

EXECUTION VERSION

DATED 20 DECEMBER 2012

MORGAN STANLEY & CO. INTERNATIONAL PLC
BNY MELLON CORPORATE TRUSTEE SERVICES LIMITED
THE BANK OF NEW YORK MELLON, LONDON BRANCH
THE BANK OF NEW YORK MELLON (LUXEMBOURG) S.A.

MASTER SCHEDULE OF DEFINITIONS, INTERPRETATION
AND CONSTRUCTION CLAUSES
IN RESPECT OF
MORGAN STANLEY & CO. INTERNATIONAL PLC
THE UP TO U.S.\$ 5,000,000,000 SECURED NOTE
PROGRAMME

THIS MASTER SCHEDULE OF DEFINITIONS, INTERPRETATION AND CONSTRUCTION CLAUSES is dated as of 20 December 2012.

1. **SCHEDULE DOCUMENTS**

The Schedule Documents consist of any document the defined terms in which are defined by reference to this Master Schedule of Definitions, Interpretation and Construction Clauses.

2. **DEFINITIONS**

Words and expressions defined in this Master Schedule of Definitions, Interpretation and Construction Clauses shall have the following meanings:

"ABS Collateral" means, in respect of a Series of Notes, the Asset Backed Securities meeting the ABS Eligibility Criteria.

"ABS Collateral Pricing Time" means, in respect of a Collateral Valuation Date for a Series of Notes, 5:00 p.m. London time on such Collateral Valuation Date, unless otherwise specified in the applicable Supplemental Trust Deed.

"ABS Collateral Verification Agent" means in respect of each Series of Notes, the Issuer in its capacity as collateral verification agent in respect of the Posted ABS Collateral.

"ABS Eligibility Criteria" means the criteria that the ABS Collateral must fulfil, as specified in the Collateral Schedule.

"Accounts" shall mean, in respect of each Series of Notes, the Securities Account and the Cash Account opened with the Custodian in London, and **"Account"** shall mean any one of them as the context may require.

"Accountholder" means, in respect of a Series of Notes, a person shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Global Note or a Global Note Certificate.

"Accrual Yield" has the meaning given in the applicable Issue Terms.

"ADRs" means American depositary receipts.

"Additional Business Centre(s)" means the city or cities specified as such in the applicable Issue Terms.

"Additional Collateral Management Agreement" means, in respect of a Series of Notes, any additional collateral management agreement between, among others, the Issuer, the Trustee, the relevant Additional Collateral Manager, the relevant Collateral Verification Agent and the relevant Dealer (if applicable) to be dated on or about the relevant Issue Date.

"Additional Collateral Manager" means, in respect of a Series of Notes, the relevant entity acting as collateral manager in relation to the applicable posted collateral.

"Additional Collateral Verification Agent" means, in respect of a Series of Notes, any collateral verification agent appointed in relation to any applicable Posted Collateral pursuant to any Additional Collateral Management Agreement or any other agreement relating to such Series of Notes as specified in the applicable Issue Terms.

"Additional Custodian" means, in respect of a Series of Notes, any custodian appointed by the Trustee (with the consent of the Issuer) to hold Posted Collateral in respect of a Series of Notes as specified in the applicable Issue Terms.

"Additional Custody Agreement" means, in respect of a Series of Notes, any additional custody agreement between, among others, the Issuer, the Trustee and the applicable Additional Custodian.

"Additional Security Document" means, in respect of a Series of Notes, any additional security document as specified in the applicable Issue Terms.

"Affiliate" means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

"Agency Agreement" means the agency agreement between, among others, the Issuer, the Trustee, the Registrar and the Principal Paying Agent dated on or about 20 December 2012 in respect of the Programme, as amended and restated from time to time.

"Agent" means each of the Paying Agents, the Calculation Agent, the Determination Agent, the Registrar and the Transfer Agents and together, the **"Agents"**.

"Asset Backed Securities" shall have the meaning given to it in the Trust Deed.

"Australian dollars" or **"AUD"** means the lawful currency of the Commonwealth of Australia.

"Authorised Instructions" shall have the meaning set forth in Section 1.4 of the Custody Agreement.

"Authorised Person" shall mean, in respect of each Series of Notes (i) the Trustee. or (ii) any Person who has been duly authorised by the Trustee, by notice in writing to the Custodian to act on its behalf in the performance of any act, discretion or duty under the Custody Agreement with respect to such Series of Notes. (iii) the Collateral Administrator. or (iv) any Person who is designated in writing by the Collateral Administrator, with the Trustee's written approval copied to the Custodian, from time to time to give Instructions to the Custodian under the terms of the Custody Agreement with respect to such Series of Notes.

Authorised Persons shall include Persons authorised by an Authorised Person. Authorised Persons, their signatures and the extent of their authority shall be provided by Instructions. The Custodian may conclusively rely on the authority of such Authorised Persons until it receives an Instruction to the contrary.

"Base Prospectus" means the base prospectus dated on or about 20 December 2012 in respect of the Programme, as supplemented or amended from time to time.

"Bearer Note Depository" means a depository or common depository (which shall include a Common Safekeeper) for Euroclear and/or Clearstream Luxembourg and/or any other relevant clearing system with whom a Temporary Global Note is deposited.

"Bearer Notes" means the notes issued by the Issuer in bearer form that may be in either definitive or global form.

"BNY Mellon Affiliate" means any direct or indirect subsidiary of The Bank of New York Mellon Corporation, a Delaware corporation with registered office at One Wall Street, New York, NY 10286, U.S.A..

"Business Day" means any day, other than a Saturday or Sunday,

- (a) that is neither a legal holiday nor a day on which banking institutions are authorised or required by law or regulation to close (a) in The City of New York or in London, or (b) for Notes denominated in a Specified Currency other than U.S. dollars, euro or Australian dollars, in the principal financial centre of the country of the Specified Currency, or (c) for Notes denominated in Australian dollars, in Sydney, and in each (if any) Additional Business Centre.
- (b) for Notes denominated in euro, that is also a TARGET Settlement Day and a day that is neither a legal holiday nor a day on which banking institutions are authorised or required by law or regulation to close in each (if any) Additional Business Centre.
- (c) in relation to the Custody Agreement, means any day on which the Custodian and relevant Depositories and Subcustodians are open for business.

