

## Amended and Restated Trust Deed

relating to Klarna Bank AB (publ) and Klarna Holding AB (publ)  
€3,000,000,000 Euro Medium Term Note Programme  
arranged by J.P. Morgan SE

Dated 7 October 2024

**KLARNA BANK AB (PUBL)**

**KLARNA HOLDING AB (PUBL)**

as Issuers

and

**BNY MELLON CORPORATE TRUSTEE SERVICES LIMITED**

as Trustee

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**This Amended and Restated Trust Deed** is made on 7 October 2024 **between:**

- (1) **KLARNA BANK AB (PUBL)** (“**Klarna Bank**”);
- (2) **KLARNA HOLDING AB (PUBL)** (“**Klarna Holding**” and, together with Klarna Bank, the “**Issuers**” and each, an “**Issuer**”); and
- (3) **BNY MELLON CORPORATE TRUSTEE SERVICES LIMITED** (in its capacity as the “**Trustee**”, which expression, where the context so admits, includes any other trustee for the time being of this Trust Deed).

**Whereas:**

- (A) The Issuers propose to issue from time to time euro medium term notes in an aggregate nominal amount outstanding at any one time not exceeding the Programme Limit in accordance with the Dealer Agreement (the “**Programme**”) and to be constituted under this Trust Deed.
- (B) The Trustee has agreed to act as trustee of this Trust Deed on the following terms and conditions.
- (C) This Trust Deed amends and restates the Trust Deed dated 19 June 2023 between the parties hereto in connection with the Programme (the “**Original Trust Deed**”). The parties hereto, being parties to the Original Trust Deed, have agreed to amend and restate the Original Trust Deed as set out herein (as so amended and restated, the “**Trust Deed**”).
- (D) Any Notes issued under the Programme on or after the date hereof (other than any such Notes issued so as to be consolidated and form a single Series with any Notes issued prior to the date hereof) shall be issued pursuant to this Trust Deed. The amendments made pursuant to this Trust Deed do not affect any Notes issued under the Programme prior to the date hereof.
- (E) The Original Trust Deed will continue in full force and effect in respect of all Notes issued prior to the date of this Trust Deed and any Notes issued on or after the date of this Trust Deed which are to be consolidated and form a single series with any Notes issued prior to the date hereof.

**This deed witnesses and it is declared** as follows:

## **1 Interpretation**

### **1.1 Definitions:**

In this Trust Deed:

“**Agency Agreement**” means the agency agreement relating to the Programme dated 19 June 2023 between the Issuers, the Trustee, The Bank of New York Mellon, London Branch as initial Principal Paying Agent and the other agents mentioned in it;

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

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

“**Applicable Capital Adequacy Regulations**” means at any time the laws, regulations, requirements, guidelines and policies relating to capital adequacy then in effect in Sweden

including, without limitation to the generality of the foregoing, CRD, regulatory technical standards and guidance from the European Banking Authority and those regulations, requirements, guidelines and policies relating to capital adequacy adopted from time to time and then in effect of the Relevant Regulator (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Relevant Issuer or the Group, as the case may be);

**“Applicable MREL Regulations”** means, at any time, the laws, regulations, requirements, guidelines and policies then in effect in Sweden giving effect to any MREL Requirement or any successor regulations then applicable to the Relevant Issuer or the Group, as the case may be, including, without limitation to the generality of the foregoing, CRD and the BRRD (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Relevant Issuer or the Group, as the case may be);

**“Authorised Signatory”** means any director of an Issuer or any other person notified in writing to the Trustee and signed by any such director as being an Authorised Signatory;

**“Bearer Note”** means a Note that is in bearer form, and includes any replacement Bearer Note issued pursuant to the Conditions and any Temporary Global Note or Permanent Global Note;

**“BRRD”** means Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms, as the same may be amended or replaced from time to time (including by BRRD II);

**“BRRD II”** means Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC, as the same may be amended or replaced from time to time;

**“Calculation Agent”** means any person named as such in the Conditions or any Successor Calculation Agent;

**“Capital Event”** has the meaning set out in Condition 5(h);

**“Certificate”** means a registered certificate representing one or more Registered Notes of the same Series and, save as provided in the Conditions, comprising the entire holding by a Noteholder of Registered Notes of that Series and, save in the case of Global Certificates, being substantially in the form set out in Schedule 2;

**“CGN”** means a Temporary Global Note in the form set out in Part A of Schedule 1 or a Permanent Global Note in the form set out in Part B of Schedule 1;

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

**“Common Safekeeper”** means, in relation to a Series where the relevant Global Note is a NGN or the relevant Global Certificate is held under the NSS, the common safekeeper appointed by Euroclear and/or Clearstream, Luxembourg in respect of such Notes;

**“Conditions”** means in respect of the Notes of each Series the terms and conditions applicable thereto which shall be substantially in the form set out in Schedule 2 as modified, with respect to any Notes represented by a Global Certificate or a Global Note, by the provisions of such Global Certificate or Global Note, shall incorporate any additional provisions forming part of such terms and conditions set out in Part A of the applicable Final

Terms relating to the Notes of that Series and shall be endorsed on the Definitive Notes subject to amendment and completion as referred to in the first paragraph of Schedule 2 Part C and any reference to a particularly numbered Condition shall be construed accordingly;

**“Contractual Currency”** means, in relation to any payment obligation of any Note, the currency in which that payment obligation is expressed and, in relation to Clause 10, euros or such other currency as may be agreed between the Relevant Issuer and the Trustee from time to time;

**“Couponholder”** and (in relation to a Coupon) **“Holder”** means the bearer of a Coupon;

**“Coupons”** means the bearer coupons relating to interest bearing Bearer Notes or, as the context may require, a specific number of them and includes any replacement Coupons issued pursuant to the Conditions;

**“CRD”** means the legislative package consisting of the CRD Directive and CRR and any CRD Implementing Measures;

**“CRD Directive”** means Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms of the European Parliament and of the Council of 26 June 2013, as the same may be amended or replaced from time to time (including by the CRD V Directive);

**“CRD Implementing Measures”** means any regulatory capital rules or regulations, or other requirements, which are applicable to Relevant Issuer or the Group, as the case may be, and which prescribe (alone or in conjunction with any other rules or regulations) the requirements to be fulfilled by financial instruments for their inclusion in the regulatory capital of the Relevant Issuer or the Group, as the case may be, (on a non-consolidated or consolidated basis) to the extent required by the CRD Directive or the CRR, including for the avoidance of doubt any regulatory technical standards released by the European Banking Authority (or any successor or replacement thereof);

**“CRD V”** Directive means Directive 2019/878 as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU, as the same may be amended or replaced from time to time;

**“CRR”** means Regulation (EU) No. 575/2013 on prudential requirements for credit institutions and investment firms of the European Parliament and of the Council of 26 June 2013, as the same may be amended or replaced from time to time (including by the CRR II);

**“CRR II”** means Regulation (EU) 2019/876 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 575/2013, and Regulation (EU) No 648/2012, as amended or replaced from time to time;

**“Dealer”** means each of BNP Paribas, Citigroup Global Markets Europe AG, J.P. Morgan SE, Nordea Bank Abp, Skandinaviska Enskilda Banken AB (publ) and Swedbank AB (publ) and includes each other person who has been, or is subsequently, appointed as a Dealer by the Issuers in accordance with the provisions of the Dealer Agreement (but excludes each

person who has ceased to be a Dealer pursuant to the Dealer Agreement or whose appointment has lapsed pursuant to its terms);

**“Dealer Agreement”** means the amended and restated Dealer Agreement relating to the Programme dated 7 October 2024 between the Issuers, J.P. Morgan SE and the other dealers named in it;

**“Definitive Note”** means a Bearer Note in definitive form having, where appropriate, Coupons and/or a Talon attached on issue and, unless the context requires otherwise, means a Certificate (other than a Global Certificate) and includes any replacement Note or Certificate issued pursuant to the Conditions;

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

**“Event of Default”** means an event described in Condition 6;

**“Electronic Means”** shall mean the following communications methods: (i) non-secure methods of transmission or communication such as e-mail and facsimile transmission and (ii) secure electronic transmission containing applicable authorisation codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder;

**“Exempt Notes”** means Notes for which no prospectus is required to be published under the Prospectus Regulation or the FSMA;

**“Extraordinary Resolution”** has the meaning set out in Schedule 3;

**“Final Terms”** means:

- (i) in relation to any Tranche of Notes other than Exempt Notes, final terms issued specifying the relevant issue details of such Tranche, substantially in the form of Schedule C, Part A of the Dealer Agreement; or
- (ii) in relation to any Tranche of Exempt Notes, the pricing supplement issued specifying the relevant issue details of such Tranche, substantially in the form of Schedule C, Part B of the Dealer Agreement;

**“FSMA”** means the Financial Services and Markets Act 2000;

**“Global Certificate”** means a Certificate substantially in the form set out in Schedule 1 Part E representing Registered Notes of one or more Tranches of the same Series;

**“Global Note”** means a Temporary Global Note and/or, as the context may require, a Permanent Global Note, a CGN and/or a NGN, as the context may require;

**“Group”** means Klarna Holding and its subsidiaries on a consolidated basis;

**“Market”** means the Regulated Market of the Irish Stock Exchange plc trading as Euronext Dublin;

**“MREL Disqualification Event”** has the meaning set out in Condition 5(i);

**“MREL Eligible Liabilities”** means “eligible liabilities” (or any equivalent or successor term) which are available to meet any MREL Requirement (however called or defined by then Applicable MREL Regulations) of the Relevant Issuer or the Group, as the case may be, under Applicable MREL Regulations;

**“MREL Requirement”** means the minimum requirement for own funds and eligible liabilities which is or, as the case may be, will be applicable to the Relevant Issuer or the Group, as the case may be;

**“NGN”** means a Temporary Global Note in the form set out in Part C of Schedule 1 or a Permanent Global Note in the form set out in Part D of Schedule 1;

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

**“Notes”** means the euro medium term notes to be issued by the Relevant Issuer pursuant to the Dealer Agreement, constituted by this Trust Deed and for the time being outstanding or, as the context may require, a specific number of them;

**“NSS”** means the new safekeeping structure which applies to Registered Notes held in global form by a Common Safekeeper for Euroclear and Clearstream, Luxembourg and which is required for such Registered Notes to be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations;

**“outstanding”** means, in relation to the Notes, all the Notes issued except:

- (a) those that have been redeemed in accordance with the Conditions;
- (b) those in respect of which the date for redemption has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption and any interest payable under the Conditions after such date) have been duly paid to the relevant Noteholder or on its behalf or to the Trustee or to the Principal Paying Agent as provided in Clause 2 and remain available for payment against presentation and surrender of Notes, Certificates and/or Coupons, as the case may be;
- (c) those that have become void or in respect of which claims have become prescribed;
- (d) those that have been purchased and cancelled as provided in the Conditions;
- (e) those mutilated or defaced Bearer Notes that have been surrendered in exchange for replacement Bearer Notes;
- (f) (for the purpose only of determining how many Notes are outstanding and without prejudice to their status for any other purpose) those Bearer Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Notes have been issued; and



(g) any Temporary Global Note to the extent that it shall have been exchanged for a Permanent Global Note and any Global Note to the extent that it shall have been exchanged for one or more Definitive Notes, in either case pursuant to its provisions,

provided that for the purposes of (1) ascertaining the right to attend any meeting of the Noteholders and vote at any meeting of the Noteholders or to participate in any Written Resolution or Electronic Consent, (2) the determination of how many Notes are outstanding for the purposes of Conditions 9 and 10 and Schedule 3, (3) the exercise of any discretion, power or authority contained in this Trust Deed or provided by law that the Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the Noteholders and (4) the certification (where relevant) by the Trustee as to whether a Potential Event of Default is in its opinion materially prejudicial to the interests of the Noteholders, those Notes that are beneficially held by or on behalf of any member of the Group and not cancelled shall (unless no longer so held) be deemed not to remain outstanding. Save for the purposes of the proviso herein, in the case of each NGN, the Trustee shall rely on the records of Euroclear and Clearstream, Luxembourg in relation to any determination of the nominal amount outstanding of each NGN;

**“Paying Agents”** means the persons (including the Principal Paying Agent) referred to as such in the Conditions or any Successor Paying Agents in each case at their respective specified offices;

**“Permanent Dealers”** means all Dealers other than those appointed as such solely in respect of one or more specified Tranches;

**“Permanent Global Note”** means a Global Note representing Bearer Notes of one or more Tranches of the same Series, either on issue or upon exchange of a Temporary Global Note, or part of it, and which shall be substantially in the form set out in Part B or Part D of Schedule 1, as the case may be;

**“Potential Event of Default”** means an event or circumstance that could with the giving of notice, lapse of time, issue of a certificate and/or fulfilment of any other requirement provided for in Condition 6 become an Event of Default;

**“Principal Paying Agent”** means the person named as such in the Conditions or any Successor Principal Paying Agent in each case at its specified office;

**“Procedures Memorandum”** means administrative procedures and guidelines relating to the settlement of issues of Notes as shall be agreed upon from time to time by the Issuers, the Trustee, the Permanent Dealers (as defined in the Dealer Agreement) and the Principal Paying Agent and which, at the date of this Trust Deed, are set out in Schedule A to the Dealer Agreement;

**“Programme Limit”** means the maximum aggregate nominal amount of Notes that may be issued and outstanding at any time under the Programme, as such limit may be increased pursuant to the Dealer Agreement;

**“Prospectus Regulation”** means Regulation (EU) 2017/1129 of the European Parliament and of the Council;

**“Redemption Amount”** means the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or the Clean-Up Call Option Amount, as the case may be, all as defined in the Conditions;

**“Register”** means the register maintained by the Registrar;

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

**“Registrar”** means the person named as such in the Conditions or any Successor Registrar in each case at its specified office;

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

**“Relevant Issuer”** means, in relation to any Series, Klarna Bank or Klarna Holding, as the case may be, as the issuer of such Series as indicated in the applicable Final Terms;

**“Relevant Regulator”** means (i) (in respect of the Subordinated Notes) the Swedish FSA and (ii) (in respect of the Senior Preferred Notes and the Senior Non-Preferred Notes) the Swedish National Debt Office or such other authority tasked with matters relating to the qualification of securities of the Relevant Issuer or the Group, as the case may be, under the Applicable MREL Regulations;

**“Sanctions”** means all economic sanctions laws, rules, regulations, executive orders and requirements administered by any governmental authority of the United States (including the Office of Foreign Assets Control of the US Department of the Treasury (“**OFAC**”)), the United Nations Security Council, the European Union, HM Treasury or any other applicable domestic or foreign authority with jurisdiction over either Issuer;

**“Series”** means a series of Notes comprising one or more Tranches, whether or not issued on the same date, that (except in respect of the first payment of interest and their issue price) have identical terms on issue and are expressed to have the same series number;

**“Senior Creditors”** means creditors of the Relevant Issuer (i) who are depositors and/or other unsubordinated creditors of the Relevant Issuer (including Holders of the Senior Preferred Notes and the Senior Non-Preferred Notes); or (ii) who are subordinated creditors of the Relevant Issuer (whether in the event of a voluntary or involuntary liquidation (*Sw: likvidation*) or bankruptcy (*Sw: konkurs*) of the Relevant Issuer or otherwise) other than those whose claims by law rank, or by their terms are expressed to rank, *pari passu* with or junior to the claims of the Holders of Subordinated Notes;

**“Senior Non-Preferred Liabilities”** has the meaning set out in Condition 3(b);

**“Senior Non-Preferred Notes”** means Notes specified as being Senior Non-Preferred Notes in the applicable Final Terms;

**“Senior Non-Preferred Ranking”** means the ranking which is described in the second sentence of the first paragraph of section 18 of the Swedish Rights of Priority Act (*Sw. 18 § 1 st andra meningens förmånsrättslagen (1970:979)*), as the same may be amended or replaced from time to time;

**“Senior Preferred Notes”** means Notes specified as being Senior Preferred Notes in the applicable Final Terms;

**“specified office”** means, in relation to a Paying Agent, the Registrar or a Transfer Agent the office identified with its name at the end of the Conditions or any other office approved by the Trustee and notified to Noteholders pursuant to Clause 9.10;

**“Subordinated Notes”** means Notes specified in the applicable Final Terms as being Subordinated Notes;

“**Subsidiary**” means, in relation to an Issuer, any Swedish or foreign legal entity (whether incorporated or not), which at the time is a subsidiary (Sw. dotterföretag) of such Issuer, directly or indirectly, as defined in the Swedish Companies Act (Sw. aktiebolagslag (2005:551));

“**Successor**” means, in relation to an Agent such other or further person as may from time to time be appointed by Klarna Bank and Klarna Holding as such Agent with the written approval of, and on terms approved in writing by, the Trustee and notice of whose appointment is given to Noteholders pursuant to Clause 9.10;

“**Sweden**” means the Kingdom of Sweden;

“**Swedish FSA**” means the Swedish Financial Supervisory Authority (Sw: *Finansinspektionen*) or any successor entity primarily responsible for the prudential supervision of the Relevant Issuer or the Group, as the case may be;

“**T2**” means the real time gross settlement system operated by the Eurosystem, or any successor system;

“**Talons**” mean talons for further Coupons or, as the context may require, a specific number of them and includes any replacement Talons issued pursuant to the Conditions;

“**Temporary Global Note**” means a Global Note representing Bearer Notes of one or more Tranches of the same Series on issue and which shall be substantially in the form set out in Part A or Part C of Schedule 1, as the case may be;

“**Tranche**” means, in relation to a Series, those Notes of that Series that are issued on the same date at the same issue price and in respect of which the first payment of interest is identical;

“**Transfer Agents**” means the persons (including the Registrar) referred to as such in the Conditions or any Successor Transfer Agents in each case at their specified offices; and

“**trust corporation**” means a trust corporation (as defined in the Law of Property Act 1925) or a corporation entitled to act as a trustee pursuant to applicable foreign legislation relating to trustees.

## **1.2 Construction of Certain References:** References to:

- 1.2.1 the records of Euroclear and Clearstream, Luxembourg shall be to the records that each of Euroclear and Clearstream, Luxembourg holds for its customers which reflect the amount of such customers’ interests in the Notes;
- 1.2.2 costs, charges, remuneration or expenses include any amounts in respect of any value added, turnover or similar tax charged in respect thereof;
- 1.2.3 an action, remedy or method of judicial proceedings for the enforcement of creditors’ rights include references to the action, remedy or method of judicial proceedings in jurisdictions other than England as shall most nearly approximate thereto; and
- 1.2.4 “**reasonable**” or “**reasonably**” and similar expressions when used in this Trust Deed or the Agency Agreement relating to the Trustee and any exercise of power, opinion, determination or other similar matter shall be construed as meaning reasonable or reasonably (as the case may be) having due regard to, and taking into account the interests of, the Noteholders.

## **1.3 Headings:** Headings shall be ignored in construing this Trust Deed.

- 1.4 Contracts:** References in this Trust Deed to this Trust Deed or any other document are to this Trust Deed or those documents as amended, supplemented, restated or replaced from time to time in relation to the Programme and include any document that amends, supplements, restates or replaces them.
- 1.5 The Conditions:** In this Trust Deed, unless the context requires or the same are otherwise defined, words and expressions defined in the Conditions and not otherwise defined herein shall have the same meaning in this Trust Deed.
- 1.6 Schedules:** The Schedules are part of this Trust Deed and have effect accordingly.
- 1.7 Alternative Clearing System:** References in this Trust Deed to Euroclear and/or Clearstream, Luxembourg shall, wherever the context so permits, be deemed to include reference to any additional or alternative clearing system approved by the Relevant Issuer, the Trustee and the Principal Paying Agent. In the case of NGNs or Global Certificates held under the NSS, such alternative clearing system must also be authorised to hold such Notes as eligible collateral for Eurosystem monetary policy and intra-day credit operations.
- 1.8 Contracts (Rights of Third Parties) Act 1999:** A person who is not a party to this Trust Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Trust Deed except and to the extent (if any) that this Trust Deed expressly provides for such Act to apply to any of its terms. The consent of any person who is not a party to this Trust Deed is not required to rescind or vary this Trust Deed at any time.

## **2 Issue of Notes and Covenant to Pay**

- 2.1 Issue of Notes:** Each Issuer may from time to time issue Notes in Tranches of one or more Series on a continuous basis with no minimum issue size in accordance with the Dealer Agreement. At least 48 hours before issuing any Tranche, the Relevant Issuer shall give written notice or procure that it is given to the Trustee of the proposed issue of such Tranche, specifying the details included or to be included in the relevant Final Terms. Upon the issue by the Relevant Issuer of any Notes expressed to be constituted by this Trust Deed, such Notes shall forthwith be constituted by this Trust Deed without any further formality and irrespective of whether or not the issue of such debt securities contravenes any covenant or other restriction in this Trust Deed or the Programme Limit.
- 2.2 Separate Series:** The provisions of Clauses 2.3, 2.4, 2.5 and 2.6 and of Clauses 3 to 18 and Schedule 3 (all inclusive) shall apply *mutatis mutandis* separately and independently to the Notes of each Series and in such Clauses and Schedule the expressions “Noteholders”, “Certificates”, “Coupons”, “Couponholders” and “Talons”, together with all other terms that relate to Notes or their Conditions, shall be construed as referring to those of the particular Series in question and not of all Series unless expressly so provided, so that each Series shall be constituted by a separate trust pursuant to Clause 2.3 and that, unless expressly provided, events affecting one Series shall not affect any other.
- 2.3 Covenant to Pay:** The Relevant Issuer shall on any date when any Notes become due to be redeemed (in whole, or as provided in the Conditions, in part but subject, in the case of Subordinated Notes to Condition 3(c) and Clause 5), in accordance with the Conditions, unconditionally pay (or procure to be paid) to or to the order of the Trustee in the Contractual Currency, in the case of any Contractual Currency other than euro, in the principal financial centre for the Contractual Currency and in the case of euro, in a city in which banks have access to T2, in same day funds the Redemption Amount of the Notes becoming due for redemption on that date together with any applicable premium and shall (subject to the

Conditions) until such payment (both before and after judgment) unconditionally so pay or procure to be paid to or to the order of the Trustee interest in respect of the nominal amount of the Notes outstanding as set out in the Conditions (subject to Clause 2.6) provided that (1) subject to the provisions of Clause 2.5 payment of any sum due in respect of the Notes made to the Principal Paying Agent as provided in the Agency Agreement shall, to that extent, satisfy such obligation except to the extent that there is failure in its subsequent payment to the relevant Noteholders or Couponholders under the Conditions and (2) a payment made after the due date or as a result of the Note becoming repayable following an Event of Default shall be deemed to have been made when the full amount due has been received by the Principal Paying Agent or the Trustee and notice to that effect has been given to the Noteholders (if required under Clause 9.8), except to the extent that there is failure in its subsequent payment to the relevant Noteholders or Couponholders under the Conditions. This covenant shall only have effect each time Notes are issued and outstanding, when the Trustee shall hold the benefit of this covenant on trust for the Noteholders and Couponholders of the relevant Series.

**2.4 Discharge:** Subject to Clause 2.5, any payment to be made in respect of the Notes or the Coupons by the Relevant Issuer or the Trustee may be made as provided in the Conditions and any payment so made shall (subject to Clause 2.5) to that extent be a good discharge to the Relevant Issuer or the Trustee, as the case may be (including, in the case of Notes represented by a NGN whether or not the corresponding entries have been made in the records of Euroclear and Clearstream, Luxembourg).

**2.5 Payment after a Default:** At any time after an Event of Default or a Potential Event of Default has occurred in relation to a particular Series the Trustee may:

**2.5.1** by notice in writing to the Relevant Issuer, the Paying Agents and the Transfer Agents, require the Paying Agents and the Transfer Agents, until notified by the Trustee to the contrary, so far as permitted by applicable law:

(i) to act as Paying Agents and Transfer Agents of the Trustee under this Trust Deed and the Notes of such Series on the terms of the Agency Agreement (with consequential amendments as necessary and except that the Trustee's liability for the indemnification, remuneration and expenses of the Paying Agents and the Transfer Agents shall be limited to the amounts for the time being held by the Trustee in respect of such Series on the terms of this Trust Deed) and thereafter to hold all Notes, Certificates, Coupons and Talons of such Series and all moneys, documents and records held by them in respect of Notes, Certificates, Coupons and Talons of such Series to the order of the Trustee; or

(ii) to deliver all Notes, Certificates, Coupons and Talons of such Series and all moneys, documents and records held by them in respect of the Notes, Certificates, Coupons and Talons of such Series to the Trustee or as the Trustee directs in such notice; and

**2.5.2** by notice in writing to the Relevant Issuer require it to make all subsequent payments in respect of the Notes, Coupons and Talons of such Series to or to the order of the Trustee and not to the Principal Paying Agent with effect from the issue of any such notice to the Issuer; and from then until such notice is withdrawn, proviso (1) to Clause 2.3 above shall cease to have effect.

**2.6 Rate of Interest After a Default:** If the Notes bear interest at a floating or other variable rate and they become immediately payable under the Conditions, the rate of interest payable in respect of them shall continue to be calculated by the Calculation Agent in accordance with the Conditions (with consequential amendments as necessary) except that the rates of interest need not be published unless the Trustee otherwise requires. The first period in respect of which interest shall be so calculable shall commence on the expiry of the Interest Period during which the Notes become so repayable.

### **3 Form of the Notes**

**3.1 The Global Notes:** The Notes shall initially be represented by a Temporary Global Note, a Permanent Global Note or one or more Certificates (including Global Certificates) in the nominal amount of the Tranche being issued. Interests in Temporary Global Notes shall be exchangeable for Definitive Notes or interests in Permanent Global Notes as set out in each Temporary Global Note. Interests in Permanent Global Notes shall be exchangeable for Definitive Notes as set out in each Permanent Global Note.

**3.2 The Definitive Notes:** The Definitive Notes, Coupons and Talons shall be security printed and the Certificates (including Global Certificates) shall be printed, in each case in accordance with applicable legal and stock exchange requirements substantially in the forms set out in Schedule 2. The Notes and Certificates (other than Global Certificates) shall be endorsed with the Conditions.

**3.3 Signature:** The Notes, Certificates, Coupons and Talons shall be signed manually, electronically or in facsimile by an authorised signatory of the Relevant Issuer, the Notes shall be authenticated by or on behalf of the Principal Paying Agent and the Certificates shall be authenticated by or on behalf of the Registrar. The Relevant Issuer may use the facsimile signature of a person who at the date of this Trust Deed is such an authorised signatory even if at the time of issue of any Notes, Certificates, Coupons or Talons he no longer is so authorised. In the case of a Global Note which is a NGN or a Global Certificate which is held under the NSS, the Principal Paying Agent or the Registrar shall also instruct the Common Safekeeper to effectuate the same. Notes, Certificates, Coupons and Talons so executed and, in the case of Notes and Certificates, authenticated (and effectuated, if applicable) shall be or, in the case of Certificates, represent binding and valid obligations of the Relevant Issuer.

### **4 Stamp Duties and Taxes**

**4.1 Stamp Duties:** Each Issuer shall pay any stamp, issue, documentary or other taxes and duties, including interest and penalties, payable in Sweden, Belgium, Luxembourg, the United Kingdom and the country of each Contractual Currency in respect of the creation, issue and offering of the Notes, Certificates, Coupons and Talons and the execution or delivery of this Trust Deed. The Relevant Issuer shall also indemnify the Trustee, the Noteholders and the Couponholders, on an after tax basis, from and against all stamp, issue, documentary or other taxes and duties paid by any of them in any jurisdiction in connection with any action taken by or on behalf of the Trustee or, as the case may be, the Noteholders or the Couponholders to enforce the Relevant Issuer's obligations under this Trust Deed or the Notes, Certificates, Coupons or Talons.

**4.2 Change of Taxing Jurisdiction:** If the Relevant Issuer becomes subject generally to the taxing jurisdiction of a territory or a taxing authority of or in that territory with power to tax other than or in addition to Sweden or any such authority thereof or therein then the Relevant

Issuer shall (unless the Trustee otherwise agrees) give the Trustee an undertaking satisfactory to the Trustee in terms corresponding to the terms of Condition 7 with the substitution for, or (as the case may require) the addition to, the references in that Condition to Sweden of references to that other or additional territory or authority to whose taxing jurisdiction such Issuer has become so subject. In such event this Trust Deed and the Notes, Certificates, Coupons and Talons shall be read accordingly.

## 5 Subordination

**5.1 Status of the Notes in general:** Notes may be Senior Preferred Notes, Senior Non-Preferred Notes or Subordinated Notes as specified in the applicable Final Terms.

**5.2 Status of the Senior Preferred Notes:** The Senior Preferred Notes constitute unsubordinated and unsecured obligations of the Relevant Issuer and rank *pari passu* without any preference among themselves. The rights of the Holder of any Senior Preferred Note in respect of or arising from the Senior Preferred Notes (including any Coupons relating to the Senior Preferred Notes and any damages awarded for breach of any obligations under the Conditions, if any are payable) shall, in the event of the voluntary or involuntary liquidation (*Sw: likvidation*) or bankruptcy (*Sw: konkurs*), of the Relevant Issuer rank:

- (a) at least *pari passu* with all other unsecured indebtedness of the Relevant Issuer from time to time outstanding; and
- (b) senior to any Senior Non-Preferred Liabilities and subordinated obligations of the Relevant Issuer,

subject, in all cases, to mandatory provisions of Swedish law.

**5.3 Status of the Senior Non-Preferred Notes:** The Senior Non-Preferred Notes constitute unsubordinated and unsecured obligations of the Relevant Issuer and rank *pari passu* without any preference among themselves. The rights of the Holder of any Senior Non-Preferred Note in respect of or arising from the Senior Non-Preferred Notes (including any Coupons relating to the Senior Non-Preferred Notes and any damages awarded for breach of any obligations under the Conditions, if any are payable) shall, in the event of the voluntary or involuntary liquidation (*Sw: likvidation*) or bankruptcy (*Sw: konkurs*) of the Relevant Issuer, have Senior Non-Preferred Ranking, meaning that they rank:

- (a) *pari passu* with all other Senior Non-Preferred Liabilities of the Relevant Issuer;
- (b) senior to holders of all classes of ordinary shares of the Relevant Issuer and any subordinated obligations or other securities of the Relevant Issuer (including the Subordinated Notes) which by law rank, or by their terms are expressed to rank, junior to the Senior Non-Preferred Liabilities of the Relevant Issuer; and
- (c) junior to present or future claims of (a) depositors of the Relevant Issuer and (b) other unsubordinated creditors of the Relevant Issuer that are not creditors in respect of Senior Non-Preferred Liabilities of the Relevant Issuer (and accordingly, junior to claims arising from “excluded liabilities” within the meaning of Article 72(a)(2) of the CRR),

subject, in all cases, to mandatory provisions of Swedish law.

The provisions of this Clause 5.3 apply only to the principal and interest and any other amounts payable in respect of the Senior Non-Preferred Notes and nothing in this Clause 5.3 shall affect or prejudice the payment of the costs, charges, expenses, liabilities or remuneration of the Trustee or the rights and remedies of the Trustee in respect thereof.

**5.4 Status of the Subordinated Notes:** Notes specified in the applicable Final Terms as being Subordinated Notes constitute subordinated and unsecured obligations of the Relevant Issuer and rank *pari passu* without any preference among themselves. The rights of the Holder of any Subordinated Note in respect of or arising from the Subordinated Notes (including any Coupons relating to the Subordinated Notes and any damages awarded for breach of any obligations under the Conditions, if any are payable) shall, in the event of the voluntary or involuntary liquidation (*Sw: likvidation*) or bankruptcy (*Sw: konkurs*) of the Relevant Issuer, (i) be subordinated in right of payment to the claims of Senior Creditors of the Relevant Issuer; (ii) rank at least *pari passu* with the claims of all other subordinated creditors of the Relevant Issuer which in each case by law rank, or by their terms are expressed to rank, *pari passu* with the Subordinated Notes; and (iii) rank senior to all classes of ordinary shares of the Relevant Issuer and any junior subordinated obligations or other securities of the Relevant Issuer which by law rank, or by their terms are expressed to rank, junior to the Subordinated Notes, subject, in all cases, to mandatory provisions of Swedish law, including but not limited to the Swedish implementation of Article 48(7) of the BRRD. The Relevant Issuer reserves the right to issue further subordinated notes and other subordinated obligations in the future, which may rank senior to, *pari passu* with, or junior to the Subordinated Notes.

The provisions of this Clause 5.4 apply only to the principal and interest and any other amounts payable in respect of the Subordinated Notes and nothing in this Clause 5.4 shall affect or prejudice the payment of the costs, charges, expenses, liabilities or remuneration of the Trustee or the rights and remedies of the Trustee in respect thereof.

**5.5 Remedies:** References in these presents and the Conditions to the remedies of the Trustee and the Noteholders being restricted to bringing proceedings in the Kingdom of Sweden for the liquidation (*Sw: likvidation*) or bankruptcy (*Sw: konkurs*) of the Relevant Issuer shall not restrict the right of the Trustee or the Noteholders to prove in any voluntary or involuntary liquidation or bankruptcy of the Relevant Issuer in the Kingdom of Sweden commenced by any other person.

**5.6 Waiver of Set-Off, Netting or Counterclaim etc:** No Noteholder who in the event of the liquidation (*Sw: likvidation*) or bankruptcy (*Sw: konkurs*) of the Relevant Issuer shall be indebted to the Relevant Issuer shall be entitled to exercise any right of set-off, netting, counterclaim, retention or compensation in respect of moneys owed by the Relevant Issuer in respect of the Notes (including any damages awarded for breach of any obligations under the Conditions, if any are payable) held by such Noteholder. Notwithstanding the preceding sentence, if any of the amounts owing to any Noteholder by the Relevant Issuer in respect of, or arising under or in connection with, the Notes is discharged by set-off, netting, counterclaim, retention or compensation, such Noteholder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Relevant Issuer.

## **6 Application of moneys received by the Trustee**

**6.1 Declaration of Trust:** Subject to Clause 5, all moneys received by the Trustee in respect of the Notes or amounts payable under this Trust Deed shall, despite any appropriation of all



or part of them by the Relevant Issuer, be held by the Trustee on trust to apply them (subject to Clause 6.2):

- 6.1.1 first, in payment of all costs, charges, expenses, fees and claims properly incurred and all liabilities incurred by or payable to the Trustee (including remuneration and other amounts payable to it under this Trust Deed) or an Appointee in carrying out its functions under this Trust Deed and the Agency Agreement;
- 6.1.2 secondly, in payment of all costs, charges, expenses, fees and claims properly incurred and all liabilities incurred by or payable to the Agents (including remuneration and other amounts payable to them under the Agency Agreement) in carrying out their functions under the Agency Agreement;
- 6.1.3 thirdly, in payment of any amounts owing in respect of the Notes or Coupons *pari passu* and rateably; and
- 6.1.4 fourthly, in payment of any balance to the Relevant Issuer for itself.

If the Trustee holds any moneys in respect of Notes or Coupons that have become void or in respect of which claims have become prescribed under the Conditions, the Trustee shall hold them on the trusts set out above.

