

BASE PROSPECTUS FOR SECURED NOTE PROGRAMME

1 July 2024

MORGAN STANLEY & CO. INTERNATIONAL plc
as issuer
(incorporated with limited liability in England and Wales)

Up to U.S.\$5,000,000,000 Secured Note Programme

Under the programme (the "**Programme**") described in this base prospectus, Morgan Stanley & Co. International plc ("**MSI plc**" or the "**Issuer**") may offer from time to time notes (the "**Notes**").

References herein to "this Base Prospectus" shall, where applicable, be deemed to be references to this Base Prospectus (as defined below) as supplemented or amended from time to time. To the extent not set forth in this Base Prospectus, the specific terms of any Notes will be included in the appropriate Issue Terms (as defined below).

The Issuer is offering the Notes on a continuing basis (in such capacity, the "**Dealer**") and through any dealer that has agreed to subscribe and/or distribute any Tranche of Notes (together with the Dealer, the "**Dealers**"). The Dealers may resell any Notes as principal at prevailing market prices, or at other prices, as they determine. The Issuer or the Dealers may reject any offer to purchase Notes, in whole or in part. See "*Subscription and Sale*" beginning on page 153.

Any person (an "Investor") intending to acquire or acquiring any securities from any person (an "Offeror") should be aware that, in the context of an offer to the public as defined in section 102B of the Financial Services and Markets Act 2000 ("FSMA"), the Issuer may be responsible to the Investor for the Base Prospectus under section 90 of FSMA only if the Issuer has authorised that Offeror to make the offer to the Investor. Each Investor should therefore enquire whether the Offeror is so authorised by the Issuer. If the Offeror is not authorised by the Issuer, the Investor should check with the Offeror whether anyone is responsible for the Base Prospectus for the purposes of section 90 of FSMA in the context of the offer to the public, and, if so, who that person is. If the Investor is in any doubt about whether it can rely on the Base Prospectus and/or who is responsible for its contents it should take legal advice.

An Investor intending to acquire or acquiring any securities from an Offeror will do so, and offers and sales of the securities to an Investor by an Offeror will be made, in accordance with any terms and other arrangements in place between such Offeror and such Investor including as to price, allocations and settlement arrangements. The Issuer will not be a party to any such arrangements with Investors (other than Dealers) in connection with the offer or sale of the securities and, accordingly, this Base Prospectus and any Issue Terms will not contain such information and an Investor must obtain such information from the Offeror. Information in relation to an offer to the public will be made available at the time such sub-offer is made, and such information will also be provided by the relevant Offeror.

This base prospectus has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under Regulation EU 2017/1129 (the "**Prospectus Regulation**"). The Central Bank only approves this base prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer nor as an endorsement to the quality of any Notes that are the subject of this base prospectus (the "**Base Prospectus**"). Investors should make their own assessment as to the suitability of investing in such Notes. Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") for the Notes issued under the Programme within 12 months of this Base Prospectus to be admitted to the official list (the "**Official List**") and trading on its regulated market (the "**Regulated Market**"). The Regulated Market is a regulated market for the purposes of Directive 2014/65/EU (the "**MiFID II**"). No assurance can be given that any such application will be successful. Such approval relates only to the Notes issued under the Programme which are to be admitted to trading on the regulated market of Euronext Dublin or other regulated markets for the purposes of MiFID II or which are to be offered to the public in any Member State of the European Economic Area.

Notwithstanding the foregoing, any Notes issued under the Programme which are to be admitted to trading on the Regulated Market or other regulated market for the purposes of the MiFID II or which are to be offered to the public in any Member State of the European Economic Area will be admitted to trading or offered by way of a drawdown prospectus (being a prospectus for the purposes of the Prospectus Regulation) (each a "**Drawdown Prospectus**") and not by way of final terms (as such term is understood for the purposes of Article 8(2) of the Prospectus Regulation).

Notes may or may not be rated. Any credit rating applied for in relation to an issue of Notes will be specified in the applicable Issue Terms. Whether or not such credit ratings applied for will be issued by a credit rating agency established in the European Union and registered under Regulation 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (as amended, the "**CRA Regulation**") will be disclosed in the applicable Issue Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Economic Area (the "**EEA**") and registered under the CRA Regulation unless (1) the rating is provided by a credit rating agency operating in the EEA before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration has not been refused, or (2) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation, or (3) the rating is provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation.

The aggregate principal amount of Notes outstanding issued under the Programme shall not at any time exceed U.S.\$5,000,000,000.

The Notes will be governed by the laws of England and Wales.

