Amount/other/see Appendix]
- [[Subject as provided in Redemption Payout Condition 2 (*Redemption in respect of Credit-Linked Notes*), the/The] Final Redemption Amount shall be the Reference Item-Linked Redemption Amount as specified in item 31 below]
30. **Early Redemption**
- (i) Early redemption for tax reasons: [Applicable/Not Applicable]
- (N.B. If general Condition 8.1 (Gross-up) is specified as applicable in item 12 above, specify "Applicable" here. If General Condition 8.3 (No gross-up) is specified as applicable in item 12 above specify "Not Applicable" here)*
- (ii) Notice Period relating to early redemption for tax reasons: Minimum Period: [●] days
- Maximum Period: [Not Applicable/[●] days]
- (N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 business days' notice) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Fiscal Agent)*
- (iii) Additional Events of Default: [Not Applicable/specify]
- (iv) Early Redemption Amount payable (a) on redemption for taxation reasons or (b) on an illegality or (c) on an Event of Default or (d) in the case of Reference Item-Linked Notes, following an early redemption pursuant to the provisions of the relevant Reference Item Schedule: [As set out in the General Conditions/[●] per Calculation Amount]
- (v) Early Redemption Amount includes amount in respect of interest: [Yes: no additional amount in respect of interest to be paid/No: together with the Early Redemption Amount, accrued interest shall also be paid/Not Applicable]
31. **Reference Item-Linked Redemption Provisions** [Applicable. The Notes are [Inflation-Linked Redemption Notes/Index-Linked Redemption Notes/Equity-Linked Redemption Notes/Currency-Linked Redemption

Notes]/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Final Redemption Amount: [Specify/See Appendix]

[The Final Redemption Amount for the purposes of General Condition 6.1 (*Scheduled redemption*) is the Reference Item-Linked Redemption Amount, being the:

[Inflation-Linked Redemption Amount]

[Call Redemption Amount]

[specify other]]

[Include whichever of the following applies and delete the remaining alternatives:]

(ii) Inflation-Linked Redemption Amount: Applicable: Redemption Payout Condition 3 (*Inflation-Linked Redemption Amount*) applies

(A) Participation Rate (PR): [[●]%/Not Applicable]

(B) Performance Floor: [[●]%/Not Applicable]

(C) FX Conversion: [Applicable/Not Applicable]

(D) Number of Months: (f) (f - ω)
[●] [●]

(iii) Call Redemption Amount: Applicable: Redemption Payout Condition 4 (*Call Redemption Amount*) applies

(A) Participation Rate (PR): [[●]%/Not Applicable]

(B) Performance Floor: [[●]%/Not Applicable]

(C) FX Conversion: [Applicable/Not Applicable]

32. Redemption Valuation Provisions

(i) Initial valuation to determine Reference Item Initial: [Applicable/Not Applicable]

(If not applicable and/or a Strike Price is specified for each Reference Item above, delete the remaining sub-paragraphs of this paragraph. If applicable, include whichever provisions apply and delete the remaining alternatives)

– Initial Valuation Date: [●]

– Initial Averaging Dates: As set out in the table below:

Look-Back: [Applicable/Not Applicable]

[[Highest/Lowest] applies for the purposes of the definition of Reference Item Final_i]

(iii) FX valuation: [Applicable/Not Applicable]

(A) Initial valuation to determine Reference Item Initial_i in respect of the Subject Currency: [Applicable/Not Applicable]

(If not applicable and/or a Strike Price is specified for the Subject Currency above, delete the remaining subparagraphs of this paragraph. If applicable, include whichever provisions apply and delete the remaining alternatives)

- Initial Valuation Date: [●]

- Initial Averaging Dates: As set out in the table below:

<i>t</i>	Initial Averaging Dates
1	[●]
...	[●]
y	[●]

- Adjustment provisions: In the event of a [Disrupted Day/Market Disruption Event]:
[Omission / Postponement / Modified Postponement] applies
(N.B. Specify for Valuation Dates only. Not relevant for Valuation Period Dates)

- Initial Valuation Period: The Initial Valuation Period is the period from (but excluding) [●] to (and including) [●]
Look-Back: [Applicable/Not Applicable]

[[Highest/Lowest] applies for the purposes of the definition of Reference Item Initial_i]

(B) Final Valuation to determine Reference [Applicable/Not Applicable]

Item Final_i in respect of
the Subject Currency:

*(If not applicable, delete the remaining sub-paragraphs
of this paragraph. If applicable, include whichever
provisions apply and delete the remaining alternatives)*

- Final Valuation Date: [●]
- Final Averaging Dates: As set out in the table below:

<i>t</i>	Final Averaging Dates
1	[●]
...	[●]
y	[●]

- Adjustment provisions: In the event of a [Disrupted Day/Market Disruption Event]:
[Omission / Postponement / Modified Postponement] applies

(N.B. Specify for Valuation Dates only. Not relevant for Valuation Period Dates)
- Final Valuation Period: The Final Valuation Period is the period from (but excluding) [●] to (and including) [●]