"Business Day Convention", means, in relation to any particular date, has the meaning given in the applicable Issue Terms and, if so specified in the applicable Issue Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (a) **"Following Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day;
- (b) **"Modified Following Business Day Convention"** or **"Modified Business Day Convention"** means that the relevant date shall be

postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;

- (c) **"Preceding Business Day Convention"** means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (d) **"FRN Convention", "Floating Rate Convention" or "Eurodollar Convention"** means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the applicable Issue Terms as the Specified Period after the calendar month in which the preceding such date occurred **provided, however, that:**
 - (i) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
 - (ii) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
 - (iii) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (e) **"No Adjustment"** means that the relevant date shall not be adjusted in accordance with any Business Day Convention.

"Calculation Agent" means, in respect of any Notes, the Principal Paying Agent or such other Person specified in the applicable Issue Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or, if agreed between the Issuer and the Principal Paying Agent, such other amount(s) as may be specified in the applicable Issue Terms.

"Calculation Amount" means the Specified Denomination unless otherwise specified in the applicable Issue Terms.

"Cash" shall have the meaning set forth in Section 1.2 of the Custody Agreement.

"Cash Account" shall have the meaning as set out in Section 1.2 (b) of the Custody Agreement.

"Central Bank" means the Central Bank of Ireland, as competent authority of the Republic of Ireland.

"Classic Global Note" or **"CGN"** means a Temporary Global Note representing Bearer Notes or Permanent Global Note representing Bearer Note in either case where the applicable Issue Terms specify the Notes as being in CGN form.

"Clearing System Business Day" means, in respect of a Global Note Certificate, a day on which the relevant clearing system where the Global Note Certificate is being held is open for business.

"Clearstream, Luxembourg" means Clearstream Banking, *societe anonyme*, Luxembourg.

"Closing Date" means the date on which the Issuer receives the proceeds of the sale of that Note (or the relevant Tranche thereof).

"Collateral Administrator" means MSI plc in its capacity as collateral administrator for each Series of Notes for which it is named as such in the applicable Issue Terms.

"Collateral Administration and Reporting Agreement" means the collateral administration and reporting agreement between the Issuer, the Trustee, the Custodian, the Collateral Administrator, the ABS Collateral Verification Agent, the EM Collateral Verification Agent and the Collateral Reporting Agent dated on or about 20 December 2012 in respect of each Series of Notes, and the Programme, as amended and restated from time to time.

"Collateral Agent" means, in respect of a Series of Notes, each of the Custodian, the Collateral Service Provider, the Collateral Administrator, the Collateral Verification Agents, the Collateral Reporting Agent, any Additional Custodian, Additional Collateral Manager and any Additional Collateral Verification Agent and together, the **"Collateral Agents"**.

"Collateral Exchange Rate" means, in respect of a Collateral Valuation Date for a Series of Notes and any item of Posted Collateral, the currency exchange rate required to convert the unit value of any item of Posted Collateral into the a value expressed in the Specified Currency of such Series of Notes:

- (a) in respect of any Posted Cash other than any Posted Euroclear Cash, as determined by the Issuer;
- (b) in respect of any Posted Euroclear Collateral, as determined by the Collateral Service Provider;
- (c) in respect of any item of Posted EM Collateral, as determined by the EM Collateral Verification Agent; and
- (d) in respect of any item of Posted ABS Collateral, as determined by the ABS Collateral Verification Agent.

"Collateral Obligor" means, in respect of a Series of Notes, an obligor relating to any item of Posted Collateral.

"Collateral Pricing Time" means, in respect of a Collateral Valuation Date for a Series of Notes, the ABS Collateral Pricing Time, the EM Collateral Pricing Time, the Debt and Equity Collateral Pricing Time or, in respect of any Posted Cash (other than Posted Euroclear Cash), 5:00 p.m. London time.

"Collateral Reporting Agent" means The Bank of New York Mellon, London Branch, in its capacity as the collateral reporting agent and any successors and assigns.

"Collateral Reporting Cut-Off Time" means, in respect of a Collateral Reporting Date, 10:00 a.m. London time on such Collateral Reporting Date.

"Collateral Reporting Date" means, in respect of a Collateral Valuation Date for a Series of Notes, the date that is one Business Day following such Collateral Valuation Date.

"Collateral Reporting Time" means, in respect of a Collateral Reporting Date, 10:30 a.m. London time on such Collateral Reporting Date.

"Collateral Schedule" means, in respect of a Series of Notes, Part C of the applicable Issue Terms that sets out certain information in relation to the Eligible Collateral and the Posted Collateral relating to such Notes (and as reproduced in the Supplemental Trust Deed).

"Collateral Service Agreement" means, in respect of a Series of Notes, the collateral service agreement (including the terms and conditions, the operating procedures and any annexes or exhibits thereto) between the Issuer, the Custodian and Euroclear to be dated on or about the relevant Issue Date, as amended and restated from time to time.

"Collateral Service Provider" means, in respect of each Series of Notes, Euroclear.

"Collateral Valuation Date" means, in respect of a Series of Notes, each Business Day from (but excluding) the Issue Date to (but excluding) the Maturity Date, unless otherwise specified in the applicable Issue Terms.

"Collateral Valuation Time" means, in respect of a Collateral Valuation Date, 5:00 p.m. London time on such Collateral Valuation Date.

"Collateral Verification Agent" means, in respect of a Series of Notes, each of the Debt and Equity Collateral Verification Agent (in relation to the Posted Euroclear Cash, the Posted Equity Collateral and the Posted Debt Collateral), the Issuer (in relation to the Posted Cash other than the Posted Euroclear Cash), the ABS Collateral Verification Agent (in relation to the Posted ABS Collateral), the EM Collateral Verification Agent (in relation to the Posted EM Collateral) and any Additional Collateral Verification Agent (together, the **"Collateral Verification Agents"**).

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

"**Common Service Provider**" means a person nominated by the ICSDs to perform the role of common service provider.

"**Conditions**" means the terms and conditions as set out in the Terms and Conditions of the Notes, set out in Schedule 2 (*Terms and Conditions of the Notes*) of the Principal Trust Deed, as amended, supplemented, and/or replaced by the applicable Issue Terms.

"**Convertible Bonds**" means bonds convertible, at the option of the holder or otherwise, into shares in the issuing company.

"**CRA Regulation**" means Regulation 1060/2009 of the European Parliament and the Council of 16 September 2009 governing credit rating agencies established in the European Union, as may be supplemented, amended or replaced.

"**Credit Linked Notes**" means bonds, notes, commercial paper, deposits or certificates issued by a corporate, bank or other financial institution whose interest and/or principal payments may be linked to the creditworthiness of a single reference entity or a basket of reference entities.

"**Coupon Sheet**" means, in respect of a Note, a coupon sheet relating to the Note.

"**Couponholders**" means, in respect of a Note, the Holders of the Coupons.

"**Coupons**" means, in respect of a Note, the interest coupons, if any, attached to the Notes.