- 6.2 **Accumulation:** If the amount of the moneys at any time available for payment in respect of the Notes under Clause 6.1 is less than 10 per cent of the nominal amount of the Notes then outstanding, the Trustee may, at its discretion, invest such moneys. The Trustee may retain such investments and accumulate the resulting income until the investments and the accumulations, together with any other funds for the time being under its control and available for such payment, amount to at least 10 per cent of the nominal amount of the Notes then outstanding and then such investments, accumulations and funds (after deduction of, or provision for, any applicable taxes) shall be applied as specified in Clause 6.1.
- 6.3 **Investment:** Moneys held by the Trustee may be placed on deposit in an account bearing a market rate of interest (and for the avoidance of doubt, the Trustee shall not be required to obtain best rates or be responsible for any loss occasioned by such deposits or exercise any other form of investment discretion with respect to such deposits) in its name or under its control at such bank or other financial institution in such currency as the Trustee may, in its absolute discretion, think fit in light of the cash needs of the transaction and not for the purpose of generating income. If that bank or institution is the Trustee or a subsidiary, holding or associated company of the Trustee, it need only account for an amount of interest equal to the standard amount of interest payable by it on such a deposit to an independent customer. The Trustee may convert any moneys so deposited into any other currency, and shall not be responsible for any resulting loss, whether by depreciation in value, change in exchange rates or otherwise. Moneys held by the Trustee need not be segregated except as required by law.
- 6.4 **Appropriation of Moneys:** If, when the Trustee receives moneys under this Trust Deed, amounts are also due but unpaid under another obligation owed by the Relevant Issuer for which it is Trustee (including other Series of Notes constituted by this Trust Deed), the Trustee shall apportion such moneys rateably between this trust and such other trust or trusts unless that other obligation is subordinated to the Notes.
- 6.5 **Right to Deduct or Withhold:** Notwithstanding anything contained in this Trust Deed, to the extent required by any applicable law or any current or future regulations or agreements

thereunder or official interpretations thereof or any law implementing any intergovernmental approach thereto, if the Trustee is or will be required to make any deduction or withholding from any distribution or payment made by it under this Trust Deed or if the Trustee shall otherwise be charged to, or may become liable to, tax as a consequence of performing its duties hereunder whether as principal, agent or otherwise, and whether by reason of any assessment or other imposition of liability to taxation of whatsoever nature and whensoever made upon the Trustee, and whether in connection with or arising from any sums received or distributed by it or to which it may be entitled under this Trust Deed or any Notes from time to time representing the same, including, without limitation, any income or gains arising therefrom, or any action of the Trustee in or about the administration of the trusts of this Trust Deed or otherwise, in any case other than any tax payable by the Trustee on its income or profits then the Trustee shall, without liability, be entitled to make such deduction or withholding or, as the case may be, to retain out of sums received by it in respect of this Trust Deed an amount sufficient to discharge any liability to tax which relates to sums so received or distributed or to discharge any such other liability of the Trustee to tax from the funds held by the Trustee upon the trusts of this Trust Deed.

## **7 Enforcement**

**7.1 Proceedings brought by the Trustee:** Subject to the provisions of Condition 6, at any time after the Notes of any Series shall have become immediately due and repayable, the Trustee may at its discretion and without further notice take such steps, actions and/or proceedings as it may think fit against the Relevant Issuer to enforce repayment thereof together with premium (if any) and accrued interest and any other moneys payable pursuant to this Trust Deed.

**7.2 Proof of default:** Should the Trustee take legal proceedings against the Relevant Issuer to enforce any of the provisions of this Trust Deed:

**7.2.1** proof therein that as regards any specified Note the Relevant Issuer has made default in paying any principal, premium or interest due in respect of such Note shall (unless the contrary be proved) be sufficient evidence that the Relevant Issuer has made the like default as regards all other Notes which are then due and repayable; and

**7.2.2** proof therein that as regards any specified Coupon the Relevant Issuer has made default in paying any interest due in respect of such Coupon shall (unless the contrary be proved) be sufficient evidence that the Relevant Issuer has made the like default as regards all other Coupons which are then due and payable.

## **8 Proceedings**

**8.1 Action taken by Trustee:** The Trustee shall not be bound to take any such steps, actions and/or proceedings as are mentioned in Clause 7.1 unless respectively directed or requested to do so (i) by an Extraordinary Resolution or (ii) in writing by the holders of at least one-fifth in nominal amount of the Notes of the relevant Series then outstanding and in either case then only if it shall be indemnified and/or secured and/or prefunded to its satisfaction against all actions, proceedings, claims and demands to which it may thereby render itself liable and all costs, charges, damages and expenses which it may incur by so doing.

**8.2 Trustee only to enforce:** Only the Trustee may enforce the provisions of this Trust Deed, the Notes or the Coupons. No holder shall be entitled to proceed directly against the Relevant Issuer to enforce the performance of any of the provisions of this Trust Deed, the Notes or the Coupons unless the Trustee having become bound as aforesaid to take proceedings fails to do so within a reasonable period and such failure shall be continuing.

## **9 Covenants**

So long as any Note is outstanding, each Issuer shall:

- 9.1 Books of Account:** keep, and procure that each of its Subsidiaries keeps, proper books of account and, so far as permitted by applicable law, after the occurrence of an Event of Default or a Potential Event of Default, allow, and procure that each such Subsidiary shall allow, the Trustee and anyone appointed by it to whom such Issuer and/or the relevant Subsidiary has no reasonable objection, access to its books of account at all times during normal business hours;
- 9.2 Notice of Events:** notify the Trustee in writing immediately on becoming aware of the occurrence of any Event of Default, Potential Event of Default, Capital Event, MREL Disqualification Event or any breach of obligations under the Trust Deed or the Notes by the Relevant Issuer and without waiting for the Trustee to take any further action;
- 9.3 Information:** so far as permitted by applicable law, give the Trustee such information as it requires to perform its functions;
- 9.4 Financial Statements etc.:** send to the Trustee at the time of their issue, and, in the case of annual financial statements, in any event within 180 days of the end of each financial year, three copies in English of every balance sheet, profit and loss account, report or other notice, statement or circular issued, or which legally or contractually should be issued, to the members or creditors (or any class of them) of such Issuer or any holding company thereof generally in their capacity as such;
- 9.5 Certificate of Authorised Signatories:** send to the Trustee, within 14 days of its annual audited financial statements being made available to its members, and also within 14 days of any request by the Trustee a certificate of such Issuer signed by any two of its Authorised Signatories that, having made all reasonable enquiries, to the best of the knowledge, information and belief of such Issuer as at a date (the "**Certification Date**") not more than 5 days before the date of the certificate no Event of Default or Potential Event of Default or other breach of this Trust Deed had occurred since the Certification Date of the last such certificate or (if none) the date of this Trust Deed or, if such an event had occurred, giving details of it;
- 9.6 Notices to Noteholders:** send or procure to be sent to the Trustee not less than five days prior to the date of publication, for the Trustee's approval, the form of each notice to be given to Noteholders in accordance with the Conditions and, upon publication, send to the Trustee two copies of such notice (such approval, unless so expressed, not to constitute approval for the purposes of section 21 of the FSMA of any such notice which is a communication within the meaning of section 21 of the FSMA);
- 9.7 Further Acts:** so far as permitted by applicable law, do such further things as may be necessary in the reasonable opinion of the Trustee to give effect to this Trust Deed or the Agency Agreement;

- 9.8 Notice of Late Payment:** forthwith give notice to the Noteholders of any unconditional payment to the Principal Paying Agent or the Trustee of any sum due in respect of the Notes or Coupons made after the due date for such payment;
- 9.9 Listing and Trading:** if the Notes are so listed and traded, use all reasonable endeavours to maintain the listing of the Notes on the Market but, if it is unable to do so, having used such endeavours, or if the Relevant Issuer certifies in writing to the Trustee that the maintenance of such listing or trading is unduly onerous and the Trustee is satisfied that the interests of the Noteholders would not be thereby materially prejudiced, instead use all reasonable endeavours to obtain and maintain a listing of the Notes on another stock exchange and the admission to trading of the Notes on another market;
- 9.10 Change in Agents:** give at least 14 days' prior notice to the Noteholders of any future appointment, resignation or removal of an Agent or of any change by an Agent of its specified office;
- 9.11 Provision of Legal Opinions:** procure the delivery of legal opinions addressed to the Trustee dated the date of such delivery, in form and content acceptable to the Trustee:
- 9.11.1 from Linklaters Advokatbyrå AB as to the laws of Sweden and Linklaters LLP as to the laws of England on each anniversary of this Trust Deed and on the date of any amendment to this Trust Deed; and
- 9.11.2 on each occasion on which a legal opinion is given to any Dealer in relation to any Notes issued pursuant to the Dealer Agreement from the legal adviser giving such opinion if requested by the Trustee;
- 9.12 Notes Held by the Group:** send to the Trustee as soon as practicable after being so requested by the Trustee a certificate of such Issuer signed by any two of its Authorised Signatories stating the number of Notes beneficially held at the date of such certificate by or on behalf of any member of the Group; and
- 9.13 Sanctions Compliance:** each Issuer covenants and represents that:
- 9.13.1 neither it nor any of their affiliates, subsidiaries, directors or officers are the target or subject of any Sanctions; and
- 9.13.2 neither it nor any of their affiliates, subsidiaries, directors or officers will use any payments made pursuant to this Trust Deed, (i) to fund or facilitate any activities of or business with any person who, at the time of such funding or facilitation, is the subject or target of Sanctions, (ii) to fund or facilitate any activities of or business with any country or territory that is the target or subject of Sanctions, or (iii) in any other manner that will result in a violation of Sanctions by any person and as if those Sanctions applied to each Issuer.

Sub-clauses 9.13.1 and 9.13.2 will not apply if and to the extent that they are or would be unenforceable by reason of breach of (i) any provision of Council Regulation (EC) No 2271/96 of 22 November 1996 (or any law or regulation implementing such Regulation in any member state of the EEA) or (ii) any similar blocking or anti-boycott law in the United Kingdom or elsewhere. However, if the aforementioned Council Regulation purports to make compliance with any portion of this Clause unenforceable by either of the Issuers, each Issuer will nonetheless take such measures as may be necessary to ensure each Issuer does not use the services in any manner which would cause the Trustee to violate Sanctions applicable to the Trustee.

## **10 Remuneration and Indemnification of the Trustee**

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

**10.2 Extra Remuneration:** If an Event of Default or Potential Event of Default shall have occurred, the Relevant Issuer hereby agrees that the Trustee shall be entitled to be paid additional remuneration calculated at its normal hourly rates in force from time to time. In any other case, if the Trustee finds it expedient or necessary or is requested by the Relevant Issuer to undertake duties that they both agree to be of an exceptional nature or otherwise outside the scope of the Trustee's normal duties under this Trust Deed or the Agency Agreement, such Issuer shall pay such additional remuneration as they may agree (and which may be calculated by reference to the Trustee's normal hourly rates in force from time to time) or, failing agreement as to any of the matters in this Clause or as to such sums referred to in Clause 10.1 (other than in respect of an Event of Default or Potential Event of Default in respect of which the Relevant Issuer agrees that the Trustee shall be entitled to be paid additional remuneration calculated at its normal hourly rates in force from time to time), as determined by a financial institution or person (acting as an expert and not as an arbitrator) selected by the Trustee and approved by such Issuer or, failing such approval, nominated by the President for the time being of The Law Society of England and Wales. The expenses involved in such nomination and such financial institution's fee shall borne by the Relevant Issuer. The determination of such financial institution or person shall be conclusive and binding on the Relevant Issuer, the Trustee, the Noteholders and the Couponholders.

**10.3 Expenses:** The Issuers, jointly and severally, shall also on demand by the Trustee pay or discharge all costs, charges, claims, fees, liabilities and expenses properly incurred by the Trustee in the preparation and execution of this Trust Deed and the Agency Agreement and the exercise of its powers and the performance of its functions under this Trust Deed and the Agency Agreement including, but not limited to, legal and travelling expenses and any stamp, documentary or other taxes or duties paid by the Trustee in connection with any legal proceedings reasonably brought or contemplated by the Trustee against either Issuer to enforce any provision of this Trust Deed the Agency Agreement, the Notes, the Coupons or the Talons. Such costs, charges, claims, fees, liabilities and expenses shall:

**10.3.1** in the case of payments made by the Trustee before such demand, carry interest from the date specified in such demand at the rate of 2 per cent. per annum over the NatWest International Bank Base Rate from time to time or 2 per cent. per annum, whichever is higher from such time as such amount remains outstanding; and

**10.3.2** in other cases, carry interest at such rate from 30 days after the date of the demand or (where the demand specifies that payment is to be made on an earlier date) from such earlier date.

All remuneration payable to the Trustee shall carry interest at such rate from the due date thereof until the date of payment.

**10.4 Indemnity:** Subject to section 750 of the Companies Act 2006, each Issuer will on demand by the Trustee indemnify it and its employees, directors and officers, on an after tax basis, in respect of Amounts or Claims paid or incurred by it in acting as trustee under this Trust Deed and the Agency Agreement (including (1) any Agent/Delegate Liabilities and (2) in respect of disputing or defending any Amounts or Claims made against the Trustee or any Agent/Delegate Liabilities). Each Issuer will on demand by an Appointee indemnify it, on an after tax basis, against such Agent/Delegate Liabilities. “**Amounts or Claims**” are losses, liabilities, costs, charges, fees, claims, actions, demands or expenses and “**Agent/Delegate Liabilities**” are Amounts or Claims which the Trustee is or would be obliged to pay or reimburse to any Appointee. The Contracts (Rights of Third Parties) Act 1999 applies to this Clause 10.4.

**10.5 Deductions, withholding etc.:** Each Issuer hereby further undertakes to the Trustee that all monies payable by it to the Trustee under this Clause 10 shall be made without set-off, counterclaim, deduction or withholding unless compelled by law in which event such Issuer will pay such additional amounts as will result in the receipt by the Trustee of the amounts which would otherwise have been payable by such Issuer to the Trustee under this Clause 10 in the absence of any such set-off, counterclaim, deduction or withholding.

**10.6 Continuing Effect:** Clauses 10.3, 10.4 and 10.5 shall continue in full force and effect as regards the Trustee even if it no longer is Trustee (whether by reason of the resignation or removal of the Trustee or by reason of the termination or discharge of this Trust Deed).

## **11 Provisions supplemental to the Trustee Act 1925 and the Trustee Act 2000**

**11.1 Advice:** The Trustee may act on the opinion or advice of, or information obtained from, any lawyer, banker, auditor, valuer, surveyor, broker, auctioneer or any other professional adviser or expert and shall not be responsible to anyone for any loss occasioned by acting or not acting on such opinion, advice or information whether such opinion, advice or information is obtained or addressed to one or both Issuers, the Trustee or any other person. Any such opinion, advice or information may be sent or obtained by letter, telex or fax, email or electronic communication and the Trustee shall not be liable to anyone for acting in good faith on any opinion, advice or information purporting to be conveyed by such means even if it contains some error or is not authentic. The Trustee may rely without liability to Noteholders and Couponholders on any report, confirmation or certificate or any advice of any lawyer, accountants, financial advisers, financial institution or any other expert, whether or not addressed to the Trustee and whether or not liability in relation thereto is limited by reference to a monetary cap, methodology or otherwise.

**11.2 Trustee to Assume Performance:** The Trustee need not notify anyone of the execution of this Trust Deed or the Agency Agreement or do anything to find out if an Event of Default, Potential Event of Default, Capital Event, MREL Disqualification Event or breach of any of the Issuers' obligations under the Trust Deed or the Notes by either Issuer has occurred. Until it has received written notice to the contrary, the Trustee may assume (without liability to any person) that no such event has occurred and that each Issuer is performing all its obligations under this Trust Deed, the Agency Agreement, the Notes, the Coupons and the Talons. The Trustee shall not be liable for a breach by any other person of this Trust Deed, the Agency Agreement, the Notes, the Coupons and the Talons.

**11.3 Interests of Noteholders:** In connection with the exercise of its powers, trusts, authorities or discretions (including, but not limited to, those in relation to any proposed modification,

waiver or authorisation of any breach or proposed breach of any of the Conditions or any of the provisions of this Trust Deed or the Agency Agreement or any proposed substitution in accordance with Clause 15.2 or any determination made pursuant to Clause 15.1), the Trustee shall have regard to the interests of the Noteholders as a class and, in particular, but without prejudice to the generality of the foregoing, shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or otherwise to the tax consequences thereof and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholders be entitled to claim from the Relevant Issuer or the Trustee, any indemnification or payment of any tax arising in consequence of any such exercise upon individual Noteholders or Couponholders.

- 11.4 Resolutions of Noteholders:** The Trustee shall not be responsible for having acted in good faith on a resolution purporting (i) to have been passed at a meeting of Noteholders in respect of which minutes have been made and signed or (ii) to be a Written Resolution or Electronic Consent made in accordance with Schedule 3, even if it is later found that there was a defect in the constitution of the meeting or the passing of the resolution or that the resolution was not valid or binding on the Noteholders or Couponholders.
- 11.5 Certificate Signed by authorised signatories:** If the Trustee, in the exercise of its functions, requires to be satisfied or to have information as to any fact or the expediency of any act, it may call for and accept as sufficient evidence of that fact or the expediency of that act a certificate signed by any two authorised signatories of the Relevant Issuer as to that fact or to the effect that, in their opinion, that act is expedient and the Trustee need not call for further evidence and shall not be responsible for any loss or liability occasioned by acting or refraining from acting in reliance on any such certificate.
- 11.6 Deposit of Documents:** The Trustee may appoint as custodian, on any terms, any bank or entity whose business includes the safe custody of documents or any lawyer or firm of lawyers believed by it to be of good repute and may deposit this Trust Deed and any other documents with such custodian and pay all sums due in respect thereof. The Trustee is not obliged to appoint a custodian of securities payable to bearer.
- 11.7 Discretion:** The Trustee shall have absolute and uncontrolled discretion as to the exercise of its functions and shall not be responsible for any loss, liability, cost, fee, claim, action, demand, expense or inconvenience that may result from their exercise or non-exercise.
- 11.8 Agents:** Whenever it considers it expedient in the interests of the Noteholders, the Trustee may, in the conduct of its trust business, instead of acting personally, employ and pay an agent selected by it, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Trustee (including the receipt and payment of money).
- 11.9 Delegation:** Whenever it considers it expedient in the interests of the Noteholders, the Trustee may delegate to any person on any terms (including power to sub-delegate) all or any of its functions.
- 11.10 Nominees:** In relation to any asset held by it under this Trust Deed, the Trustee may appoint any person to act as its nominee on any terms.
- 11.11 Forged Notes:** The Trustee shall not be liable to the Relevant Issuer or any Noteholder or Couponholder by reason of having accepted as valid or not having rejected any Note,

Certificate, Coupon or Talon purporting to be such and later found to be forged or not authentic.

- 11.12 Confidentiality:** Unless ordered to do so by a court of competent jurisdiction or required by law, the Trustee shall not be required to disclose to any Noteholder or Couponholder any confidential financial or other information made available to the Trustee by either Issuer.
- 11.13 Determinations Conclusive:** As between itself and the Noteholders and Couponholders, the Trustee may determine all questions and doubts arising in relation to any of the provisions of this Trust Deed or the Agency Agreement. Such determinations, whether made upon such a question actually raised or implied in the acts or proceedings of the Trustee, shall be conclusive and shall bind the Trustee, the Noteholders and the Couponholders.
- 11.14 Currency Conversion:** Where it is necessary or desirable to convert any sum from one currency to another, it shall (unless otherwise provided hereby or required by law) be converted at such rate or rates, in accordance with such method and as at such date as may reasonably be specified by the Trustee but having regard to current rates of exchange, if available. Any rate, method and date so specified shall be binding on the Relevant Issuer, the Noteholders and the Couponholders.
- 11.15 Events of Default etc.:** The Trustee may determine whether or not an Event of Default or Potential Event of Default is in its opinion materially prejudicial to the interests of the Noteholders. Any such determination shall be conclusive and binding on the Relevant Issuer, the Noteholders and the Couponholders.
- 11.16 Payment for and Delivery of Notes:** The Trustee shall not be responsible for the receipt or application by the Relevant Issuer of the proceeds of the issue of the Notes, any exchange of Notes or the delivery of Notes to the persons entitled to them.
- 11.17 Notes Held by the Group:** In the absence of knowledge or express notice to the contrary, the Trustee may assume without enquiry (other than requesting a certificate under Clause 9.12) that no Notes are for the time being beneficially held by or on behalf of any member of the Group.
- 11.18 Programme Limit:** The Trustee shall not be concerned, and need not enquire, as to whether or not any Notes are issued in breach of the Programme Limit.
- 11.19 Responsibility for Appointees:** If the Trustee exercises due care in selecting any Appointee, it will not have any obligation to monitor, oversee or supervise such Appointee or be responsible for any loss, liability, cost, claim, action, demand or expense incurred by reason of the Appointee's act, misconduct, omission or default or the act, misconduct, omission or default of any substitute appointed by the Appointee.
- 11.20 Consent of Trustee:** Any consent or approval given by the Trustee may be given on such terms and subject to such conditions as the Trustee reasonably thinks fit and, notwithstanding anything to the contrary contained in this Trust Deed or the Agency Agreement, may be given retrospectively.
- 11.21 Illegality:** Notwithstanding anything else herein contained, the Trustee may refrain, without liability, from doing anything that would or might in its opinion be contrary to any law of any state or jurisdiction (including but not limited to the United States of America or any jurisdiction forming a part of it and England and Wales) or any directive or regulation of any agency of any such state or jurisdiction and may, without liability, do anything which is, in its opinion, necessary to comply with any such law, directive or regulation.



- 11.22 Not Bound to Act:** The Trustee shall not be bound to take any action, step or proceeding in connection with this Trust Deed or the Agency Agreement or any obligations arising hereunder, thereunder or otherwise, including, without prejudice to the generality of the foregoing, forming any opinion or employing any financial adviser, unless it has been indemnified and/or secured and/or pre-funded to its satisfaction against all liabilities which may be incurred in connection with such action, step or proceeding and may demand prior to taking any such action that there be paid to it in advance such sums as it reasonably considers (without prejudice to any further demand) shall be sufficient so as to indemnify and/or secure and/or pre-fund it and, on such demand being made, the relevant Issuer or Issuers (as the case may be) shall be obliged to make payment of all such sums in full. When determining whether an indemnity or any security or pre-funding is satisfactory to it, the Trustee shall be entitled to evaluate its risk in any given circumstance by considering the worst-case scenario and, for this purpose, it may take into account, without limitation, the potential costs of defending or commencing proceedings in England or elsewhere and the risk, however remote, of any award of damages against it, in England or elsewhere.
- 11.23 Incurrence of Financial Liability:** Nothing contained in this Trust Deed or the Agency Agreement shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of any power, rights, authority or discretion hereunder if it has grounds for believing the repayment of the funds or the provision of an indemnity and/or security and/or pre-funding satisfactory to it against such risk or liability is not assured to it.
- 11.24 Clearing Systems:** The Trustee may call for any certificate or other document issued by Euroclear, Clearstream, Luxembourg or any other relevant clearing system in relation to any matter. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print-out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Easyway or Clearstream, Luxembourg's CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. The Trustee shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by Euroclear or Clearstream, Luxembourg or any other relevant clearing system and subsequently found to be forged or not authentic.
- 11.25 Legal Opinions:** The Trustee shall not be responsible to any person for failing to request, require or receive any legal opinion relating to any Notes or for checking or commenting upon the content of any such legal opinion.
- 11.26 No obligation to monitor other parties' performance:** The Trustee shall be under no obligation to monitor or supervise the functions of any other person under the Notes or any other agreement or document relating to the transactions herein or therein contemplated, including, without limitation, compliance by the Relevant Issuer with the covenants and provisions set out in the Notes and this Trust Deed and the Agency Agreement or take any steps to ascertain whether any relevant event under this Trust Deed, the Agency Agreement or the Conditions has occurred (including any Event of Default or Potential Event of Default). The Trustee shall be entitled, in the absence of receipt of written notice of a breach of obligation, to assume that each such person is properly performing and complying with its obligations and shall have no liability for any loss arising from any breach by that person or any such event.

**11.27 No Responsibility for transaction documents:** The Trustee assumes no responsibility for, and shall not, by the execution of this Trust Deed, any supplemental Trust Deed or any other transaction document relating to the Notes, be deemed to make any representation as to, the adequacy, sufficiency, validity or enforceability of such transaction documents or any agreement constituted by the execution thereof.

**11.28 Rating Agencies:** The Trustee is entitled to request and rely upon information, reports, confirmations or affirmations provided privately or issued publicly by any rating agency whether or not addressed to the Trustee.

## **12 Trustee liable for negligence**

**12.1 Trustee Act 2000:** Subject to Section 750 of the Companies Act 2006 (if applicable) and notwithstanding anything to the contrary in this Trust Deed or the Agency Agreement, the Trustee shall not be liable to any person for any matter or thing done or omitted in any way in connection with this Trust Deed or the Agency Agreement or the Notes save in relation to its own gross negligence, wilful misconduct or fraud.

Section 1 of the Trustee Act 2000 shall not apply to the duties of the Trustee in relation to the trusts constituted by this Trust Deed. Where there are any inconsistencies between the Trustee Act 1925 and the Trustee Act 2000 and the provisions of this Trust Deed, the provisions of this Trust Deed shall prevail to the extent allowed by law. In the case of an inconsistency with the Trustee Act 2000, the provisions of this Trust Deed shall take effect as a restriction or exclusion for the purposes of that Act.

**12.2 No Liability for Consequential Loss:** Any liability of the Trustee shall be limited to the amount of actual loss suffered (such loss shall be determined as at the date of default of the Trustee or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Trustee at the time of entering into this Trust Deed, or at the time of accepting any relevant instructions, which increase the amount of the loss. Under no circumstances shall the Trustee be liable to, or be required to indemnify, either Issuer or any third party for (i) indirect, punitive, special or consequential losses or indirect, punitive, special or consequential damages of any kind whatsoever or (ii) loss of profit, goodwill, reputation, opportunity or anticipated saving, in each case to the extent any such losses arise in connection with this Trust Deed or the Agency Agreement notwithstanding that such losses were or may have been foreseeable or that the Trustee was advised or was aware of the possibility of such losses and regardless of whether the claim to any such loss or damage under (i) or (ii) above is made in negligence, breach of duty, breach of contract or otherwise.

## **13 Waiver and Proof of Default**

**13.1 Waiver:** The Trustee may, without the consent of the Noteholders or Couponholders and without prejudice to its rights in respect of any subsequent breach, from time to time and at any time, if in its opinion the interests of the Noteholders will not be materially prejudiced thereby, waive or authorise, on such terms as seem expedient to it, any breach or proposed breach by the Relevant Issuer of this Trust Deed or the Agency Agreement or the Conditions or determine that an Event of Default or Potential Event of Default shall not be treated as such provided that the Trustee shall not do so in contravention of an express direction given by an Extraordinary Resolution or a request made pursuant to Condition 6. No such direction or request shall affect a previous waiver, authorisation or determination. Any such waiver, authorisation or determination shall be binding on the Noteholders and the Couponholders

and shall be notified by the Relevant Issuer to the relevant Noteholders as soon as practicable.

- 13.2 Proof of Default:** Proof that the Relevant Issuer has failed to pay a sum due to the holder of any one Note or Coupon will (unless the contrary be proved) be sufficient evidence that it has made the same default as regards all other Notes or Coupons which are then payable.

#### **14 Trustee not precluded from entering into contracts**

The Trustee and any other person, whether or not acting for itself, may acquire, hold or dispose of any Note, Coupon, Talon or other security (or any interest therein) of the Relevant Issuer or any other person, may enter into or be interested in any contract or transaction with any such person and may act on, or as depositary or agent for, any committee or body of holders of any securities of any such person in each case with the same rights as it would have had if the Trustee were not acting as Trustee and need not account for any profit.

#### **15 Modification and Substitution**

- 15.1 Modification:** The Trustee may from time to time and at any time without any consent or sanction of the Noteholders or Couponholders concur with the Relevant Issuer in making (a) any modification to this Trust Deed (other than any modification as is mentioned in the proviso to paragraph 2 of Schedule 3) or the Notes which in the opinion of the Trustee will not be materially prejudicial to the interests of the Noteholders or (b) any modification to these presents if in the opinion of the Trustee such modification is of a formal, minor or technical nature or made to correct a manifest error. In addition, the Trustee shall be obliged to concur with the Relevant Issuer without the consent of the Noteholders or Couponholders in effecting (i) any Benchmark Amendments or Benchmark Replacement Conforming Changes in the circumstances and as otherwise set out in Condition 4(d) and Condition 4(e) respectively and (ii) any substitution of a Series of Notes or variation of the terms of a Series of Notes and/or the terms of these presents in respect thereof in the circumstances and as otherwise set out in Condition 5(k). Any such modification shall be binding on the Noteholders and the Couponholders and the Relevant Issuer shall cause such modification to be notified to the Noteholders as soon as practicable thereafter in accordance with the Conditions.

Any modification to the Conditions in relation to the Notes is subject to the prior permission of the Relevant Regulator (if such permission is required by the Applicable MREL Regulations or the Applicable Capital Adequacy Regulations, as the case may be).

#### **15.2 Substitution:**

- 15.2.1 Procedure:** The Trustee shall, without the consent of the Noteholders or Couponholders, but subject to receiving the prior consent of the Relevant Regulator (if such consent is required (in the case of Subordinated Notes) by the Applicable Capital Adequacy Regulations or (in the case of Senior Preferred Notes and Senior Non-Preferred Notes, with such consent to be procured by the Relevant Issuer) the Applicable MREL Regulations), agree to the substitution, in place of the Relevant Issuer (or any previous substitute under this Clause) of any other company (hereinafter called the "**Substituted Obligor**") as the principal debtor under this Trust Deed, the Notes, the Coupons and the Talons provided that:

- (i) a deed is executed or undertaking given by the Substituted Obligor to the Trustee, in form and manner satisfactory to the Trustee, agreeing to be

bound by this Trust Deed, the Notes, the Coupons and the Talons (with consequential amendments as the Trustee may deem appropriate) as if the Substituted Obligor had been named in this Trust Deed, the Notes, the Certificates, the Coupons and the Talons as the principal debtor in place of such Issuer;

- (ii) if the Substituted Obligor is subject generally to the taxing jurisdiction of a territory or any authority of or in that territory with power to tax (the “**Substituted Territory**”) other than the territory to the taxing jurisdiction of which (or to any such authority of or in which) such Issuer is subject generally (the “**Relevant Issuer’s Territory**”), the Substituted Obligor shall (unless the Trustee otherwise agrees) give to the Trustee an undertaking satisfactory to the Trustee in terms corresponding to Condition 7 with the substitution for the references in that Condition to the Relevant Issuer’s Territory of references to the Substituted Territory whereupon this Trust Deed, the Notes, the Certificates, the Coupons and the Talons shall be read accordingly;
- (iii) two directors of the Substituted Obligor certify in writing to the Trustee that it will be solvent immediately after such substitution (upon which certification the Trustee may rely upon without further enquiry and without liability). The Trustee need not have regard to the Substituted Obligor’s financial condition, profits or prospects or compare them with those of such Issuer; and
- (iv) two Authorised Signatories of the Relevant Issuer (or such previous substitute as aforesaid) certify in writing to the Trustee that (A) the Substituted Obligor has obtained all governmental and regulatory approvals and consents necessary for its assumption of liability as principal debtor in respect of the Notes and the Coupons in place of the Relevant Issuer (or such previous substitute as aforesaid), (B) if applicable, the Relevant Issuer has obtained all governmental and regulatory approvals and consents necessary for the guarantee to be fully effective as referred to in subparagraph (v) below and (C) such approvals and consents are at the time of substitution in full force and effect; and
- (v) (unless the Relevant Issuer’s successor in business is the Substituted Obligor) the obligations of the Substituted Obligor under this Trust Deed, the Notes and the Coupons are guaranteed by the Relevant Issuer to the Trustee’s satisfaction,

the Trustee is not obliged to concur with the Relevant Issuer in respect of any substitution pursuant to this Clause 15 which, in the sole opinion of the Trustee, would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee pursuant to this Trust Deed.

**15.2.2 Release of Substituted Issuer:** An agreement by the Trustee pursuant to this Clause 15.2 shall, if so expressed, release the Relevant Issuer (or a previous substitute of it) from any or all of its obligations under this Trust Deed, the Notes, the Coupons and the Talons. Notice of the substitution shall be given by the Substituted Obligor to the Noteholders within 14 days of the execution of such documents and compliance with such requirements.

**15.2.3 Completion of Substitution:** On completion of the formalities set out in this Clause 15.2, the Substituted Obligor shall be deemed to be named in this Trust Deed and the Agency Agreement, the Notes, the Certificates, the Coupons and the Talons as the principal debtor in place of the Relevant Issuer (or of any previous substitute) and this Trust Deed, the Agency Agreement, the Notes, the Certificates, the Coupons and the Talons shall be deemed to be amended as necessary to give effect to the substitution.

## **16 Appointment, Retirement and Removal of the Trustee**

**16.1 Appointment:** Subject as provided in Clause 16.2, either Issuer has the power of appointing new trustees, but no such new trustee may be so appointed by an Issuer unless previously approved by an Extraordinary Resolution. A trust corporation shall at all times be a Trustee and may be the sole Trustee. Any appointment of a new Trustee for any Series shall be notified by the Relevant Issuer to the Noteholders of such Series as soon as practicable.

**16.2 Retirement and Removal:** Any Trustee may retire at any time on giving at least three months' written notice to the Issuers without giving any reason or being responsible for any costs or liabilities occasioned by such retirement and the Noteholders may by Extraordinary Resolution remove any Trustee provided that the retirement or removal of a sole trust corporation shall not be effective until a trust corporation is appointed as successor Trustee in accordance with Clause 16.1. If a sole trust corporation gives notice of retirement or an Extraordinary Resolution is passed for its removal, the Relevant Issuer shall use all reasonable endeavours to procure that another trust corporation be appointed as Trustee but if it fails to do so before the expiry of such three month notice period, the Trustee shall have the power (at the expense of the Issuers) to appoint a new Trustee.

**16.3 Co-Trustees:** The Trustee may, despite Clause 16.1, by written notice to the Relevant Issuer appoint anyone to act as an additional Trustee jointly with the Trustee:

**16.3.1** if the Trustee considers the appointment to be in the interests of the Noteholders and/or the Couponholders;

**16.3.2** to conform with a legal requirement, restriction or condition in a jurisdiction in which a particular act is to be performed; or

**16.3.3** to obtain a judgment or to enforce a judgment or any provision of this Trust Deed or the Agency Agreement in any jurisdiction.

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

**16.4 Competence of a Majority of Trustees:** If there are more than two Trustees the majority of them shall be competent to perform the Trustee's functions provided the majority includes a trust corporation.

**16.5 Merger:** A corporation into which the Trustee may be merged or converted, or any corporation with which the Trustee may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation, including affiliated corporations, to which the Trustee shall sell or otherwise transfer: (a) all or substantially all of its assets or (b) all or substantially all of its corporate

trust business shall, on the date when the merger, conversion, consolidation or transfer becomes effective and to the extent permitted by any applicable laws and subject to any requirements set out in this Trust Deed become the successor trustee under this Trust Deed without the execution or filing of any paper or any further act on the part of the parties to this Trust Deed, unless otherwise required by the Issuers, and after the said effective date, all references in this Trust Deed or the Agency Agreement to the Trustee shall be deemed to be references to such successor corporation. Written notice of any such merger, conversion or consolidation shall immediately be given to the Issuers by the Trustee.

## **17 Notes held in Clearing Systems and Couponholders**

**17.1 Notes Held in Clearing Systems:** So long as any Global Note is, or any Notes represented by a Global Certificate are, held on behalf of a clearing system, in considering the interests of Noteholders, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders or participants with entitlements to any such Global Note or the Registered Notes and may consider such interests on the basis that such accountholders or participants were the holder(s) thereof.

**17.2 Couponholders:** No notices need be given to Couponholders. They shall be deemed to have notice of the contents of any notice given to Noteholders. Even if it has express notice to the contrary, in exercising any of its functions by reference to the interests of the Noteholders, the Trustee shall assume that the holder of each Note is the holder of all Coupons and Talons relating to it.

## **18 Currency Indemnity**

**18.1 Currency of Account and Payment:** The Contractual Currency is the sole currency of account and payment for all sums payable by the Issuers under or in connection with this Trust Deed, the Agency Agreement, the Notes and the Coupons, including damages.

**18.2 Extent of Discharge:** An amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, the voluntary or involuntary liquidation or bankruptcy of the Relevant Issuer or otherwise), by the Trustee or any Noteholder or Couponholder in respect of any sum expressed to be due to it from an Issuer shall only discharge such Issuer to the extent of the Contractual Currency amount that the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).

**18.3 Indemnity:** If that Contractual Currency amount is less than the Contractual Currency amount expressed to be due to the recipient under this Trust Deed or the Agency Agreement, the Notes or the Coupons, the relevant Issuer shall indemnify it, on an after tax basis, against any loss sustained by it as a result. In any event, the relevant Issuer shall indemnify the recipient, on an after tax basis, against the cost of making any such purchase.

**18.4 Indemnity Separate:** The indemnities in this Clause 18 and in Clause 10.4 constitute separate and independent obligations from the other obligations in this Trust Deed, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by the Trustee and/or any Noteholder or Couponholder 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 under this Trust Deed, the Agency Agreement, the Notes and/or the Coupons or any other judgment or order.