The language of this Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

MIFID II product governance/target market

The Issue Terms in respect of any Notes may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither dealer(s) nor any of its respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MIFIR product governance/target market

The Issue Terms in respect of any Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither dealer(s) nor any of its respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

Investing in the Notes involves risks. See "*Risk Factors Relating to the Notes*" beginning on page 11 of this Base Prospectus.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE IN THE UNITED STATES. THE NOTES MAY NOT BE OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED, EXERCISED OR REDEEMED AT ANY TIME, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT). SEE "*SUBSCRIPTION AND SALE*" AND "*NO OWNERSHIP BY U.S. PERSONS*".

Each investor must comply with all applicable laws and regulations in each country or jurisdiction in or from which the investor purchases, offers, sells or delivers the Notes or has in the investor's possession or distributes this Base Prospectus or any accompanying Issue Terms or Drawdown Prospectus.

IMPORTANT – EEA RETAIL INVESTORS - If the Issue Terms in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended, to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of:

- (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended ("**MiFID II**");
- (ii) a customer within the meaning of Directive 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
- (iii) not a qualified investor as defined in the Prospectus Regulation.

Consequently, if the Issue Terms in respect of any Notes include a legend entitled "Prohibition of Sales to EEA Retail Investors", no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been or will be prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT – UK PRIIPs/UK RETAIL INVESTORS – If the Issue Terms in respect of any Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of:

- (A) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of "retained EU law", as defined in the European Union (Withdrawal) Act 2018 (the "**EUWA**"); or
- (B) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 ("**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of "retained EU law", as defined in the EUWA; or
- (C) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of "retained EU law", as defined in the EUWA.

Consequently, if the Issue Terms in respect of any Notes include a legend entitled "Prohibition of Sales to UK Retail Investors", no key information document required by Regulation (EU) No 1286/2014 as it forms part of "retained EU law" as defined in the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been or will be prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Benchmarks Regulation

Amounts payable under the Notes may be calculated by reference to certain indices or price sources, including (i) the Euro Interbank Offered Rate ("**EURIBOR**"), (ii) the London Interbank Offered Rate, (iii) SOFR (as defined in Condition 2.1 (*Definitions*)), (iv) SOFR Index (as defined in Condition 7.7(iv) (*Provisions specific to SOFR as Reference Rate*)), (v) SONIA (as defined in Condition 2.1 (*Definitions*)), (vi) SONIA Index (as defined in Condition 7.8(iv) (*Provisions specific to SONIA as Reference Rate*)), (vii) €STR (as defined in Condition 2.1 (*Definitions*)), (viii) €STR Index (as defined in Condition 7.9(iv) (*Provisions specific to €STR as Reference Rate*)), (ix) SARON (as defined in Condition 2.1 (*Definitions*)), (x) SAION Index (as defined in Condition 7.10(iv) (*Provisions specific to SARON as Reference Rate*)), (xi) TONA (as defined in Condition 2.1 (*Definitions*)), (xii) TONA Index (as defined in Condition 7.11(iv) (*Provisions specific to TONA as Reference Rate*)) or (xiii) one or more other specific indices or price sources or a combination of indices or price sources.

EURIBOR is provided by the European Money Markets Institute ("**EMMI**"). As at the date of this Base Prospectus, EMMI appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 of Regulation (EU) 2016/1011 of the European Parliament and of the Council on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**Benchmarks Regulation**").

LIBOR is provided by the ICE Benchmark Administration Limited ("**ICE**"). As at the date of this Base Prospectus, ICE does not appear on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation. As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that EU supervised entities can use third-country benchmarks that have not been qualified for use in the EU.

SOFR and SOFR Index are provided by the Federal Reserve Bank of New York (the "**New York Federal Reserve**"). As at the date of this Base Prospectus, the New York Federal Reserve does not appear on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation.

SONIA and SONIA Index are provided by the Bank of England. As at the date of this Base Prospectus, the Bank of England does not appear on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation.

€STR and €STR Index are provided by the European Central Bank. As at the date of this Base Prospectus, the European Central Bank does not appear on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation.

TONA is provided by the Bank of Japan. As at the date of this Base Prospectus, the Bank of Japan does not appear on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation.

As far as the Issuer is aware the New York Federal Reserve as administrator of SOFR and SOFR Index, the Bank of England as administrator of SONIA and SONIA Index, the European Central Bank as administrator of €STR and €STR Index and the Bank of Japan as administrator of TONA are not required to be registered by virtue of Article 2 of the Benchmarks Regulation.

SARON and SAION Index are provided by SIX Index AG and are endorsed for use in the European Union by SIX Financial Information Nordic AB. As at the date of this Base Prospectus, SIX Financial Information Nordic AB appears on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation.

TONA Index is provided by QUICK Corp. As at the date of this Base Prospectus, QUICK Corp. does not appear on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation. As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that QUICK Corp. is not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence).