"**Covered Bonds**" means, bonds issued by a bank or institution that provides recourse to the issuing entity's assets as well as to a pool of mortgages or public sector assets protected from the insolvency of the issuing institution

"**Custodian**" means The Bank of New York Mellon, London Branch in its capacity as custodian in respect of each Series of Notes issued under the Programme and any successors and assigns.

"**Custody Account**" means, in relation to a Series of Notes, the account of the Trustee in which the Posted Collateral is held pursuant to the terms of the Custody Agreement, with such details as set out in the Supplemental Trust Deed.

"**Custody (Cash) Account**" means, in respect of a Series of Notes and the related Custody Account, a sub-account of such Custody Account designated by the Custodian to hold any Posted Cash.

"Custody (Securities) Account" means, in respect of a Series of Notes and the related Custody Account, a sub-account of such Custody Account designated by the Custodian to hold any Posted Equity Collateral, Posted Debt Collateral, Posted ABS Collateral and Posted EM Collateral.

"Custody Agreement" means the custody agreement between the Issuer, the Collateral Administrator, the Trustee and the Custodian dated on or about 20 December 2012 in respect of the Programme, as amended and restated from time to time.

"Data Providers" shall mean pricing vendors, brokers, dealers, investment managers, Authorised Persons, Subcustodians, Depositories and any other Person providing Market Data to the Custodian.

"Data Licensor Terms" shall mean the set of terms and conditions (as may be amended by the Custodian or any BNY Mellon Affiliate without notice to the Trustee or the Collateral Administrator) available at <http://bnymellon.com/products/assetservicing/vendoragreement.html> or any successor website the address of which is provided by the Custodian to the Trustee and the Collateral Administrator.

"Day Count Fraction" means (subject as provided in Condition 6 (*Fixed Rate Note Provisions*)), in respect of the calculation of an amount for any period of time (the **"Calculation Period"**), such day count fraction as may be specified in the Conditions or the applicable Issue Terms and:

- (a) if **"Actual/Actual"** is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (b) if **"Actual/365 (Fixed)"** is so specified, means the actual number of days in the Calculation Period divided by 365;
- (c) if **"Actual/360"** is so specified, means the actual number of days in the Calculation Period divided by 360;
- (d) if **"30/360"** is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

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

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

where:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30; and

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

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

where:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30,

provided, however, that in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period.

"**Dealer**" means the Issuer or any dealer that has agreed to subscribe and/or distribute any Tranche of Notes (together, the "**Dealers**").

"**Debt and Equity Collateral Verification Agent**" means, in respect of a Series of Notes, Euroclear, in its capacity as collateral verification agent in respect of the Posted Euroclear Cash, the Posted Equity Collateral and the Posted Debt Collateral.

"**Debt and Equity Collateral Pricing Time**" means, in respect of a Collateral Valuation Date, between 4:00 a.m. and 11:00 a.m. Brussels time on such Collateral Valuation Date, or such other time at which the Collateral Service Provider values the Posted Euroclear Collateral in accordance with the operating procedures forming part of the Collateral Service Agreement.

"**Debt Collateral**" means, in respect of a Series of Notes, the Debt Securities meeting the Debt Eligibility Criteria.

"**Debt Eligibility Criteria**" means, in respect of a Series of Notes, the criteria a Debt Security must fulfil to constitute Debt Collateral, as specified in the Collateral Schedule.

"**Debt Securities**" shall have the meaning given to it in the Trust Deed.

"Defaulted Collateral" means, in respect of a Series of Notes, any Posted Collateral where the Collateral Obligor has defaulted on its obligations in respect of such Posted Collateral.

"Defaulted Security" means:

- (a) in relation to an Equity Security, an Equity Security whose Value is equal to or less than zero, as determined by the Debt and Equity Collateral Verification Agent or in the case of an Equity Security that is EM Collateral, the relevant EM Collateral Verification Agent; or
- (b) in relation to a Debt Security or an Asset Backed Security, a Debt Security or Asset Backed Security (as the case may be):
 - (i) whose Value is equal to or less than zero, as determined by (A) the Debt and Equity Collateral Verification Agent (in the case of a Debt Security), (B) the ABS Collateral Verification Agent (in the case of an Asset Backed Security) or (C) the relevant EM Collateral Verification Agent (in the case of a Debt Security or an Asset Backed Security that is EM Collateral); or
 - (ii) where the payment obligations in relation to such Debt Security or Asset Backed Security (as the case may be) have been accelerated or are capable of being accelerated and/or any security associated with such Debt Security or Asset Backed Security (as the case may be) has been enforced by or on behalf of any holders of such Debt Security or Asset Backed Security (as the case may be), as determined by the relevant Collateral Verification Agent; or
- (c) in relation to any other Eligible Collateral, as defined in the applicable Issue Terms.

"Definitive Notes" means the Bearer Notes, in definitive form substantially in the form set out in Schedule 6 (*Form of Definitive Note*) of the Principal Trust Deed.

"Depository" means Euroclear Bank SA/NV and such other securities depository, securities settlement system, book-entry system or clearing agency (and their respective successors and nominees) which is authorised to act as a central securities depository, securities settlement system, book-entry system or clearing agency pursuant to applicable law, as the Custodian may specify from time to time.

"Determination Agent" means MSI plc unless otherwise specified in the applicable Issue Terms. The Determination Agent shall act as an expert and not as an agent for the Issuer or the Noteholders. All determinations, considerations and decisions made by the Determination Agent shall, in the absence of manifest error, wilful default or bad faith, be final and conclusive and the Determination

Agent shall have no liability in relation to such determinations except in the case of its wilful default or bad faith.

"Directive" means European Union Directive 2003/48/EC.

"Dispute" means any dispute arising out of or in connection with the Notes.

"Distributions" shall mean all interests, dividends and other income distributed or paid in respect of Cash and Securities.

"Drawdown Prospectus" means, in respect of a Tranche of Notes, the drawdown prospectus relating to that Tranche of Notes which shall include the Issue Terms in respect of such Tranche of Notes.

"Early Redemption Amount" means (1) in the case of Zero Coupon Notes, such amount as may be specified in the applicable Issue Terms or, if applicable, determined in accordance with Condition 10.8 (*Early Redemption of Zero Coupon Notes*) and (2) in the case of any other Notes, such amount as may be specified in the applicable Issue Terms or, if no other amount is specified, the Final Redemption Amount which would have been payable on the Maturity Date.

"Early Redemption (Custodian Insolvency) Date" means the date specified by the Issuer for the early redemption of the Notes pursuant to Conditions 10.7 (*Early Redemption in the event of the insolvency of the Custodian*).