## **19 Communications**

**19.1 Method:** Each communication under this Trust Deed shall be made by electronic communication or otherwise in writing. Each communication or document to be delivered to any party under this Trust Deed shall be sent to that party at the postal address or electronic address, and marked for the attention of the person (if any), from time to time designated by that party to each other party for the purpose of this Trust Deed. The initial telephone number, postal address, electronic address and person so designated by the parties under this Trust Deed are set out in the Procedures Memorandum.

**19.2 Deemed Receipt:** Any communication from any party to any other under this Trust Deed shall be effective, (if in writing) when delivered and (if by electronic communication) when the relevant receipt of such communication being read is given, or where no read receipt is requested by the sender, at the time of sending, provided that no delivery failure notification is received by the sender within 24 hours of sending such communication; provided that any communication which is received (or deemed to take effect in accordance with the foregoing) after 5:00pm on a business day or on a non-business day in the place of receipt shall be deemed to take effect at the opening of business on the next following business day in such place. Any communication delivered to any party under this Trust Deed which is to be sent by electronic communication will be written legal evidence.

If the Trustee is requested to act on instructions or directions delivered by email or any other unsecured method of communication or any instructions or directions delivered through BNY Mellon Connect, CIDD, Nexen or any alternative electronic platform used to submit instructions, the Trustee shall have:

- (i) no duty or obligation to verify or confirm that the person who sent such instructions or directions is, in fact, a person authorised to give instructions or directions on behalf of the Relevant Issuer, and
- (ii) no liability for any losses, liabilities, costs or expenses incurred or sustained by the Relevant Issuer as a result of such reliance upon or compliance with such instructions or directions.

**19.3 Electronic Means:** In no event shall the Trustee be liable for any losses arising from the Trustee receiving or transmitting any data to either of the Issuers (or any authorised person) or acting upon any notice, instruction or other communications via any Electronic Means. The Trustee has no duty or obligation to verify or confirm that the person who sent such instructions or directions is, in fact, a person authorised to give instructions or directions on behalf of either of the Issuers (or any authorised person). Each of the Issuers and the Trustee agree that the security procedures, if any, to be followed in connection with a transmission of any such notice, instructions or other communications, provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances.

## **20 Acknowledgement of Swedish Statutory Loss Absorption Powers**

Notwithstanding and to the exclusion of any other term of this Trust Deed or any other agreements, arrangements or understanding between either Issuer and the Trustee, the Trustee acknowledges and accepts that any liability of the Issuers arising under this Trust

Deed may be subject to the exercise of Swedish Loss Absorption Powers by the Relevant Resolution Authority and acknowledges, accepts, consents to and agrees to be bound by:

- (A) the effect of the exercise of any Swedish Loss Absorption Powers by the Relevant Resolution Authority, which exercise (without limitation) may include and result in any of the following, or a combination thereof:
- (i) the reduction of all, or a portion, of a BRRD Liability;
  - (ii) the conversion of all, or a portion, of a BRRD Liability into shares, other securities or other obligations of the Relevant Issuer or another person, and the issue to or conferral on the Trustee of such shares, securities or obligations, including by means of an amendment, modification or variation of the terms of this Trust Deed;
  - (iii) the cancellation of a BRRD Liability; and
  - (iv) the amendment of the amount of interest payable under this Trust Deed, or the date on which interest becomes payable, or alteration of any interest, if applicable, thereon, the maturity or the dates on which any payments are due, including by suspending payment for a temporary period; and
- (B) the variation of the terms of this Trust Deed, as deemed necessary by the Relevant Resolution Authority, to give effect to the exercise of any Swedish Statutory Loss Absorption Powers by the Relevant Resolution Authority.

Upon either Issuer being informed or notified by the Relevant Resolution Authority of the actual exercise of the Swedish Statutory Loss Absorption Powers or the date from which the Swedish Statutory Loss Absorption Powers shall be effective with respect to any liability arising under this Trust Deed, such Issuer shall notify the Trustee in accordance with Clause 19 without delay. Any delay or failure by such Issuer to give such notice shall not affect the validity and enforceability of the Swedish Statutory Loss Absorption Powers nor the effects on the liabilities arising under this Trust Deed described in this Clause 20.

For the purposes of this Clause 20:

**“BRRD Liability”** means a liability in respect of which the Swedish Statutory Loss Absorption Powers by the Relevant Resolution Authority may be exercised;

**“Relevant Resolution Authority”** means the resolution authority with the ability to exercise any Swedish Statutory Loss Absorption Powers in relation to either Issuer; and

**“Swedish Statutory Loss Absorption Powers”** means any write-down, conversion, transfer, modification, suspension or similar or related power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in the Kingdom of Sweden, relating to (i) the transposition of the BRRD (including but not limited to the Resolution Act (*Lagen (2015:1016 om resolution)*)) as amended or replaced from time to time and (ii) the instruments, rules and standards created thereunder, pursuant to which any obligation of either Issuer (or any affiliate of either Issuer) can be reduced, cancelled, modified, or converted into shares, other securities or other obligations of such Issuer or any other person (or suspended for a temporary period).



## **21 The Issuers' rights and obligations**

- 21.1** Save where provided to the contrary, the obligations of the Issuers under this Trust Deed are several, each Issuer only being responsible for issues made by it under the Programme. The rights of the Issuers under this Trust Deed are several and accordingly each Issuer shall have the right to protect and enforce its rights without joining the other Issuer in any proceedings.
- 21.2** The failure of an Issuer to perform its obligations hereunder shall not affect the obligations of the Trustee to the other Issuer or of the other Issuer to the Trustee and save where provided to the contrary in Clauses 10.1 and 10.3 of this Trust Deed, neither Issuer shall be liable to the Trustee for the failure by the other Issuer to perform its obligations hereunder.

## **22 Governing Law and Jurisdiction**

- 22.1 Governing Law:** This Trust Deed and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law except that the provisions of Clause 5 will be governed by and construed in accordance with the laws of the Kingdom of Sweden.
- 22.2 Jurisdiction:** The courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with this Trust Deed, the Notes, the Coupons or the Talons and accordingly any legal action or proceedings arising out of or in connection with this Trust Deed, the Notes, the Coupons or the Talons ("**Proceedings**") may be brought in such courts. Each Issuer irrevocably submits to the jurisdiction of such courts and waives any objections to Proceedings in any such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This Clause is for the benefit of each of the Trustee, the Noteholders and the Couponholders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).
- 22.3 Service of Process:** Each Issuer irrevocably appoints Klarna Bank AB UK Branch at Aviation House, 125 Kingsway, Holborn, London WC2B 6NH, United Kingdom to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by such Issuer). If for any reason such process agent ceases to be able to act as such or no longer has an address in England each of the Issuers irrevocably agrees to appoint a substitute process agent and shall immediately notify the Trustee of such appointment. Nothing shall affect the right to serve process in any other manner permitted by law.

**Schedule 1**  
**Part A**  
**Form of CGN Temporary Global Note**

**[KLARNA BANK AB (PUBL)]**

*(Incorporated with limited liability in the Kingdom of Sweden)*

**[KLARNA HOLDING AB (PUBL)]**

*(Incorporated with limited liability in the Kingdom of Sweden)*

**EURO MEDIUM TERM NOTE PROGRAMME**

**TEMPORARY GLOBAL NOTE**

**Temporary Global Note No. [●]**

This Temporary Global Note is issued in respect of the Notes (the “**Notes**”) of the Tranche and Series specified in Part A of the Second Schedule hereto of [Klarna Bank AB (publ)]/[Klarna Holding AB (publ)] (the “**Issuer**”).

**Interpretation and Definitions**

References in this Temporary Global Note to the “Conditions” are to the Terms and Conditions applicable to the Notes (which are in the form set out in Schedule 2 Part C to the Trust Deed (as amended or supplemented as at the Issue Date, the “**Trust Deed**”) dated 19 June 2023 between the Issuer, the other issuer named therein and BNY Mellon Corporate Trustee Services Limited as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this Temporary Global Note (including the supplemental definitions and any modifications or additions set out in Part A of the Second Schedule hereto), which in the event of any conflict shall prevail). Other capitalised terms used in this Temporary Global Note shall have the meanings given to them in the Conditions or the Trust Deed.

**Aggregate Nominal Amount**

The aggregate nominal amount from time to time of this Temporary Global Note shall be an amount equal to the aggregate nominal amount of the Notes as shall be shown by the latest entry in the fourth column of the First Schedule hereto, which shall be completed by or on behalf of the Principal Paying Agent upon (i) the issue of Notes represented hereby, (ii) the exchange of the whole or a part of this Temporary Global Note for a corresponding interest in a Permanent Global Note or for Definitive Notes and/or (iii) the redemption or purchase and cancellation of Notes represented hereby, all as described below.

**Promise to Pay**

Subject as provided herein, the Issuer, for value received, promises to pay to the bearer of this Temporary Global Note, upon presentation and (when no further payment is due in respect of this Temporary Global Note) surrender of this Temporary Global Note, on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the aggregate nominal amount of Notes represented by this Temporary Global Note and (unless this Temporary Global Note does not bear interest) to pay interest in respect of the Notes from the Interest Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Notes, together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

## **Exchange**

On or after the first day following the expiry of 40 days after the Issue Date (the “**Exchange Date**”), this Temporary Global Note may be exchanged (free of charge to the holder) in whole or from time to time in part by its presentation and, on exchange in full, surrender to or to the order of the Principal Paying Agent for interests in a Permanent Global Note or, if so specified in the Second Schedule hereto, for Definitive Notes in an aggregate nominal amount equal to the nominal amount of this Temporary Global Note submitted for exchange provided that there shall have been Certification with respect to such nominal amount submitted for such exchange dated no earlier than the Exchange Date.

“**Certification**” means the presentation to the Principal Paying Agent of a certificate or certificates with respect to one or more interests in this Temporary Global Note, signed by Euroclear or Clearstream, Luxembourg, substantially to the effect set out in Schedule 3 to the Agency Agreement to the effect that it has received a certificate or certificates substantially to the effect set out in Schedule 2 to the Agency Agreement with respect thereto and that no contrary advice as to the contents thereof has been received by Euroclear or Clearstream, Luxembourg, as the case may be.

Upon the whole or a part of this Temporary Global Note being exchanged for a Permanent Global Note, such Permanent Global Note shall be exchangeable in accordance with its terms for Definitive Notes.

The Definitive Notes for which this Temporary Global Note or a Permanent Global Note may be exchangeable shall be duly executed and authenticated, shall, in the case of Definitive Notes, have attached to them all Coupons (and, where appropriate, Talons) in respect of interest that have not already been paid on this Temporary Global Note or the Permanent Global Note, as the case may be, shall be security printed and shall be substantially in the form set out in the Schedules to the Trust Deed as supplemented and/or modified and/or superseded by the terms of the Second Schedule hereto.

On any exchange of a part of this Temporary Global Note for an equivalent interest in a Permanent Global Note or for Definitive Notes, as the case may be, the portion of the nominal amount hereof so exchanged shall be endorsed by or on behalf of the Principal Paying Agent in Part I of the First Schedule hereto, whereupon the nominal amount hereof shall be reduced for all purposes by the amount so exchanged and endorsed.

## **Benefit of Conditions**

Except as otherwise specified herein, this Temporary Global Note is subject to the Conditions and the Trust Deed and, until the whole of this Temporary Global Note is exchanged for equivalent interests in a Permanent Global Note or for Definitive Notes, the holder of this Temporary Global Note shall in all respects be entitled to the same benefits as if it were the holder of the Permanent Global Note (or the relevant part of it) or the Definitive Notes, as the case may be, for which it may be exchanged as if such Permanent Global Note or Definitive Notes had been issued on the Issue Date.

## **Payments**

No person shall be entitled to receive any payment in respect of the Notes represented by this Temporary Global Note that falls due on or after the Exchange Date unless, upon due presentation of this Temporary Global Note for exchange, delivery of (or, in the case of a subsequent exchange, due endorsement of) a Permanent Global Note or delivery of Definitive Notes, as the case may be, is improperly withheld or refused by or on behalf of the Issuer.

Payments due in respect of a Note before the Exchange Date shall only be made in relation to such nominal amount of this Temporary Global Note with respect to which there shall have been Certification dated no earlier than such due date for payment.

Any payments that are made in respect of this Temporary Global Note shall be made to its holder against presentation and (if no further payment falls to be made on it) surrender of it at the specified office of the Principal Paying Agent or of any other Paying Agent provided for in the Conditions. If any payment in full of principal is made in respect of any Note represented by this Temporary Global Note, the portion of this Temporary Global Note representing such Note shall be cancelled and the amount so cancelled shall be endorsed by or on behalf of the Principal Paying Agent in the First Schedule hereto (such endorsement being prima facie evidence that the payment in question has been made) whereupon the nominal amount hereof shall be reduced for all purposes by the amount so cancelled and endorsed. If any other payments are made in respect of the Notes represented by this Temporary Global Note, a record of each such payment shall be endorsed by or on behalf of the Principal Paying Agent on an additional schedule hereto (such endorsement being *prima facie* evidence that the payment in question has been made).

### **Cancellation**

Cancellation of any Note represented by this Temporary Global Note that is required by the Conditions to be cancelled (other than upon its redemption) shall be effected by reduction in the nominal amount of this Temporary Global Note representing such Note on its presentation to or to the order of the Principal Paying Agent for endorsement in the First Schedule hereto, whereupon the nominal amount hereof shall be reduced for all purposes by the amount so cancelled and endorsed.

### **Notices**

Notices required to be given in respect of the Notes represented by this Temporary Global Note may be given by their being delivered (so long as this Temporary Global Note is held on behalf of Euroclear and Clearstream, Luxembourg or any other clearing system) to Euroclear, Clearstream, Luxembourg or such other clearing system, as the case may be, or otherwise to the holder of this Temporary Global Note, rather than by publication as required by the Conditions, except that, so long as the Notes are listed and/or admitted to trading, notices required to be given to the holders of the Notes pursuant to the Conditions shall also be published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed/and or admitted to trading.

### **Trustee's Powers**

In considering the interests of Noteholders while this Temporary Global Note is held on behalf of a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders and may consider such interests and treat such accountholders as if such accountholders were holders of the Temporary Global Note.

No provision of this Temporary Global Note shall alter or impair the obligation of the Issuer to pay the principal and premium of and interest on the Notes when due in accordance with the Conditions.

This Temporary Global Note shall not be valid or become obligatory for any purpose until authenticated by or on behalf of the Principal Paying Agent.

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

**In witness** whereof the Issuer has caused this Temporary Global Note to be duly signed on its behalf.

Dated as of the Issue Date.

**[KLARNA BANK AB (PUBL)]/[KLARNA HOLDING AB (PUBL)]**

By:

**CERTIFICATE OF AUTHENTICATION**

This Temporary Global Note is authenticated without recourse, warranty or liability by or on behalf of the Principal Paying Agent.

**THE BANK OF NEW YORK MELLON, LONDON BRANCH**

as Principal Paying Agent

By:

Authorised Signatory

For the purposes of authentication only.

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 First Schedule

### Nominal amount of Notes represented by this Temporary Global Note

The following (i) issue of Notes initially represented by this Temporary Global Note, (ii) exchanges of the whole or a part of this Temporary Global Note for interests in a Permanent Global Note or for Definitive Notes and/or (iii) cancellations or forfeitures of interests in this Temporary Global Note have been made, resulting in the nominal amount of this Temporary Global Note specified in the latest entry in the fourth column below:

<b>Date</b>	<b>Amount of decrease in nominal amount of this Temporary Global Note</b>	<b>Reason for decrease in nominal amount of this Temporary Global Note (exchange, cancellation or forfeiture)</b>	<b>Nominal amount of this Temporary Global Note on issue or following such decrease</b>	<b>Notation made by or on behalf of the Principal Paying Agent</b>
Issue Date	not applicable	not applicable		



## **The Second Schedule**

[Insert the provisions of the relevant Final Terms that relate to the Conditions or the Global Notes as the Second Schedule]

**Schedule 1**  
**Part B**  
**Form of CGN Permanent Global Note**

**[KLARNA BANK AB (PUBL)]**

*(Incorporated with limited liability in the Kingdom of Sweden)*

**[KLARNA HOLDING AB (PUBL)]**

*(Incorporated with limited liability in the Kingdom of Sweden)*

**EURO MEDIUM TERM NOTE PROGRAMME**

**PERMANENT GLOBAL NOTE**

**Permanent Global Note No. [●]**

This Permanent Global Note is issued in respect of the Notes (the “**Notes**”) of the Tranche(s) and Series specified in Part A of the Third Schedule hereto of [Klarna Bank AB (publ)]/[Klarna Holding AB (publ)] (the “**Issuer**”).

**Interpretation and Definitions**

References in this Permanent Global Note to the “Conditions” are to the Terms and Conditions applicable to the Notes (which are in the form set out in Schedule 2 Part C to the Trust Deed (as amended or supplemented as at the Issue Date, the “**Trust Deed**”) dated 19 June 2023 between the Issuer, the other issuer named therein and BNY Mellon Corporate Trustee Services Limited as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this Permanent Global Note (including the supplemental definitions and any modifications or additions set out in Part A of the Third Schedule hereto), which in the event of any conflict shall prevail). Other capitalised terms used in this Permanent Global Note shall have the meanings given to them in the Conditions or the Trust Deed.

**Aggregate Nominal Amount**

The aggregate nominal amount from time to time of this Permanent Global Note shall be an amount equal to the aggregate nominal amount of the Notes as shall be shown by the latest entry in the fourth column of the First Schedule hereto, which shall be completed by or on behalf of the Principal Paying Agent upon (i) the exchange of the whole or a part of the Temporary Global Note initially representing the Notes for a corresponding interest herein (in the case of Notes represented by a Temporary Global Note upon issue), (ii) the issue of the Notes represented hereby (in the case of Notes represented by this Permanent Global Note upon issue) and/or (iii) the exchange of the whole or, where the limited circumstances so permit, a part of this Permanent Global Note for Definitive Notes and/or (iv) the redemption or purchase and cancellation of Notes represented hereby, all as described below.

**Promise to Pay**

Subject as provided herein, the Issuer, for value received, hereby promises to pay to the bearer of this Permanent Global Note, upon presentation and (when no further payment is due in respect of this Permanent Global Note) surrender of this Permanent Global Note, on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the aggregate nominal amount of Notes represented by this Permanent Global Note and (unless this Permanent Global Note does not bear interest) to pay interest in respect of the Notes from the Interest Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions, save that the

calculation is made in respect of the total aggregate amount of the Notes together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

### **Exchange**

This Permanent Global Note is exchangeable (free of charge to the holder) on or after the Exchange Date in whole but not, except as provided in the next paragraph, in part for the Definitive Notes if this Permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or any other clearing system (an “**Alternative Clearing System**”) and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so.

This Permanent Global Note is exchangeable in part (provided, however, that if this Permanent Global Note is held by or on behalf of Euroclear and/or Clearstream, Luxembourg, the rules of Euroclear and/or Clearstream, Luxembourg, as the case may be, so permit) if so provided.

“**Exchange Date**” means a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Principal Paying Agent is located and, except in the case of exchange above, in the cities in which Euroclear and Clearstream, Luxembourg or, if relevant, the Alternative Clearing System, are located.

Any such exchange may be effected on or after an Exchange Date by the holder of this Permanent Global Note surrendering this Permanent Global Note or, in the case of a partial exchange, presenting it for endorsement to or to the order of the Principal Paying Agent. In exchange for this Permanent Global Note, or part thereof to be exchanged, the Issuer shall deliver, or procure the delivery of, duly executed and authenticated Definitive Notes in an aggregate nominal amount equal to the nominal amount of this Permanent Global Note submitted for exchange (if appropriate, having attached to them all Coupons (and, where appropriate, Talons) in respect of interest that have not already been paid on this Permanent Global Note), security printed and substantially in the form set out in the Schedules to the Trust Deed as supplemented and/or modified and/or superseded by the terms of the Third Schedule hereto.

On any exchange of a part of this Permanent Global Note the portion of the nominal amount hereof so exchanged shall be endorsed by or on behalf of the Principal Paying Agent in the First Schedule hereto, whereupon the nominal amount hereof shall be reduced for all purposes by the amount so exchanged and endorsed.

### **Benefit of Conditions**

Except as otherwise specified herein, this Permanent Global Note is subject to the Conditions and the Trust Deed and, until the whole of this Permanent Global Note is exchanged for Definitive Notes, the holder of this Permanent Global Note shall in all respects be entitled to the same benefits as if it were the holder of the Definitive Notes for which it may be exchanged and as if such Definitive Notes had been issued on the Issue Date.

### **Payments**

No person shall be entitled to receive any payment in respect of the Notes represented by this Permanent Global Note that falls due after an Exchange Date for such Notes, unless upon due presentation of this Permanent Global Note for exchange, delivery of Definitive Notes is improperly withheld or refused by or on behalf of the Issuer or the Issuer does not perform or comply with any one or more of what are expressed to be its obligations under any Definitive Notes.

Payments in respect of this Permanent Global Note shall be made to its holder against presentation and (if no further payment falls to be made on it) surrender of it at the specified office of the Principal Paying Agent or of any other Paying Agent provided for in the Conditions. A record of each such payment shall be endorsed on the First or Second Schedule hereto, as appropriate, by the Principal Paying Agent or by the relevant Paying Agent, for and on behalf of the Principal Paying Agent, which endorsement shall (until the contrary is proved) be *prima facie* evidence that the payment in question has been made.

### **Prescription**

Claims in respect of principal and interest (as each is defined in the Conditions) in respect of this Permanent Global Note shall become void unless it is presented for payment within a period of 10 years (in the case of principal) and 5 years (in the case of interest) from the appropriate Relevant Date.

### **Meetings**

For the purposes of any meeting of Noteholders, the holder of this Permanent Global Note shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes.

### **Cancellation**

Cancellation of any Note represented by this Permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) shall be effected by reduction in the nominal amount of this Permanent Global Note representing such Note on its presentation to or to the order of the Principal Paying Agent for endorsement in the First Schedule hereto, whereupon the nominal amount hereof shall be reduced for all purposes by the amount so cancelled and endorsed.

### **Purchase**

Notes may only be purchased by the Issuer or any of its Subsidiaries if they are purchased together with the right to receive all future payments of interest thereon.

### **Issuer's Options**

Any option of the Issuer provided for in the Conditions shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required.

### **Notices**

Notices required to be given in respect of the Notes represented by this Permanent Global Note may be given by their being delivered (so long as this Permanent Global Note is held on behalf of Euroclear, Clearstream, Luxembourg or any other clearing system) to Euroclear, Clearstream, Luxembourg or such other clearing system, as the case may be, or otherwise to the holder of this Permanent Global Note, rather than by publication as required by the Conditions, except that, so long as the Notes are listed and/or admitted to trading, notices required to be given to the holders of the Notes pursuant to the Conditions shall also be published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed/and or admitted to trading.

### **Trustee's Powers**

In considering the interests of Noteholders while this Permanent Global Note is held on behalf of a clearing system, the Trustee may have regard to any information provided to it by such clearing

system or its operator as to the identity (either individually or by category) of its accountholders and may consider such interests and treat such accountholders as if such accountholders were holders of the Permanent Global Note.

### **Negotiability**

This Permanent Global Note is a bearer document and negotiable and accordingly:

- 1** is freely transferable by delivery and such transfer shall operate to confer upon the transferee all rights and benefits appertaining hereto and to bind the transferee with all obligations appertaining hereto pursuant to the Conditions;
- 2** the holder of this Permanent Global Note is and shall be absolutely entitled as against all previous holders to receive all amounts by way of amounts payable upon redemption, interest or otherwise payable in respect of this Permanent Global Note and the Issuer has waived against such holder and any previous holder of this Permanent Global Note all rights of set-off or counterclaim that would or might otherwise be available to it in respect of the obligations evidenced by this Global Note; and
- 3** payment upon due presentation of this Permanent Global Note as provided herein shall operate as a good discharge against such holder and all previous holders of this Permanent Global Note.

No provisions of this Permanent Global Note shall alter or impair the obligation of the Issuer to pay the principal and premium of and interest on the Notes when due in accordance with the Conditions.

This Permanent Global Note shall not be valid or become obligatory for any purpose until authenticated by or on behalf of the Principal Paying Agent.

This Permanent Global Note and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

**In witness** whereof the Issuer has caused this Permanent Global Note to be duly signed on its behalf.

Dated as of the Issue Date.

**[KLARNA BANK AB (PUBL)]/[KLARNA HOLDING AB (PUBL)]**

By:

**CERTIFICATE OF AUTHENTICATION**

This Permanent Global Note is authenticated without recourse, warranty or liability by or on behalf of the Principal Paying Agent.

**THE BANK OF NEW YORK MELLON, LONDON BRANCH**

as Principal Paying Agent

By:

Authorised Signatory

For the purposes of authentication only.

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 First Schedule

### Nominal amount of Notes represented by this Permanent Global Note

The following (i) issues of Notes initially represented by this Permanent Global Note, (ii) exchanges of interests in a Temporary Global Note for interests in this Permanent Global Note, (iii) exchanges of the whole or a part of this Permanent Global Note for Definitive Notes, (iv) cancellations or forfeitures of interests in this Permanent Global Note and/or (v) payments of amounts payable upon redemption in respect of this Permanent Global Note have been made, resulting in the nominal amount of this Permanent Global Note specified in the latest entry in the fourth column:

<b>Date</b>	<b>Amount of increase/decrease in nominal amount of this Permanent Global Note</b>	<b>Reason for increase/decrease in nominal amount of this Permanent Global Note (initial issue, exchange, cancellation, forfeiture or payment, stating amount of payment made)</b>	<b>Nominal amount of this Permanent Global Note following such increase/decrease</b>	<b>Notation made by or on behalf of the Principal Paying Agent</b>
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**The Second Schedule  
Payments of Interest**

The following payments of interest or Interest Amount in respect of this Permanent Global Note have been made:

<b>Due date of payment</b>	<b>Date of payment</b>	<b>Amount of interest</b>	<b>Notation made by or on behalf of the Principal Paying Agent</b>
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### **The Third Schedule**

[Insert the provisions of the relevant Final Terms that relate to the Conditions or the Global Notes as the Third Schedule.]

**Schedule 1**  
**Part C**  
**Form of NGN Temporary Global Note**

**[KLARNA BANK AB (PUBL)]**

*(Incorporated with limited liability in the Kingdom of Sweden)*

**[KLARNA HOLDING AB (PUBL)]**

*(Incorporated with limited liability in the Kingdom of Sweden)*

**EURO MEDIUM TERM NOTE PROGRAMME**

**TEMPORARY GLOBAL NOTE**

**Temporary Global Note No. [●]**

This Temporary Global Note is issued in respect of the Notes (the “**Notes**”) of the Tranche and Series specified in Part A of the Schedule hereto of [Klarna Bank AB (publ)]/[Klarna Holding AB (publ)] (the “**Issuer**”).

**Interpretation and Definitions**

References in this Temporary Global Note to the “Conditions” are to the Terms and Conditions applicable to the Notes (which are in the form set out in Schedule 2 Part C to the Trust Deed (as amended or supplemented as at the Issue Date, the “**Trust Deed**”) dated 19 June 2023 between the Issuer, the other issuer named therein and BNY Mellon Corporate Trustee Services Limited as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this Temporary Global Note (including the supplemental definitions and any modifications or additions set out in Part A of the Schedule hereto), which in the event of any conflict shall prevail). Other capitalised terms used in this Temporary Global Note shall have the meanings given to them in the Conditions or the Trust Deed.

**Aggregate Nominal Amount**

The aggregate nominal amount from time to time of this Temporary Global Note shall be an amount equal to the aggregate nominal amount of the Notes from time to time entered in the records of both Euroclear and Clearstream, Luxembourg (together the “**relevant Clearing Systems**”), which shall be completed and/or amended, as the case may be, upon (i) the issue of Notes represented hereby, (ii) the exchange of the whole or a part of this Temporary Global Note for a corresponding interest recorded in the records of the relevant Clearing Systems in a Permanent Global Note or for Definitive Notes and/or (iii) the redemption or purchase and cancellation of Notes represented hereby, all as described below.

The records of the relevant Clearing Systems (which expression in this Temporary Global Note means the records that each relevant Clearing System holds for its customers which reflect the amount of such customers’ interests in the Notes) shall be conclusive evidence of the nominal amount of the Notes represented by this Temporary Global Note and, for these purposes, a statement issued by a relevant Clearing System (which statement shall be made available to the bearer upon request) stating the nominal amount of Notes represented by the Temporary Global Note at any time shall be conclusive evidence of the records of the relevant Clearing Systems at that time.

**Promise to Pay**

Subject as provided herein, the Issuer, for value received, promises to pay to the bearer of this Temporary Global Note, upon presentation and (when no further payment is due in respect of this

Temporary Global Note) surrender of this Temporary Global Note, on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the aggregate nominal amount of Notes represented by this Temporary Global Note and (unless this Temporary Global Note does not bear interest) to pay interest in respect of the Notes from the Interest Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Notes, together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

### **Exchange**

On or after the first day following the expiry of 40 days after the Issue Date (the “**Exchange Date**”), this Temporary Global Note may be exchanged (free of charge to the holder) in whole or from time to time in part by its presentation and, on exchange in full, surrender to or to the order of the Principal Paying Agent for interests recorded in the records of the relevant Clearing Systems in a Permanent Global Note or, if so specified in Part A of the Schedule hereto, for Definitive Notes in an aggregate nominal amount equal to the nominal amount of this Temporary Global Note submitted for exchange provided that there shall have been Certification with respect to such nominal amount submitted for such exchange dated no earlier than the Exchange Date.

“**Certification**” means the presentation to the Principal Paying Agent of a certificate or certificates with respect to one or more interests in this Temporary Global Note, signed by Euroclear or Clearstream, Luxembourg, substantially to the effect set out in Schedule 3 to the Agency Agreement to the effect that it has received a certificate or certificates substantially to the effect set out in Schedule 2 to the Agency Agreement with respect thereto and that no contrary advice as to the contents thereof has been received by Euroclear or Clearstream, Luxembourg, as the case may be.

Upon the whole or a part of this Temporary Global Note being exchanged for a Permanent Global Note, such Permanent Global Note shall be exchangeable in accordance with its terms for Definitive Notes.

The Definitive Notes for which this Temporary Global Note or a Permanent Global Note may be exchangeable shall be duly executed and authenticated, shall, in the case of Definitive Notes, have attached to them all Coupons (and, where appropriate, Talons) in respect of interest that have not already been paid on this Temporary Global Note or the Permanent Global Note, as the case may be, shall be security printed and shall be substantially in the form set out in the Schedules to the Trust Deed as supplemented and/or modified and/or superseded by the terms of Part A of the Schedule hereto.

On any exchange of a part of this Temporary Global Note for an equivalent interest recorded in the records of the relevant Clearing Systems in a Permanent Global Note or for Definitive Notes, as the case may be, the Issuer shall procure that details of the portion of the nominal amount hereof so exchanged shall be entered *pro rata* in the records of the relevant Clearing Systems and upon any such entry being made, the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this Temporary Global Note shall be reduced by an amount equal to such portion so exchanged.

### **Benefit of Conditions**

Except as otherwise specified herein, this Temporary Global Note is subject to the Conditions and the Trust Deed and, until the whole of this Temporary Global Note is exchanged for equivalent

interests in a Permanent Global Note or for Definitive Notes, the holder of this Temporary Global Note shall in all respects be entitled to the same benefits as if it were the holder of the Permanent Global Note (or the relevant part of it) or the Definitive Notes, as the case may be, for which it may be exchanged as if such Permanent Global Note or Definitive Notes had been issued on the Issue Date.

## **Payments**

No person shall be entitled to receive any payment in respect of the Notes represented by this Temporary Global Note that falls due on or after the Exchange Date unless, upon due presentation of this Temporary Global Note for exchange, delivery of (or, in the case of a subsequent exchange, a corresponding entry being recorded in the records of the relevant Clearing Systems) a Permanent Global Note or delivery of Definitive Notes, as the case may be, is improperly withheld or refused by or on behalf of the Issuer.

Payments due in respect of a Note before the Exchange Date shall only be made in relation to such nominal amount of this Temporary Global Note with respect to which there shall have been Certification dated no earlier than such due date for payment.

Any payments that are made in respect of this Temporary Global Note shall be made to its holder against presentation and (if no further payment falls to be made on it) surrender of it at the specified office of the Principal Paying Agent or of any other Paying Agent provided for in the Conditions and each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant Clearing Systems referred to herein shall not affect such discharge. If any payment in full or in part of principal is made in respect of any Note represented by this Temporary Global Note the Issuer shall procure that details of such payment shall be entered *pro rata* in the records of the relevant Clearing Systems and, upon any such entry being made, the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this Temporary Global Note shall be reduced by the aggregate nominal amount of the Notes so redeemed. If any other payments are made in respect of the Notes represented by this Temporary Global Note, the Issuer shall procure that a record of each such payment shall be entered *pro rata* in the records of the relevant Clearing Systems.

## **Cancellation**

On cancellation of any Note represented by this Temporary Global Note that is required by the Conditions to be cancelled (other than upon its redemption), the Issuer shall procure that details of such cancellation shall be entered *pro rata* in the records of the relevant Clearing systems and, upon any such entry being made, the nominal amount of the Note recorded in the records of the relevant Clearing Systems and represented by this Temporary Global Note shall be reduced by the aggregate nominal amount of the Notes so cancelled.

## **Notices**

Notices required to be given in respect of the Notes represented by this Temporary Global Note may be given by their being delivered (so long as this Temporary Global Note is held on behalf of Euroclear and/or Clearstream, Luxembourg or any other permitted clearing system) to Euroclear, Clearstream, Luxembourg or such other permitted clearing system, as the case may be, or otherwise to the holder of this Temporary Global Note, rather than by publication as required by the Conditions, except that, so long as the Notes are listed and/or admitted to trading, notices required to be given to the holders of the Notes pursuant to the Conditions shall also be published (if such publication is

required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed/and or admitted to trading.

### **Trustee's Powers**

In considering the interests of Noteholders while this Temporary Global Note is held on behalf of a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders and may consider such interests and treat such accountholders as if such accountholders were holders of the Temporary Global Note.

No provision of this Temporary Global Note shall alter or impair the obligation of the Issuer to pay the principal and premium of and interest on the Notes when due in accordance with the Conditions.

This Temporary Global Note shall not be valid or become obligatory for any purpose until authenticated by or on behalf of the Principal Paying Agent and effectuated by the entity appointed as Common Safekeeper by the relevant Clearing Systems.

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

**In witness** whereof the Issuer has caused this Temporary Global Note to be duly signed on its behalf.

Dated as of the Issue Date.

**[KLARNA BANK AB (PUBL)]/[KLARNA HOLDING AB (PUBL)]**

By:

**CERTIFICATE OF AUTHENTICATION**

This Temporary Global Note is authenticated without recourse, warranty or liability by or on behalf of the Principal Paying Agent.

**THE BANK OF NEW YORK MELLON, LONDON BRANCH**

as Principal Paying Agent

By:

Authorised Signatory

For the purposes of authentication only.



**Effectuation**

This Temporary Global Note  
is effectuated by or on behalf of the Common Safekeeper.

**[COMMON SAFEKEEPER]**

as Common Safekeeper

By:

Authorised Signatory

For the purposes of effectuation only.

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.

## **Schedule**

[Insert the provisions of the relevant Final Terms that relate to the Conditions or the Global Notes as the Schedule]

**Schedule 1**  
**Part D**  
**Form of NGN Permanent Global Note**

**[KLARNA BANK AB (PUBL)]**

*(Incorporated with limited liability in the Kingdom of Sweden)*

**[KLARNA HOLDING AB (PUBL)]**

*(Incorporated with limited liability in the Kingdom of Sweden)*

**EURO MEDIUM TERM NOTE PROGRAMME**

**PERMANENT GLOBAL NOTE**

**Permanent Global Note No. [●]**

This Permanent Global Note is issued in respect of the Notes (the “**Notes**”) of the Tranche(s) and Series specified in Part A of the Schedule hereto of [Klarna Bank AB (publ)]/[Klarna Holding AB (publ)] (the “**Issuer**”).