Similarly, any other index or price source by reference to which amounts payable under the Notes are calculated may also constitute a “benchmark” for the purposes of the Benchmarks Regulation.

In cases where amounts payable under the Notes are calculated by reference to one or more indices or price sources that is not one of LIBOR, EURIBOR, SOFR, SOFR Index, SONIA, SONIA Index, €STR, €STR Index, SARON, SAION Index, TONA or a TONA Index, the relevant Issue Terms will specify:

- the name of each index or price source so referenced;
- the legal name of the administrator of each such index or price source; and
- whether or not the legal name of the administrator of each such index or price source appears on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation at the date of the relevant Issue Terms.

Not every index or price source will fall within the scope of the Benchmarks Regulation. Furthermore, where an index or price source does fall within the scope of the Benchmarks Regulation, the transitional provisions in Article 51 or the provision of Article 2 of the Benchmarks Regulation may apply, such that the administrator of such index or price source is not at the date of the relevant Issue Terms required to obtain authorisation/registration (or, if located outside the European Union, recognition, endorsement or equivalence).

The registration status of any administrator under the Benchmarks Regulation is a matter of public record and, save where required by applicable law, the relevant Issuer does not intend to update the relevant Issue Terms to reflect any change in the registration status of the administrator.

PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B OF THE SECURITIES AND FUTURES ACT (CHAPTER 289 OF SINGAPORE)

The Issue Terms in respect of any Notes may include a legend entitled "Singapore Securities and Futures Act Product Classification" which will state the product classification of the Notes pursuant to section 309B(1) of the Securities and Futures Act (Chapter 289) of Singapore (the "SFA"). The Issuer will make a determination and provide the appropriate written notification to "relevant persons" in relation to each issue about the classification of the Notes being offered for purposes of section 309B(1)(a) and section 309B(1)(c) of the SFA.

The Issuer accepts responsibility for information contained in this Base Prospectus. To the best of the Issuer's knowledge, the information contained in this Base Prospectus is in accordance with the facts and this Base Prospectus makes no omission likely to affect its import.

The previous paragraph should be read in conjunction with paragraph 4 on page (i) of this Base Prospectus.

No person has been authorised by the Issuer to give any information or to make any representation not contained or incorporated by reference in this Base Prospectus, and, if given or made, that information or representation should not be relied upon as having been authorised by the Issuer. Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes will, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial situation of the Issuer since the date hereof or, as the case may be, the date upon which this Base Prospectus has been most recently amended or supplemented or the balance sheet date of the most recent financial statements which have been incorporated into this Base Prospectus by way of a supplement to this Base Prospectus, or that any other information supplied from time to time is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. Investors should review, *inter alia*, the most recent financial statements of the Issuer when evaluating any Notes or an investment therein (such financial statements shall not form a part of this Base Prospectus unless they have been expressly incorporated herein, including by way of a supplement to this Base Prospectus).

The distribution of this Base Prospectus and the offering, sale and delivery of Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer to inform themselves about and to observe those restrictions.

Subject to the applicable Issue Terms, the Issuer does not intend to provide post-issuance information in respect of the Notes.

This Base Prospectus should be read and construed with any amendment or supplement thereto and with any other documents incorporated by reference therein.

This Base Prospectus does not constitute an offer of or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer that any recipient of this Base Prospectus should subscribe for or purchase any Notes. Each recipient of this Base Prospectus will be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer and of the particular terms of any offered Notes.

Neither this Base Prospectus nor any Issue Terms may be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which that offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.

All references in this Base Prospectus to "Sterling" and "£" are to the lawful currency of the United Kingdom, all references to "U.S. dollars", "U.S.\$" and "\$" are to the lawful currency of the United States of America, all references to "Japanese Yen" and "¥" are to the lawful currency of Japan, all references to "Australian dollars" and "AUD" are to the lawful currency of the Commonwealth of Australia, all references to "New Zealand dollars" and "NZD" are to the lawful currency of New Zealand, and all references to "euro", "€" and "EUR" are to the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Union, as amended (the "Treaty").

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE NOTES HAVE NOT BEEN RECOMMENDED BY ANY UNITED STATES FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

IMPORTANT NOTICE

Investor suitability

Investment in the Notes is only suitable for investors who:

- (i) have sufficient knowledge, experience and access to professional advisers to make their own legal, tax, accounting and financial evaluation of the merits and risks of investment in such Notes and consider the suitability of such Notes as an investment in light of their own circumstances and financial condition and that of any accounts for which they are acting;
- (ii) are capable of bearing the economic risk of an investment in the Notes;
- (iii) are acquiring the Notes for investment purposes, either for their own account or for the account of an investor for whom they are acting and who is acquiring the Notes for investment purposes, not with a view to resale, distribution or other disposition of the Notes; and
- (iv) recognise that it may not be possible to dispose of the Notes for a substantial period of time, if at all, as the Notes may be illiquid and not readily realisable.