"Electronic Transmission" shall mean the delivery of information in an electronic format acceptable to the applicable recipient thereof.

"Eligibility Criteria" means, in respect of a Series of Notes, the Equity Eligibility Criteria and/or Debt Eligibility Criteria and/or ABS Eligibility Criteria and/or EM Eligibility Criteria as specified in the Collateral Schedule.

"Eligible Collateral" means, in respect of a Series of Notes, any cash in an Eligible Currency, Equity Collateral, Debt Collateral, ABS Collateral, EM Collateral or any other assets specified in the applicable Issue Terms.

"Eligible Currency" means, in respect of a Series of Notes, any currency in which the Issuer can post cash collateral as specified in the applicable Issue Terms.

"Eligible Index" means, in respect of a Series of Notes, each of the indices listed in Table 1 (*The Eligible Indices*) in Schedule 8 (*Eligible Collateral Schedule*) of the Principal Trust Deed that is specified as an "Eligible Index" in the applicable Issue Terms and any further indices so specified as an "Eligible Index" in such Issue Terms.

"Eligible Purchaser" means a purchaser who is not a United States person.

"EM Collateral" means, in respect of a Series of Notes, any Equity Securities, Debt Securities or Asset Backed Securities issued by an obligor in an EM Jurisdiction which satisfy the relevant criteria in the Collateral Schedule or which are specified in the Collateral Schedule.

"EM Collateral Pricing Time" means, in respect of a Collateral Valuation Date for a Series of Notes, 5:00 p.m. London time on the date that is three Business Days prior to such Collateral Valuation Date, unless otherwise specified in the applicable Supplemental Trust Deed.

"EM Collateral Verification Agent" means, in respect of a Series of Notes, the Issuer in its capacity as collateral verification agent in respect of any Posted EM Collateral.

"EM Eligibility Criteria" means, in respect of a Series of Notes, the criteria that an Equity Security, Debt Security or Asset Back Security must fulfil to constitute an EM Collateral, as specified in the Collateral Schedule.

"EM Jurisdiction" means each of the Republic of Hungary, the Republic of Poland or any other jurisdiction specified in the Collateral Schedule.

"Enforcement Notice" means, in respect of a Series of Notes, the notice given by the Trustee to the Issuer pursuant to Condition 14.3 (*Enforcement*).

"Equity Collateral" means, in respect of a Series of Notes, the Equity Securities meeting the Equity Eligibility Criteria.

"Equity Eligibility Criteria" means, in respect of a Series of Notes, the criteria that an Equity Security must fulfil to constitute an Equity Collateral, as specified in the Collateral Schedule.

"Equity Securities" shall have the meaning given to it in the Trust Deed.

"ERISA" means Title I of the Employee Retirement Income Security Act of 1974 as amended.

"Euro", **"EUR"** or **"€"** means the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty.

"Euro Exchange Date" means the date that the Euro Exchange Notice is given to the Noteholder.

"Euro Exchange Notice" means the notice delivered by the Issuer to the Noteholders in accordance with Condition 26.3.2.

"European Economic Area" means the economic union established on 1 January 1994 between the members of the European Free Trade Association and the European Union.

"**European Union**" means the economic and political union established by the Treaty.

"**Euroclear**" means Euroclear Bank SA/NV.

"**Euroclear Power of Attorney**" means in respect of each Series of Notes, power of attorney granted by the Custodian in favour of the Collateral Administrator in respect of each Series of Notes.

"**Event of Default**" means, in respect of a Series of Notes, each event set out in Condition 14.1.

"**Exchangeable Bonds**" means, bonds exchangeable, at the option of the holder or otherwise, into shares in another specified company.

"**Exchange Date**" means the date 40 days after the applicable Closing Date.

"**Extraordinary Resolution**" has the meaning given in the Trust Deed.

"**FCA Regulations**" means the Financial Collateral Arrangements (No. 2) Regulations 2003 (as amended from time to time).

"**Final Redemption Amount**" means, in respect of any Note, its principal amount (and interest accrued in respect of such principal amount to (and including) the Maturity Date, if any) or such other amount as may be specified in, or determined in accordance with, the applicable Issue Terms.

"**Fixed Coupon Amount**" has the meaning given in the applicable Issue Terms.

"**FSA**" shall mean the United Kingdom's Financial Services Authority (and any successor regulatory authority).

"**FSA Rules**" shall mean the rules of the FSA, as amended or replaced from time to time.

"**FSMA**" means the Financial Services and Markets Act 2000.

"**GDRs**" means global depositary receipts.

"**Global Note Certificate**" means, the global note certificate representing a Registered Note in a global registered form substantially in the form set out in Schedule 5 (*Form of Global Note Certificate*) of the Principal Trust Deed.

"**Global Notes**" means a Permanent Global Note together with a Temporary Global Note.

"**Holder**" means, in the case of a Bearer Note, the holder of such Bearer Note and, in the case of a Registered Note, the person in whose name such Registered Note is for the time being registered in the Register (or in the case of a joint holding, the first named thereof).

"**ICSD**" means Clearstream, Luxembourg and Euroclear.

"Incorporated Information" means information about MSI plc incorporated by reference into the Base Prospectus.

"Individual Note Certificates" means the individual note certificates representing Registered Notes in individual registered form substantially in the form set out in Schedule 7 (*Form of Individual Note Certificate*) of the Principal Trust Deed.

"Instructions" shall mean written communications received by the Custodian by S.W.I.F.T., overnight delivery, postal services, facsimile transmission, email, on-line communication system or other method or system, each as specified by the Custodian as available for use in connection with the services in the Custody Agreement.

"Interest Amount" means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period.

"Interest Commencement Date" means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the applicable Issue Terms.

"Interest Determination Date" has the meaning given in the applicable Issue Terms.

"Interest Payment Date" means the date or dates specified as such in, or determined in accordance with the provisions of, the applicable Issue Terms and, if a Business Day Convention is specified in the applicable Issue Terms:

- (a) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (b) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the applicable Issue Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case).

"Interest Period" means, subject as otherwise provided in the Conditions or the applicable Issue Terms, each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date, provided that if "Unadjusted" is specified in the applicable Issue Terms, no adjustment will be made to the Interest Period, notwithstanding the adjustment to the relevant Interest Payment Date following the application of the relevant Business Day Convention.

"Investor" means any person intending to acquire or acquiring any securities from any Offeror.

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

"Issue Date" has the meaning given in the applicable Issue Terms.

"Issue Documents" means, in respect of a Series of Notes, the Agency Agreement, the Trust Deed, any Additional Security Documents, the Custody Agreement, the Collateral Administration and Reporting Agreement, the Collateral Service Agreement, any Additional Custody Agreement, any Additional Collateral Management Agreement and any other agreement entered into in connections with such Series of Notes in so far as such agreement relates to such Series of Notes.