**Interpretation and Definitions**

References in this Permanent Global Note to the “Conditions” are to the Terms and Conditions applicable to the Notes (which are in the form set out in Schedule 2 Part C to the Trust Deed (as amended or supplemented as at the Issue Date, the “**Trust Deed**”) dated 19 June 2023 between the Issuer, the other issuer named therein and BNY Mellon Corporate Trustee Services Limited as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this Permanent Global Note (including the supplemental definitions and any modifications or additions set out in Part A of the Schedule hereto), which in the event of any conflict shall prevail). Other capitalised terms used in this Permanent Global Note shall have the meanings given to them in the Conditions or the Trust Deed.

**Aggregate Nominal Amount**

The aggregate nominal amount from time to time of this Permanent Global Note shall be an amount equal to the aggregate nominal amount of the Notes from time to time entered in the records of both Euroclear and Clearstream, Luxembourg (together, the “**relevant Clearing Systems**”), which shall be completed and/or amended as the case may be upon (i) the exchange of the whole or a part of the interests recorded in the records of the relevant Clearing Systems in the Temporary Global Note initially representing the Notes for a corresponding interest herein (in the case of Notes represented by a Temporary Global Note upon issue), (ii) the issue of the Notes represented hereby (in the case of Notes represented by this Permanent Global Note upon issue), (iii) the exchange of the whole or, where the limited circumstances so permit, a part of this Permanent Global Note for Definitive Notes and/or (iv) the redemption or purchase and cancellation of Notes represented hereby, all as described below.

The records of the relevant Clearing Systems (which expression in this Permanent Global Note means the records that each relevant Clearing System holds for its customers which reflect the amount of such customers’ interests in the Notes) shall be conclusive evidence of the nominal amount of the Notes represented by this Permanent Global Note and, for these purposes, a statement issued by a relevant Clearing System (which statement shall be made available to the bearer upon request) stating the nominal amount of Notes represented by this Permanent Global Note at any time shall be conclusive evidence of the records of the relevant Clearing System at that time.

## **Promise to Pay**

Subject as provided herein, the Issuer, for value received, hereby promises to pay to the bearer of this Permanent Global Note, upon presentation and (when no further payment is due in respect of this Permanent Global Note) surrender of this Permanent Global Note on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the aggregate nominal amount of Notes represented by this Permanent Global Note and (unless this Permanent Global Note does not bear interest) to pay interest in respect of the Notes from the Interest Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Notes, together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

## **Exchange**

This Permanent Global Note is exchangeable (free of charge to the holder) on or after the Exchange Date in whole but not, except as provided in the next paragraph, in part for the Definitive Notes if this Permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or any other permitted clearing system (an “**Alternative Clearing System**”) and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so.

This Permanent Global Note is exchangeable in part (provided, however, that if this Permanent Global Note is held by or on behalf of Euroclear and/or Clearstream, Luxembourg, the rules of Euroclear and/or Clearstream, Luxembourg, as the case may be, so permit) if so provided.

“**Exchange Date**” means a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Principal Paying Agent is located and, except in the case of exchange above, in the cities in which Euroclear and Clearstream, Luxembourg or, if relevant, the Alternative Clearing System, are located.

Any such exchange may be effected on or after an Exchange Date by the holder of this Permanent Global Note surrendering this Permanent Global Note or, in the case of a partial exchange, presenting it to or to the order of the Principal Paying Agent. In exchange for this Permanent Global Note, or part thereof to be exchanged, the Issuer shall deliver, or procure the delivery of, duly executed and authenticated Definitive Notes in an aggregate nominal amount equal to the nominal amount of this Permanent Global Note submitted for exchange (if appropriate, having attached to them all Coupons (and, where appropriate, Talons) in respect of interest that have not already been paid on this Permanent Global Note), security printed and substantially in the form set out in the Schedules to the Trust Deed as supplemented and/or modified and/or superseded by the terms of Part A of the Schedule hereto.

On any exchange of a part of this Permanent Global Note, the Issuer shall procure that the portion of the nominal amount hereof so exchanged shall be entered *pro rata* in the records of the relevant Clearing Systems and upon any such entry being made, the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this Permanent Global Note shall be reduced by an amount equal to such portion so exchanged.

## **Benefit of Conditions**

Except as otherwise specified herein, this Permanent Global Note is subject to the Conditions and the Trust Deed and, until the whole of this Permanent Global Note is exchanged for Definitive Notes,

the holder of this Permanent Global Note shall in all respects be entitled to the same benefits as if it were the holder of the Definitive Notes for which it may be exchanged and as if such Definitive Notes had been issued on the Issue Date.

### **Payments**

No person shall be entitled to receive any payment in respect of the Notes represented by this Permanent Global Note that falls due after an Exchange Date for such Notes, unless upon due presentation of this Permanent Global Note for exchange, delivery of Definitive Notes is improperly withheld or refused by or on behalf of the Issuer or the Issuer does not perform or comply with any one or more of what are expressed to be its obligations under any Definitive Notes.

Payments in respect of this Permanent Global Note shall be made to its holder against presentation and (if no further payment falls to be made on it) surrender of it at the specified office of the Principal Paying Agent or of any other Paying Agent provided for in the Conditions and each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant Clearing Systems referred to herein shall not affect such discharge. The Issuer shall procure that details of each such payment shall be entered *pro rata* in the records of the relevant Clearing Systems and in the case of any payment of principal, and upon any such entry being made, the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this Permanent Global Note shall be reduced by the aggregate nominal amount of the Notes so redeemed.

### **Prescription**

Claims in respect of principal and interest (as each is defined in the Conditions) in respect of this Permanent Global Note shall become void unless it is presented for payment within a period of 10 years (in the case of principal) and 5 years (in the case of interest) from the appropriate Relevant Date.

### **Meetings**

For the purposes of any meeting of Noteholders, the holder of this Permanent Global Note shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes.

### **Cancellation**

On cancellation of any Note represented by this Permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption), the Issuer shall procure that details of such cancellation shall be entered *pro rata* in the records of the relevant Clearing Systems and, upon any such entry being made, the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this Permanent Global Note shall be reduced by the aggregate nominal amount of the Notes so cancelled.

### **Purchase**

Notes may only be purchased by the Issuer or any of its Subsidiaries if they are purchased together with the right to receive all future payments of interest thereon.

### **Issuer's Options**

Any option of the Issuer provided for in the Conditions shall be exercised by the Issuer giving notice to the Noteholders and the relevant Clearing Systems (or procuring that such notice is given on its behalf) within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the case

of a partial exercise of an option, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear and/or Clearstream, Luxembourg and shall be reflected in the records of Euroclear and/or Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion. Following the exercise of any such option, the Issuer shall procure that the nominal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this Permanent Global Note shall be reduced accordingly.

### **Notices**

Notices required to be given in respect of the Notes represented by this Permanent Global Note may be given by their being delivered (so long as this Permanent Global Note is held on behalf of Euroclear and/or Clearstream, Luxembourg and/or an Alternative Clearing System) to Euroclear, Clearstream, Luxembourg and/or such Alternative Clearing System, as the case may be, or otherwise to the holder of this Permanent Global Note, rather than by publication as required by the Conditions, except that, so long as the Notes are listed and/or admitted to trading, notices required to be given to the holders of the Notes pursuant to the Conditions shall also be published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed/and or admitted to trading.

### **Trustee's Powers**

In considering the interests of Noteholders while this Permanent Global Note is held on behalf of a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders and may consider such interests and treat such accountholders as if such accountholders were holders of the Permanent Global Note.

### **Negotiability**

This Permanent Global Note is a bearer document and negotiable and accordingly:

- 1** is freely transferable by delivery and such transfer shall operate to confer upon the transferee all rights and benefits appertaining hereto and to bind the transferee with all obligations appertaining hereto pursuant to the Conditions;
- 2** the holder of this Permanent Global Note is and shall be absolutely entitled as against all previous holders to receive all amounts by way of amounts payable upon redemption, interest or otherwise payable in respect of this Permanent Global Note and the Issuer has waived against such holder and any previous holder of this Permanent Global Note all rights of set-off or counterclaim that would or might otherwise be available to it in respect of the obligations evidenced by this Global Note; and
- 3** payment upon due presentation of this Permanent Global Note as provided herein shall operate as a good discharge against such holder and all previous holders of this Permanent Global Note.

No provisions of this Permanent Global Note shall alter or impair the obligation of the Issuer to pay the principal and premium of and interest on the Notes when due in accordance with the Conditions.

This Permanent Global Note shall not be valid or become obligatory for any purpose until authenticated by or on behalf of the Principal Paying Agent and effectuated by the entity appointed as Common Safekeeper by the relevant Clearing Systems.

This Permanent Global Note and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

**In witness** whereof the Issuer has caused this Permanent Global Note to be duly signed on its behalf.

Dated as of the Issue Date.

**[KLARNA BANK AB (PUBL)]/[KLARNA HOLDING AB (PUBL)]**

By:

**CERTIFICATE OF AUTHENTICATION**

This Permanent Global Note is authenticated without recourse, warranty or liability by or on behalf of the Principal Paying Agent.

**THE BANK OF NEW YORK MELLON, LONDON BRANCH**

as Principal Paying Agent

By:

Authorised Signatory

For the purposes of authentication only.



**Effectuation**

This Permanent Global Note

is effectuated by or on behalf of the Common Safekeeper.

**[COMMON SAFEKEEPER]**

as Common Safekeeper

By:

Authorised Signatory

For the purposes of effectuation only.

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.

## **Schedule**

[Insert the provisions of the relevant Final Terms that relate to the Conditions or the Global Notes as the Schedule.]

**Schedule 1**  
**Part E**  
**Form of Global Certificate**

**[KLARNA BANK AB (PUBL)]**

*(Incorporated with limited liability in the Kingdom of Sweden)]*

**[KLARNA HOLDING AB (PUBL)]**

*(Incorporated with limited liability in the Kingdom of Sweden)]*

**EURO MEDIUM TERM NOTE PROGRAMME**

**GLOBAL CERTIFICATE**

**Global Certificate No. [●]**

This Global Certificate is issued in respect of the Notes (the “**Notes**”) of the Tranche and Series specified in Part A of the Schedule hereto of [Klarna Bank AB (publ)]/[Klarna Holding AB (publ)] (the “**Issuer**”). This Global Certificate certifies that the person whose name is entered in the Register (the “**Registered Holder**”) is registered as the holder of an issue of Notes of the nominal amount, specified currency and specified denomination set out in Part A of the Schedule hereto.

**Interpretation and Definitions**

References in this Global Certificate to the “Conditions” are to the Terms and Conditions applicable to the Notes (which are in the form set out in Schedule 2 Part C to the Trust Deed (as amended or supplemented as at the Issue Date, the “**Trust Deed**”) dated 19 June 2023 between the Issuer, the other issuer named therein and BNY Mellon Corporate Trustee Services Limited as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this Global Certificate (including the supplemental definitions and any modifications or additions set out in Part A of the Schedule hereto), which in the event of any conflict shall prevail). Other capitalised terms used in this Global Certificate shall have the meanings given to them in the Conditions or the Trust Deed.

**Promise to Pay**

The Issuer, for value received, promises to pay to the Registered Holder of the Notes represented by this Global Certificate (subject to surrender of this Global Certificate if no further payment falls to be made in respect of such Notes) on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the Notes represented by this Global Certificate and (unless the Notes represented by this Certificate do not bear interest) to pay interest in respect of such Notes from the Interest Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the methods of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Notes represented by this Global Certificate, together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions. Each payment will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where “**Clearing System Business Day**” means Monday to Friday inclusive except 25 December and 1 January, on which the Clearing Systems are operating.

For the purposes of this Global Certificate, (a) the Registered Holder of the Notes represented by this Global Certificate is bound by the provisions of the Trust Deed, (b) the Issuer certifies that the Registered Holder is, at the date hereof, entered in the Register as the holder of the Notes

represented by this Global Certificate, (c) this Global Certificate is evidence of entitlement only, (d) title to the Notes represented by this Global Certificate passes only on due registration on the Register, and (e) only the Registered Holder of the Notes represented by this Global Certificate is entitled to payments in respect of the Notes represented by this Global Certificate.

### **Transfer of Notes represented by permanent Global Certificates**

Transfers of the holding of Notes represented by this Global Certificate pursuant to Condition [2(g)] may only be made in part:

- (i) if the Notes represented by this Global Certificate are held on behalf of Euroclear or Clearstream, Luxembourg or any other clearing system (an “**Alternative Clearing System**”) and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph (i) above, the Registered Holder of the Notes represented by this Global Certificate has given the Registrar not less than 30 days’ notice at its specified office of such Registered Holder’s intention to effect such transfer. Where the holding of Notes represented by this Global Certificate is only transferable in its entirety, the Certificate issued to the transferee upon transfer of such holding shall be a Global Certificate. Where transfers are permitted in part, Certificates issued to transferees shall not be Global Certificates unless the transferee so requests and certifies to the Registrar that it is, or is acting as a nominee for, Clearstream, Luxembourg, Euroclear and/or an Alternative Clearing System.

### **Trustee’s Powers**

In considering the interests of Noteholders while this Global Certificate is held on behalf of a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders and may consider such interests and treat such accountholders as if such accountholders were holders of the Global Certificate.

### **Meetings**

For the purposes of any meeting of Noteholders, the Registered Holder of the Notes represented by this Global Certificate shall be treated as being entitled to one vote in respect of each integral currency unit of the Specified Currency of the Notes.

### **Miscellaneous**

This Global Certificate shall not become valid for any purpose until authenticated by or on behalf of the Registrar and in the case of Registered Notes held under the NSS only, effectuated by the entity appointed as Common Safekeeper by the relevant Clearing Systems.

This Global Certificate and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

**In witness** whereof the Issuer has caused this Global Certificate to be signed on its behalf.

Dated as of the Issue Date.

**[KLARNA BANK AB (PUBL)]/[KLARNA HOLDING AB (PUBL)]**

By:

**CERTIFICATE OF AUTHENTICATION**

This Global Certificate is authenticated without recourse, warranty or liability by or on behalf of the Registrar.

**THE BANK OF NEW YORK MELLON SA/NV, DUBLIN BRANCH**

as Registrar

By:

Authorised Signatory

For the purposes of authentication only.

**Effectuation**

This Global Certificate is effectuated  
by or on behalf of the Common Safekeeper

**[COMMON SAFEKEEPER]**

as Common Safekeeper

By:

Authorised Signatory

For the purposes of effectuation of Registered Notes held through the NSS only

**Form of Transfer**

**For value received** the undersigned transfers to

.....  
.....

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF TRANSFEREE)

[●] nominal amount of the Notes represented by this Global Certificate, and all rights under them.

Dated .....

Signed ..... Certifying Signature

Notes:

- (i) The signature of the person effecting a transfer shall conform to a list of duly authorised specimen signatures supplied by the holder of the Note(s) represented by this Global Certificate or (if such signature corresponds with the name as it appears on the face of this Global Certificate) be certified by a notary public or a recognised bank or be supported by such other evidence as a Transfer Agent or the Registrar may reasonably require.
- (ii) A representative of the Noteholder should state the capacity in which they sign e.g. executor.



## **Schedule**

[Insert the provisions of the relevant Final Terms that relate to the Conditions or the Global Certificate as the Schedule.]

**Schedule 2**  
**Part A**  
**Form of Bearer Note**

On the front:

**[Denomination]**

**[ISIN]**

**[Series]**

**[Certif. No.]**

[Currency and denomination]

**[KLARNA BANK AB (PUBL)]**

*(Incorporated with limited liability in the Kingdom of Sweden)*

**[KLARNA HOLDING AB (PUBL)]**

*(Incorporated with limited liability in the Kingdom of Sweden)*

**EURO MEDIUM TERM NOTE PROGRAMME**

**Series No. [●]**

**[Title of issue]**

This Note forms one of the Series of Notes referred to above (the “**Notes**”) of [Klarna Bank AB (publ)]/[Klarna Holding AB (publ)] (the “**Issuer**”) designated as specified in the title hereof. The Notes are subject to the Terms and Conditions (the “**Conditions**”) endorsed hereon and are issued subject to, and with the benefit of, the Trust Deed referred to in the Conditions. Expressions defined in the Conditions have the same meanings in this Note.

The Issuer for value received promises to pay to the bearer of this Note, on presentation and (when no further payment is due in respect of this Note) surrender of this Note on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions and (unless this Note does not bear interest) to pay interest from the Interest Commencement Date in arrear at the rates, in the amounts and on the dates for payment provided for in the Conditions together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

This Note shall not become valid or obligatory for any purpose until authenticated by or on behalf of the Principal Paying Agent.

**In witness** whereof the Issuer has caused this Note to be signed on its behalf.

Dated as of the Issue Date.

**[KLARNA BANK AB (PUBL)]/[KLARNA HOLDING AB (PUBL)]**

By:

**CERTIFICATE OF AUTHENTICATION**

This Note is authenticated without recourse, warranty or liability by or on behalf of the Principal Paying Agent.

**THE BANK OF NEW YORK MELLON, LONDON BRANCH**  
as Principal Paying Agent

By:

Authorised Signatory

For the purposes of authentication only.

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

On the back:

**Terms and Conditions of the Notes**

[The Terms and Conditions that are set out in Schedule 2 Part C to the Trust Deed as amended by and incorporating any additional provisions forming part of such Terms and Conditions and set out in Part A of the relevant Final Terms shall be set out here.]

**PRINCIPAL PAYING AGENT**

**The Bank of New York Mellon, London Branch**

160 Queen Victoria Street  
London EC4V 4LA

**PAYING AGENT**

**[The Bank of New York Mellon SA/NV, Luxembourg Branch**

Aérogolf Centre  
1A, Hohenhof  
L-1736 Senningerberg  
Grand Duchy of Luxembourg]

**Schedule 2**  
**Part B**  
**Form of Certificate**

On the front:

**[KLARNA BANK AB (PUBL)]**

*(Incorporated with limited liability in the Kingdom of Sweden)*

**[KLARNA HOLDING AB (PUBL)]**

*(Incorporated with limited liability in the Kingdom of Sweden)*

**EURO MEDIUM TERM NOTE PROGRAMME**

**Series No. [●]**

**[Title of issue]**

This Certificate certifies that [●] of [●] (the “**Registered Holder**”) is, as at the date hereof, registered as the holder of [nominal amount] of Notes of the Series of Notes referred to above (the “**Notes**”) of [Klarna Bank AB (publ)]/[Klarna Holding AB (publ)] (the “**Issuer**”), designated as specified in the title hereof. The Notes are subject to the Terms and Conditions (the “**Conditions**”) endorsed hereon and are issued subject to, and with the benefit of, the Trust Deed referred to in the Conditions. Expressions defined in the Conditions have the same meanings in this Certificate.

The Issuer, for value received, promises to pay to the holder of the Note(s) represented by this Certificate (subject to surrender of this Certificate if no further payment falls to be made in respect of such Notes) on the Maturity Date (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the Notes represented by this Certificate and (unless the Note(s) represented by this Certificate do not bear interest) to pay interest in respect of such Notes from the Interest Commencement Date in arrear at the rates, in the amounts and on the dates for payment provided for in the Conditions together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

For the purposes of this Certificate, (a) the holder of the Note(s) represented by this Certificate is bound by the provisions of the Trust Deed, (b) the Issuer certifies that the Registered Holder is, at the date hereof, entered in the Register as the holder of the Note(s) represented by this Certificate, (c) this Certificate is evidence of entitlement only, (d) title to the Note(s) represented by this Certificate passes only on due registration on the Register, and (e) only the holder of the Note(s) represented by this Certificate is entitled to payments in respect of the Note(s) represented by this Certificate.

This Certificate shall not become valid for any purpose until authenticated by or on behalf of the Registrar.

**In witness** whereof the Issuer has caused this Certificate to be signed on its behalf.

Dated as of the Issue Date.

**[KLARNA BANK AB (PUBL)]/[KLARNA HOLDING AB (PUBL)]**

By:

**CERTIFICATE OF AUTHENTICATION**

This Certificate is authenticated without recourse, warranty or liability by or on behalf of the Registrar.

**THE BANK OF NEW YORK MELLON SA/NV, DUBLIN BRANCH**  
as Registrar

By:

Authorised Signatory

For the purposes of authentication only.

On the back:

**Terms and Conditions of the Notes**

[The Terms and Conditions that are set out in Schedule 2 Part C to the Trust Deed as amended by and incorporating any additional provisions forming part of such Terms and Conditions and set out in Part A of the relevant Final Terms shall be set out here.]

**Form of Transfer**

**For value received** the undersigned transfers to

.....  
.....

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF TRANSFEREE)

[●] nominal amount of the Notes represented by this Certificate, and all rights under them.

Dated .....

Signed ..... Certifying Signature

Notes:

- (iii) The signature of the person effecting a transfer shall conform to a list of duly authorised specimen signatures supplied by the holder of the Note(s) represented by this Certificate or (if such signature corresponds with the name as it appears on the face of this Certificate) be certified by a notary public or a recognised bank or be supported by such other evidence as a Transfer Agent or the Registrar may reasonably require.
- (iv) A representative of the Noteholder should state the capacity in which he signs.

Unless the context otherwise requires capitalised terms used in this Form of Transfer have the same meaning as in the Trust Deed dated 19 June 2023 between the Issuer, the other issuer named therein and the Trustee.

[TO BE COMPLETED BY TRANSFEREE:

[INSERT ANY REQUIRED TRANSFEREE REPRESENTATIONS, CERTIFICATIONS, ETC.]

**PRINCIPAL PAYING AGENT**

**The Bank of New York Mellon, London Branch**

160 Queen Victoria Street  
London EC4V 4LA  
United Kingdom

**REGISTRAR**

**The Bank of New York Mellon SA/NV, Dublin Branch**

Riverside Two  
Sir John Rogerson’s Quay  
Grand Canal Dock  
Dublin 2  
Ireland

**PAYING AGENT AND TRANSFER AGENT**

**[The Bank of New York Mellon SA/NV, Luxembourg Branch**



Aérogolf Centre  
1A, Hohenhof  
L-1736 Senningerberg  
Grand Duchy of Luxembourg]

**Schedule 2**  
**Part C**  
**Terms and Conditions of the Notes**

The Notes are constituted by a Trust Deed dated 7 October 2024 (as supplemented and/or amended from time to time, the “**Trust Deed**”) and made between Klarna Bank AB (publ) (the “**Bank**”, which term, for the avoidance of doubt, shall include its legal successors following universal succession (Sw: *universalsuccession*), by operation of law applicable in Sweden, upon consolidation, amalgamation, merger or any other similar occurrence), Klarna Holding AB (the “**Company**”, which term, for the avoidance of doubt, shall include its legal successors following universal succession (Sw: *universalsuccession*), by operation of law applicable in Sweden, upon consolidation, amalgamation, merger or any other similar occurrence) and BNY Mellon Corporate Trustee Services Limited (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Holders (as described below). These Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Notes and any Coupons relating to them. Copies of the Trust Deed and of an Agency Agreement (as supplemented or amended from time to time, the “**Agency Agreement**”) dated 19 June 2023 and made between the Company, the Bank, the Trustee, The Bank of New York Mellon, London Branch in its capacities as principal paying agent (the “**Principal Paying Agent**”, which expression shall include any successor to The Bank of New York Mellon, London Branch in its capacity as such), as paying agent and as transfer agent and The Bank of New York Mellon SA/NV, Dublin Branch in its capacity as registrar (the “**Registrar**”, which expression shall include any successor to The Bank of New York Mellon SA/NV, Dublin Branch in its capacity as such), are available for inspection at the specified office of the Trustee (presently at 160 Queen Victoria Street, London EC4V 4LA) and each of the Paying Agents and the Registrar. All persons from time to time entitled to the benefit of obligations under any Notes shall be deemed to have notice of and to be bound by all of the provisions of the Trust Deed insofar as they relate to the Notes. References herein to “**Agents**” shall, where the context so requires, be to the Paying Agents, the Registrar and the Transfer Agents. References herein to the “**Paying Agents**” and the “**Transfer Agents**” shall include the Principal Paying Agent and any additional Paying Agent(s) and/or Transfer Agent(s) specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement.

References herein to the “**Issuer**” are to the Company or the Bank, as the case may be, as the Issuer of the Notes as indicated in Part A of the applicable Final Terms or Pricing Supplement (each as defined below).

References herein to “**Exempt Notes**” are to Notes for which no prospectus is required to be published under the Prospectus Regulation and/or the FSMA. For the purposes of these Terms and Conditions, “**Prospectus Regulation**” means Regulation (EU) 2017/1129 and “**FSMA**” means the Financial Services and Markets Act 2000 (as amended).

The final terms of the Notes (or the relevant provisions thereof) are set out in (i) in the case of Notes other than Exempt Notes, Part A of a final terms document (the “**Final Terms**”) relating to the Notes which completes these Terms and Conditions (the “**Conditions**”) or (ii) in the case of Exempt Notes, a pricing supplement (the “**Pricing Supplement**”) which supplements, amends, modifies and replaces these Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, amend, modify or replace the Conditions for the purposes of the Exempt Notes. References to the “applicable Final Terms” are accordingly to Part A of the Final Terms (or the relevant provisions thereof) relating to the Notes and references to the “applicable Pricing Supplement” are accordingly to Part A of the Pricing Supplement (or the relevant provisions thereof) relating to the Exempt Notes.

Copies of the Final Terms will, in the case of Notes admitted to trading on the regulated market of the Irish Stock Exchange plc, trading as Euronext Dublin (“**Euronext Dublin**”), be published on the website of Euronext

Dublin at <https://live.euronext.com>. If the Notes are to be admitted to trading on any other regulated market in the EEA, the applicable Final Terms will be published in accordance with the rules and regulations of the relevant listing authority or stock exchange and otherwise in accordance with Article 21 of the Prospectus Regulation. Copies of the Final Terms will also be available, upon request, free of charge, at the registered office of the Issuer and the specified office of the Principal Paying Agent and, in relation to a Tranche of Registered Notes, the Registrar save that, if the Final Terms or, in the case of Exempt Notes, the Pricing Supplement relates to Notes which are neither admitted to trading on a regulated market in the EEA nor offered in the EEA or the United Kingdom in circumstances where a prospectus is required to be published under the Prospectus Regulation and/or the FSMA (including Exempt Notes), copies will only be obtainable by a Holder of such Notes upon production of evidence satisfactory to the Issuer and the Principal Paying Agent or, as the case may be, the Registrar as to its holding of such Notes and identity.

The Holders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

As used herein, “**Tranche**” means Notes which are identical in all respects (including as to listing and admission to trading and save that a Tranche may comprise Notes in more than one denomination) and “**Series**” means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (a) expressed to be consolidated and form a single series and (b) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Words and expressions defined in the Trust Deed, the Agency Agreement or used in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the Agency Agreement, the Trust Deed will prevail and, in the event of inconsistency between the Trust Deed or the Agency Agreement and the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, will prevail.

For the purposes of these Conditions, references to “**Notes**” are to Notes of the same Series and shall, as the context may require, be deemed to include any Temporary Global Note, Permanent Global Note, Definitive Bearer Notes, Registered Global Note or, as the case may be, Definitive Registered Notes (each as defined below). References to “**Notes**” shall, so far as the context permits, be deemed to include any Coupons (as defined below). References to “**Holders**” shall include holders of Coupons, as the context may require.

As used in these Conditions, “**Authorised Signatory**” means any director of the Issuer or any other person notified in writing to the Trustee and signed by any such director as being an Authorised Signatory in accordance with the Trust Deed.

## 1 Form and Denomination

### (a) *Form*

The Notes are issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”) and, in the case of definitive Notes, serially numbered, in the currency (the “**Specified Currency**”) and the denomination(s) (the “**Specified Denomination(s)**”) specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

The Notes may be fixed rate notes (“**Fixed Rate Notes**”), reset notes (“**Reset Notes**”), floating rate notes (“**Floating Rate Notes**”), zero coupon notes (“**Zero Coupon Notes**”) or a combination of any of the

foregoing, depending upon the Interest Basis shown in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement.

The Notes may be Senior Preferred Notes, Senior Non-Preferred Notes or Subordinated Notes, depending upon the Status of the Notes shown in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement.

**(b) Notes in Global Form and Exchanges Thereof**

- (i) Bearer Notes will be represented upon issue by a temporary global Note (a “**Temporary Global Note**”) in substantially the form (subject to amendment and completion) set out in the Trust Deed. On or after the date (the “**Exchange Date**”) which is 40 days after the completion of the distribution of the Notes of the relevant Tranche and provided certification as to the beneficial ownership thereof as required by U.S. Treasury regulations has been received, interests in the Temporary Global Note may be exchanged for either (as so specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement):
  - (A) interests in a permanent global Note in bearer form (a “**Permanent Global Note**”) representing the Notes of that Series and in substantially the form (subject to amendment and completion) set out in the Trust Deed; or
  - (B) Bearer Notes in definitive form (“**Definitive Bearer Notes**”), serially numbered and in substantially the form (subject to amendment and completion) set out in the Trust Deed.
- (ii) In the case of Bearer Notes, interests in a Permanent Global Note will be exchangeable, in whole but not in part, (free of charge to the Holder) for Definitive Bearer Notes as indicated in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, either (A) upon not less than 60 days’ written notice (expiring at least 30 days after the Exchange Date) from the bearer to the Principal Paying Agent as described therein or (B) only upon the occurrence of an Exchange Event as described therein, upon notice from the bearer to the Principal Paying Agent or, upon the occurrence of an Exchange Event described in (iii) below, from the Issuer to the Principal Paying Agent.

“**Exchange Event**” means (i) either of Euroclear (as defined below) or Clearstream, Luxembourg (as defined below) or any other clearing system by which the Notes have been accepted for clearing is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention to cease business permanently, (ii) an Event of Default in relation to the Notes as set out in Condition 6 occurs and is continuing, or (iii) at the option of the Issuer, if the Issuer or any Paying Agent, by reason of any change in, or amendment to, Swedish law, is or will be required to make any deduction or withholding from any payment under the Notes which would not be required if such Notes were in definitive form. The Issuer will promptly give notice to Holders in accordance with Condition 15 and to the Principal Paying Agent if an Exchange Event occurs. Any such exchange following the occurrence of an Exchange Event shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent.

- (iii) The following legend will appear on all permanent and definitive Bearer Notes which have an original maturity of more than 1 year and on all Coupons and Talons relating to such Notes:

“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 provide that United States persons, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes or Coupons or Talons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of Bearer Notes or Coupons or Talons.

- (iv) Registered Notes will be represented upon issue by beneficial interests in a Registered Global Note (a “**Registered Global Note**”) which will be deposited with a common depository or a common safekeeper, as the case may be, for, and in respect of, interests held through Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) and registered in the name of a nominee of Euroclear and Clearstream, Luxembourg or in the name of a nominee of the common safekeeper.

An interest in the Registered Global Note may be exchanged for a definitive Registered Note (a “**Definitive Registered Note**”) in the limited circumstances set out in such Registered Global Note. A Definitive Registered Note may be exchanged for another Definitive Registered Note under certain circumstances described in the Agency Agreement.

(c) ***Surrender of Global Notes in Exchange for Definitive Notes***

In order to exchange interests in a global Note for definitive Notes, a Holder must surrender or, as the case may be, present the relevant Temporary Global Note or Permanent Global Note at the specified office of the Principal Paying Agent or, as the case may be, present the relevant Registered Global Note at the specified office of the Registrar or its agent, together, in each case, with a request in writing specifying the principal amount of such Temporary Global Note or Permanent Global Note or, as the case may be, Registered Global Note, to be exchanged.

(d) ***Coupons***

Interest-bearing Definitive Bearer Notes will have attached thereto at the time of their initial delivery coupons (“**Coupons**”) and, if applicable, talons for further Coupons (“**Talons**”), presentation of which will be a prerequisite to the payment of interest in certain circumstances specified below. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Bearer Notes in global form do not have Coupons or Talons attached on issue.

(e) ***Exchange of Registered Notes***

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

## 2 **Title**

(a) ***Title to Bearer Notes***

Title to Bearer Notes and Coupons passes by delivery and references herein to “**Holders**” of Bearer Notes and Coupons are to the bearers of such Bearer Notes and Coupons.

(b) ***Title to Registered Notes***

Title to Registered Notes passes by registration in the register which is kept by the Registrar. References herein to “**Holders**” of Registered Notes are to the persons in whose names such Notes are so registered or, in the case of joint holders, the first named thereof.

(c) ***Ownership***

The Holder of any Note or Coupon will (except as otherwise required by applicable law or regulatory requirement) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless

of any notice of ownership, trust or any interest thereof or therein, any writing thereon, or any theft or loss thereof) and no person shall be liable for so treating such Holder.

**(d) *Transfer of Registered Notes in definitive form***

Definitive Registered Notes may, upon the terms and subject to the conditions set forth in the Agency Agreement, be transferred in whole or in part only (in the authorised denominations set out in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) upon the surrender of the Registered Note to be transferred for registration of the transfer of the Registered Note (or the relevant part thereof), together with the form of transfer endorsed on it duly completed and executed, at the specified office of the Registrar or any Transfer Agent. A new Registered Note will be issued to the transferee and, in the case of a transfer of part only of a Registered Note, a new Registered Note in respect of the balance not transferred will be issued to the transferor.

**(e) *Delivery of New Registered Notes in definitive form***

Each new Registered Note to be issued upon the transfer of Registered Notes in definitive form shall be available for delivery within five business days at the specified office of the Registrar or the relevant Transfer Agent after receipt of the form of transfer. Delivery of the new Registered Note shall be made at the specified office of the Registrar or of the Transfer Agent, as the case may be, to whom delivery of such form of transfer shall have been made or, at the option of the Holder making such delivery as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the Holder entitled to the new Registered Note to such address as may be so specified, unless such Holder requests otherwise and pays in advance to the relevant Agent the costs of such other method of delivery and/or such insurance as it may specify. For these purposes, a form of transfer received by the Registrar during the period of 15 days ending on the due date for any payment on the relevant Registered Notes shall be deemed not to be effectively received by the Registrar until the day following the due date for such payment. For the purposes of this Condition 2(e), “**business day**” means a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place where the specified office of the Registrar is located.

**(f) *Charges on Transfer***

The issue of new Registered Notes on transfer will be effected without charge by or on behalf of the Issuer or the Registrar, but upon payment by the applicant of (or the giving by the applicant of such indemnity as the Registrar may require in respect of) any tax or other governmental charges which may be imposed in relation thereto.

**(g) *Transfers of Registered Notes in global form***

Transfers of beneficial interests in Registered Global Notes will be effected by Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form or for a beneficial interest in another Registered Global Note only in the authorised denominations set out in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement and only in accordance with the rules and operating procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Agency Agreement.

### 3 Status

#### (a) Status - Senior Preferred Notes

- (i) This Condition 3(a) is applicable in relation to Notes specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement as being Senior Preferred Notes.
- (ii) The Senior Preferred Notes constitute unsubordinated and unsecured obligations of the Issuer and rank *pari passu* without any preference among themselves. The rights of the Holder of any Senior Preferred Note in respect of or arising from the Senior Preferred Notes (including any Coupons relating to the Senior Preferred Notes and any damages awarded for breach of any obligations under these Conditions, if any are payable) shall, in the event of the voluntary or involuntary liquidation (Sw: *likvidation*) or bankruptcy (Sw: *konkurs*) of the Issuer rank:
  - (A) at least *pari passu* with all other unsecured indebtedness of the Issuer from time to time outstanding; and
  - (B) senior to any Senior Non-Preferred Liabilities and subordinated obligations of the Issuer, subject, in all cases, to mandatory provisions of Swedish law.

#### (b) Status - Senior Non-Preferred Notes

- (i) This Condition 3(b) is applicable in relation to Notes specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement as being Senior Non-Preferred Notes.
- (ii) The Senior Non-Preferred Notes constitute unsubordinated and unsecured obligations of the Issuer and rank *pari passu* without any preference among themselves. The rights of the Holder of any Senior Non-Preferred Note in respect of or arising from the Senior Non-Preferred Notes (including any Coupons relating to the Senior Non-Preferred Notes and any damages awarded for breach of any obligations under these Conditions, if any are payable) shall, in the event of the voluntary or involuntary liquidation (Sw: *likvidation*) or bankruptcy (Sw: *konkurs*) of the Issuer, have Senior Non-Preferred Ranking, meaning that they rank:
  - (A) *pari passu* with all other Senior Non-Preferred Liabilities of the Issuer;
  - (B) senior to holders of all classes of ordinary shares of the Issuer and any subordinated obligations or other securities of the Issuer (including the Subordinated Notes) which by law rank, or by their terms are expressed to rank, junior to the Senior Non-Preferred Liabilities of the Issuer; and
  - (C) junior to present or future claims of (a) depositors of the Issuer and (b) other unsubordinated creditors of the Issuer that are not creditors in respect of Senior Non-Preferred Liabilities of the Issuer (and accordingly, junior to claims arising from “excluded liabilities” within the meaning of Article 72a(2) of the CRR),

subject, in all cases, to mandatory provisions of Swedish law.