Look-Back: [Applicable/Not Applicable]

[[Highest/Lowest] applies for the purposes of the definition of Reference Item Final_i]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

33. Form of Notes: [Bearer Notes]
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [●] days' notice/at any time/in the limited circumstances described in the Permanent Global Note]
- [Temporary Global Note exchangeable for Definitive Notes]
- [Permanent Global Note exchangeable for Definitive Notes on [●] days' notice/at any time/in the limited circumstances described in the Permanent Global Note]

(N.B. In the case of Bearer Notes, the exchange upon notice/at any time options as specified above and in the Conditions should not be expressed to be applicable if the Specified Denomination of the Notes in item 6 includes language substantially to the following effect: “[EUR 100,000 and integral multiples of EUR 1,000 in excess thereof and up to and including EUR 199,000]”)

[VP Systems Notes issued in uncertificated and dematerialised book entry form. See further item 7 of Part B below.]

34. New Global Note form: [Applicable/Not Applicable]
35. Applicable Business Centre(s): [Not Applicable/*insert Applicable Business Centres*]
36. Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/*specify other*]
37. Applicable Financial Centre(s) or other special provisions relating to Payment Business Days: [Not Applicable/*Give details. See definition of Payment Business Day in the Conditions. Note that this item relates to the date and place of payment, and not to Interest Payment Dates/Maturity Date*]
38. Notices for VP Systems Notes to be published on: [●] / [www.danskebank.com] / [As specified in General Condition 15.2 (*Notices - VP Systems Notes*)]
39. Talons for future Coupons to be attached to Definitive Notes: [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]
40. Name and address of the Calculation Agent: [●]
41. Other final terms: [Not Applicable/*give details*]
- [insert any required amendments to Condition 15 (Notices) in respect of Bearer Notes]*

[*Relevant third party information*] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading

Signed on behalf of the Issuer:

By:

Duly authorised

By:

Duly authorised

CC: Citibank, N.A., London Branch as Fiscal Agent

PART B - OTHER INFORMATION

1. Listing and Admission to Trading

- (i) Listing: [The Official List of the Irish Stock Exchange/*specify other/None*]
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [the global exchange market/*specify other*] with effect from [●]/Not Applicable]

(Only listings on unregulated markets may be specified)

2. [Information concerning Reference Entity/Entities: (Credit-Linked Notes only)]

[Need to include the name of [the/each] reference entity and need to include details of where the information about each reference entity can be obtained: [Information relating to [the/each] Reference Entity is available from internationally recognised published or electronically displayed sources such as Bloomberg and any web-site of [the/each] Reference Entity/[●]]]

3. [Information concerning the Inflation Index: (Inflation-Linked Notes only)]

[Need to include details of where past and future performance and volatility of the Inflation Index can be obtained] [Need to include the name of the Inflation Index and details of where information about the Inflation Index can be obtained]

[Include any disclaimer wording required by the Index Sponsor]

4. [Information concerning the [Index/Basket of Indices]: (Index-Linked Notes only)]

[Need to include details of where past and future performance and volatility of [the/each] index can be obtained] [Need to include the name of [the/each] index need to include details of where the information about [the/each] index can be obtained]

[Include any disclaimer wording required by the Index Sponsor(s)]

5. [Information concerning the [Underlying Equity/Basket of Underlying Equities]: (Equity-Linked Notes only)]

[Need to include details of where past and future performance and volatility of [the/each] underlying equity can be obtained] [Need to include the name of [the/each] issuer of [the/each] underlying equity and the ISIN or other identification code]

6. [Information concerning the of [[rate[s] of exchange/formula/currencies]: (Only for Currency-Linked Notes or where "FX Conversion" is specified as applicable)]

[Need to include details of where past and future performance and volatility of the [relevant rates/formula/currencies] can be obtained]

7. Operational Information

ISIN Code: [●]

Common Code: [●]

New Global Note intended to be held in a manner which would allow Eurosystem eligibility: [Not Applicable] (*Specify “Not Applicable” if the Notes are being issued in CGN form*)

[Yes. Note that the designation “Yes” simply means that the Notes are intended upon issue to be deposited with one of Euroclear Bank SA/NV or Clearstream Banking, société anonyme as common safe-keeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria] (*If “Yes” selected, Bearer Notes must be issued in NGN form*)

[No. Whilst the designation is specified as “no” at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of Euroclear Bank SA/NV or Clearstream Banking, société anonyme as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met]

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking société anonyme and the relevant identification number(s): [Not Applicable/*give name(s) and number(s)*]/VP, VP identification number: [●]/VPS, VPS identification number: [●]/Euroclear Finland, Euroclear Finland identification number: [●]/Euroclear Sweden, Euroclear Sweden identification number: [●]]

The Issuer shall be entitled to obtain certain information from the register maintained by [the VP/the VPS/Euroclear Finland/ Euroclear Sweden] for the purpose of performing its obligations under the issue of VP Systems Notes] (*delete as applicable*)