"Issue Terms" means, in respect of a Tranche of Notes, the issue terms to which that Tranche of Notes is subject, and which supplement, amend and/or replace the terms and conditions set out in Schedule 2 (*Terms and Conditions of the Notes*) of the Principal Trust Deed.

"Issuer" means MSI plc.

"Issuer-ICSDs Agreement" means the agreement between the Issuer and the ICSDs with respect to the settlement in the ICSDs of Notes in new global note form or Global Note Certificates to be held under the NSS.

"Japanese Yen" or "¥" means the lawful currency of Japan.

"Liability" means any loss, damage, cost, charge, claim, demand, expense, judgment, action, proceeding or other liability whatsoever (including, without limitation, in respect of taxes, duties, levies, imposts and other charges) and including any value added tax or similar tax charged or chargeable in respect thereof and legal fees and expenses on a full indemnity basis.

"Linked Notes" means bonds, notes commercial paper, deposits or certificates issued by a corporate bank or other financial institution, government, governmental agency, municipal entity or supranational entity whose interest and/or principal payments may be linked to the performance of any underlying factor.

"Loan Participation Notes" means, bonds or notes linked to the issuer's participation in a portion of one or more outstanding commercial loans.

"Local Banking Day" means a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the city in which the Principal Paying Agent has its Specified Office.

"Local Time" means the time in the city in which the Principal Paying Agent has its Specified Office.

"Losses" shall mean, collectively, losses, costs, expenses, damages, liabilities and claims (including legal fees and expenses) sustained by any Party.

"Main Securities Market" means the regulated market of the Irish Stock Exchange, a regulated market for the purposes of the Markets in Financial Instruments Directive.

"Mandated Dealer" means, in relation to a Relevant Agreement which is made between the Issuer and more than one Dealer, the institution specified as such or as the Lead Manager in the relevant Issue Terms and/or in such Relevant Agreement. and, in relation to a Relevant Agreement which is made between the Issuer and a single Dealer, such Dealer.

"Margin" has the meaning given in the applicable Issue Terms.

"Market Data" shall mean pricing or other data related to Securities and other assets. Market Data includes but is not limited to security identifiers, valuations, bond ratings, classification data, and other data received from Data Providers.

"Markets in Financial Instruments Directive" means Directive 2004/39/EC.

"Master Global Note" means a Master Temporary Global Note or a Master Permanent Global Note.

"Master Global Note Certificate" means a Global Note Certificate which is complete except that it requires:

- (a) a copy of the Issue Terms in respect of the Tranche of Notes to which it will relate to be attached thereto;
- (b) completion by the Principal Paying Agent, on behalf of the Issuer, as to the details of the Tranche of Notes to which it will relate;
- (c) authentication by or on behalf of the Registrar; and
- (d) in the case of a Note Certificate to be held under the NSS, effectuation by or on behalf of the Common Safekeeper.

"Master Permanent Global Note" means a Permanent Global Note which is complete except that it requires:

- (a) a copy of the Issue Terms in respect of the Tranche of Notes to which it will relate to be attached thereto;
- (b) completion by the Principal Paying Agent, on behalf of the Issuer, as to the details of the Tranche of Notes to which it will relate;

- (c) authentication by or on behalf of the Principal Paying Agent; and
- (d) in the case of an NGN Permanent Global Note, effectuation by or on behalf of the Common Safekeeper.

"Master Temporary Global Note" means a Temporary Global Note which is complete except that it requires:

- (a) a copy of the Issue Terms in respect of the Tranche of Notes to which it will relate to be attached thereto;
- (b) completion by the Principal Paying Agent, on behalf of the Issuer, as to the details of the Tranche of Notes to which it will relate;
- (c) authentication by or on behalf of the Principal Paying Agent; and
- (d) in the case of an NGN Temporary Global Note, effectuation by or on behalf of the Common Safekeeper.

"Master Schedule of Definitions" means this master schedule of definitions.

"Maturity Date" has the meaning given in the applicable Issue Terms.

"Minimum Collateralisation Percentage" means, in respect of a Series of Notes, the percentage specified in the applicable Issue Terms.

"Minimum Collateralisation Value" means, in respect of a Series of Notes and on any Collateral Valuation Date, the value equal to the Minimum Collateralisation Percentage multiplied by the Aggregate Principal Amount of the outstanding Notes.

"MSI plc" means Morgan Stanley & Co International plc.

"New Global Note" or **"NGN"** means a Temporary Global Note representing Bearer Notes or Permanent Global Note representing Bearer Notes in either case where the applicable Issue Terms specify the Notes as being in NGN form.

"New Safekeeping Structure" or **"NSS"** means a structure where a Global Note Certificate which is registered in the name of a Common Safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Note Certificate will be deposited on or about the issue date with the Common Safekeeper for Euroclear and/or Clearstream, Luxembourg.

"New Zealand Dollars" or **"NZD"** means the lawful currency of New Zealand.

"Note Certificate" means, in respect of a Series of Registered Notes, a certificate given to each Holder of a Registered Note in respect of its registered holding.

"Noteholders" means, in respect of a Series of Notes, the Holders of such Notes.

"Noteholder Report" means, in respect of a Series of Notes, a report produced by the Collateral Reporting Agent on each Business Day the Notes of such Series remains outstanding detailing the valuations of the Posted Collateral in respect of each Series of Notes.

"Notes" means the notes which may be offered from time to time under the Programme.

"Offeror" means any person intending to dispose of, disposing or offering any securities to an investor.

"Official List" means the official list of the Irish Stock Exchange.

"Optional Redemption Amount (Call)" means, in respect of any Note, its principal amount (and interest accrued in respect of such principal amount to (and including) the Optional Redemption Date (Call), if any) or such other amount as may be specified in, or determined in accordance with, the applicable Issue Terms.

"Optional Redemption Amount (Put)" means, in respect of any Note, its principal amount (and interest accrued in respect of such principal amount to (and including) the Optional Redemption Date (Put), if any) or such other amount as may be specified in, or determined in accordance with, the applicable Issue Terms.

"Optional Redemption Date (Call)" has the meaning given in the applicable Issue Terms.

"Optional Redemption Date (Put)" has the meaning given in the applicable Issue Terms

"Participating Member State" means a Member State of the European Communities which adopts the euro as its lawful currency in accordance with the Treaty.

"Paying Agents" means any additional paying agents appointed in connection with the Notes, together with the Principal Paying Agent and any successor paying agents appointed from time to time in connection with the Notes.