The provisions of this Condition 3(b) apply only to the principal and interest and any other amounts payable in respect of the Senior Non-Preferred Notes and nothing in this Condition 3(b) shall affect or prejudice the payment of the costs, charges, expenses, liabilities or remuneration of the Trustee or the rights and remedies of the Trustee in respect thereof.

In these Conditions:

“**Applicable MREL Regulations**” means, at any time, the laws, regulations, requirements, guidelines and policies then in effect in Sweden giving effect to any MREL Requirement or any successor regulations then applicable to the Issuer or the Group, as the case may be, including,

without limitation to the generality of the foregoing, CRD and the BRRD (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer or the Group, as the case may be);

“**BRRD**” means Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms, as the same may be amended or replaced from time to time (including by BRRD II);

“**BRRD II**” means Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC, as the same may be amended or replaced from time to time;

“**CRD**” means the legislative package consisting of the CRD Directive and the CRR and any CRD Implementing Measures;

“**CRD Directive**” means Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms of the European Parliament and of the Council of 26 June 2013, as the same may be amended or replaced from time to time (including by the CRD V Directive);

“**CRD Implementing Measures**” means any regulatory capital rules or regulations, or other requirements, which are applicable to the Issuer or the Group, as the case may be, and which prescribe (alone or in conjunction with any other rules or regulations) the requirements to be fulfilled by financial instruments for their inclusion in the regulatory capital of the Issuer or the Group, as the case may be, (on a non-consolidated or consolidated basis) to the extent required by the CRD Directive or the CRR, including for the avoidance of doubt any regulatory technical standards released by the European Banking Authority (or any successor or replacement thereof);

“**CRD V Directive**” means Directive (EU) 2019/878 as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU, as the same may be amended or replaced from time to time;

“**CRR**” means Regulation (EU) No. 575/2013 on prudential requirements for credit institutions and investment firms of the European Parliament and of the Council of 26 June 2013, as the same may be amended or replaced from time to time (including by the CRR II);

“**CRR II**” means Regulation (EU) No. 2019/876 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 575/2013, and Regulation (EU) No 648/2012, as amended or replaced from time to time;

“**Group**” means the Company and its Subsidiaries;

“**Senior Non-Preferred Liabilities**” means liabilities having Senior Non-Preferred Ranking;

“**Senior Non-Preferred Ranking**” means the ranking which is described in the second sentence of the first paragraph of section 18 of the Swedish Rights of Priority Act (Sw. 18 § 1 *st andra meningen förmånsrättslagen (1970:979)*), as the same may be amended or replaced from time to time; and



“**Subsidiary**” means, in relation to any person, any Swedish or foreign legal entity (whether incorporated or not), which at the time is a subsidiary (Sw. *dotterföretag*) of such person, directly or indirectly, as defined in the Swedish Companies Act (Sw. *aktiebolagslag* (2005:551)).

(c) **Status - Subordinated Notes**

- (i) This Condition 3(c) is applicable in relation to Notes specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, as being Subordinated Notes.
- (ii) Notes specified as being Subordinated Notes constitute subordinated and unsecured obligations of the Issuer and rank *pari passu* without any preference among themselves. The rights of the Holder of any Subordinated Note in respect of or arising from the Subordinated Notes (including any Coupons relating to the Subordinated Notes and any damages awarded for breach of any obligations under these Conditions, if any are payable) shall, in the event of the voluntary or involuntary liquidation (Sw: *likvidation*) or bankruptcy (Sw: *konkurs*) of the Issuer, (i) be subordinated in right of payment to the claims of Senior Creditors of the Issuer; (ii) rank at least *pari passu* with the claims of all other subordinated creditors of the Issuer which in each case by law rank, or by their terms are expressed to rank, *pari passu* with the Subordinated Notes; and (iii) rank senior to all classes of ordinary shares of the Issuer and any junior subordinated obligations or other securities of the Issuer which by law rank, or by their terms are expressed to rank, junior to the Subordinated Notes, subject, in all cases, to mandatory provisions of Swedish law, including but not limited to the Swedish implementation of Article 48(7) of the BRRD. The Issuer reserves the right to issue further subordinated notes and other subordinated obligations in the future, which may rank senior to, *pari passu* with, or junior to, the Subordinated Notes.

For the purposes of this Condition 3(c), “**Senior Creditors**” means creditors of the Issuer (i) who are depositors and/or other unsubordinated creditors of the Issuer (including Holders of the Senior Preferred Notes and the Senior Non-Preferred Notes); or (ii) who are subordinated creditors of the Issuer (whether in the event of a voluntary or involuntary liquidation (Sw: *likvidation*) or bankruptcy (Sw: *konkurs*) of the Issuer or otherwise) other than those whose claims by law rank, or by their terms are expressed to rank, *pari passu* with or junior to the claims of the Holders of Subordinated Notes.

The provisions of this Condition 3(c) apply only to the principal and interest and any other amounts payable in respect of the Subordinated Notes and nothing in this Condition 3(c) shall affect or prejudice the payment of the costs, charges, expenses, liabilities or remuneration of the Trustee or the rights and remedies of the Trustee in respect thereof.

(d) **Waiver of set-off, netting or counterclaim etc**

No Holder of Notes who in the event of the liquidation (Sw: *likvidation*) or bankruptcy (Sw: *konkurs*) of the Issuer shall be indebted to the Issuer shall be entitled to exercise any right of set-off, netting, counterclaim, retention or compensation in respect of moneys owed by the Issuer in respect of the Notes (including any damages awarded for breach of any obligations under these Conditions, if any are payable) held by such Holder. Notwithstanding the preceding sentence, if any of the amounts owing to any Holder by the Issuer in respect of, or arising under or in connection with, the Notes is discharged by set-off, netting, counterclaim, retention or compensation, such Holder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer and, until such time as payment is made, shall hold an amount equal to such amount in trust for the Issuer and accordingly any such discharge shall be deemed not to have taken place.

## 4 Interest

### (a) *Interest on Fixed Rate Notes*

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

For these purposes, “**Business Day**” has the meaning given to it in Condition 4(c)(i).

If the Notes are in definitive form, except as provided in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, amount to the Broken Amount so specified.

As used in these Conditions, “**Fixed Interest Period**” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (A) in the case of Fixed Rate Notes which are represented by a global Note, the aggregate outstanding principal amount of the Fixed Rate Notes represented by such global Note; or
- (B) in the case of Fixed Rate Notes in definitive form, the Calculation Amount specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest in accordance with this Condition 4(a):

- (i) if “Actual/Actual (ICMA)” is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement:
  - (A) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the “**Accrual Period**”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Dates (as specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) that would occur in one calendar year; or
  - (B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

- (aa) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (bb) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year;
- (ii) if “30/360” is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360; and
- (iii) if “Actual/365 (Fixed)” is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the actual number of days in the relevant period divided by 365.

In the Conditions:

“**Determination Period**” means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

“**sub unit**” means, with respect to any currency other than Euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to Euro, one cent.

**(b) Interest on Reset Notes**

**(i) Rates of Interest and Interest Payment Dates**

Each Reset Note bears interest:

- (A) from (and including) the Interest Commencement Date until (but excluding) the First Reset Date at the rate(s) per annum equal to the Initial Rate(s) of Interest;
- (B) from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the Maturity Date at the rate per annum equal to the First Reset Rate of Interest; and
- (C) for each Subsequent Reset Period thereafter (if any), at the rate per annum equal to the relevant Subsequent Reset Rate of Interest,

payable, in each case, in arrear on the date(s) so specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement on which interest is payable in each year (each an “**Interest Payment Date**”) and on the Maturity Date if that does not fall on an Interest Payment Date.

The Calculation Agent will, at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant period, and will calculate the amount of interest (the “**Interest Amount**”) payable on the Reset Notes for the relevant period by applying the Rate of Interest to:

- (aa) in the case of Reset Notes which are represented by a global Note, the aggregate outstanding nominal amount of the Reset Notes represented by such global Note; or
- (bb) in the case of Reset Notes in definitive form, the Calculation Amount specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Reset Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Reset Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

In this Condition 4(b):

“**Benchmark Gilt**” means, in respect of a Reset Period, such United Kingdom government security having a maturity date on or about the last day of such Reset Period as either the Issuer or, at the option of the Issuer, an Independent Adviser, in either case with the advice of the Reset Reference Banks, may determine to be appropriate;

“**Business Day**” has the meaning given in Condition 4(c)(i) or (i) if CMT Rate is specified as the Reset Reference Rate in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, such term means a U.S. Government Securities Business Day (as defined in Condition 4(c)(ii)(IV)) or (ii) if Benchmark Gilt Rate is specified as the Reset Reference Rate in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, such term means a day, other than a Saturday or Sunday, on which banks and foreign exchange markets are open for general business in London;

“**Day Count Fraction**” and related definitions have the meanings given in Condition 4(a);

“**First Margin**” means the margin specified as such in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement;

“**First Reset Date**” means the date specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement;

“**First Reset Period**” means the period from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the Maturity Date;

“**First Reset Period Fallback Yield**” means the yield specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement;

“**First Reset Rate of Interest**” means, in respect of the First Reset Period and, if applicable, subject to Condition 4(b)(ii), Condition 4(d) and Condition 4(e), the rate of interest determined by the Calculation Agent on (or, if applicable, in respect of) the relevant Reset Determination Date as the sum of the relevant Reset Reference Rate and the First Margin, with such sum being converted (if Reset Reference Rate Conversion is specified as applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) from the Original Reset Reference Rate Payment Basis to a basis which matches the per annum frequency of

Interest Payment Dates in respect of the Notes (such calculation to be determined by the Issuer in conjunction with a leading financial institution selected by it);

“**Gilt Yield Quotations**” means, with respect to a Reset Reference Bank and a Reset Period, the arithmetic mean of the bid and offered yields (on a semi-annual compounding basis) for the Benchmark Gilt in respect of that Reset Period, expressed as a percentage, as quoted by such Reset Reference Bank;

“**H.15**” means the daily statistical release designated as H.15, or any successor publication, published by the Board of Governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/H15> or any successor site or publication;

“**Independent Adviser**” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer at its own cost;

“**Initial Mid-Swap Rate**” has the meaning specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement;

“**Initial Rate of Interest**” has the meaning specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement;

“**Mid-Market Swap Rate**” means, subject as provided in Condition 4(d) (if applicable), for any Reset Period the arithmetic mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the Original Reset Reference Rate Payment Basis (calculated on the day count basis customary for fixed rate payments in the Specified Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Floating Leg Maturity (as specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent);

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

“**Mid-Swap Floating Leg Benchmark Rate**” means, subject as provided in Condition 4(d) (if applicable), EURIBOR if the Specified Currency is Euro or if the Specified Currency is not Euro the benchmark rate most closely connected with such Specified Currency and selected by the Issuer at its sole discretion;

“**MREL Eligible Liabilities**” means instruments which are available to meet any MREL Requirement (however called or defined by then Applicable MREL Regulations) of the Issuer and/or the Group, as the case may be, under Applicable MREL Regulations;

“**MREL Requirement**” means the minimum requirement for own funds and eligible liabilities which is or, as the case may be, will be applicable to the Issuer and/or the Group, as the case may be;

“**Original Reset Reference Rate Payment Basis**” has the meaning specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement. In the case of Notes other than Exempt Notes, the Original Reset Reference Rate Payment Basis shall be annual, semi-annual, quarterly or monthly;

**“Rate of Interest”** means the Initial Rate of Interest, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as applicable;

**“Reference Bond”** means, in relation to any Reset Period, a government security or securities issued by the state responsible for issuing the Specified Currency (which, if the Specified Currency is Euro, shall be Germany), as selected by the Issuer at its sole discretion, that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the Specified Currency and of a comparable maturity to such Reset Period;

**“Reference Bond Quotation”** means, in relation to a Reset Reference Bank and a Reset Determination Date:

- (i) if Reference Bond is specified as the Reset Reference Rate in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the arithmetic mean of the bid and offered yields for the relevant Reference Bond provided to the Calculation Agent by such Reset Reference Bank at approximately the Relevant (Reset) Time on such Reset Determination Date; or
- (ii) if CMT Rate is specified as the Reset Reference Rate in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the rate of the Original Reset Reference Rate Payment Basis yield-to-maturity based on the secondary market bid price of the relevant Reset U.S. Treasury Security as determined by the Reset Reference Bank at approximately the Relevant (Reset) Time on the Business Day following such Reset Determination Date;

**“Relevant (Reset) Time”** shall mean approximately 11.00 a.m. in the principal financial centre of the Specified Currency, or such other time as specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement;

**“Relevant Screen Page”** has the meaning specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement or such other page, section or other part as may replace it on the relevant information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or yields (as the case may be) comparable to the Reset Reference Rate;

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

**“Reset Determination Date”** means, in respect of the First Reset Period, the second Business Day prior to the First Reset Date; in respect of the first Subsequent Reset Period, the second Business Day prior to the Second Reset Date; and, in respect of each Subsequent Reset Period thereafter, the second Business Day prior to the first day of each such Subsequent Reset Period;

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

**“Reset Period Maturity Initial Mid-Swap Rate”** has the meaning specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement;

**“Reset Reference Bank Rate”** means, in relation to a Reset Period and the Reset Determination Date in relation to such Reset Period, the rate (expressed as a percentage rate per annum and rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards) determined on the basis of the Reference Bond Quotations provided by the Reset Reference Banks to the Calculation Agent at approximately:

- (i) if Reference Bond is specified as the Reset Reference Rate in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the Relevant (Reset) Time on such Reset Determination Date; or
- (ii) if CMT Rate is specified as the Reset Reference Rate in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the Relevant (Reset) Time on the Business Day following such Reset Determination Date.

If at least three such Reference Bond Quotations are provided, the Reset Reference Bank Rate will be the arithmetic mean (rounded as aforesaid) of the Reference Bond Quotations provided, eliminating the highest quotation (or in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two Reference Bond Quotations are provided, the Reset Reference Bank Rate will be the arithmetic mean (rounded as aforesaid) of the Reference Bond Quotations provided. If fewer than two Reference Bond Quotations are provided, the Reset Reference Bank Rate for the relevant Reset Period will be:

- (i) in the case of each Reset Period other than the First Reset Period:
  - (a) if Subsequent Reset Rate Previous Rate Final Fallback is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement as being applicable, the Reset Reference Rate in respect of the immediately preceding Reset Period; or
  - (b) if Subsequent Reset Rate Last Observable Rate Final Fallback is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement as being applicable, (i) if Reference Bond is specified as the Reset Reference Rate in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the last observable bid and offered yields of the relevant Reference Bond, as determined by the Calculation Agent by reference to the Relevant Screen Page; or (ii) if CMT Rate is specified as the Reset Reference Rate in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the last observable Original Reset Reference Rate Payment Basis yield for U.S. Treasury Securities at “constant maturity” for a period of maturity which is equal or comparable to the duration of the relevant Reset Period, as published in H.15 under the caption “Treasury constant maturities (nominal)”, as that yield is displayed on the Relevant Screen Page; or
- (ii) in the case of the First Reset Period:
  - (a) if Initial Rate Final Fallback is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement as being applicable, the First Reset Period Fallback Yield; or
  - (b) if Last Observable Rate Final Fallback is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement as being applicable, (i) if Reference Bond is specified as the Reset Reference Rate in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the last observable bid and offered yields of the relevant Reference Bond, as determined by the Calculation Agent by reference to the Relevant Screen Page; or (ii) if CMT Rate is specified as the Reset Reference Rate in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the last observable Original Reset Reference Rate Payment Basis yield for U.S.

Treasury Securities at “constant maturity” for a period of maturity which is equal or comparable to the duration of the relevant Reset Period, as published in H.15 under the caption “Treasury constant maturities (nominal)”, as that yield is displayed on the Relevant Screen Page;

provided that:

- (A) if the application of sub-paragraph (i)(b) or (ii)(b), as applicable, in the determination of the Issuer (such determination to be confirmed by the Issuer to the Trustee in a certificate signed by two directors or other Authorised Signatories of the Issuer, upon which the Trustee may rely without liability or enquiry to any person), could reasonably be expected to prejudice the qualification (to the extent applicable to the relevant Notes at the relevant time) of the relevant Series of Notes (in the case of Subordinated Notes) as Tier 2 capital or (in any case) as MREL Eligible Liabilities (to the extent the relevant Series counts as such at the relevant time), as the case may be, then sub-paragraph (i)(a) or (ii)(a), as applicable, above will apply, and
- (B) (in the case of an issue of Senior Preferred Notes or Senior Non-Preferred Notes only and to the extent applicable to the relevant Notes at the relevant time) if the application of sub-paragraph (i)(b) or (ii)(b), as applicable, could, in the determination of the Issuer (such determination to be confirmed by the Issuer to the Trustee in a certificate signed by two directors or other Authorised Signatories of the Issuer, upon which the Trustee may rely without liability or enquiry to any person), reasonably be expected to result in the Relevant Regulator treating the next Interest Payment Date or Reset Date, as the case may be, as the effective maturity of the Notes, rather than the relevant Maturity Date, then sub-paragraph (i)(a) or (ii)(a), as applicable, above will apply;

“**Reset Reference Banks**” means the principal office in the principal financial centre of the Specified Currency of five major banks:

- (i) if Mid-Swap Rate is specified as the Reset Reference Rate in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, in the swap, money, securities or other market most closely connected with the relevant Reset Reference Rate;
- (ii) if Reference Bond is specified as the Reset Reference Rate in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, which are primary government securities dealers or market makers in pricing corporate bond issues denominated in the Specified Currency;
- (iii) if CMT Rate is specified as the Reset Reference Rate in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, which are primary U.S. Treasury Securities dealers or market makers in pricing corporate bond issues denominated in U.S. dollars, as published on the Federal Reserve Bank of New York’s Website (as defined in Condition 4(c)(ii)(V) below); or
- (iv) if Benchmark Gilt Rate is specified as the Reset Reference Rate in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, which are brokers of gilts and/or gilt-edged market makers,

in each case, as selected by the Issuer at its sole discretion;

“**Reset Reference Rate**” means, in relation to a Reset Determination Date and, if applicable, subject to Condition 4(b)(ii), Condition 4(d) and Condition 4(e):

- (i) if Mid-Swap Rate and Single Mid-Swap Rate are specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement the rate for swaps in the Specified Currency:



- (A) with a term equal to the relevant Reset Period; and
  - (B) commencing on the relevant Reset Date,
- which appears on the Relevant Screen Page; or
- (ii) if Mid-Swap Rate and Mean Mid-Swap Rate are specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Specified Currency:
    - (A) with a term equal to the relevant Reset Period; and
    - (B) commencing on the relevant Reset Date,

which appear on the Relevant Screen Page,

in either case, as at the Relevant (Reset) Time on such Reset Determination Date, all as determined by the Calculation Agent; or
  - (iii) if Reference Bond is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement:
    - (A) the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered yields of the relevant Reference Bond, as determined by the Calculation Agent by reference to the Relevant Screen Page at the Relevant (Reset) Time on such Reset Determination Date; or
    - (B) if such rate does not appear on the Relevant Screen Page at such Relevant (Reset) Time on such Reset Determination Date, the Reset Reference Bank Rate on such Reset Determination Date; or
  - (iv) if CMT Rate is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement:
    - (A) the Original Reset Reference Rate Payment Basis yield for U.S. Treasury Securities at “constant maturity” for a period of maturity which is equal or comparable to the duration of the relevant Reset Period, as published in H.15 under the caption “Treasury constant maturities (nominal)”, as that yield is displayed on such Reset Determination Date, on the Relevant Screen Page; or
    - (B) if the yield referred to in paragraph (A) above is not published on the Relevant Screen Page on such Reset Determination Date, the Original Reset Reference Rate Payment Basis yield for U.S. Treasury Securities at “constant maturity” having a period to maturity which is equal or comparable to the duration of the relevant Reset Period as published in H.15 under the caption “Treasury constant maturities (nominal)” on such Reset Determination Date; or
    - (C) if neither the yield referred to in paragraph (A) above nor the yield referred to in paragraph (B) above is published on such Reset Determination Date, the Reset Reference Bank Rate on such Reset Determination Date; or
  - (v) if Benchmark Gilt Rate is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, in respect of the relevant Reset Period the percentage rate (rounded up (if necessary) to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) determined by the Calculation Agent on the basis of the Gilt Yield Quotations provided (upon request by or on behalf of the Issuer) by the Reset

Reference Banks to the Issuer and by the Issuer to the Calculation Agent at 11:00 a.m. (London time) on the Reset Determination Date in respect of such Reset Period. If at least four quotations are provided, the Benchmark Gilt Rate will be the rounded arithmetic mean of the quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two or three quotations are provided, the Benchmark Gilt Rate will be the rounded arithmetic mean of the quotations provided. If only one quotation is provided, the Benchmark Gilt Rate will be the rounded quotation provided. If no quotations are provided, the Benchmark Gilt Rate will be (i) in the case of each Reset Period other than the Reset Period commencing on the First Reset Date, the Reset Reference Rate in respect of the immediately preceding Reset Period or (ii) in the case of the Reset Period commencing on the First Reset Date, an amount specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, as the “First Reset Period Fallback”;

in each case, unless specified otherwise, all as determined by the Calculation Agent;

“**Reset U.S. Treasury Security**” means, on the relevant Reset Determination Date, the U.S. Treasury Security selected by the Issuer:

- (i) with an original term to maturity upon issue of approximately the duration of the relevant Reset Period and a remaining term to maturity of not less than one year less than the duration of the relevant Reset Period; and
- (ii) which is in a principal amount equal to at least U.S.\$1,000,000,000;

“**Second Reset Date**” means the date specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement;

“**Subsequent Margin**” means the margin specified as such in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement;

“**Subsequent Reset Date**” means the date or dates specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement;

“**Subsequent Reset Period**” means the period from (and including) the Second Reset Date to (but excluding) the next Subsequent Reset Date, and each successive period from (and including) a Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date or the Maturity Date (as the case may be);

“**Subsequent Reset Rate of Interest**” means, in respect of any Subsequent Reset Period and, if applicable, subject to Condition 4(b)(ii), Condition 4(d) and Condition 4(e), the rate of interest determined by the Calculation Agent on (or, if applicable, in respect of) the relevant Reset Determination Date as the sum of the relevant Reset Reference Rate and the relevant Subsequent Margin, with such sum being converted (if Reset Reference Rate Conversion is specified as applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) from the Original Reset Reference Rate Payment Basis to a basis which matches the per annum frequency of Interest Payment Dates in respect of the Notes (such calculation to be determined by the Issuer in conjunction with a leading financial institution selected by it); and

“**U.S. Treasury Securities**” means securities that are direct obligations of the United States Treasury, issued other than on a discount basis.

(ii) **Fallbacks**

This Condition 4(b)(ii) is only applicable if Mid-Swap Rate is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement as the applicable Reset Reference Rate.

If on any Reset Determination Date the Relevant Screen Page is not available or the Reset Reference Rate does not appear on the Relevant Screen Page, the Issuer shall request each of the Reset Reference Banks to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on the Reset Determination Date in question.

If two or more of the Reset Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant Mid-Market Swap Rate Quotations and the First Margin or Subsequent Margin (as applicable), all as determined by the Calculation Agent.

If on any Reset Determination Date only one of the Reset Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this Condition 4(b), the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be determined to be the sum of (A) the relevant Mid-Market Swap Rate Quotation provided and (B) the First Margin or Subsequent Margin (as applicable), all as determined by the Calculation Agent.

If on any Reset Determination Date none of the Reset Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this Condition 4(b) the First Reset Rate of Interest or the Subsequent Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of:

- (i) in the case of the first Reset Determination Date only:
  - (a) if Initial Rate Final Fallback is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement as being applicable, (A) the Initial Mid-Swap Rate and (B) the First Margin;
  - (b) if Reset Period Maturity Rate Final Fallback is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement as being applicable, (A) the Reset Period Maturity Initial Mid-Swap Rate and (B) the First Margin; or
  - (c) if Last Observable Rate Final Fallback is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement as being applicable, (A) the last observable rate for swaps in the Specified Currency with a term equal to the relevant Reset Period which appears on the Relevant Screen Page and (B) the First Margin,

provided that:

- (A) if the application of (i)(b) or (i)(c) could, in the determination of the Issuer (such determination to be confirmed by the Issuer to the Trustee in a certificate signed by two directors or other Authorised Signatories of the Issuer, upon which the Trustee may rely without liability or enquiry to any person), reasonably be expected to prejudice the qualification (to the extent applicable to the relevant

Notes at the relevant time) of the relevant Series of Notes (in the case of Subordinated Notes) as Tier 2 capital or (in any case) as MREL Eligible Liabilities (to the extent the relevant Series counts as such at the relevant time), as the case may be, then (i)(a) above will apply; and

- (B) (in the case of an issue of Senior Preferred Notes or Senior Non-Preferred Notes only and to the extent applicable to such Notes at the relevant time) if the application of (i)(b) or (i)(c) could, in the determination of the Issuer (such determination to be confirmed by the Issuer to the Trustee in a certificate signed by two directors or other Authorised Signatories of the Issuer, upon which the Trustee may rely without liability or enquiry to any person), reasonably be expected to result in the Relevant Regulator treating the next Interest Payment Date or Reset Date, as the case may be, as the effective maturity of the Notes, rather than the relevant Maturity Date, then (i)(a) above will apply; or
- (ii) in the case of any Reset Determination Date other than the first Reset Determination Date, the Subsequent Reset Rate of Interest shall be equal to the sum of:
  - (a) if Subsequent Reset Rate Previous Rate Final Fallback is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement as being applicable, (A) the Reset Reference Rate determined on the last preceding Reset Interest Determination Date and (B) the Subsequent Margin; or
  - (b) if Subsequent Reset Rate Last Observable Rate Final Fallback is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement as being applicable, (A) the last observable rate for swaps in the Specified Currency with a term equal to the relevant Reset Period which appears on the Relevant Screen Page and (B) the Subsequent Margin,

provided that:

- (A) if the application of this paragraph (ii)(b), in the determination of the Issuer (such determination to be confirmed by the Issuer to the Trustee in a certificate signed by two directors or other Authorised Signatories of the Issuer, upon which the Trustee may rely without liability or enquiry to any person), could reasonably be expected to prejudice the qualification (to the extent applicable to the relevant Notes at the relevant time) of the relevant Series of Notes (in the case of Subordinated Notes) as Tier 2 capital or (in any case) as MREL Eligible Liabilities (to the extent the relevant Series counts as such at the relevant time), as the case may be, then (ii)(a) above will apply, and
- (B) (in the case of an issue of Senior Preferred Notes or Senior Non-Preferred Notes only and to the extent applicable to the relevant Notes at the relevant time) if the application of (ii)(b) could, in the determination of the Issuer (such determination to be confirmed by the Issuer to the Trustee in a certificate signed by two directors or other Authorised Signatories of the Issuer, upon which the Trustee may rely without liability or enquiry to any person), reasonably be expected to result in the Relevant Regulator treating the next Interest Payment Date or Reset Date, as the case may be, as the effective maturity of the Notes, rather than the relevant Maturity Date, then (ii)(a) above will apply,

all as determined by an Independent Adviser taking into consideration all available information that it in good faith deems relevant.

If Reset Reference Rate Conversion is specified as applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, any sum calculated in accordance with this Condition 4(b)(ii) shall be converted on a *mutatis mutandis* basis with the conversion

provision in the First Reset Rate of Interest definition or, as the case may be, the Subsequent Reset Rate of Interest definition.

(iii) **Notification of First Reset Rate of Interest, Subsequent Reset Rate of Interest and Interest Amounts**

The Calculation Agent will cause the First Reset Rate of Interest, any Subsequent Reset Rate of Interest and, in respect of a Reset Period, the Interest Amount payable on each Interest Payment Date (or, as the case may be, any other day on which the relevant payment of interest falls due) falling in such Reset Period to be notified to the Issuer, the Trustee, the Principal Paying Agent, the Registrar (in the case of Registered Notes) and any stock exchange on which the relevant Reset Notes are for the time being listed and notice thereof to be published in accordance with Condition 15 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount so notified and Interest Payment Date (or, as the case may be, any other day on which the relevant payment of interest falls due) may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Accrual Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Holders of the Notes in accordance with Condition 15. For the purposes of this paragraph, the expression “**London Business Day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(iv) **Certificates to be final**

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(b) by the Calculation Agent or for determining the Reset Reference Rate, as applicable, shall (in the absence of manifest error) be binding on the Issuer, the Calculation Agent, the Principal Paying Agent, the other Paying Agents and all Holders of the Notes and no liability to the Issuer or the Holders shall attach to the Calculation Agent or the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) **Interest on Floating Rate Notes**

(i) **Interest Payment Dates**

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (A) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement; or
- (B) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, each date (each such date, together with each Specified Interest Payment Date, an “Interest Payment Date”) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Accrual Period (as defined below).

If a Business Day Convention is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, and (x) if there is no numerically corresponding day

in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (aa) in any case where Specified Periods are specified in accordance with Condition 4(c)(i)(B) above, the Floating Rate Convention, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply *mutatis mutandis* or (b) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (bb) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (cc) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (dd) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In the Conditions:

“**Business Day**” means, unless otherwise provided in these Conditions:

- (1) 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 Business Centre (other than T2 (as defined below)) specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement;
- (2) if T2 is specified as a Business Centre in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer System or any successor or replacement for that system (“**T2**”) is open; and
- (3) either (i) in relation to any sum payable in a Specified Currency other than Euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (ii) in relation to any sum payable in Euro, a day on which T2 is open;

“**Interest Accrual Period**” means (i) each Interest Period and (ii) any other period (if any) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, if the Notes become due and payable in accordance with Condition 6, shall be the date on which such Notes become due and payable); and

“**Interest Period**” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

(ii) **Rate of Interest**

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement.

- (I) Reference Rate other than SONIA (Non Index), SONIA (Index), SOFR (Non Index) or SOFR (Index)

Where (x) Screen Rate Determination is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, as the manner in which the Rate of Interest is to be determined and (y) the Reference Rate specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement is not SONIA (Non Index), SONIA (Index), SOFR (Non Index) or SOFR (Index), the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at the Relevant Time on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) the Margin (if any), all as determined by the Principal Paying Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Principal Paying Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

For the purposes of this Condition 4(c)(ii)(I):

“**Interest Determination Date**” shall mean the date specified as such in the Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, or if none is so specified:

- (i) if the Reference Rate is the Euro-zone interbank offered rate (“**EURIBOR**”), the second day on which T2 is open prior to the start of each Interest Period;
- (ii) if the Reference Rate is the Stockholm interbank offered rate (“**STIBOR**”), the second Stockholm business day prior to the start of each Interest Period;
- (iii) if the Reference Rate is the Norwegian interbank offered rate (“**NIBOR**”), the second Oslo business day prior to the start of each Interest Period; or
- (iv) if the Reference Rate is the Copenhagen interbank offered rate (“**CIBOR**”), the first day of each Interest Period.

“**Reference Banks**” shall mean, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market and, in each case of a determination of a Reference Rate that is not EURIBOR, the

principal office in the Relevant Financial Centre of four major banks in the inter-bank market of the Relevant Financial Centre in each case selected by the Issuer on the advice of an investment bank of international repute;

“**Reference Rate**” shall mean (i) EURIBOR; (ii) STIBOR; (iii) NIBOR; or (iv) CIBOR, in each case for the relevant period, as specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, or, in the case of Exempt Notes only, such other Reference Rate as shall be specified in the applicable Pricing Supplement;

“**Relevant Financial Centre**” shall mean (i) Brussels, in the case of a determination of EURIBOR; (ii) Stockholm, in the case of a determination of STIBOR; (iii) Oslo, in the case of a determination of NIBOR; or (iv) Copenhagen, in the case of a determination of CIBOR, as specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, or, in the case of Exempt Notes only, such other Relevant Financial Centre as shall be specified in the applicable Pricing Supplement;

“**Relevant Screen Page**” (save where expressly defined otherwise) has the meaning specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement or such other page, section or other part as may replace it on the relevant information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

“**Relevant Time**” shall mean (i) in the case of EURIBOR, 11.00 a.m.; (ii) in the case of STIBOR, 11.00 a.m.; (iii) in the case of NIBOR, 12.00 noon; or (iv) in the case of CIBOR, 11.00 a.m., in each case in the Relevant Financial Centre, or, in the case of Exempt Notes, such other time as shall be specified in the applicable Pricing Supplement;

If the Relevant Screen Page is not available or if, in the case of Condition 4(c)(ii)(I)(1), no offered quotation appears or, in the case of Condition 4(c)(ii)(I)(2), fewer than three offered quotations appear, in each case as at the Relevant Time, the Issuer shall request each of the Reference Banks to provide the Principal Paying Agent or the Calculation Agent, as the case may be, with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Relevant Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Principal Paying Agent or the Calculation Agent, as the case may be, with offered quotations, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Principal Paying Agent or the Calculation Agent, as the case may be.

If on any Interest Determination Date one only or none of the Reference Banks provides the Principal Paying Agent or the Calculation Agent, as the case may be, with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Principal Paying Agent or the Calculation Agent, as the case may be, determines



as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (at the request of the Issuer) the Principal Paying Agent or the Calculation Agent, as the case may be, by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Relevant Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the Eurozone interbank market (if the Reference Rate is EURIBOR) or the interbank market of the Relevant Financial Centre (if any other Reference Rate is used) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Principal Paying Agent or the Calculation Agent, as the case may be, with offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Relevant Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for the purpose) informs the Principal Paying Agent or the Calculation Agent, as the case may be, it is quoting to leading banks in the Eurozone interbank market (if the Reference Rate is EURIBOR) or the interbank market of the Relevant Financial Centre (if any other Reference Rate is used) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest (as the case may be) relating to the relevant Interest Period in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to that last preceding Interest Period).

(II) SONIA (Non Index Determination) Floating Rate Notes

Where (x) Screen Rate Determination is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, as the manner in which the Rate of Interest is to be determined; and (y) the Reference Rate specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, is SONIA (Non Index), the Rate of Interest for each Interest Accrual Period will, subject as provided below, be Compounded Daily SONIA with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) the applicable Margin.

“**Compounded Daily SONIA**” means, with respect to an Interest Accrual Period, the percentage rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) as calculated by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards):

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

where:

“**d**” means the number of calendar days in:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the relevant Observation Period;

“**d<sub>o</sub>**” means:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the number of London Banking Days in the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the number of London Banking Days in the relevant Observation Period;

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

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the relevant Observation Period;

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

“**n<sub>i</sub>**”, for any London Banking Day “**i**”, means the number of calendar days from and including such London Banking Day “**i**” up to but excluding the following London Banking Day;

“**Observation Period**” means, in respect of each Interest Accrual Period, the period from (and including) the day that falls **p** London Banking Days before the first day in such Interest Accrual Period, to (but excluding) the day that falls **p** London Banking Days before the end of such Interest Accrual Period;

“**p**” means:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement,

for any Interest Accrual Period, the number of London Banking Days included in the Lag Look-back Period, as specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement; or

- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, for any Interest Accrual Period, the number of London Banking Days included in the Observation Shift Period, as specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement;

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

“**SONIA<sub>i-pLBD</sub>**” means:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, in respect of any London Banking Day “i”, the SONIA reference rate for the London Banking Day falling p London Banking Days prior to such London Banking Day “i”; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, in respect of any London Banking Day “i”, the SONIA reference rate for the relevant London Banking Day “i”.

If, subject to Condition 4(d), on any London Banking Day in the relevant Observation Period, the Calculation Agent determines that the applicable SONIA reference rate is not published on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, the SONIA reference rate in respect of such London Banking Day shall be:

- (1) (i) the Bank of England’s Bank Rate (the “Bank Rate”) prevailing at close of business on such London Banking Day; plus (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five days on which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads); or
- (2) if such Bank Rate is not available, the SONIA rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day on which the SONIA rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors).