Settlement Procedures: [Customary medium term note procedures apply/*specify other settlement and payment procedures*]

Delivery: Delivery [against/free of] payment

Names and addresses of additional Paying Agent(s) (if any): [Not Applicable/[●]]

8. **Distribution**

(i) Name [and address] of Dealer: [Not Applicable/*give name [and address]*]

- (ii) [Total commission and per cent. of the Aggregate Principal Amount] concession:
- (iii) TEFRA Rules: TEFRA [C/D/not applicable]
- (iv) Additional Selling Restrictions: [/Not Applicable]

ANNEX

Reference Entity	[Reference Entity Notional Amount]	Reference Obligation	All Guarantees	Provisions relating to Qualifying Guarantee and Underlying Obligation:	Credit Events:	Provisions relating to Restructuring Credit Event:	Multiple Holder Obligation:	[Restructuring Maturity Limitation and Fully Transferable Obligation]	[Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation]
[●]	[●]	The obligations identified as follows: [●] Primary Obligor: [●] Maturity: [●] Coupon: [●] CUSIP/ISIN: [●] [Quotation Amount: [●]]	[Applicable/Not Applicable]	Reference Item Condition 1.15 [Applicable/Not Applicable]	[Bankruptcy] [Failure to Pay] [Grace Period Extension] [Applicable/Not Applicable] [If Applicable: Grace Period: [●] [calendar days] [Grace Period Business Days] [Obligation Default] [Obligation Acceleration] [Repudiation/Moratorium] [Restructuring]	Reference Item Condition 1.12 [Applicable/Not Applicable]	Provisions relating to Reference Item Condition 1.13 [Applicable/Not Applicable]	[Applicable/Not Applicable]	[Applicable/Not Applicable]

Reference Entity	Obligation Category: (select one only)	Obligation Characteristics: (select all of which apply)	Additional Obligation(s)	Excluded Obligation(s):	Valuation Obligation Category: (select one only)	Valuation Obligation Characteristics: (select all which apply)	Additional Valuation Obligation(s):	Excluded Valuation Obligation(s):
[●]	[Payment] [Borrowed Money] [Reference Obligations Only] [Bond] [Loan] [Bond or Loan]	[Not Subordinated] [Specified Currency: [specify currency]] [Standard Specified Currencies] [Not Sovereign Lender] [Not Domestic Currency:] [Domestic Currency means: [specify currency]] [Not Domestic Law] [Listed] [Not Domestic Issuance]	[insert name(s)] / [Not Applicable]	[insert name(s)] / [Not Applicable]	[Payment] [Borrowed Money] [Reference Obligations Only] [Bond] [Loan] [Bond or Loan]	[Not Subordinated] [Standard Specified Currencies] [Not Sovereign Lender] [Not Domestic Currency] [Domestic Currency means: [specify currency]] [Not Domestic Law] [Listed] [Not Contingent] [Not Domestic Issuance] [Assignable Loan] [Consent Required Loan] [Direct Loan Participation] [Qualifying Participation Seller: [insert details]] [Transferable] [Maximum Maturity: [●]] [Accelerated or Matured] [Not Bearer]	[Specify]	[Specify]

(Specify for each Reference Entity)

SECTION G - NAMES, ADDRESSES AND ROLES

REGISTERED OFFICE OF THE ISSUER

Danske Bank A/S
2-12 Holmens Kanal
DK-1092 Copenhagen K
Denmark

DEALER

Danske Bank A/S
2-12 Holmens Kanal
DK-1092 Copenhagen K
Denmark

**AUDITORS OF THE ISSUER IN RESPECT OF HISTORICAL FINANCIAL INFORMATION
INCORPORATED BY REFERENCE IN THIS BASE PROSPECTUS**

KPMG
Statsautoriseret Revisionspartnerselskab
Osvald Helmuths Vej 4
Postboks 250
DK-2000 Fredriksberg
Denmark

FISCAL AGENT

Citibank, N.A., London Branch
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

VP SYSTEMS AGENT
(for VP Systems Notes cleared through the VP, VPS and Euroclear Sweden)

Danske Bank A/S
Corporate Actions
2-12 Holmens Kanal
DK-1092 Copenhagen K
Denmark

VP SYSTEMS AGENT
(for VP Systems Notes cleared through Euroclear Finland)

Danske Bank Oyj
Hiililaiturinkuja 2
Helsinki
FI-00075 SAMPO BANK
Finland

LEGAL ADVISERS

To the Dealer as to English Law

Allen & Overy LLP
One Bishops Square
London E1 6AD
United Kingdom

To the Issuer as to Danish Law

Flemming S. Pristed
General Counsel
Danske Bank A/S
2-12 Holmens Kanal
DK-1092 Copenhagen K
Denmark

IRISH LISTING AGENT

Arthur Cox Listing Services Limited
Earlsfort Centre
Earlsfort Terrace
Dublin 2
Ireland