"Payment Business Day" means:

- (a) if the currency of payment is euro, any day which is:
 - (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
 - (ii) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Business Centre; or
- (b) if the currency of payment is not euro, any day which is:

- (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
- (ii) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Business Centre

"Permanent Global Note" means the permanent global note in substantially the form set out in Schedule 4 (*Form of Permanent Global Note*) of the Principal Trust Deed.

"Person" means any individual, company, corporation, firm, partnership, joint venture, association, organization, state or agency of a state or other entity, whether or not having separate legal personality.

"Pfandbriefe" means Covered Bonds issued by a German mortgage bank or public sector bank.

"Posted ABS Collateral" means, in respect of a Series of Notes, the ABS Collateral posted by the Issuer from time to time to secure its obligations under such Notes.

"Posted Cash" means, in respect of a Series of Notes, cash in an Eligible Currency posted by the Issuer from time to time to secure its obligations under such Series of Notes, including any Posted Euroclear Cash.

"Posted Collateral" means, in respect of a Series of Notes, the Posted Cash, Posted Equity Collateral, Posted Debt Collateral, Posted ABS Collateral, Posted EM Collateral and any other Eligible Collateral posted by the Issuer from time to time to secure its obligations under such Series of Notes.

"Posted Debt Collateral" means, in respect of a Series of Notes, the Debt Collateral posted by the Issuer from time to time to secure its obligations under such Series of Notes.

"Posted EM Collateral" means, in respect of a Series of Notes, the EM Collateral posted by the Issuer from time to time to secure its obligations under such Series of Notes.

"Posted Equity Collateral" means, in respect of a Series of Notes, the Equity Collateral posted by the Issuer from time to time to secure its obligations under such Series of Notes.

"Posted Euroclear Cash" means, in respect of a Series of Notes, the Posted Cash that is managed in accordance with the terms of the relevant Collateral Service Agreement.

"Posted Euroclear Collateral" means, in respect of a Series of Notes the Posted Euroclear Cash, the Posted Equity Collateral, the Posted Debt Collateral and the Posted ABS Collateral

"Potential Event of Default" means, in respect of the Event of Default specified in Condition 14.1.2 (*Breach of Other Obligations*), any occurrence of any event that with the lapse of the applicable grace period, would constitute an Event of Default pursuant to such Condition 14.1.2 (*Breach of Other Obligations*).

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

- (a) in relation to euro, it means the principal financial centre of such Member State of the European Communities as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; and
- (b) in relation to Australian dollars, it means Sydney and Melbourne and, in relation to New Zealand dollars, it means Wellington and Auckland.

"Principal Paying Agent" means the Bank of New York Mellon, London Branch and any successors or assigns appointed from time to time in connection with the Notes.

"Principal Trust Deed" means the principal trust deed between the Issuer and the Trustee dated on or about 20 December 2012 in respect of the Programme, as amended and restated from time to time.

"Proceedings" means any suit, action or proceeding arising out of or in connection with the Notes.

"Programme" means the up to U.S.\$ 5,000,000,000 secured note programme established by MSI plc on or about 20 December 2012.

"Programme Manual" means the programme manual in respect of the Programme, signed for identification by, among others, the Issuer, the Trustee and the Agents, as may be amended from time to time.

"Property" shall mean, in respect of each Series of Notes, Cash and Securities.

"Prospectus Directive" means Directive 2003/71/EC.

"Put Option Notice" means a notice of exercise relating to the put option contained in Condition 10.6 (*Redemption at the Option of Noteholders*) of the Agency Agreement, substantially in the form set out in Schedule 4 (*Form of Put Option Notice*) of the Agency Agreement or such other form as may from time to time be agreed between the Issuer and the Principal Paying Agent and distributed to each Paying Agent.

"Put Option Receipt" means a receipt delivered by a Paying Agent in relation to a Definitive Note which is the subject of a Put Option Notice, substantially in the form set out in Schedule 5 (*Form of Put Option Receipt*) of the Agency Agreement or such other form as may from time to time be agreed between the Issuer and the Principal Paying Agent and distributed to each Paying Agent.

"Rating Agencies" means Moody's Investors Service Inc. and/or Standard and Poor's Rating Services, a division of the McGraw Hill Companies Inc. and/or Fitch Ratings Inc. and/or such other rating agency as may be appointed in relation to a Series, and **"Rating Agency"** shall mean any one of the above.

"Rate of Interest" means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in applicable Issue Terms or calculated or determined in accordance with the provisions of the Conditions and/or the applicable Issue Terms.

"Realisation Proceeds" means the proceeds of realisation of, or enforcement of the Security relating to the Secured Assets.

"Record Date" means, in relation to each payment in respect of a Registered Note, the fifteenth (15th) day before the due date for such payment.

"Redemption Amount" means, as appropriate, the Final Redemption Amount, the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), the Early Redemption Amount or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the applicable Issue Terms.

"Redemption Determination Date" means the date on which the Issuer delivers the certificate specified in Condition 10.3.1 to the Principal Paying Agent and Trustee.

"Redemption Expenses" means, in respect of any Note or Notes, any expenses (other than in relation to Taxes) payable on or in respect of or in connection with the redemption of such Note or Notes.

"Redenomination Date" means the date specified in the notice delivered by the Issuer pursuant to Condition 26.2 (*Notice of Redenomination*), provided that such date is an Interest Payment Date under the Notes falling on or after the date that the country of the Specified Currency becomes a Participating Member State.

"Reference Banks" has the meaning given in the applicable Issue Terms or, if none, four major banks selected by the Calculation Agent in the market that is most closely connected with the Reference Rate.

"Reference Price" has the meaning given in the applicable Issue Terms.

"Reference Rate" has the meaning given in the applicable Issue Terms.

"Register" means, in respect of a Series of Registered Notes, the register of the Holders of such Registered Notes maintained by the Registrar.

"Registered Notes" means the notes issued by the Issuer in registered form that may be in either individual certificate form or in global certificate form.

"Registrar" means the Bank of New York Mellon (Luxembourg) S.A. and any successor or assigns appointed from time to time in connection with the Notes.

"Regular Date" means the day and month (but not the year) on which any Interest Payment Date falls shall, for the purposes of Condition 6 (*Fixed Rate Note Provisions*), be a Regular Date.

"Regular Period" means each period from and including a Regular Date falling in any year to but excluding the next succeeding Regular Date shall, for the purposes of Condition 6 (*Fixed Rate Note Provisions*) be a Regular Period.

"Regular Period Interest Notes" means if all the Interest Payment Dates fall at regular intervals between the Issue Date and the Maturity Date then the Notes shall for the purposes of Condition 6 (*Fixed Rate Note Provisions*) be Regular Interest Period Notes.