Where the SONIA reference rate is being determined in accordance with the paragraph above, in the event the Bank of England publishes guidance as to (i) how the SONIA reference rate is to be determined; or (ii) any rate that is to replace the

SONIA reference rate, the Calculation Agent shall, to the extent that it is reasonably practicable, follow such guidance in order to determine the SONIA reference rate for any London Banking Day “i” for the purpose of the relevant Series of Notes for so long as the SONIA reference rate is not available or has not been published by the authorised distributors.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Calculation Agent, subject to Condition 4(d), the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to that last preceding Interest Accrual Period); or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (including applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Accrual Period).

(III) SONIA (Index Determination) Floating Rate Notes

Where (x) Screen Rate Determination is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, as the manner in which the Rate of Interest is to be determined; and (y) the Reference Rate specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, is SONIA (Index), the Rate of Interest for each Interest Accrual Period will, subject to Condition 4(d), be the SONIA Compounded Index Rate plus or minus (as indicated in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) the applicable Margin.

“**SONIA Compounded Index Rate**” means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Accrual Period (with the daily Sterling overnight reference rate as the reference rate for the calculation of interest) as calculated by the Calculation Agent on the Interest Determination Date in question in accordance with the following formula:

$$\left( \frac{SONIA\ Compounded\ Index_{END}}{SONIA\ Compounded\ Index_{START}} - 1 \right) \times \frac{365}{d}$$

where:

“**London Banking Day**” and “**Observation Period**” have the meanings set out in Condition 4(c)(ii)(II);

“**d**” means the number of calendar days in the relevant Observation Period;

“**p**” means the number of London Banking Days included in the SONIA Compounded Index Observation Shift Period as specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement (or, if no such number is specified, five London Banking Days);

“**SONIA Compounded Index**” means the index known as the SONIA Compounded Index administered by the Bank of England (or any successor administrator thereof);

“**SONIA Compounded Index<sub>START</sub>**” means, with respect to an Interest Accrual Period, the SONIA Compounded Index Value on the first day of the relevant Observation Period;

“**SONIA Compounded Index<sub>END</sub>**” means the SONIA Compounded Index Value on the last day of the relevant Observation Period; and

“**SONIA Compounded Index Value**” means, in relation to any London Banking Day, the value of the SONIA Compounded Index as published on the Relevant Screen Page on such London Banking Day or, if the value of the SONIA Compounded Index cannot be obtained from the Relevant Screen Page, as published on the Bank of England’s website at [www.bankofengland.co.uk/boeapps/database/](http://www.bankofengland.co.uk/boeapps/database/) (or such other page or website as may replace such page for the purposes of publishing the SONIA Compounded Index) in respect of the relevant London Banking Day.

Subject to Condition 4(d), if the SONIA Compounded Index Value is not available in relation to any Interest Accrual Period on the Relevant Screen Page or the Bank of England’s website (or such other page or website referred to in the definition of “SONIA Compounded Index Value” above) for the determination of either or both of SONIA Compounded Index<sub>START</sub> and SONIA Compounded Index<sub>END</sub>, the Rate of Interest for such Interest Accrual Period shall be “Compounded Daily SONIA” determined as set out in Condition 4(c)(ii)(II) above plus or minus (as indicated in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) the applicable Margin and as if SONIA (Index) were specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, as being “Not Applicable”, and for these purposes: (A) (i) the “Observation Method” shall be deemed to be “Observation Shift” and (ii) the “Observation Shift Period” shall be deemed to be equal to the “SONIA Compounded Index Observation Shift Period”, as if those alternative elections had been made in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement; and (B) the “Relevant Screen Page” shall be deemed to be the “Relevant Fallback Screen Page” specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement.

(IV) SOFR (Non Index Determination) Floating Rate Notes

Where (x) Screen Rate Determination is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, as the manner in which the Rate of Interest is to be determined; and (y) the Reference Rate specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, is SOFR (Non Index), the Rate of Interest for each Interest Accrual Period will, subject as provided below, be Compounded Daily SOFR with respect

to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) the applicable Margin.

“**Compounded Daily SOFR**” means, with respect to an Interest Accrual Period, the percentage rate of return of a daily compound interest investment (with the Secured Overnight Financing Rate as the reference rate for the calculation of interest) as calculated by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left[ \prod_{i=1}^n \left( 1 + \frac{SOFR_{i-pUSBD} \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

“**d**” means the number of calendar days in:

- (i) where “Lag” or “Lock-out” is specified as the Observation Method in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the relevant Observation Period;

“**d<sub>o</sub>**” means:

- (i) where “Lag” or “Lock-out” is specified as the Observation Method in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the number of U.S. Government Securities Business Days in the relevant Observation Period;

“**i**” is a series of whole numbers from one to **d<sub>o</sub>**, each representing the relevant U.S. Government Securities Day in chronological order from, and including the first U.S. Government Securities Business Day in the relevant Interest Period to, and including, the last U.S. Government Securities Business Day in:

- (i) where “Lag” or “Lock-out” is specified as the Observation Method in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the relevant Observation Period;

“**n<sub>i</sub>**”, for any U.S. Government Securities Business Day “**i**”, means the number of calendar days from and including such U.S. Government Securities Business Day “**i**” up to but excluding the following U.S. Government Securities Business Day;

**“Observation Period”** means, in respect of each Interest Accrual Period, the period from (and including) the day that falls p U.S. Government Securities Business Days before the first day in such Interest Accrual Period, to (but excluding) the day that falls p U.S. Government Securities Business Days before the end of such Interest Accrual Period;

**“p”** means:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, for any Interest Accrual Period, the number of U.S. Government Securities Business Days included in the Lag Look-back Period, as specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement (or, if no such number is specified, five U.S. Government Securities Business Days);
- (ii) where “Lock-out” is specified as the Observation Method in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, zero; or
- (iii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, for any Interest Accrual Period, the number of U.S. Government Securities Business Days included in the Observation Shift Period, as specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement (or, if no such number is specified, five U.S. Government Securities Business Days);

**“USBD”** means U.S. Government Securities Business Day;

**“SOFR<sub>i-pUSBD</sub>”** means:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, in respect of any U.S. Government Securities Business Day “i”, the SOFR for the U.S. Government Securities Business Day falling “p” U.S. Government Securities Business Days prior to such U.S. Government Securities Business Day “i”;
- (ii) where “Lock-out” is specified as the Observation Method in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, during each relevant Interest Period, the SOFR determined in accordance with paragraph (i) above, except that in respect of each U.S. Government Securities Business Day i falling on or after the “Lock-out date” specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement (or, where no “Lock-out date” is specified, five U.S. Government Securities Business Days prior to each relevant Interest Payment Date) until the end of each relevant Interest Accrual Period, the SOFR determined in accordance with paragraph (i) above in respect of such “Lock-out date”; or
- (iii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, in respect of any U.S. Government Securities Business Day “i”, the SOFR for such day.

**“SOFR”** means the rate determined in accordance with the following provisions:

- (1) the Secured Overnight Financing Rate that appears on the FRBNY’s website at 5:00 p.m. (New York time) on a U.S. Government Securities Business Day; or
- (2) if the rate specified in (1) above does not so appear, and a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred under Condition 4(e), then the Calculation Agent shall use the Secured Overnight Financing Rate published on the FRBNY’s website for the first preceding U.S. Government Securities Business Day on which the Secured Overnight Financing Rate was published on the FRBNY’s website; and

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

(V) SOFR (Index Determination) Floating Rate Notes

Where (x) Screen Rate Determination is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, as the manner in which the Rate of Interest is to be determined and (y) the Reference Rate specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, is SOFR (Index), the Rate of Interest for each Interest Accrual Period will, subject as provided below, be equal to the Compounded SOFR rate on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) the Margin (if any), all as determined by the Calculation Agent.

In this Condition 4(c)(ii)(V):

“**Compounded SOFR**” means, with respect to an Interest Accrual Period, the percentage rate as determined by the Calculation Agent in accordance with the following formula (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards):

$$\left( \frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1 \right) \times \left( \frac{360}{d_c} \right)$$

where:

“**SOFR Index<sub>Start</sub>**” means, with respect to an Interest Accrual Period, the SOFR Index value on the day which falls p U.S. Government Securities Business Days preceding the first day of such Interest Accrual Period;

“**SOFR Index<sub>End</sub>**” means, with respect to an Interest Accrual Period, the SOFR Index value on the day which falls p U.S. Government Securities Business Days preceding the payment date relating to such Interest Accrual Period;



“**SOFR Index**” means, with respect to a U.S. Government Securities Business Day:

- (1) the value of the SOFR Index published on such U.S. Government Securities Business Day as such value appears on the Federal Reserve Bank of New York’s Website at the Relevant Time; or
- (2) if a SOFR Index value does not so appear as specified in (1) above at the Relevant Time, then:
  - (i) if a Benchmark Transition Event and its related Benchmark Replacement Date (each as defined in Condition 4(e)) have not occurred with respect to SOFR, then Compounded SOFR shall be the rate determined pursuant to the provisions below; or
  - (ii) if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to SOFR, then Compounded SOFR shall be the rate determined pursuant to Condition 4(e);

“**SOFR**” means the daily secured overnight financing rate as provided on the Federal Reserve Bank of New York’s Website;

“**d**” means, with respect to an Observation Period, the number of calendar days in such Observation Period;

“**Federal Reserve Bank of New York’s Website**” means the website of the Federal Reserve Bank of New York at <http://www.newyorkfed.org>, or any successor source;

“**Interest Determination Date**” means the date that falls p U.S. Government Securities Business Days before each Interest Payment Date (or, as the case may be, any other day on which the relevant payment of interest falls due);

“**Observation Period**” means, in respect of an Interest Accrual Period, the period from (and including) the day that falls p U.S. Government Securities Business Days before the first day in such Interest Accrual Period, to (but excluding) the day that falls p U.S. Government Securities Business Days before the relevant payment date for such Interest Accrual Period;

“**p**” means two, unless otherwise specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement;

“**Relevant Time**” shall mean 3.00 p.m. in New York City, or such other time as specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement; and

“**U.S. Government Securities Business Day**” means any day except for a Saturday, Sunday or a day on which, due to a recommendation of the Securities Industry and Financial Markets Association (or its successor), the fixed income departments of its members are closed for the entire day for purposes of trading in U.S. government securities.

If on any Interest Determination Date a SOFR Index<sub>Start</sub> or SOFR Index<sub>End</sub> is not published and a Benchmark Transition Event and its related Benchmark Replacement Date (each as defined in Condition 4(e)) have not occurred with respect to SOFR, the Rate of Interest for the relevant Interest Accrual Period for

which such index is not available shall be “Compounded Daily SOFR” determined as set out in Condition 4(c)(ii)(IV) above plus or minus (as indicated in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) the applicable Margin and as if SOFR (Non Index) was specified in the applicable Final Terms or, in the case of Exempt Notes, Pricing Supplement, and for these purposes (i) the “Observation Method” shall be deemed to be “Observation Shift” and (ii) the “Observation Shift Period” shall be “p” U.S. Government Securities Business Days, as if those alternative elections had been made in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement..

(VI) **Fallback**

In the event that the Rate of Interest cannot be determined in accordance with provisions (I), (II), (III), (IV) or (V), as applicable, of this Condition 4(c)(ii) by the Calculation Agent, subject to Condition 4(d), the Rate of Interest shall be (I) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period in place of the Margin or Maximum Rate of Interest and/or Minimum Rate of Interest relating to that last preceding Interest Accrual Period); or (II) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on, and excluding, the Interest Commencement Date (including applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period).

Unless otherwise stated in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the Minimum Rate of Interest shall be deemed to be zero.

(VII) Interest Determination Date upon Event of Default (SONIA (Non Index), SONIA (Index), SOFR (Non Index) and SOFR (Index))

Where (x) Screen Rate Determination is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, as the manner in which the Rate of Interest is to be determined and (y) the Reference Rate specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement is SONIA (Non Index), SONIA (Index), SOFR (Non Index) or SOFR (Index), if the Notes become due and payable in accordance with Condition 6 (*Events of Default*), the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms or Pricing Supplement, as applicable, be deemed to be the date on which the Notes became due and payable and the Rate of Interest applicable to the Notes shall, for so long as any such Note remains outstanding, be that determined on such date and as if (solely for the purpose of such interest determination) the relevant Interest Period had been shortened accordingly.

(iii) **Minimum Rate of Interest and/or Maximum Rate of Interest**

If the applicable Final Terms specify or, in the case of Exempt Notes, the applicable Pricing Supplement specifies a Minimum Rate of Interest for any Interest Accrual Period, then, in the event that the Rate of Interest in respect of such Interest Accrual Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Accrual Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specify or, in the case of Exempt Notes, the applicable Pricing Supplement specifies a Maximum Rate of Interest for any Interest Accrual Period, then, in the event that the Rate of Interest in respect of such Interest Accrual Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Accrual Period shall be such Maximum Rate of Interest.

(iv) **Determination of Rate of Interest and Calculation of Interest Amounts**

The Principal Paying Agent will, at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Accrual Period.

The Principal Paying Agent will calculate the amount of interest (the “**Interest Amount**”) payable on the Floating Rate Notes for the relevant Interest Accrual Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes which are represented by a global Note, the aggregate outstanding nominal amount of the Notes represented by such global Note; or
- (B) in the case of Floating Rate Notes in definitive form, the Calculation Amount specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest in accordance with this Condition 4(c):

- (A) if “Actual/Actual (ISDA)” or “Actual/Actual” is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the actual number of days in the Interest Accrual Period divided by 365 (or, if any portion of that Interest Accrual Period falls in a leap year, the sum of (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the Interest Accrual Period falling in a non-leap year divided by 365);
- (B) if “Actual/365 (Fixed)” is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the actual number of days in the Interest Accrual Period divided by 365;
- (C) if “Actual/365 (Sterling)” is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the actual number of days in the

Interest Accrual Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

- (D) if “Actual/360” is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the actual number of days in the Interest Accrual Period divided by 360;
- (E) if “30/360”, “360/360” or “Bond Basis” is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the number of days in the Interest Accrual 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:

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

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

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

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

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

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Interest Accrual Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

- (F) if “30E/360” or “Eurobond Basis” is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the number of days in the Interest Accrual 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:

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

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

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

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

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

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Interest Accrual Period, unless such number would be 31, in which case **D<sub>2</sub>** will be 30; and

if “30E/360 (ISDA)” is specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the number of days in the Interest Accrual 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:

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

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

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

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

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

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Interest Accrual Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case **D<sub>2</sub>** will be 30.

(v) **Linear Interpolation**

Where Linear Interpolation is specified as applicable in respect of an Interest Accrual Period in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate, one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Accrual Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

For the purposes of this Condition 4(c)(v), “**Designated Maturity**” means the period of time designated in the Reference Rate.

(vi) **Notification of Rate of Interest and Interest Amounts**

The Principal Paying Agent will cause the Rate of Interest and each Interest Amount for each Interest Accrual Period and the relevant Interest Payment Date (or, as the case may be, any other day on which the relevant payment of interest falls due) to be notified to the Issuer, the Trustee,

the Registrar (in the case of Registered Notes) and any stock exchange on which the relevant Floating Rate Notes are for the time being listed and notice thereof to be published in accordance with Condition 15 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date (or, as the case may be, any other day on which the relevant payment of interest falls due) so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Accrual Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Holders of the Notes in accordance with Condition 15. For the purposes of this paragraph, the expression “**London Business Day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(vii) **Certificates to be Final**

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(c) by the Principal Paying Agent shall (in the absence of manifest error) be binding on the Issuer, the Principal Paying Agent, the other Paying Agents and all Holders of the Notes and no liability to the Issuer or the Holders shall attach to the Principal Paying Agent or the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(viii) **Calculation Agent**

If the applicable Final Terms specify or, in the case of Exempt Notes, the applicable Pricing Supplement specifies that a Calculation Agent will be appointed in place of the Principal Paying Agent for the purposes of calculating the Rate(s) of Interest and Interest Amount(s) as aforesaid, references in this Condition 4(c) to the Principal Paying Agent shall, unless the context otherwise requires, be construed as references to such Calculation Agent.

(d) **Benchmark Discontinuation – Independent Adviser**

This Condition 4(d) applies only if “Benchmark Discontinuation – Independent Adviser” is specified to be applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement.

- (i) *Independent Adviser*: If the Issuer determines that a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, with a view to the Issuer determining a Successor Rate, failing which an Alternative Rate (in accordance with Condition 4(d)(ii)) and, in either case, an Adjustment Spread, if any (in accordance with Condition 4(d)(iii)) and/or any Benchmark Amendments (in accordance with Condition 4(d)(iv)).

An Independent Adviser appointed pursuant to this Condition 4(d) shall act in good faith and (in the absence of fraud) shall have no liability whatsoever to the Issuer, the Trustee, the Principal Paying Agent, the Paying Agents or the Holders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition 4(d).

- (ii) *Successor Rate or Alternative Rate*: If the Issuer, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, determines that:

- (A) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 4(d)); or
- (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 4(d)).
- (iii) *Adjustment Spread:* The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Issuer, following consultation with the Independent Adviser is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Rate (as applicable) will apply without an Adjustment Spread.
- (iv) *Benchmark Amendments:* If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 4(d) and the Issuer, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, determines (i) that amendments to these Conditions and/or the Trust Deed are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(d)(vi), without any requirement for the consent or approval of Holders, vary these Conditions and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee and Principal Paying Agent of a certificate signed by two directors or other Authorised Signatories of the Issuer, upon which the Trustee and Principal Paying Agent may rely without liability or enquiry to any person, pursuant to Condition 4(d)(vi), the Trustee and Principal Paying Agent shall (at the expense of the Issuer), without any requirement for the consent or approval of the Holders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed) and the Trustee and Principal Paying Agent shall not be liable to any party for any consequences thereof, provided that the Trustee and Principal Paying Agent shall not be obliged so to concur if in the opinion of the Trustee and Principal Paying Agent doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions and/or rights afforded to the Trustee and/or the Principal Paying Agent (as applicable) in these Conditions, the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) or the Agency Agreement (including, for the avoidance of doubt, any supplemental agency agreement) in any way.

In connection with any such variation in accordance with this Condition 4(d)(iv), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

Notwithstanding any other provision of this Condition 4(d), no Successor Rate, Alternative Rate or Adjustment Spread will be adopted, nor will any other amendments to the terms and conditions of any Series of Notes be made to effect the Benchmark Amendments, if and to the extent that, in the determination of the Issuer and to the extent applicable at the relevant time, the same could reasonably be expected to prejudice the qualification (to the extent applicable to the relevant Notes at the relevant time) of the relevant Series of Notes (in the case of Subordinated Notes) as

Tier 2 capital or (in any case) as MREL Eligible Liabilities (to the extent the relevant Series counts as such at the relevant time), as the case may be, such determination to be confirmed by the Issuer to the Trustee in a certificate signed by two directors or other Authorised Signatories of the Issuer (upon which certificate the Trustee is entitled to rely absolutely, without liability and without enquiry to any person).

In the case of Senior Preferred Notes and Senior Non-Preferred Notes only, no Successor Rate or Alternative Rate (as applicable) will be adopted, and no other amendments to the terms of the Notes will be made pursuant to this Condition 4(d), if and to the extent that, in the determination of the Issuer and to the extent applicable to the relevant Notes at the relevant time, the same could reasonably be expected to result in the Relevant Regulator treating the next Interest Payment Date or Reset Date, as the case may be, as the effective maturity of the Notes, rather than the relevant Maturity Date, such determination to be confirmed by the Issuer to the Trustee in a certificate signed by two directors or other Authorised Signatories of the Issuer (upon which certificate the Trustee is entitled to rely absolutely, without liability and without enquiry to any person).

- (v) *Failure to appoint an Independent Adviser:* If the Issuer is unable to appoint an Independent Adviser in accordance with this Condition 4(d), the Issuer, acting in good faith and in a commercially reasonable manner, may still determine (i) a Successor Rate or Alternative Rate and (ii) in either case, an Adjustment Spread and/or any Benchmark Amendments in accordance with this Condition 4(d) (with the relevant provisions in this Condition 4(d) applying *mutatis mutandis* to allow such determinations to be made by the Issuer without consultation with an Independent Adviser).

Where this Condition 4(d)(v) applies, without prejudice to the definitions thereof, for the purposes of determining any Successor Rate, Alternative Rate, Adjustment Spread and/or Benchmark Amendments (as the case may be), the Issuer will take into account any relevant and applicable market precedents and customary market usage as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets.

- (vi) *Notices, etc.:* Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(d) will be notified promptly by the Issuer to the Trustee, the Principal Paying Agent, the Paying Agents and, in accordance with Condition 15, the Holders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

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

- (A) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate and, (iii) where applicable, any Adjustment Spread and/or the specific terms of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 4(d); and
- (B) certifying that the Benchmark Amendments (if applicable) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Trustee and the Principal Paying Agent shall be entitled to rely on any certificate delivered pursuant to this Condition 4(d) (without enquiry or liability to any person and without the obligation to verify or investigate the accuracy thereof) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and/or the Benchmark



Amendments (if any) specified in such certificate will (in the absence of manifest error and without prejudice to the Trustee's and the Principal Paying Agent's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Principal Paying Agent, the Paying Agents and the Holders. For the avoidance of doubt, each of the Trustee and the Principal Paying Agent shall not be liable to the Holders or any other such person for so acting or relying on such certificate, irrespective of whether any such modification is or may be materially prejudicial to the interests of the Holders or any other such person.

- (vii) *Survival of the Original Reference Rate*: Without prejudice to the obligations of the Issuer under Condition 4(d), the Original Reference Rate and the fallback provisions provided for in Condition 4(b)(ii) and Condition 4(c)(ii) will continue to apply unless and until either a Successor Rate or an Alternative Rate (and any associated Adjustment Spread and/or Benchmark Amendments) is determined pursuant to this Condition 4(d).

In such circumstances, the Issuer will be entitled (but not obliged), at any time thereafter, to elect to re-apply the provisions of Condition 4(d), *mutatis mutandis*, on one or more occasions until a Successor Rate or Alternative Rate (and, if applicable, any associated Adjustment Spread and/or Benchmark Amendments) has been determined and notified (and, until such determination and notification (if any), the fallback provisions provided for in Condition 4(b)(ii) and Condition 4(c)(ii) will continue to apply).

- (viii) *Definitions*: As used in this Condition 4(d):

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

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

**“Alternative Rate”** means an alternative benchmark or screen rate which the Issuer determines in accordance with Condition 4(d)(ii)(B) has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same Specified Currency as the Notes.

**“Benchmark Amendments”** has the meaning given to it in Condition 4(d)(iv).

**“Benchmark Event”** means:

- (1) the Original Reference Rate ceasing to be published for a period of at least five consecutive Business Days or ceasing to exist; or
- (2) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (3) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (4) a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences; or
- (5) an official announcement by the supervisor of the administrator of the Original Reference Rate, with effect from a date after 31 December 2021, that the Original Reference Rate is no longer representative of its relevant underlying market; or
- (6) it has become unlawful for the Principal Paying Agent, any Paying Agent, the Issuer or any other party to calculate any payments due to be made to any Holder using the Original Reference Rate,

provided that the Benchmark Event shall be deemed to occur (a) in the case of subparagraphs (2) and (3) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of subparagraph (4) above, on the date of the prohibition of use of the Original Reference Rate and (c) in the case of sub-paragraph (5) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement and, in each case, not the date of the relevant public statement.

**“Independent Adviser”** means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer at its own cost under Condition 4(d)(i).

**“Original Reference Rate”** means:

- (i) the benchmark or screen rate (as applicable) originally specified for the purpose of determining the relevant Rate of Interest (or any relevant component part(s) thereof) on the Notes; or
- (ii) any Successor Rate or Alternative Rate which has been determined in relation to such benchmark or screen rate (as applicable) pursuant to the operation of Condition 4(d).

**“Relevant Nominating Body”** means, in respect of an Original Reference Rate:

- (i) the central bank for the currency to which such Original Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of such Original Reference Rate; or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which such Original Reference Rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of such Original Reference Rate, (c) a group of the

aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

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

(e) **Benchmark Discontinuation – ARRC SOFR**

This Condition 4(e) applies only if (i) the Specified Currency is U.S. dollars and the Reference Rate specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, is SOFR (Non Index) or SOFR (Index) and (ii) “Benchmark Discontinuation – ARRC SOFR” is also specified to be applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement.

- (i) **Benchmark Replacement:** If the Issuer determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of the Benchmark on any date, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of such determination on such date and all determinations on all subsequent dates.
- (ii) **Benchmark Replacement Conforming Changes:** In connection with the implementation of a Benchmark Replacement, the Issuer will have the right to make Benchmark Replacement Conforming Changes from time to time.

If the Issuer exercises its right to make Benchmark Replacement Conforming Changes at any time, at the request of the Issuer, but subject to receipt by the Trustee and Principal Paying Agent of a certificate signed by two directors or other Authorised Signatories of the Issuer, upon which the Trustee may rely without liability or enquiry to any person, pursuant to Condition 4(c)(iv), the Trustee and Principal Paying Agent shall (at the expense of the Issuer), without any requirement for the consent or approval of the Holders, be obliged to concur with the Issuer in effecting any Benchmark Replacement Conforming Changes (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed) and the Trustee and Principal Paying Agent shall not be liable to any party for any consequences thereof, provided that the Trustee and Principal Paying Agent shall not be obliged so to concur if in the opinion of the Trustee and Principal Paying Agent doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the rights and/or protective provisions afforded to the Trustee and/or the Principal Paying Agent (as applicable) in these Conditions, the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) or the Agency Agreement (including, for the avoidance of doubt, any supplemental agency agreement) in any way.

In connection with any such Benchmark Replacement Conforming Changes in accordance with this Condition 4(e)(ii), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

Notwithstanding any other provision of this Condition 4(e), no Benchmark Replacement will be adopted, nor will any other amendment to the terms and conditions of any Series of Notes be made to effect the Benchmark Replacement Conforming Changes, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification (to the extent applicable to the relevant Notes at the relevant time) of the relevant Series of Notes (in the case of Subordinated Notes) as Tier 2 capital or (in any case) as MREL Eligible Liabilities (to the extent the relevant Series counts as such at the relevant time), as the case may be, such determination to be confirmed by the Issuer to the Trustee in a certificate signed by two directors

or other Authorised Signatories of the Issuer (upon which certificate the Trustee is entitled to rely absolutely, without liability and without enquiry to any person).

In the case of Senior Preferred Notes and Senior Non-Preferred Notes only, no Benchmark Replacement will be adopted, and no other amendments to the terms of the Notes will be made pursuant to this Condition 4(e), if and to the extent that, in the determination of the Issuer and to the extent applicable to the relevant Notes at the relevant time, the same could reasonably be expected to result in the Relevant Regulator treating the next Interest Payment Date as the effective maturity of the Notes, rather than the relevant Maturity Date, such determination to be confirmed by the Issuer to the Trustee in a certificate signed by two directors or other Authorised Signatories of the Issuer (upon which certificate the Trustee is entitled to rely absolutely, without liability and without enquiry to any person).

- (iii) *Decisions and Determinations:* Any determination, decision or election that may be made by the Issuer pursuant to this Condition 4(e), including (A) any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection and (B) for the avoidance of doubt, any Benchmark Replacement Conforming Changes, will be conclusive and binding (in the absence of manifest error) and subject as provided in this Condition 4(e), may be made in the Issuer's sole discretion, and, subject as provided in this Condition 4(e), shall become effective without consent from any other party.
- (iv) *Notices, etc.:* Any Benchmark Replacement and the specific terms of any Benchmark Replacement Conforming Changes determined under this Condition 4(e) will be notified promptly by the Issuer to the Trustee, the Principal Paying Agent, the Paying Agents and, in accordance with Condition 15, the Holders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Replacement Conforming Changes, if any.

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

- (a) confirming (i) that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, (ii) the relevant Benchmark Replacement and (iii) where applicable, the specific terms of any Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 4(e); and
- (b) certifying that the Benchmark Replacement Conforming Changes (if applicable) are appropriate to reflect the adoption of the relevant Benchmark Replacement.

The Trustee and Principal Paying Agent shall be entitled to rely on any certificate delivered pursuant to this Condition 4(e) (without enquiry or liability to any person and without the obligation to verify or investigate the accuracy thereof) as sufficient evidence thereof. The Benchmark Replacement and the Benchmark Replacement Conforming Changes (if any) specified in such certificate will (in the absence of manifest error and without prejudice to the Trustee's and the Principal Paying Agent's ability to rely on such certificate as aforesaid) be conclusive and binding on the Issuer, the Trustee, the Principal Paying Agent, the Paying Agents and the Holders. For the avoidance of doubt, each of the Trustee and the Principal Paying Agent shall not be liable to the Holders or any other such person for so acting or relying on such certificate, irrespective of whether any such modification is or may be materially prejudicial to the interests of the Holders or any other such person.

(v) *Definitions:* As used in this Condition 4(e):

“**Benchmark**” means, initially, SOFR; provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to SOFR or the then-current Benchmark, then “**Benchmark**” means the applicable Benchmark Replacement;

“**Benchmark Replacement**” means the first alternative set forth in the order below that can be determined by the Issuer as of the Benchmark Replacement Date:

- (1) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (b) the Benchmark Replacement Adjustment;
- (2) the sum of: the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; or
- (3) the sum of: (a) the alternate rate of interest that has been selected by the Issuer as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar denominated floating rate notes at such time and (b) the Benchmark Replacement Adjustment;

“**Benchmark Replacement Adjustment**” means the first alternative set forth in the order below that can be determined by the Issuer as of the Benchmark Replacement Date:

- (1) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (2) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment; or
- (3) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar denominated floating rate notes at such time;

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

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

- (1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark (or such component) permanently or indefinitely ceases to provide the Benchmark (or such component); or

- (2) in the case of clause (3) of the definition of “Benchmark Transition Event” the date of the public statement or publication of information referenced therein.

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

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

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

“**ISDA Definitions**” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

“**ISDA Fallback Adjustment**” means the spread adjustment, (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark;

“**ISDA Fallback Rate**” means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

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

“**Relevant Governmental Body**” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

“**Unadjusted Benchmark Replacement**” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

**(f) *Accrual of Interest***

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue thereon (as well after as before any demand or judgment) at the rate then applicable to the principal amount of the Notes or such other rate as may be specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement until the date on which, upon (except in the case of any payment where presentation and/or surrender of the relevant Note is not required as a precondition of payment) due presentation of the relevant Note, the relevant payment is made or, if earlier (except in the case of any payment where presentation and/or surrender of the relevant Note is not required as a precondition of payment), the seventh day after the date on which, the Trustee, the Principal Paying Agent or, as the case may be, the Registrar having received the funds required to make such payment, notice is given to the Holders in accordance with Condition 15 of that circumstance (except to the extent that there is failure in the subsequent payment thereof to the relevant Holder).

**5 Redemption, Purchase, Substitution and Variation**

**(a) *Redemption at Maturity***

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement in the relevant Specified Currency on the Maturity Date.

**(b) *Early Redemption for Taxation Reasons***

Subject to Condition 5(j) below, if:

(A)

- (i) in relation to any Series of Notes, a Withholding Tax Event occurs; or
- (ii) in relation to any Series of Notes where “Tax Event Call” is specified as being applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, a Tax Event occurs;

and

(B) a Tax Certificate has been delivered to the Trustee by the Issuer,

the Issuer may, at its option, redeem all (but not some only) of the outstanding Notes comprising the relevant Series at their Early Redemption Amount referred to in Condition 5(d) below, together with accrued interest (if any) thereon, *provided that*:

- (a) notice is given by the Issuer to the Trustee and the Holders in accordance with Condition 15 not less than 15 nor more than 60 days’ (or such other notice period as may be specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) prior to redemption;
- (b) in the case of Floating Rate Notes only, redemption is to be on an Interest Payment Date; and

- (c) where the Issuer would be obliged to pay additional amounts as provided in Condition 7 in respect of any payment due in respect of the Notes, then no such notice of redemption may be given earlier than 90 days (or, in the case of 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 60 days) prior to the earliest date on which the Issuer would be obliged to pay such additional amounts.

Any such notice of redemption given in accordance with this Condition 5(b) shall be irrevocable.

The Trustee shall be entitled to accept any evidence provided pursuant to (B) above (without liability or enquiry to any person) as sufficient evidence that the circumstances referred to therein prevail and that the events described in (A)(i) and/or (A)(ii) above have occurred, in which event they shall be conclusive and binding on the Holders.

For the purposes of this Condition 5(b):

**“Change in Tax Law”** means:

- (a) any amendment to, clarification of, or change in, the laws or treaties (or any regulations thereunder) of any Taxing Jurisdiction affecting taxation;
- (b) any governmental action in the Taxing Jurisdiction; or
- (c) any amendment to, clarification of, or change in the official position or interpretation of such law, treaty (or regulation thereunder) or governmental action or any pronouncement that provides for a position with respect to such law, treaty (or regulation thereunder) or governmental action that differs from the theretofore generally accepted position, in each case, by any legislative body, court, governmental authority or regulatory body, irrespective of the manner in which such amendment, change, action, interpretation, pronouncement or decision is made known;

a **“Tax Certificate”** means a certificate signed by two directors or other Authorised Signatories of the Issuer, stating that, as of its date, the circumstances constituting a Tax Event or a Withholding Tax Event (as the case may be) are prevailing and describing the facts leading thereto;

a **“Tax Event”** shall occur if, as a result of a Change in Tax Law of the Taxing Jurisdiction which becomes effective or is announced on or after the Issue Date of the most recently issued Tranche of such Notes:

- (a) the Issuer is, or will be, subject to pay additional amounts as provided in Condition 7 in respect of taxes, duties, governmental charges or civil liabilities with respect to the Notes or any payments thereunder;
- (b) to the extent (prior to the relevant Change in Tax Law) the Issuer was entitled to claim a deduction in respect of the Notes in computing its taxation liabilities, the Issuer is no longer, or will no longer be, entitled to claim a deduction in respect of payments in respect of the Notes in computing its taxation liabilities (or the value of any such deduction would be reduced); or
- (c) the treatment of any of the Issuer’s items of income or expense with respect to the Notes as reflected on the tax returns (including estimated returns) filed (or to be filed) by the Issuer will not be respected by a taxing authority, which subjects the Issuer to additional taxes, duties or governmental charges or civil liabilities;

**“Taxing Jurisdiction”** means the Kingdom of Sweden or any authority or agency therein or thereof having power to tax; and



a “**Withholding Tax Event**” shall occur if, in respect of any payment of principal or interest of the Notes, as a result of a Change in Tax Law of the Taxing Jurisdiction which becomes effective or is announced on or after the Issue Date of the most recently issued Tranche of such Notes, the Issuer would be required to pay additional amounts as provided in Condition 7.

(c) ***Redemption at the Option of the Issuer (Issuer Call)***

Subject to Condition 5(j) below, if Issuer Call is specified as being applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, the Issuer may, having given:

- (i) not less than 15 nor more than 60 days’ notice (or such other notice period as may be specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) to the Holders in accordance with Condition 15; and
- (ii) not less than 15 days before the giving of the notice referred to in (i) above, notice to the Trustee, the Principal Paying Agent (copied to the other Paying Agents, in the case of Bearer Notes) and the Registrar (copied to the Principal Paying Agent and the Transfer Agents, in the case of Registered Notes);

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement.

In the case of a partial redemption of Notes, the Notes to be redeemed (“**Redeemed Notes**”) will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion), as the case may be, in the case of Redeemed Notes represented by a global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the “**Selection Date**”). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 15 not less than 15 days (or such other notice period as may be specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) prior to the date fixed for redemption. No exchange of the relevant global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this Condition 5(c) and notice to that effect shall be given by the Issuer to the Holders in accordance with Condition 15 at least five days prior to the Selection Date.