"Relevant Agreement" means an agreement (whether oral or in writing) between the Issuer and any Dealer(s) for the issue by the Issuer and the subscription by such Dealer(s) (or on such other basis as may be agreed between the Issuer and the relevant Dealer(s) at the relevant time) of any Notes and shall include, without limitation, any agreement in the form or based on the form set out in Schedule 3 (*Pro Forma Subscription Agreement*) of the pro-forma Supplemental Trust Deed.

"Regulatory Authority" shall mean (i) any regulatory authority to which the Custodian is subject in the United States, and (ii) the FSA.

"Relevant Clearing System" means, as appropriate, Euroclear, Clearstream, Luxembourg, and/or such other relevant clearing system, as the case may be, through which interests in Notes are to be held and through an account at which the Notes are to be cleared, as specified in the applicable Issue Terms.

"Relevant Coupons" means the missing Coupons for the purposes of Condition 11.5.2.

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

"Relevant Financial Centre" has the meaning given in the applicable Issue Terms.

"Relevant Member State" means any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (and any amendments thereto) including Directive 2010/73/EU (the "**2010 PD Amending Directive**").

"Relevant Nominee Company" shall mean a nominee company controlled by the Custodian.

"Relevant Screen Page" means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the

Relevant Screen Page in the applicable Issue Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate.

"Relevant Time" has the meaning given in the applicable Issue Terms.

"Replacement Agent" means the Principal Paying Agent or, in respect of any Tranche of Notes, the Agent named as such in the relevant Issue Terms.

"Replacement Collateral" means, in respect of a Series of Notes, any Eligible Collateral posted by the Issuer in replacement for any Substituted Collateral in accordance with the terms of the applicable Trust Deed, the relevant Collateral Service Agreement (if applicable), the Custody Agreement and the Conditions.

"Reporting Operating Procedures Memorandum" means the operating procedure memorandum relating to reporting under the Programme signed for identification purposes by the Issuer and the Collateral Reporting Agent, as may be amended from time to time (as agreed between the Issuer and the Collateral Reporting Agent).

"Required Agent" means any Paying Agent (which may be the Principal Paying Agent) or Transfer Agent (which expression shall include, for the purposes of this definition only, the Registrar) which is the sole remaining Paying Agent or (as the case may be) Transfer Agent with its Specified Office in any city where a listing authority, stock exchange and/or quotation system by which the Notes are admitted to listing, trading and/or quotation requires there to be a Paying Agent, or, as the case may be Transfer Agent.

"Resolutions" means recommendations made at a Noteholders' meeting or by written resolution relating to, amongst other things, amendments to the Conditions of the Notes and/or the Issue of Documents.

"Rights" means:

- (a) in relation to any agreement or asset, all rights, title and interest of the relevant person in, to and under such agreement or asset; or
- (b) in any other case, rights, authorities, discretions, remedies, liberties and powers (in each case, of any nature whatsoever).

"Reserved Matter" means any proposal:

- (a) 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 or to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity or the date for any such payment;

- (b) to effect the exchange, conversion or substitution of the Notes for, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;
- (c) to change the currency in which amounts due in respect of the Notes are payable;
- (d) to amend any Trustee Conditions or any provisions of the Issue Documents relating to the Security for a Series of Notes;
- (e) to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution; or
- (f) to amend this definition.

"Secured Assets" means, in relation to a Series of Notes, the Posted Collateral, the Issuer's Rights under the Agency Agreement, the Custody Agreement, the Collateral Administration and Reporting Agreement and the Collateral Service Agreement and any other assets over which any Security is created by the Issuer to secure its obligations under the Notes.

"Secured Creditors", in relation to a Series of Notes, has the meaning given to it in the applicable Supplemental Trust Deed relating to such Series of Notes.

"Secured Obligations", in relation to a Series of Notes, has the meaning given to it in the applicable Supplemental Trust Deed relating to such Series of Notes.

"Securities" shall mean, in respect of a Series of Notes, the Eligible Collateral delivered to or received by the Custodian and/or any Subcustodian for deposit in the Securities Account.

"Securities Account" shall have the meaning as set out in Section 1.2 (a) of the Custody Agreement.

"Securities Act" means The United States Securities Act of 1933 as may be supplemented, modified or replaced.

"Security" means, in relation to a Series of Notes, a mortgage over the Posted Collateral (other than any Posted Cash), a charge over the Posted Cash, an assignment by way of security of Issuer's Rights under the Agency Agreement, the Custody Agreement, the Collateral Administration and Reporting Agreement and the Collateral Service Agreement and the Security Interests created, or intended to be created at any time, in favour of the Trustee under the Security Documents in respect of any other Secured Asset.

"Security Documents" means the Trust Deed and any Additional Security Document in respect of a Series of Notes.

"Security Interest" means any mortgage, sub-mortgage, standard security, charge, sub-charge, assignment, assignation in security, pledge, lien, right of set-off or other encumbrance or security interest.

"Series" means each issue of Notes that is specified as a numbered series which may be divided into one or more Tranches and shall include further Tranches of such series issued after the original Issue Date of the first Tranche of such series and which are fungible.

"Series Security" means, in respect of a Series of Notes, the security granted by the Issuer over the Posted Collateral relating to such Series of Notes to be held by the Trustee for, among others, the holders of the Notes of that Series.

"Specified Currency" has the meaning given in the applicable Issue Terms.

"Specified Denomination(s)" has the meaning given in the applicable Issue Terms.

"Specified Office" of any Agent means the office specified against its name in Schedule 2 (*The Specified Offices of the Agents*) of the Agency Agreement or, in the case of any Agent not originally party hereto, specified in its terms of appointment or such other office in the same city or town as such Agent may specify by notice to the Issuer and the other parties hereto in accordance with Clause 13.8 (*Change in Specified Offices*) of the Agency Agreement.

"Specified Period" has the meaning given in the applicable Issue Terms.

"Sterling", "GBP" or "£" means the lawful currency of the United Kingdom.

"Subcustodian" shall have the meaning given in Section 2.4(a) of the Custody Agreement, and for the avoidance of doubt, shall not include any Depository.

"Subsidiary" means, in relation to any Person (the **"first Person"**) at any particular time, any other Person (the **"second Person"** or **"Holding Company"**):

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

"Substituted Collateral" means, in respect of a Series of Notes, any Posted Collateral that is substituted in accordance with the terms of the applicable Trust Deed, the relevant Collateral Service Agreement (if applicable), the Custody Agreement and the Conditions.

"Supplemental Trust Deed" means, in respect of a Series of Notes, the supplemental trust deed in respect of such Series of Notes between, among others, the Issuer and the Trustee dated on or about the relevant Issue Date.

"Talon" means a talon for further Coupons.

"TARGET2" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

"TARGET Settlement Day" means any day on which TARGET2 is open for the settlement of payments in euro.

"Tax Obligations" shall mean taxes, withholding, certification and reporting requirements, claims for exemptions or refund, interest, penalties, additions to tax and other related expenses.

"Taxes" means any tax, duty, impost, levy, charge or contribution in the nature of taxation or any withholding or deduction for or on account thereof, including (but not limited to) any applicable stock exchange tax, turnover tax, stamp duty, stamp duty reserve tax and/or other taxes chargeable or payable in connection with any redemption of a Note and/or payment of the Redemption Amount.

"Temporary Global Note" means the temporary global note in substantially the form set out in Schedule 3 (*Form of Temporary Global Note*) of the Principal Trust Deed.

"these presents" means, in respect of a Series of Notes, the Principal Trust Deed and the Schedules thereto, all Supplemental Trust Deeds relating to such Principal Trust Deed and the Schedules (if any) thereto, all other Security Documents, the Schedules (if any) thereto, the Notes, and the Coupons, all as from time to time modified in accordance with the provisions in the Trust Deed.

"Trade Date" means in relation to any Series of Notes, the date specified as such in the applicable Issue Terms.

"Tranche" means, all Notes of the same Series with the same Issue Date and Interest Commencement Date, the terms of which are identical in all respects.

"Transfer Agents" means the Transfer Agents named within the Agency Agreement and any successor or additional transfer agents appointed from time to time in connection with the Notes.

"Treaty" means the Treaty establishing the European Union, as amended.

"Trust Corporation" means a corporate entitled by rules made under the Public Trustee Act 1906 or entitled pursuant to comparable legislation applicable to a trustee in any other jurisdiction to carry out the functions of a custodian trustee.

"Trust Deed" means, in respect of a Series of Notes, Principal Trust Deed as supplemented by the applicable Supplemental Trust Deed.

"Trustee" means BNY Mellon Corporate Trustee Services Limited, including any successor or assigns and any co-Trustee or successor Trustee appointed pursuant to the Principal Trust Deed.

"Trustee Conditions" means the Conditions and the provisions in the applicable Issue Terms relating to the Security, including any provisions relating to the enforcement of such Security and the application of the Realisation Proceeds.

"United States Alien" means any person who, for United States federal income tax purposes, is a foreign corporation, a nonresident alien individual, a nonresident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is a foreign corporation, a nonresident alien individual or a nonresident alien fiduciary of a foreign estate or trust.

"United States person" means, for United States federal income tax purposes, (i) a citizen or resident of the United States; (ii) a corporation, partnership or other entity created or organised in or under the laws of the United States or any political subdivision thereof; (iii) an estate the income of which is subject to United States federal income taxation regardless of its source; or (iv) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust, and one or more United States persons have the authority to control all substantial decisions of the trust.

"U.S. dollars", "U.S \$" or "\$" means the lawful currency of the United States of America.

"Valuation Percentage" means, in relation to a Series of Notes and any item of Posted Collateral, the percentage specified in the Collateral Schedule.

"Value" means, on any Collateral Valuation Date and in relation to any item of Posted Collateral, the product of (i) the fair market value of such Posted Collateral as determined by the relevant Collateral Verification Agent in accordance with the terms of the Trust Deed, the Collateral Service Agreement, the Collateral Administration and Reporting Agreement or any Additional Collateral Management Agreement (as the case may be) and (ii) the relevant Valuation Percentage.

"Vanilla Debt Securities" means bonds, notes, commercial paper, deposits or certificates issued by a corporate, bank or other financial institution, government, governmental agency, municipal entity or supranational entity bearing a fixed or floating rate of interest, having a principal repayment obligation equal to the face amount of such bond, note, commercial paper, deposit or certificate and which are not Linked Notes, Credit Linked Notes, Loan Participation Notes, Convertible Bonds, Exchangeable Bonds, Covered Bonds or Pfandbriefe.

"Written Resolution" shall have the meaning given to it in the Trust Deed.

"Zero Coupon Note" means a Note specified as such in the applicable Issue Terms.

3. **STATUTORY PROVISIONS**

Save where the context otherwise requires, references in any Issue Document to any statutory provision shall be deemed also to refer to any statutory modification or re-enactment thereof or to any statutory instrument, order or regulation made thereunder or under any such re-enactment.

4. **AMENDMENTS**

References in any Issue Document to that or any other Issue Document, other agreement, deed or document shall be deemed also to refer to such Issue Document, agreement, deed or document as amended, restated, supplemented, varied, replaced or novated (in whole or in part) from time to time and to agreements, deeds and documents executed pursuant thereto.

5. **SCHEDULES**

Any Schedule, Appendix, Annex or Exhibit annexed to a Issue Document forms part of such Issue Document and shall have the same force and effect as if set out in the body of such Issue Document. Any reference to a Issue Document shall include any such Schedule, Appendix or Exhibit.

6. **HEADINGS**

Headings in any Issue Document are for ease of reference only.

7. **NUMBER**

In any Issue Document, save where the context otherwise requires, words importing the singular number include the plural and *vice versa*.

8. **CLEARING SYSTEMS**

All references in any Issue Document to the clearing systems, 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 Issuer and the Principal Paying Agent.


9. **SUCCESSORS**

Save where the context otherwise requires, references in any Issue Document to any party to the Issue Documents or any other document shall include references to its successors and assigns.

SIGNED FOR IDENTIFICATION PURPOSE

The Issuer, Determination Agent, Collateral Administrator, EM Collateral Verification Agent and ABS Collateral Verification Agent

SIGNED by)
for and on behalf of)
MORGAN STANLEY & CO.)
INTERNATIONAL PLC)


SUSAN O'FLYNN


The Issue Agent, Principal Paying Agent, Calculation Agent, Custodian and Collateral Reporting Agent

SIGNED by)
for and on behalf of)
THE BANK OF NEW YORK MELLON,)
LONDON BRANCH)


Aric Kay-Russell
Authorised Signatory


The Trustee

SIGNED by)
for and on behalf of)
BNY MELLON CORPORATE TRUSTEE)
SERVICES LIMITED)


Aric Kay-Russell
Authorised Signatory

The Registrar and Transfer Agent

SIGNED by)
for and on behalf of)
THE BANK OF NEW YORK MELLON)
(LUXEMBOURG) S.A.)


Aric Kay-Russell
Authorised Signatory