(d) ***Early Redemption Amounts***

For the purpose of Condition 5(b) above and Condition 6:

- (i) each Note (other than a Zero Coupon Note) will be redeemed at its Early Redemption Amount (as specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement); and
- (ii) each Zero Coupon Note will be redeemed at an amount (the “**Amortised Face Amount**”) calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = \text{RP} \times (1 + \text{AY})^y$$

where:

“**RP**” means the Reference Price;

“**AY**” means the Accrual Yield expressed as a decimal; and

“**y**” is the Day Count Fraction specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, 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 and the denominator will be 360); or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days 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 and the denominator will be 360); or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days 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 and the denominator will be 365).

(e) **Purchases**

The Issuer or any of its consolidated subsidiaries may purchase Notes (provided that, in the case of Definitive Bearer Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise, subject to (to the extent applicable to the relevant Notes at the relevant time), (i) (in the case of the Senior Preferred Notes and the Senior Non-Preferred Notes) the Applicable MREL Regulations or (in the case of the Subordinated Notes) the Applicable Capital Adequacy Regulations in force at the relevant time, (ii) the prior consent of the Relevant Regulator (if such consent is required by the Applicable MREL Regulations or the Applicable Capital Adequacy Regulations, as the case may be) and (iii) applicable law and regulation. Such Notes may be held, reissued, resold or, at the discretion of the Issuer, surrendered to the Principal Paying Agent or the Registrar, as the case may be, for cancellation.

In these Conditions:

“**Relevant Regulator**” means (to the extent applicable to the relevant Notes at the relevant time) (i) (in respect of the Subordinated Notes) the Swedish FSA and (ii) (in respect of the Senior Preferred Notes and the Senior Non-Preferred Notes) the Swedish National Debt Office or such other authority tasked with matters relating to the qualification of securities of the Issuer and/or the Group, as the case may be, under the Applicable MREL Regulations; and

“**Swedish FSA**” means the Swedish Financial Supervisory Authority (Sw: *Finansinspektionen*) or any successor entity primarily responsible for the prudential supervision of the Issuer or the Group, as the case may be.

(f) **Cancellation**

All Notes which are redeemed will forthwith be cancelled (together, in the case of Definitive Bearer Notes, with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 5(e) above (together, in the case of Definitive Bearer Notes, with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold.

(g) ***Late Payment on Zero Coupon Notes***

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 5(a), 5(b) or 5(c) or upon its becoming due and repayable as provided in Condition 6 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 5(d)(ii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Principal Paying Agent, the Registrar or the Trustee and notice to that effect has been given to the Holders in accordance with Condition 15.

(h) ***Subordinated Notes - Redemption Upon the Occurrence of a Capital Event***

This Condition 5(h) applies only in the case of Notes specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement as being Subordinated Notes and where this Condition 5(h) is specified as being applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, and references to “Notes” in this Condition 5(h) shall be construed accordingly.

Subject to Condition 5(j) below, if a Capital Event occurs, the Issuer may, within 90 calendar days of the occurrence of the relevant Capital Event, at its option, give notice to (i) the Trustee, (ii) the Principal Paying Agent and (iii) the Holders in accordance with Condition 15 (which notice shall be irrevocable) that all (but not some only) of the outstanding Notes comprising the relevant Series shall be redeemed:

- (a) in the case of all Notes other than Floating Rate Notes, at any time within the period of not less than 15 nor more than 60 days (or such other notice period as may be specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) from the date of such notice; or
- (b) in the case of Floating Rate Notes, (1) on any Interest Payment Date falling within the period of not less than 15 nor more than 60 days (or such other notice period as may be specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) from the date of such notice or (2) if there is no Interest Payment Date falling within (1) above, on the first Interest Payment Date to occur after the expiry of 60 days (or such other maximum notice period as may be specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) from the date of such notice,

in each case, at their principal amount or such other amount as may be specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, together (in each case) with accrued interest (if any) thereon. Upon the expiry of such notice, the Issuer shall redeem the Notes.

In these Conditions:

“**Applicable Capital Adequacy Regulations**” means at any time the laws, regulations, requirements, guidelines and policies relating to capital adequacy then in effect in Sweden including, without limitation to the generality of the foregoing, CRD, regulatory technical standards and guidance from the European Banking Authority and those regulations, requirements, guidelines and policies relating to capital adequacy adopted from time to time and then in effect of the Relevant Regulator (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer or the Group, as the case may be);

A “**Capital Event**” means the determination by the Issuer, after consultation with the Relevant Regulator, that by reason of the non-compliance of the Notes with the criteria for Tier 2 capital as a result of a change in Swedish law or Applicable Capital Adequacy Regulations or any change in the official application or interpretation thereof becoming effective on or after the Issue Date of the most recently issued Tranche of the Notes, either (i) the Notes are fully excluded or (ii) if the applicable Final Terms specify or, in the case of Exempt Notes, the applicable Pricing Supplement specifies that Partial Capital Exclusion applies and to the extent partial exclusion is not prohibited under the Applicable Capital Adequacy Regulations, the Notes are fully or partially excluded, from the Tier 2 capital of the Group and/or (if the relevant Notes are included at the time in the Tier 2 capital of the Issuer on an individual basis) the Issuer, as the case may be (other than as a result of any applicable limitation on the amount of such capital), such determination to be confirmed by the Issuer to the Trustee in a certificate signed by two directors or other Authorised Signatories of the Issuer; and

“**Tier 2 capital**” means Tier 2 capital for the purposes of the Applicable Capital Adequacy Regulations.

(i) ***Redemption upon occurrence of a MREL Disqualification Event***

This Condition 5(i) applies only in the case of Notes where this Condition 5(i) is specified as being applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, and references to “**Notes**” and “**Holders**” in this Condition 5(i) shall be construed accordingly.

Upon the occurrence of a MREL Disqualification Event the Issuer may, at its option, but subject to Condition 5(j), give notice to (i) the Trustee, (ii) the Principal Paying Agent and (iii) the Holders in accordance with Condition 15 (which notice shall be irrevocable) that all (but not some only) of the outstanding Notes comprising the relevant Series shall be redeemed

- (a) in the case of all Notes other than Floating Rate Notes, at any time within the period of not less than 15 nor more than 60 days (or such other notice period as may be specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) from the date of such notice; or
- (b) in the case of Floating Rate Notes, (1) on any Interest Payment Date falling within the period of not less than 15 nor more than 60 days (or such other notice period as may be specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) from the date of such notice or (2) if there is no Interest Payment Date falling within (1) above, on the first Interest Payment Date to occur after the expiry of 60 days (or such other maximum notice period as may be specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) from the date of such notice,

in each case, at their principal amount or at such other amount as may be specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, together (in each case) with accrued interest (if any) thereon. Upon the expiry of such notice, the Issuer shall redeem the Notes.

For the purposes of these Conditions:

“**MREL Disqualification Event**” means, the determination by the Issuer that, as a result of a change in any Applicable MREL Regulations becoming effective on or after the Issue Date of the most recently issued Tranche of the Notes, it is likely that the Notes will be fully excluded or partially excluded from the instruments available to meet any MREL Requirement (however called or defined by then Applicable MREL Regulations) of the Group and/or (if the relevant Notes are included at the time in such instruments available to meet any MREL Requirement of the Issuer on an individual basis) the Issuer, such determination to be confirmed by the Issuer to the Trustee in a certificate signed by two directors or other Authorised Signatories of the Issuer, provided that a MREL Disqualification Event shall not

occur where such exclusion is or will be caused by (1) the remaining maturity of such Notes being less than any period prescribed by any applicable eligibility criteria under the Applicable MREL Regulations or (2) any applicable limits on the amount of instruments permitted or allowed to meet any MREL Requirement(s) being exceeded.

**(j) *Conditions to Redemption, Purchase, Substitution and Variation***

No early redemption, purchase, substitution or variation as contemplated by this Condition 5 of such Notes may be made without the prior consent of the Relevant Regulator (if such consent is required at the relevant time (in the case of Subordinated Notes) by the Applicable Capital Adequacy Regulations or (in the case of Senior Preferred Notes and Senior Non-Preferred Notes) the Applicable MREL Regulations).

In addition, the Issuer may only redeem or purchase any Subordinated Notes prior to the fifth anniversary of the Issue Date of the most recently issued Tranche of the Subordinated Notes, (if required at the relevant time by the Applicable Capital Adequacy Regulations), if: (A) in the case of redemption upon the occurrence of a Withholding Tax Event or Tax Event, the Issuer has demonstrated to the satisfaction of the Relevant Regulator that the applicable change in tax treatment is material and was not reasonably foreseeable as at such Issue Date, (B) in the case of redemption upon the occurrence of a Capital Event or MREL Disqualification Event, the Issuer has demonstrated to the satisfaction of the Relevant Regulator that the relevant change was not reasonably foreseeable as at such Issue Date, or (C) in the case of a purchase pursuant to Condition 5(e), the Issuer having demonstrated to the satisfaction of the Relevant Regulator that the Issuer has (or will have), before or at the same time as such purchase, replaced the Notes with own funds instruments of equal or higher quality on terms that are sustainable for the income capacity of the Issuer, and the Relevant Regulator having permitted such action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances.

**(k) *Substitution or Variation***

This Condition 5(k) applies only where this Condition 5(k) is specified as being applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, and references to “Notes” in this Condition 5(k) shall be construed accordingly.

If at any time, (i) where “MREL Disqualification Event” is specified as being applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, a MREL Disqualification Event occurs and is continuing; (ii) in the case of Subordinated Notes, a Capital Event occurs and is continuing; (iii) in any case, a Withholding Tax Event occurs and is continuing; (iv) in any case, where “Tax Event Call” is specified as applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, a Tax Event occurs and is continuing; or (v) in any case, in order to ensure the effectiveness and enforceability of Condition 18(f), the Issuer may, subject to Condition 5(j) (without any requirement for the consent or approval of the Holders or, subject as provided below, the Trustee) on giving not less than 15 nor more than 60 days’ (or such other notice period as may be specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) notice to (i) the Trustee, (ii) the Principal Paying Agent and (iii) the Holders in accordance with Condition 15 (which notice shall be irrevocable) either substitute all (but not some only) of the Notes for, or vary the terms of the Notes and/or the terms of the Trust Deed so that or provided that (as the case may be) they remain or, as appropriate, become, in the case of Senior Preferred Notes, Senior Preferred Qualifying Securities (as defined below), in the case of Senior Non-Preferred Notes, Senior Non-Preferred Qualifying Securities (as defined below) or, in the case of Subordinated Notes, Subordinated Qualifying Securities (as defined below), as the case may be.

The Trustee shall (at the request and expense of the Issuer) agree to the substitution of the Notes for, or the variation of the terms of the Notes so that or provided that (as the case may be) they remain or, as appropriate, become, in the case of Senior Preferred Notes, Senior Preferred Qualifying Securities, in the case of Senior Non-Preferred Notes, Senior Non-Preferred Qualifying Securities or, in the case of Subordinated Notes, Subordinated Qualifying Securities, as the case may be, as aforesaid, provided that (i) the Trustee receives the certificate in the form described in the definition of Senior Preferred Qualifying Securities, Senior Non-Preferred Qualifying Securities or Subordinated Qualifying Securities, as the case may be, in accordance with the provisions thereof, and (ii) the terms of the proposed Senior Preferred Qualifying Securities, Senior Non-Preferred Qualifying Securities or Subordinated Qualifying Securities or the agreement to such substitution or variation, as the case may be, would not impose, in the Trustee's opinion, more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions and/or rights afforded to the Trustee in these Conditions or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way.

The Trustee shall not be liable for any such substitution or variation, as the case may be, or any consequences thereof.

In these Conditions:

**“Senior Non-Preferred Qualifying Securities”** means securities issued directly or indirectly by the Issuer that:

- (a) (other than in respect of (i) the effectiveness and enforceability of Condition 18(f) and (ii) paragraph (4) below) have terms not materially less favourable to the Holders as a class than the terms of the Senior Non-Preferred Notes (as reasonably determined by the Issuer and provided that a certification to such effect of two directors or other Authorised Signatories of the Issuer, upon which the Trustee may rely without liability or enquiry to any person, shall have been delivered to the Trustee prior to (i) in the case of a substitution of the Senior Non-Preferred Notes, the issue of the relevant securities or (ii) in the case of a variation of the Senior Non-Preferred Notes, such variation, as the case may be), provided that they shall (1) include a ranking in right of payment at least equal to that of the Senior Non-Preferred Notes prior to such substitution or variation, as the case may be, (2) have the same interest rate and the same Interest Payment Dates as those from time to time applying to the Senior Non-Preferred Notes prior to such substitution or variation, as the case may be, (3) have the same redemption rights and obligations as the Senior Non-Preferred Notes prior to such substitution or variation, as the case may be, including, but not limited to, as to timing and amount, (4) comply with the then current requirements in relation to “eligible liabilities” (or any equivalent or successor term) provided for in the Applicable MREL Regulations, (5) preserve any existing rights under the Senior Non-Preferred Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of substitution or variation, as the case may be, or, if none, the Interest Commencement Date, (6) where the Senior Non-Preferred Notes which have been substituted or varied had a solicited credit rating immediately prior to their substitution or variation, be assigned a solicited credit rating equal to or higher than (i) the solicited credit rating of the Senior Non-Preferred Notes immediately prior to their substitution or variation or (ii) where the solicited credit rating of the Senior Non-Preferred Notes was, as a result of Condition 18(f) becoming ineffective and/or unenforceable, amended prior to such substitution or variation, the solicited credit rating of the Senior Non-Preferred Notes immediately prior to such amendment, and (7) not include any loss absorbing provisions such as principal write-offs, write-downs or conversion to equity, unless the triggers are objective and measurable; and
- (b) are listed on a recognised stock exchange, if the Senior Non-Preferred Notes were listed immediately prior to such substitution or variation, as selected by the Issuer.

**“Senior Preferred Qualifying Securities”** means securities issued directly or indirectly by the Issuer that:

- (a) (other than in respect of (i) the effectiveness and enforceability of Condition 18(f) and (ii) paragraph (4) below) have terms not materially less favourable to the Holders as a class than the terms of the Senior Preferred Notes (as reasonably determined by the Issuer, and provided that a certification to such effect of two directors or other Authorised Signatories of the Issuer, upon which the Trustee may rely without liability or enquiry to any person, shall have been delivered to the Trustee prior to (i) in the case of a substitution of the Senior Preferred Notes, the issue of the relevant securities or (ii) in the case of a variation of the Senior Preferred Notes, such variation, as the case may be), provided that they shall (1) include a ranking in right of payment at least equal to that of the Senior Preferred Notes prior to such substitution or variation, as the case may be, (2) have the same interest rate and the same Interest Payment Dates as those from time to time applying to the Senior Preferred Notes prior to such substitution or variation, as the case may be, (3) have the same redemption rights and obligations as the Senior Preferred Notes prior to such substitution or variation, as the case may be, including, but not limited to, as to timing and amount, (4) comply with the then current requirements in relation to “eligible liabilities” (or any equivalent or successor term) provided for in the Applicable MREL Regulations, (5) preserve any existing rights under the Senior Preferred Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of substitution or variation, as the case may be, or, if none, the Interest Commencement Date, (6) where the Senior Preferred Notes which have been substituted or varied had a solicited credit rating immediately prior to their substitution or variation, be assigned a solicited credit rating equal to or higher than (i) the solicited credit rating of the Senior Preferred Notes immediately prior to their substitution or variation or (ii) where the solicited credit rating of the Senior Preferred Notes was, as a result of Condition 18(f) becoming ineffective and/or unenforceable, amended prior to such substitution or variation, the solicited credit rating of the Senior Preferred Notes immediately prior to such amendment, and (7) not include any loss absorbing provisions such as principal write-offs, write-downs or conversion to equity, unless the triggers are objective and measurable; and
- (b) are listed on a recognised stock exchange, if the Senior Preferred Notes were listed immediately prior to such substitution or variation, as selected by the Issuer.

**“Subordinated Qualifying Securities”** means securities issued directly or indirectly by the Issuer that:

- (c) (other than in respect of (i) the effectiveness and enforceability of Condition 18(f) and (ii) paragraph (4) below) have terms not materially less favourable to the Holders as a class than the terms of the Subordinated Notes (as reasonably determined by the Issuer, and provided that a certification to such effect of two directors or other Authorised Signatories of the Issuer, upon which the Trustee may rely without liability or enquiry to any person, shall have been delivered to the Trustee prior to (i) in the case of a substitution of the Subordinated Notes, the issue of the relevant securities or (ii) in the case of a variation of the Subordinated Notes, such variation, as the case may be), provided that they shall (1) include a ranking in right of payment at least equal to that of the Subordinated Notes prior to such substitution or variation, as the case may be, (2) have the same interest rate and the same Interest Payment Dates as those from time to time applying to the Subordinated Notes prior to such substitution or variation, as the case may be, (3) have the same redemption rights and obligations as the Subordinated Notes prior to such substitution or variation, as the case may be, including, but not limited to, as to timing and amount, (4) comply with (i) the then current requirements of the Relevant Regulator in relation to Tier 2 capital, and (ii) (if “MREL Disqualification Event” is specified as being applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) the then current requirements in relation to “eligible liabilities” (or any equivalent or successor term) provided for in the Applicable MREL Regulations, (5) preserve any existing rights under the Subordinated Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of substitution or variation,

as the case may be, or, if none, the Interest Commencement Date, (6) where the Subordinated Notes which have been substituted or varied had a solicited credit rating immediately prior to their substitution or variation, be assigned a solicited credit rating equal to or higher than (i) the solicited credit rating of the Subordinated Notes immediately prior to their substitution or variation or (ii) where the solicited credit rating of the Subordinated Notes was, as a result of Condition 18(f) becoming ineffective and/or unenforceable, amended prior to such substitution or variation, the credit rating of the Subordinated Notes immediately prior to such amendment, and (7) not include any loss absorbing provisions such as principal write-offs, write-downs or conversion to equity, unless the triggers are objective and measurable; and

- (d) are listed on a recognised stock exchange, if the Subordinated Notes were listed immediately prior to such substitution or variation, as selected by the Issuer.

**(l) Clean-Up Call Option**

This Condition 5(l) applies only in the case of Notes where this Condition 5(l) is specified as being applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement and references to “Notes” and “Holders” in this Condition 5(l) shall be construed accordingly.

If the Clean-up Call Minimum Percentage (or more) of the principal amount outstanding of the Notes originally issued have been redeemed or purchased and subsequently cancelled in accordance with this Condition 5, the Issuer may, at its option, but subject to Condition 5(j), give notice to (i) the Trustee, (ii) the Principal Paying Agent and (iii) the Holders in accordance with Condition 15 (which notice shall be irrevocable) that all (but not some only) of the outstanding Notes comprising the relevant Series shall be redeemed:

- (a) in the case of all Notes other than Floating Rate Notes, at any time within the period of not less than 15 nor more than 60 days (or such other notice period as may be specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) from the date of such notice; or
- (b) in the case of Floating Rate Notes, (1) on any Interest Payment Date falling within the period of not less than 15 nor more than 60 days (or such other notice period as may be specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) from the date of such notice or (2) if there is no Interest Payment Date falling within (1) above, on the first Interest Payment Date to occur after the expiry of 60 days (or such other maximum notice period as may be specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) from the date of such notice,

in each case, at their principal amount or at such other amount as may be specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement as the Clean-Up Call Option Amount together (in each case) with accrued interest (if any) thereon. Upon the expiry of such notice, the Issuer shall redeem the Notes.

For the purposes of this Condition 5(l), any further notes, bonds or debentures issued pursuant to Condition 16 which are consolidated and form a single series with the Notes of any Series outstanding at that time will be deemed to be originally issued.

For the purposes of these Conditions, “**Clean-Up Call Minimum Percentage**” means 75 per cent., unless otherwise specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement.



## 6 Events of Default

### (a) *Events of Default*

- (i) The following shall be events of default (each an “**Event of Default**”) in relation to the Notes of any Series, namely:
  - (A) the Issuer shall default in the payment of principal in respect of any Note due and payable in accordance with these Conditions and any such default continues for 7 days or the Issuer shall default in the payment of interest due on any Notes on an Interest Payment Date or any other date on which the payment of interest is compulsory and any such default continues for 30 days; or
  - (B) a court or agency or supervisory authority in the Kingdom of Sweden (having jurisdiction in respect of the same) shall have instituted a proceeding or entered a decree or order for the appointment of a receiver or liquidator in any insolvency, rehabilitation, readjustment of debt, marshalling of assets and liabilities, or similar arrangements involving the Issuer or all or substantially all of its property and such proceeding, decree or order shall not have been vacated or shall have remained in force undischarged or unstayed for a period of 60 days; or
  - (C) the Issuer shall file a petition to take advantage of any insolvency statute or voluntarily suspends payment of its obligations.

For the avoidance of doubt, a “resolution” or “moratorium” under the BRRD will not constitute an Event of Default.

Subject to Condition 13, if any Event of Default shall have occurred and be continuing in relation to any Series of Notes, the Trustee may at its discretion, and if so requested by Holders of at least one-quarter in principal amount of the Notes of such Series then outstanding or if so directed by an Extraordinary Resolution (as defined in the Trust Deed) will, by written notice to the Issuer declare that such Notes are and shall, subject to the provisions set out below in this Condition 6(a)(i), immediately become, due and payable at their Early Redemption Amount together with all interest (if any) accrued thereon.

If a Note becomes due and payable under this Condition 6(a)(i), the Trustee may institute such steps, including the obtaining of a judgment against the Issuer for any amount due in respect of the Notes, as it thinks desirable with a view to having the Issuer declared bankrupt (Sw: *konkurs*) or put into liquidation (Sw: *likvidation*) but not otherwise and consequently if the Notes become due and payable under this Condition 6(a)(i) the Issuer shall, with the prior consent of the Relevant Regulator (if such consent is required by the Applicable MREL Regulations (in the case of Senior Preferred Notes and Senior Non-Preferred Notes) or the Applicable Capital Adequacy Regulations (in the case of Subordinated Notes)), only be required to make such payment after it has been declared bankrupt (Sw: *konkurs*) or put into liquidation (Sw: *likvidation*).

- (ii) The Trustee may at its discretion institute such proceedings against the Issuer as it may think fit to enforce any obligation, condition, undertaking or provision binding on the Issuer under the Notes (other than, without prejudice to Condition 6(a)(i) above, any obligation for the payment of any principal or interest in respect of the Notes) provided that the Issuer shall not by virtue of the institution of any such proceedings be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.
- (iii) No remedy against the Issuer, other than as provided in Condition 6(a)(i) and 6(a)(ii) above or proving or claiming in the bankruptcy (Sw: *konkurs*) or liquidation (Sw: *likvidation*) of the Issuer in the Kingdom of Sweden or elsewhere, shall be available to the Trustee or the Holders of Notes, whether for the recovery of amounts owing in respect of the Notes or in respect of any breach by

the Issuer of any of its obligations or undertakings under the Notes or the Trust Deed. For the avoidance of doubt, this does not affect the Trustee's personal rights to be paid and/or indemnified.

**(b) *Exercise of Swedish Statutory Loss Absorption Powers***

The exercise of any Swedish Statutory Loss Absorption Powers by the Relevant Resolution Authority with respect to the Notes will not be an Event of Default with respect to such Notes.

## **7 Taxation**

- (a) All amounts payable (whether in respect of principal, redemption amount, interest or otherwise) in respect of the Notes or Coupons by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of any Taxing Jurisdiction, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event, in the case of a payment of interest only, the Issuer will pay such additional amounts as may be necessary in order that the net amounts received by any Holder after such withholding or deduction shall equal the respective amounts which would have been receivable by such Holder in the absence of such withholding or deduction; except that no such additional amounts shall be payable in respect of any payment in respect of any Note or Coupon:
- (i) to, or to a third party on behalf of, a Holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with the Taxing Jurisdiction other than the mere holding of such Note or Coupon; or
  - (ii) presented for payment by a Holder who is able to avoid such withholding or deduction by making a declaration of non-residence or other similar claim for exemption; or
  - (iii) presented for payment more than 30 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 the expiry of such period of 30 days; or
  - (iv) presented for payment in the Kingdom of Sweden.
- (b) For the purposes of these Conditions, the "Relevant Date" means, in respect of any payment, the date on which such payment first becomes due and payable, but if the full amount of the moneys payable has not been received by the Trustee or the Principal Paying Agent on or prior to such due date, it means the first date on which the full amount of such moneys has been so received and notice to that effect shall have been duly given to the Holders of the Notes of the relevant Series in accordance with Condition 15.
- (c) Notwithstanding anything to the contrary in the paragraph (a) above, neither the Issuer nor any paying agent or any other person shall be required to pay any additional amounts with respect to any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law or regulation implementing an intergovernmental approach thereto.
- (d) Any reference in these Conditions to interest in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this Condition 7.

## **8 Payments**

**(a) *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.

Payments will be subject in all cases to (a) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7 and (b) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement). References to “**Specified Currency**” will include any successor currency under applicable law.

**(b) Presentation of Definitive Bearer Notes and Coupons**

Payments of principal in respect of Definitive Bearer Notes will (subject as provided below) be made in the manner provided in Condition 8(a) above 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)).

Except as provided below, all payments of interest and principal with respect to Bearer Notes will be made at such paying agencies outside the United States as the Issuer may appoint from time to time and to accounts outside the United States.

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 (as defined in Condition 7) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9) 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.

Upon the date on which any Floating Rate Note, Reset Note or 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 nominal 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 nominal amount of such Note.

If the due date for redemption of any Definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Definitive Bearer Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant Definitive Bearer Note.

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 9.

**(c) *Payments in Respect of Bearer Notes in Global Form***

Payments of principal and interest (if any) in respect of Notes represented by any bearer global Note will (subject as provided below) be made in the manner specified above in relation to Definitive Bearer Notes or otherwise in the manner specified in the relevant bearer global Note, where applicable, against presentation or surrender, as the case may be, of such bearer global Note at the specified office of any Paying Agent outside the United States. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made on such bearer global Note either by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

**(d) *Payments in Respect of Registered Notes***

Payments of principal in respect of Registered Notes (whether in definitive or global form) will be made in the manner provided in Condition 8(a) above to the persons in whose name such Notes are registered at the close of business on the business day (being for this purpose a day on which banks are open for business in the city where the Registrar is located) immediately prior to the relevant payment date against presentation and surrender (or, in the case of part payment of any sum due only, endorsement) of such Notes at the specified office of the Registrar.

Payments of interest due on a Registered Note (whether in definitive or global form) will be made in the manner specified in Condition 8(a) to the person in whose name such Note is registered (i) where in global form, at the close of business on the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) prior to such due date and (ii) where in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) (the “**Record Date**”)) prior to such due date. In the case of payments by cheque, cheques will be mailed to the Holder (or the first named of joint Holders) at such Holder’s registered address on the business day (as described above) immediately preceding the due date.

If payment in respect of any Registered Notes is required by credit or transfer as referred to in Condition 8(a) above, application for such payment must be made by the Holder to the Registrar not later than the relevant Record Date.

(e) **General Provisions Applicable to Payments**

The Holder of a global Note (or, as provided in the Trust Deed, the Trustee) 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 nominal 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.

Notwithstanding the foregoing provisions of this Condition, 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 Bearer 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 Notes in the manner provided above when due;
- (ii) payment of the full amount of such principal and/or 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.

(f) **Payment Day**

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the Holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, “**Payment Day**” means any day which (subject to Condition 9) is:

- (i) 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;
  - (B) each Financial Centre (other than T2) specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement; and
  - (C) if T2 is specified as a Financial Centre in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, a day on which T2 is open; and
- (ii) either (I) in relation to any sum payable in a Specified Currency other than Euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively) or (II) in relation to any sum payable in Euro, a day on which T2 is open.

(g) **Interpretation of Principal and Interest**

Any reference in the Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) the Final Redemption Amount of the Notes;
- (ii) the Early Redemption Amount of the Notes;
- (iii) the Optional Redemption Amount(s) (if any) of the Notes;
- (iv) the Clean-Up Call Option Amount (if any) of the Notes;
- (v) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 5(d)); and
- (vi) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7 or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed.

## 9 Prescription

- (a) The Notes (whether in bearer or registered form) and Coupons will become void unless claims in respect of principal and/or interest are made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date relating thereto. Any moneys paid by the Issuer to the Agents for the payment of principal or interest in respect of the Notes and remaining unclaimed for two years after the date on which such principal or interest shall have become due shall (at the Issuer's request) be repaid by the relevant Agent to the Issuer, and the Holders of the relevant Notes or Coupons shall thereafter only look to the Issuer for any payment which such Holders may be entitled to collect.
- (b) There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 8(b) or any Talon which would be void pursuant to Condition 8(b).

## 10 Agents

The initial Agents and their respective initial specified offices are specified below. If any additional Paying Agents are appointed in connection with any Series of Notes, the names of such Paying Agents will be specified in Part B of the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement. The Issuer (with the prior written approval of the Trustee (such approval not to be unreasonably withheld)) reserves the right at any time to vary or terminate the appointment of any Agent and to appoint additional or other Agents provided that:

- (c) there will at all times be a Paying Agent (in the case of Bearer Notes) in a jurisdiction within continental Europe;
- (d) so long as the Notes are listed on any stock exchange or admitted to trading by any other relevant authority, there will at all times be a Paying Agent, which may be the Principal Paying Agent, and a Registrar and a Transfer Agent (in the case of Registered Notes) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority;
- (e) there will at all times be a Registrar (in the case of a Series of Registered Notes) which, if the Registrar originally appointed in respect of such Series had its specified office outside the United Kingdom, shall also have a specified office outside the United Kingdom.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 8(e).

The Agents reserve the right at any time to change their respective specified offices to some other specified office in the same city.

Notice of all changes in the identities or specified offices of the Agents, will be notified promptly to the Issuer, the Trustee and the Holders.

## **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 office of the Principal Paying Agent (in the case of Bearer Notes) or of the Registrar (in the case of Registered Notes), subject to all applicable laws and the requirements of any stock exchange on which the Notes are listed, upon payment by the claimant of all expenses incurred in such replacement and upon such terms as to evidence, security, indemnity and otherwise as the Issuer and the Principal Paying Agent or, as the case may be, the Registrar may require. Mutilated or defaced Notes and Coupons must be surrendered before replacements will be delivered therefor.

## **12 Meetings of Holders, Modification and Waiver and Substitution**

### **(a) *Meetings of Holders***

The Trust Deed contains provisions for convening meetings of Holders (including by audio or video conference call) to consider any matter affecting their interests, including (without limitation) the modification of the Notes, the Coupons or of any provision of these Conditions, the Agency Agreement or the Trust Deed. Any such modification may be made if sanctioned by an Extraordinary Resolution. Any Extraordinary Resolution (i) duly passed at any meeting of Holders or (ii) passed by way of electronic consents given by Holders through the relevant clearing system(s) will be binding on all Holders, whether or not they are present at any meeting and whether or not they had voted on the resolution.

Such a meeting may be convened by the Trustee, the Issuer or by the Trustee upon the request in writing of Holders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more persons holding or representing not less than 50 per cent. of the aggregate principal amount of the Notes for the time being outstanding or, at any adjourned meeting, one or more persons being or representing Holders whatever the aggregate principal amount of the Notes held or represented; provided, however, that certain proposals (including any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, to change the currency of payments under the Notes or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution) may only be sanctioned by an Extraordinary Resolution passed at a meeting of Holders at which one or more persons holding or representing not less than two thirds or, at any adjourned meeting, one or more persons holding or representing not less than one third in principal amount of the Notes for the time being outstanding form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Holders, whether present or not.

In addition, a resolution in writing signed by or on behalf of Holders representing not less than 75 per cent. in principal amount of the Notes for the time being outstanding who for the time being are entitled to receive notice of a meeting of Holders under the Trust Deed 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.

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

The Trustee may agree, without the consent of the Holders, to (i) any modification of any provision of the Trust Deed which is of a formal, minor or technical nature or is made to correct a manifest error and (ii) any other modification (except such modifications in respect of which an increased quorum is required, as mentioned in the Trust Deed) and any waiver or authorisation of any breach or proposed breach, of any provision the Notes, of these Conditions or the Trust Deed or determine, without any such consent as aforesaid, that any Event of Default shall not be treated as such, where, in any such case, it is not, in the opinion of the Trustee materially prejudicial to the interests of the Holders. In addition, the Trustee shall be obliged to concur with the Issuer without the consent of the Holders in effecting (i) any Benchmark Amendments in the circumstances and as otherwise set out in Condition 4(d); (ii) any Benchmark Replacement Conforming Changes in the circumstances and as otherwise set out in Condition 4(e), and (iii) any substitution of a Series of Notes or variation of the terms of a Series of Notes and/or the terms of the Trust Deed in respect thereof in the circumstances and as otherwise set out in Condition 5(k). Any such modification, substitution, waiver, authorisation or determination shall be binding on the Holders and, if the Trustee so requires, such modification shall be notified to the Holders as soon as practicable thereafter.

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, substitution, authorisation or determination), the Trustee shall have regard to the general interests of the Holders as a class (but shall not have regard to any interests arising from circumstances particular to individual Holders whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Holders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Holder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Holders except to the extent already provided for in Condition 7 and/or any undertaking or covenant given in addition to, or in substitution for, Condition 7 pursuant to the Trust Deed.

Any modification to these Conditions in relation to the Notes is subject to the prior permission of the Relevant Regulator (if such permission is required by the Applicable MREL Regulations or Applicable Capital Adequacy Regulations, as the case may be).

**(c) *Substitution***

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendments to the Trust Deed and such other conditions as the Trustee may require, without the consent of the Holders, to the substitution of any other company in place of the Issuer, or of any previously substituted company as principal debtor under the Notes, Coupons and the Trust Deed provided always that the Trustee is satisfied that the interests of the Holders will not be materially prejudiced by the substitution, and certain other conditions set out in the Trust Deed are complied with. Any such substitution in relation to any Series of Notes is subject to the prior consent of the Relevant Regulator (if such consent is required (in the case of Subordinated Notes) by the Applicable Capital Adequacy Regulations or (in the case of Senior Preferred Notes and Senior Non-Preferred Notes) the Applicable MREL Regulations).

## **13 Enforcement**

At any time after the Notes become due and payable (subject to Condition 6, as applicable), the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to



enforce the terms of the Trust Deed, the Notes and the Coupons, but it need not take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Holders holding at least one-quarter in principal amount of the Notes outstanding, and (b) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. No Holder of Notes or Coupons may proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing. The Trustee shall not be obliged to make a declaration as referred to in Condition 6(a)(i) unless indemnified and/or secured and/or prefunded to its satisfaction.

#### **14 Indemnification of the Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

#### **15 Notices**

##### **(a) To Holders of Bearer Notes**

Notices to Holders of Bearer Notes will be deemed to be validly given if published in a leading daily newspaper having general circulation in London (which is expected to be the *Financial Times*) or, if such publication is not practicable, if published in a leading English-language newspaper having general circulation in the United Kingdom approved by the Trustee or, in the case of Notes represented by a Temporary Global Note or a Permanent 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. Provided that, in the case of Notes listed on a stock exchange or admitted to trading by another relevant authority and if the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules or by such other means as required by the relevant stock exchange or relevant authority. Any notice so given will be deemed to have been validly given on the date of such publication (or, if published more than once, on the date of first such publication) or, as the case may be, on the fourth Business Day after the date of such delivery.

Holders of Coupons shall be deemed for all purposes to have notice of the contents of any notice to the Holders of Bearer Notes in accordance with this Condition.

##### **(b) To Holders of Registered Notes**

In the case of any Registered Notes represented by a global Note, notices shall be deemed to be validly given if delivered to Euroclear, Clearstream, Luxembourg for communication by them to the persons shown in their respective records as having interests therein. Any notice so given will be deemed to have been validly given on the date of such delivery.

Notices to Holders of Registered Notes will be deemed to be validly given if sent by first class mail to them (or, in the case of joint Holders, to the first-named in the register kept by the Registrar) at their respective addresses as recorded in the register kept by the Registrar, and will be deemed to have been validly given on the fourth Business Day after the date of such mailing and, in addition, for so long as any Registered Notes are listed on a stock exchange or admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules or by such other means as required by the relevant stock exchange or relevant authority.

(c) **To the Issuer**

Notices to the Issuer will be deemed to be validly given if delivered to the Issuer at its official address registered with the Swedish Companies Office from time to time, for the attention of the Chief Financial Officer with a copy to cfp@klarna.com, and will be deemed to have been validly given at the opening of business on the next day on which the Issuer's principal office is open for business.

## 16 Further Issues

The Issuer may from time to time without the consent of the Holders of any Notes of any Series create and issue further notes, bonds or debentures having the same terms and conditions as the Notes of such Series in all respects (or in all respects except for the issue date, issue price, the first payment of interest, if any, on them and the date from which interest starts to accrue) and so that the same shall be consolidated and form a single series with the Notes of such Series.

## 17 Currency Indemnity

The currency in which the Notes are denominated or, if different, payable, as specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable 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 of a Note or a Coupon 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 in 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 in the Contractual Currency expressed to be due to any Holder of a Note or a Coupon 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 of a Note or a Coupon 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 aforesaid shall be deemed to constitute a loss suffered by the relevant Holder of a Note or a Coupon and no proof or evidence of any actual loss will be required by the Issuer.

## 18 Governing Law, Jurisdiction and Swedish Statutory Loss Absorption Powers

- (a) **Governing law:** The Notes, the Agency Agreement and the Trust Deed, all matters arising from or connected with them and any non-contractual obligations arising out of or in connection therewith are governed by, and shall be construed in accordance with, English law, except that the provisions in the Notes under Condition 3 and Clause 5 of the Trust Deed are governed by, and shall be construed in accordance with, Swedish law.
- (b) **English courts:** The Issuer agrees for the benefit of the Trustee and the Holders that the courts of England shall have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising from or connected with the Notes (including a Dispute relating to any non-contractual obligations arising out of or in connection therewith).

- (c) **Appropriate forum:** The Issuer agrees that the courts referred to in Condition 18(b) are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue that any other courts are more appropriate or convenient.
- (d) **Rights of Holders to take proceedings outside England:** Condition 18(b) is for the benefit of the Trustee and the Holders only. As a result, nothing in this Condition 18 prevents the Trustee or any Holder from taking proceedings relating to a Dispute (“**Proceedings**”) (including any Proceedings relating to any non-contractual obligations arising out of or in connection with the Notes and the Trust Deed) in any other courts with jurisdiction. To the extent allowed by law, the Trustee and the Holders may take concurrent Proceedings in any number of jurisdictions.
- (e) **Process agent:** 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 in connection with any Proceedings in England to Klarna Bank AB UK Branch at Aviation House, 125 Kingsway, Holborn, London WC2B 6NH, United Kingdom. If such person is not or ceases to be effectively appointed to accept service of process on the Issuer’s behalf, the Issuer shall, on the written demand of any Holder addressed to the Issuer and delivered to the Issuer or to the specified office of the Trustee, appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days, any Holder shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer or to the specified office of the Trustee. Nothing in this paragraph shall affect the right of any Holder to serve process in any other manner permitted by law. This Condition applies to Proceedings in England and to Proceedings elsewhere.
- (f) **Acknowledgement of Swedish Statutory Loss Absorption Powers:** Notwithstanding and to the exclusion of any other term of the Notes or any other agreements, arrangements or understanding between the Issuer and any Holder (which, for the purposes of this Condition 18(f), includes each holder of a beneficial interest in the Notes), by its acquisition of the Notes, each Holder acknowledges and accepts that any liability arising under the Notes may be subject to the exercise of Swedish Statutory Loss Absorption Powers by the Relevant Resolution Authority and acknowledges, accepts, consents to and agrees to be bound by:
- (i) the effect of the exercise of any Swedish Statutory Loss Absorption Powers by the Relevant Resolution Authority, which exercise (without limitation) may include and result in any of the following, or a combination thereof:
    - (I) the reduction of all, or a portion, of the Relevant Amounts in respect of the Notes;
    - (II) the conversion of all, or a portion, of the Relevant Amounts in respect of the Notes into shares, other securities or other obligations of the Issuer or another person, and the issue to or conferral on the Holder of such shares, securities or obligations, including by means of an amendment, modification or variation of the terms of the Notes;
    - (III) the cancellation of the Notes or the Relevant Amounts in respect of the Notes; and
    - (IV) the amendment of the amount of interest payable on the Notes, or the date on which interest becomes payable, including by suspending payment for a temporary period; and
  - (ii) the variation of the terms of the Notes, as deemed necessary by the Relevant Resolution Authority, to give effect to the exercise of any Swedish Statutory Loss Absorption Powers by the Relevant Resolution Authority.

Upon the Issuer being informed or notified by the Relevant Resolution Authority of the actual exercise of the Swedish Statutory Loss Absorption Powers or the date from which the Swedish Statutory Loss Absorption Powers shall be effective with respect to the Notes, the Issuer shall notify the Holders in accordance with Condition 15 without delay. Any delay or failure by the Issuer to give such notice shall not affect the validity and enforceability of the Swedish Statutory Loss Absorption Powers nor the effects on the Notes described in this Condition.

For the purposes of this Condition 18(f):

“**Relevant Amounts**” means the outstanding principal amount of the Notes, together with any accrued but unpaid interest and additional amounts (as described in Condition 7) due on the Notes. References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of any Swedish Statutory Loss Absorption Powers by the Relevant Resolution Authority;

“**Relevant Resolution Authority**” means the resolution authority with the ability to exercise any Swedish Statutory Loss Absorption Powers in relation to the Issuer; and

“**Swedish Statutory Loss Absorption Powers**” means any write-down, conversion, transfer, modification, suspension or similar or related power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in the Kingdom of Sweden, relating to (i) the transposition of the BRRD (including but not limited to the Resolution Act (*Lagen (2015:1016 om resolution)*) as amended or replaced from time to time and (ii) the instruments, rules and standards created thereunder, pursuant to which any obligation of the Issuer (or any affiliate of the Issuer) can be reduced, cancelled, modified, or converted into shares, other securities or other obligations of the Issuer or any other person (or suspended for a temporary period).

## **19 Third Parties**

No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of any person which exists or is available apart from that Act.

**Schedule 2**  
**Part D**  
**Form of Coupon**

On the front:

[KLARNA BANK AB (PUBL)]/[KLARNA HOLDING AB (PUBL)]

EURO MEDIUM TERM NOTE PROGRAMME

Series No. [●]

[Title of issue]

Coupon for [[set out amount due, if known]/the amount] due on [the Interest Payment Date falling in]\* [●],[●].

[Coupon relating to Note in the nominal amount of [●]]\*\*

This Coupon is payable to bearer (subject to the Conditions endorsed on the Note to which this Coupon relates, which shall be binding upon the holder of this Coupon whether or not it is for the time being attached to such Note) at the specified offices of the Principal Paying Agent and the Paying Agents set out on the reverse hereof (or any other Principal Paying Agent or further or other Paying Agents or specified offices duly appointed or nominated and notified to the Noteholders).

[If the Note to which this Coupon relates shall have become due and payable before the maturity date of this Coupon, this Coupon shall become void and no payment shall be made in respect of it.]\*\*\*

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.

[KLARNA BANK AB (PUBL)]/[KLARNA HOLDING AB (PUBL)]

By:

[Cp. No.]      [Denomination]      [ISIN]      [Series]      [Certif. No.]

On the back:

**PRINCIPAL PAYING AGENT**

**The Bank of New York Mellon, London Branch**

160 Queen Victoria Street

London EC4V 4LA

**PAYING AGENT**

**[The Bank of New York Mellon SA/NV, Luxembourg Branch**

Aérogolf Centre

1A, Hohenhof

L-1736 Senningerberg

Grand Duchy of Luxembourg]

[\*Only necessary where Interest Payment Dates are subject to adjustment in accordance with a Business Day Convention otherwise the particular Interest Payment Date should be specified.]

[\*\*Only required for Coupons relating to Floating Rate Notes that are issued in more than one denomination.]

[\*\*\*Delete if Coupons are not to become void upon early redemption of Note.]

**Schedule 2**  
**Part E**  
**Form of Talon**

On the front:

[KLARNA BANK AB (PUBL)]/[KLARNA HOLDING AB (PUBL)]

EURO MEDIUM TERM NOTE PROGRAMME

Series No. [●]

[Title of issue]

Talon for further Coupons falling due on [the Interest Payment Dates falling in]\*[●][●].

[Talon relating to Note in the nominal amount of [●]]\*\*

After all the Coupons relating to the Note to which this Talon relates have matured, further Coupons (including if appropriate a Talon for further Coupons) shall be issued at the specified office of the Principal Paying Agent set out on the reverse hereof (or any other Principal Paying Agent or specified office duly appointed or nominated and notified to the Noteholders) upon production and surrender of this Talon.

If the Note to which this Talon relates shall have become due and payable before the original due date for exchange of this Talon, this Talon shall become void and no exchange shall be made in respect of it.

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.

**[KLARNA BANK AB (PUBL)]/[KLARNA HOLDING AB (PUBL)]**

By:

**[Talon No.]**

**[ISIN]**

**[Series]**

**[Certif. No.]**

On the back:

**PRINCIPAL PAYING AGENT**

**The Bank of New York Mellon, London Branch**

160 Queen Victoria Street

London EC4V 4LA

[\* The maturity dates of the relevant Coupons should be set out if known, otherwise reference should be made to the months and years in which the Interest Payment Dates fall due.]

[\*\* Only required where the Series comprises Notes of more than one denomination.]

## Schedule 3

### Provisions for Meetings of Noteholders

#### Interpretation

- 1 In this Schedule 3:
- 1.1 references to a meeting are to a physical meeting, a virtual meeting or a hybrid meeting of Noteholders of a single series of Notes and include, unless the context otherwise requires, any adjournment;
- 1.2 references to “**Notes**” and “**Noteholders**” are only to the Notes of the Series in respect of which a meeting has been, or is to be, called, and to the holders of these Notes, respectively;
- 1.3 “**agent**” means a holder of a voting certificate or a proxy for, or representative of, a Noteholder;
- 1.4 “**Alternative Clearing System**” means any clearing system (including without limitation The Depository Trust Company (“**DTC**”)) other than Euroclear or Clearstream, Luxembourg;
- 1.5 “**block voting instruction**” means an instruction issued in accordance with paragraphs 9 to 15;
- 1.6 “**Electronic Consent**” has the meaning set out in paragraph 32.1;
- 1.7 “**electronic platform**” means any form of telephony or electronic platform or facility and includes, without limitation, telephone and video conference call and application technology systems;
- 1.8 “**Extraordinary Resolution**” means a resolution passed (a) at a meeting duly convened and held in accordance with this Trust Deed by a majority of at least 75 per cent. of the votes cast, (b) by a Written Resolution or (c) by an Electronic Consent;
- 1.9 “**hybrid meeting**” means a combined physical meeting and virtual meeting convened pursuant to this Schedule by the Relevant Issuer or the Trustee at which persons may attend either at the physical location specified in the notice of such meeting or via an electronic platform;
- 1.10 “**meeting**” means a meeting convened pursuant to this Schedule by the Relevant Issuer or the Trustee and whether held as a physical meeting or as a virtual meeting or as a hybrid meeting;
- 1.11 “**physical meeting**” means any meeting attended by persons present in person at the physical location specified in the notice of such meeting;
- 1.12 “**present**” means physically present in person at a physical meeting or a hybrid meeting, or able to participate in or join a virtual meeting or a hybrid meeting held via an electronic platform;
- 1.13 “**virtual meeting**” means any meeting held via an electronic platform;
- 1.14 “**voting certificate**” means a certificate issued in accordance with paragraphs 6 to 8;
- 1.15 “**Written Resolution**” means a resolution in writing signed by or on behalf of not less than 75 per cent. in principal amount of the Notes for the time being outstanding who for the time being are entitled to receive notice of a meeting in accordance with the provisions of the Trust Deed;



- 1.16** references to persons representing a proportion of the Notes are to Noteholders or agents holding or representing in the aggregate at least that proportion in nominal amount of the Notes for the time being outstanding; and
- 1.17** where Notes are held in Euroclear or Clearstream, Luxembourg or an Alternative Clearing System, references herein to the deposit or release or surrender of Notes shall be construed in accordance with the usual practices (including in relation to the blocking of the relevant account) of Euroclear or Clearstream, Luxembourg or such Alternative Clearing System.

### **Powers of meetings**

- 2** A meeting shall, subject to the Conditions and without prejudice to any powers conferred on other persons by this Trust Deed, have power by Extraordinary Resolution:
- 2.1** to sanction any proposal by the Relevant Issuer or the Trustee for any modification, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Noteholders and/or the Couponholders against the Relevant Issuer whether or not those rights arise under this Trust Deed;
- 2.2** to sanction the exchange or substitution for the Notes of, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Relevant Issuer or any other entity;
- 2.3** to assent to any modification of this Trust Deed, the Notes, the Talons or the Coupons proposed by the Relevant Issuer or the Trustee;
- 2.4** to authorise anyone to concur in and do anything necessary to carry out and give effect to an Extraordinary Resolution;
- 2.5** to give any authority, direction or sanction required to be given by Extraordinary Resolution;
- 2.6** to appoint any persons (whether Noteholders or not) as a committee or committees to represent the Noteholders' interests and to confer on them any powers or discretions which the Noteholders could themselves exercise by Extraordinary Resolution;
- 2.7** to approve a proposed new Trustee and to remove a Trustee;
- 2.8** to approve the substitution of any entity for the Relevant Issuer (or any previous substitute) as principal debtor under this Trust Deed (save that no consent of Noteholders shall be required for the purposes of a substitution in accordance with Clause 15.2 of the Trust Deed and Condition 12(c)); and
- 2.9** to discharge or exonerate the Trustee from any liability in respect of any act or omission for which it may become responsible under this Trust Deed, the Agency Agreement, the Notes, the Talons or the Coupons,

provided that the special quorum provisions in paragraph 20 shall apply to any Extraordinary Resolution (a "**special quorum resolution**") for the purpose of sub-paragraph 2.2 or 2.8 or for the purpose of making a modification to this Trust Deed or the Notes which would have the effect of:

- (i) varying the date of maturity or any date of redemption of any of the Notes of the relevant Series or any date for payment of any principal or interest in respect thereof;
- (ii) reducing or cancelling the principal amount of the Notes of the relevant Series or the amount of interest payable on the Notes of the relevant Series, varying any provision regarding the calculation of the amount or the rate of interest payable thereon or

- varying the rate of discount, rate of amortisation or any other rate of return applicable thereto or changes the currency of payments under the Notes of the relevant Series;
- (iii) modifying the provisions contained in this Schedule concerning the quorum required at any meeting of Noteholders in respect of the Notes of the relevant Series or any adjournment thereof or concerning the majority required to pass an Extraordinary Resolution;
  - (iv) varying the currency in which any payment (or other obligation) in respect of the Notes of the relevant Series is to be made; or
  - (v) amending this provision.

### **Convening a meeting**

- 3** The Relevant Issuer or the Trustee may at any time convene a meeting. If it receives a written request by Noteholders holding not less than one-tenth of the nominal amount of the Notes of any Series for the time being outstanding and is indemnified and/or secured and/or prefunded to its satisfaction against all costs and expenses, the Trustee shall convene a meeting of the Noteholders of that Series. Every physical meeting shall be held at a time and place approved by the Trustee. Every virtual meeting shall be held via an electronic platform and at a time approved by the Trustee. Every hybrid meeting shall be held at a time and place and via an electronic platform approved by the Trustee.
- 4** At least 21 days' notice (exclusive of the day on which the notice is given or deemed to be given and of the day of the meeting) shall be given to the Noteholders. A copy of the notice shall be given by the party convening the meeting to the other parties. The notice shall specify the day and time of the meeting and manner in which it is to be held, and if a physical meeting or a hybrid meeting is to be held, the place of the meeting and, unless the Trustee otherwise agrees, the nature of the resolutions to be proposed and shall explain how Noteholders may appoint proxies or representatives, obtain voting certificates and use block voting instructions and the details of the time limits applicable. With respect to a virtual meeting or a hybrid meeting, each such notice shall set out such other and further details as are required under paragraph 35.

### **Cancellation of meeting**

- 5** A meeting that has been validly convened in accordance with paragraph 3 above, may be cancelled by the person who convened such meeting by giving at least 5 days' notice (exclusive of the day on which the notice is given or deemed to be given and of the day of the meeting) to the Noteholders (with a copy to the Trustee where such meeting was convened by the Relevant Issuer or to the Relevant Issuer where such meeting was convened by the Trustee). Any meeting cancelled in accordance with this paragraph 5 shall be deemed not to have been convened.

### **Arrangements for voting on Bearer Notes (whether in definitive form or represented by a Global Note and whether held within or outside a Clearing System) – Voting Certificates**

- 6** If a holder of a Bearer Note wishes to obtain a voting certificate in respect of it for a meeting, the holder must deposit such Bearer Note for that purpose at least 48 hours before the time fixed for the meeting with a Paying Agent or to the order of a Paying Agent with a bank or other depositary nominated by the Paying Agent for the purpose. The Paying Agent shall then issue a voting certificate in respect of it.
- 7** A voting certificate shall:

- 7.1 be a document in the English language;
  - 7.2 be dated;
  - 7.3 specify the meeting concerned and (if applicable) the serial numbers of the Notes deposited;
  - 7.4 entitle, and state that it entitles, its bearer to attend and vote at that meeting in respect of those Notes; and
  - 7.5 specify details of evidence of the identity of the bearer of such voting certificate.
- 8 Once a Paying Agent has issued a voting certificate for a meeting in respect of a Note, it shall not release the Note until either:
- 8.1 the meeting has been concluded; or
  - 8.2 the voting certificate has been surrendered to the Paying Agent.

**Arrangements for voting on Bearer Notes (whether in definitive form or represented by a Global Note and whether held within or outside a Clearing System) – Block Voting Instructions**

- 9 If a holder of a Bearer Note wishes the votes attributable to it to be included in a block voting instruction for a meeting, then, at least 48 hours before the time fixed for the meeting, (i) the holder must deposit the Note for that purpose with a Paying Agent or to the order of a Paying Agent with a bank or other depository nominated by the Paying Agent for the purpose and (ii) the holder or a duly authorised person on their behalf must direct the Paying Agent how those votes are to be cast. The Paying Agent shall issue a block voting instruction in respect of the votes attributable to all Notes so deposited.
- 10 A block voting instruction shall:
- 10.1 be a document in the English language;
  - 10.2 be dated;
  - 10.3 specify the meeting concerned;
  - 10.4 list the total number and serial numbers (if applicable) of the Notes deposited, distinguishing with regard to each resolution between those voting for and those voting against it;
  - 10.5 certify that such list is in accordance with Notes deposited and directions received as provided in paragraphs 9, 12 and 15; and
  - 10.6 appoint one or more named persons (each a “**proxy**”) to vote at that meeting in respect of those Notes and in accordance with that list.
- A proxy need not be a Noteholder.
- 11 Once a Paying Agent has issued a block voting instruction for a meeting in respect of the votes attributable to any Notes:
- 11.1 it shall not release the Notes, except as provided in paragraph 12, until the meeting has been concluded; and
  - 11.2 the directions to which it gives effect may not be revoked or altered during the 48 hours before the time fixed for the meeting.

- 12 If the receipt for a Note deposited with or to the order of a Paying Agent in accordance with paragraph 9 is surrendered to the Paying Agent at least 48 hours before the time fixed for the meeting, the Paying Agent shall release the Note and exclude the votes attributable to it from the block voting instruction.
- 13 Each block voting instruction shall be deposited at least 24 hours before the time fixed for the meeting at such place or delivered by another method as the Trustee shall designate or approve, and in default the block voting instruction shall not be valid unless the chairperson of the meeting decides otherwise before the meeting proceeds to business. If the Trustee requires, a certified copy of each block voting instruction shall be produced by the proxy at the meeting or delivered to the Trustee prior to the meeting but the Trustee need not investigate or be concerned with the validity of the proxy's appointment.
- 14 A vote cast in accordance with a block voting instruction shall be valid even if it or any of the Noteholders' instructions pursuant to which it was executed has previously been revoked or amended, unless written intimation of such revocation or amendment is received from the relevant Paying Agent by the Relevant Issuer or the Trustee at its registered office or by the chairperson of the meeting in each case at least 24 hours before the time fixed for the meeting.
- 15 No Note may be deposited with or to the order of a Paying Agent at the same time for the purposes of both paragraph 6 and paragraph 9 for the same meeting.

**Arrangements for voting on Registered Notes (whether in definitive form or represented by a Global Certificate and whether held within or outside a Clearing System) – Appointment of Proxy or Representative**

- 16 A proxy or representative may be appointed in the following circumstances:
  - 16.1 *Proxy:* A holder of a Registered Note may, by an instrument in writing in the English language (a “**form of proxy**”) signed by the holder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation and delivered to the specified office of the Registrar or the Principal Paying Agent not less than 48 hours before the time fixed for the relevant meeting, appoint one or more persons (each a “**proxy**”) to act on their behalf in connection with that meeting and any adjourned such meeting.
  - 16.2 *Representative:* Any holder of Registered Notes which is a corporation may, by delivering to the Registrar or the Principal Paying Agent not later than 48 hours before the time fixed for a meeting a resolution of its directors or other governing body, authorise any person to act as its representative (a “**representative**”) in connection with any meeting and any adjourned such meeting.
  - 16.3 *Other Proxies:* If the holder of a Registered Note is an Alternative Clearing System or a nominee of an Alternative Clearing System and the rules or procedures of such Alternative Clearing System so require, such nominee or Alternative Clearing System may appoint proxies in accordance with, and in the form used, by such Alternative Clearing System as part of its usual procedures from time to time in relation to meetings of Noteholders. Any proxy so appointed may, by an instrument in writing in the English language in the form available from the specified office of the Registrar or the Principal Paying Agent, or in such other form as may have been approved by the Trustee at least seven days before the date fixed for a meeting, signed by the proxy or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the

corporation and delivered to the Registrar or the Principal Paying Agent not later than 48 hours before the time fixed for any meeting, appoint any person or the Principal Paying Agent or any employee(s) of it nominated by it (the “**sub-proxy**”) to act on their behalf in connection with any meeting or proposed meeting of Noteholders. All references to “proxy” or “proxies” in this Schedule other than in this sub-paragraph 16.3 shall be read so as to include references to “sub-proxy” or “sub-proxies”.

- 16.4** *Record Date:* For so long as the Notes are eligible for settlement through an Alternative Clearing System’s book-entry settlement system and the rules or procedures of such Alternative Clearing System so require, the Relevant Issuer may fix a record date for the purpose of any meeting, provided such record date is no more than 10 days prior to the date fixed for such meeting which shall be specified in the notice convening the meeting.
- 16.5** Any proxy or sub-proxy appointed pursuant to sub-paragraph 16.1 or 16.3 above or representative appointed pursuant to sub-paragraph 16.2 above shall, so long as such appointment remains in full force, be deemed, for all purposes in connection with the relevant meeting or adjourned meeting of the Noteholders, to be the holder of the Notes to which such appointment relates and the holder of the Notes shall be deemed for such purposes not to be the holder or owner, respectively.

#### **Chairperson**

- 17** The chairperson of a meeting shall be such person as the Trustee may nominate in writing, but if no such nomination is made or if the person nominated is not present within 15 minutes after the time fixed for the meeting the Noteholders or agents present shall choose one of their number to be chairperson, failing which the Relevant Issuer may appoint a chairperson. The chairperson need not be a Noteholder or agent. The chairperson of an adjourned meeting need not be the same person as the chairperson of the original meeting.

#### **Attendance**

- 18** The following may attend and speak at a meeting:
- 18.1** Noteholders and agents;
  - 18.2** the chairperson;
  - 18.3** the Relevant Issuer and the Trustee (through their respective representatives) and their respective financial and legal advisers; and
  - 18.4** the Dealers and their advisers,
- No-one else may attend, participate and/or speak.

#### **Quorum and Adjournment**

- 19** No business (except choosing a chairperson) shall be transacted at a meeting unless a quorum is present at the commencement of business. If a quorum is not present within 15 minutes from the time initially fixed for the meeting, it shall, if convened on the requisition of Noteholders or if the Relevant Issuer and the Trustee agree, be dissolved. In any other case it shall be adjourned until such date, not less than 14 nor more than 42 days later, and time and place or manner in which it is to be held as the chairperson may decide. If a quorum is not present within 15 minutes from the time fixed for a meeting so adjourned, the meeting shall be dissolved.
- 20** One or more Noteholders or agents present at the meeting shall be a quorum:

- 20.1** in the cases marked “No minimum proportion” in the table below, whatever the proportion of the Notes which they represent
- 20.2** in any other case, only if they represent the proportion in nominal amount of the Notes for the time being outstanding shown by the table below.

<b>COLUMN 1</b>	<b>COLUMN 2</b>	<b>COLUMN 3</b>
Purpose of meeting	Any meeting except one referred to in column 3	Meeting previously adjourned through want of a quorum
	Required proportion	Required proportion
To pass a special quorum resolution	Two thirds	One third
To pass any other Extraordinary Resolution	50 per cent.	No minimum proportion
For any other purpose	10 per cent.	No minimum proportion

- 21** The chairperson may with the consent of (and shall if directed by) a meeting adjourn the meeting from time to time and from place to place and alternate manner. Only business which could have been transacted at the original meeting may be transacted at a meeting adjourned in accordance with this paragraph or paragraph 19.
- 22** At least 10 days’ notice (exclusive of the day on which the notice is given or deemed to be given and of the day of the adjourned meeting) of a meeting adjourned through want of a quorum shall be given in the same manner as for an original meeting and that notice shall state the quorum required at the adjourned meeting. No notice need, however, otherwise be given of an adjourned meeting.

### **Voting**

- 23** At a meeting which is held only as a physical meeting, each question submitted to such meeting shall be decided by a show of hands unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the chairperson, the Relevant Issuer, the Trustee or one or more persons representing not less than 2 per cent. of the Notes.
- 24** Unless a poll is demanded a declaration by the chairperson that a resolution has or has not been passed shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against it.
- 25** If a poll is demanded, it shall be taken in such manner and (subject as provided below) either at once or after such adjournment as the chairperson directs. The result of the poll shall be deemed to be the resolution of the meeting at which it was demanded as at the date it was taken. A demand for a poll shall not prevent the meeting continuing for the transaction of business other than the question on which it has been demanded.
- 26** A poll demanded on the election of a chairperson or on a question of adjournment shall be taken at once.

- 27** On a show of hands every person who is present in person and who produces a Bearer Note, a Certificate of which he is the registered holder or a voting certificate or is a proxy or representative has one vote. On a poll every such person has one vote in respect of each integral currency unit of the Specified Currency of such Series of Notes so produced or represented by the voting certificate so produced or for which he is a proxy or representative. Without prejudice to the obligations of proxies, a person entitled to more than one vote need not use them all or cast them all in the same way.
- 28** In case of equality of votes the chairperson shall both on a show of hands and on a poll have a casting vote in addition to any other votes which he may have.
- 29** At a virtual meeting or a hybrid meeting, a resolution put to the vote of the meeting shall be decided on a poll in accordance with paragraph 37, and any such poll will be deemed to have been validly demanded at the time fixed for holding the meeting to which it relates.

### **Effect and Publication of an Extraordinary Resolution**

- 30** An Extraordinary Resolution shall be binding on all the Noteholders, whether or not present at the meeting, and on all the Couponholders and each of them shall be bound to give effect to it accordingly. The passing of such a resolution shall be conclusive evidence that the circumstances justify its being passed. The Relevant Issuer shall give notice of the passing of an Extraordinary Resolution to Noteholders within 14 days but failure to do so shall not invalidate the resolution.

### **Minutes**

- 31** Minutes shall be made of all resolutions and proceedings at every meeting and, if purporting to be signed by the chairperson of that meeting or of the next succeeding meeting, shall be conclusive evidence of the matters in them. Until the contrary is proved every meeting for which minutes have been so made and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

### **Written Resolution and Electronic Consent**

- 32** Subject to the following sentence, a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Noteholders.

For so long as the Notes are in the form of a Global Note held on behalf of, or a Global Certificate registered in the name of any nominee for, one or more of Euroclear, Clearstream, Luxembourg or an Alternative Clearing System, then, in respect of any resolution proposed by the Relevant Issuer or the Trustee:

- 32.1** *Electronic Consent:* where the terms of the resolution proposed by the Relevant Issuer or the Trustee (as the case may be) have been notified to the Noteholders through the relevant clearing system(s), as provided in sub-paragraphs (i) and/or (ii) below, each of the Relevant Issuer and the Trustee shall be entitled to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) to the Principal Paying Agent or another specified agent and/or the Trustee in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding (the "**Required Proportion**") ("**Electronic Consent**") by close of business on the Relevant Date. Any resolution passed in such manner shall be binding on all Noteholders and

Couponholders, even if the relevant consent or instruction proves to be defective. None of the Relevant Issuer or the Trustee shall be liable or responsible to anyone for such reliance;

- (i) when a proposal for a resolution to be passed as an Electronic Consent has been made, at least 10 days' notice (exclusive of the day on which the notice is given and of the day on which affirmative consents will be counted) shall be given to the Noteholders through the relevant clearing system(s). The notice shall specify in sufficient detail to enable Noteholders to give their consents in relation to the proposed resolution, the method by which their consents may be given (including, where applicable, blocking of their accounts in the relevant clearing system(s)) and the time and date (the "**Relevant Date**") by which they must be received in order for such consents to be validly given, in each case subject to and in accordance with the operating rules and procedures of the relevant clearing system(s);
- (ii) if, on the Relevant Date on which the consents in respect of an Electronic Consent are first counted, such consents do not represent the Required Proportion, the resolution shall, if the party proposing such resolution (the "**Proposer**") so determines, be deemed to be defeated. Such determination shall be notified in writing to the other party or parties to the Trust Deed. Alternatively, the Proposer may give a further notice to Noteholders that the resolution will be proposed again on such date and for such period as shall be agreed with the Trustee (unless the Trustee is the Proposer). Such notice must inform the Noteholders that insufficient consents were received in relation to the original resolution and the information specified in sub-paragraph (i) above. For the purpose of such further notice, references to "**Relevant Date**" shall be construed accordingly.

For the avoidance of doubt, an Electronic Consent may only be used in relation to a resolution proposed by the Relevant Issuer or the Trustee which is not then the subject of a meeting that has been validly convened in accordance with paragraph 3 above, unless that meeting is or shall be cancelled or dissolved; and

**32.2** *Written Resolution:* where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution has been validly passed, the Relevant Issuer and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Relevant Issuer and/or the Trustee, as the case may be, (a) by accountholders in the clearing system with entitlements to such Global Note or Global Certificate and/or, (b) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Relevant Issuer and the Trustee shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream, Luxembourg or any other relevant alternative clearing system (the "**relevant clearing system**") and in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document shall be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified



together with the amount of such holding. Neither the Relevant Issuer nor the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

A Written Resolution and/or Electronic Consent shall take effect as an Extraordinary Resolution. A Written Resolution and/or Electronic Consent will be binding on all Noteholders and holders of Coupons and Talons, whether or not they participated in such Written Resolution and/or Electronic Consent.

### **Trustee's Power to Prescribe Regulations**

- 33** Subject to all other provisions in this Trust Deed the Trustee may without the consent of the Noteholders prescribe or approve such further regulations regarding the holding of meetings and attendance and voting at them as it in its sole discretion determines or as proposed by the Relevant Issuer if, in either case, the Trustee is of the opinion that such regulations are not materially prejudicial to the interests of the Noteholders. Such regulations may include (without limitation) such requirements as the Trustee thinks reasonable to satisfy itself that the persons who purport to make any requisition in accordance with this Trust Deed are entitled to do so and as to the form of voting certificates or block voting instructions so as to satisfy itself that persons who purport to attend or vote at a meeting are entitled to do so.
- 34** The foregoing provisions of this Schedule 3 shall have effect subject to the following provisions:
- 34.1** meetings of Noteholders of separate Series will normally be held separately. However, the Trustee may from time to time determine that meetings of Noteholders of separate Series shall be held together;
- 34.2** a resolution that affects one Series alone shall be deemed to have been duly passed if passed at a separate meeting of the Noteholders of the Series concerned;
- 34.3** a resolution that affects the Noteholders of more than one Series but does not give rise to a conflict of interest between the Noteholders of the different Series concerned shall be deemed to have been duly passed if passed at a single meeting of the Noteholders of the relevant Series provided that for the purposes of determining the votes a Noteholder is entitled to cast pursuant to paragraph 27, each Noteholder shall have one vote in respect of each integral currency unit of the Specified Currency of the Notes held;
- 34.4** a resolution that affects the Noteholders of more than one Series and gives or may give rise to a conflict of interest between the Noteholders of the different Series concerned shall be deemed to have been duly passed only if it shall be duly passed at separate meetings of the Noteholders of the relevant Series; and
- 34.5** to all such meetings as aforesaid all the provisions of this Schedule 3 shall *mutatis mutandis* apply as though references therein to Notes and to Noteholders were references to the Notes and Noteholders of the Series concerned.

### **Additional provisions applicable to Virtual and/or Hybrid Meetings**

- 35** The Relevant Issuer (in each case, with the Trustee's prior approval) or the Trustee in its sole discretion may decide to hold a virtual meeting or a hybrid meeting and, in such case, shall provide details of the means for Noteholders or their proxies or representatives to

attend, participate in and/or speak at the meeting, including the electronic platform to be used.

- 36** The Relevant Issuer or the chairperson (in each case, with the Trustee's prior approval) or the Trustee in its sole discretion may make any arrangement and impose any requirement or restriction as is necessary to ensure the identification of those entitled to take part in the virtual meeting or hybrid meeting and the suitability of the electronic platform. All documentation that is required to be passed between persons at or for the purpose of the virtual meeting or persons attending the hybrid meeting via the electronic platform (in each case, in whatever capacity) shall be communicated by email (or such other medium of electronic communication as the Trustee may approve), provided that the Relevant Issuer or its agent(s) shall be solely responsible for facilitating the distribution of all such documentation unless the meeting shall have been convened by the Trustee.
- 37** All resolutions put to a virtual meeting or a hybrid meeting shall be voted on by a poll in accordance with paragraphs 25-28 above (inclusive).
- 38** Persons seeking to attend, participate in, speak at or join a virtual meeting or a hybrid meeting via the electronic platform, shall be responsible for ensuring that they have access to the facilities (including, without limitation, IT systems, equipment and connectivity) which are necessary to enable them to do so.
- 39** In determining whether persons are attending, participating in or joining a virtual meeting or a hybrid meeting via an electronic platform, it is immaterial whether any two or more members attending it are in the same physical location as each other or how they are able to communicate with each other.
- 40** Two or more persons who are not in the same physical location as each other attend a virtual meeting or a hybrid meeting if their circumstances are such that if they have (or were to have) rights to speak or vote at that meeting, they are (or would be) able to exercise them.
- 41** The chairperson of the meeting reserves the right to take such steps as the chairperson shall determine in its absolute discretion to avoid or minimise disruption at the meeting, which steps may include (without limitation), in the case of a virtual meeting or a hybrid meeting, muting the electronic connection to the meeting of the person causing such disruption for such period of time as the chairperson may determine.
- 42** The Relevant Issuer (in each case, with the Trustee's prior approval) or the Trustee in its sole discretion may make whatever arrangements they consider appropriate to enable those attending a virtual meeting or a hybrid meeting to exercise their rights to speak or vote at it.
- 43** A person is able to exercise the right to speak at a virtual meeting or a hybrid meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, as contemplated by the relevant provisions of this Schedule.
- 44** A person is able to exercise the right to vote at a virtual meeting or a hybrid meeting when:
- 44.1** that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
  - 44.2** that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting who are entitled to vote at such meeting.

- 45** The Trustee shall not be responsible or liable to the Relevant Issuer or any other person for the security of the electronic platform used for any virtual meeting or hybrid meeting or for accessibility or connectivity or the lack of accessibility or connectivity to any virtual meeting or hybrid meeting, notwithstanding any approval that may have been provided by the Trustee to the Relevant Issuer.

**This** deed is delivered on the date stated at the beginning.

**KLARNA BANK AB (PUBL)**

By:

*Francis Farrell*

Francis Farrell

**KLARNA HOLDING AB (PUBL)**

By:

*Francis Farrell*

Francis Farrell

EXECUTED AS A DEED BY:

BNY MELLON CORPORATE TRUSTEE SERVICES LIMITED acting by two ~~directors~~

*Attorneys*

By:



Gregory Dale –  
Authorised Signatory

By:



Anida Griffiths  
Authorised Signatory

*witness: Chloe Horwood*



The Bank of New York Mellon  
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