None of the Issuer, any Dealer, the Trustee, nor any other party to any Issue Document is providing legal or tax advice to investors. Each prospective purchaser of Notes must determine, based on its own independent review (including as to the financial condition and affairs and its own appraisal of the creditworthiness of the Issuer) and such professional advice (including, without limitation, tax, accounting, credit, legal and regulatory advice) as it deems appropriate under the circumstances, whether an investment

in the Notes is appropriate in its particular circumstances, having regard to factors such as (without limitation) its or its beneficiary's (if acquiring the Notes for the account of an investor for whom they are acting) financial needs, objectives and conditions, its applicable investment policies, guidelines and restrictions, the risks inherent in investing in the Notes and the consequences of purchasing, owning or transfer of any Notes (including whether any acquisitions of the Notes by a prospective investor complies with any law, regulation or regulatory policy applicable to it).

This Base Prospectus is not intended to provide the basis of any credit or other evaluation nor should it be considered as a recommendation or constituting an invitation or offer that any recipient of this Base Prospectus should purchase any Notes.

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KEY FEATURES OF THE NOTES

The following overview describes the key features of the Notes that each Issuer is offering under the Programme in general terms only. Investors should read the overview together with the more detailed information that is contained in this Base Prospectus and in the applicable Issue Terms.

Issuer	MSI plc
Dealers.....	MSI plc and any other dealer that has agreed to subscribe for and/or distribute any Tranche of Notes.
Principal Paying Agent	The Bank of New York Mellon, London Branch.
Registrar and Transfer Agent	The Bank of New York Mellon SA/NV, a credit institution organised and existing under the laws of Belgium, with company number 0806.743.159, whose registered office is at 46 Rue Montoyer, B-1000 Brussels, Belgium, acting through its Luxembourg Branch located in the Grand Duchy of Luxembourg at Vertigo Building – Polaris, 2-4 Rue Eugène Ruppert, L-2453 Luxembourg, registered with the RCS under number B 105087.
Trustee.....	BNY Mellon Corporate Trustee Services Limited
Custodians.....	The Bank of New York Mellon, London Branch (the " Custodian "). Any additional custodian may be 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 (each an " Additional Custodian " and together with the Custodian, the " Custodians ")
Programme Amount	U.S.\$5,000,000,000 or the equivalent amount thereof in other currencies. The maximum aggregate amount of Notes permitted to be outstanding at any one time under this Programme may be increased from time to time.
Issuance in Series.....	Notes will be issued in series (each, a " Series "). Each Series may comprise one or more tranches (" Tranches " and each, a " Tranche ") issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches and each Series may comprise Notes of different denominations. The Notes of each Tranche will all be subject to identical terms in all respects save that a Tranche may comprise Notes of different denominations.
Status	Notes will be secured, direct and general obligations of the Issuer.
Security.....	In respect of each Series of Notes, the Issuer will grant security in favour of the Trustee over the Posted Collateral (as defined below) and certain other assets to secure its obligations in relation to the Notes, as specified in the Supplemental Trust Deed in relation to such Series of

Notes and/or under any additional security document, as described in the applicable Issue Terms.

Eligible Collateral and Posted Collateral

In respect of each Series of Notes, the Issuer will provide collateral in respect of such Series, which may be any of or any combination of:

- (i) cash in any Eligible Currency specified in Part C (the "**Collateral Schedule**") of the applicable Issue Terms;
- (ii) any common shares or stock, preference shares or stock, convertible common shares or stock, convertible preference shares or stock, American depositary receipts, global depositary receipts, warrants or any other type of asset which represents a share of an equity interest in an entity, as further specified in the applicable Collateral Schedule ("**Equity Securities**") which may be Equity Securities which are component shares of an Eligible Index (as defined in the section of this Base Prospectus headed "*The Eligible Collateral*") or unlisted Equity Securities, (other than the EM Collateral that are Equity Securities) that meets the Equity Eligibility Criteria specified in the Collateral Schedule of the applicable Issue Terms (the "**Equity Collateral**");
- (iii) any bonds, notes, commercial paper, deposits or certificates as further described in the section of this Base Prospectus headed "*The Eligible Collateral*" ("**Debt Securities**") (other than the EM Collateral that are Debt Securities or any Asset Backed Securities) which may be listed or unlisted and secured or unsecured that meets the Debt Eligibility Criteria specified in the Collateral Schedule of the applicable Issue Terms (the "**Debt Collateral**");
- (iv) any Debt Security where the timing and/or amount of payments of interest and/or repayment of principal depend on the cash flow from a financial asset or a pool of financial assets; or payments of interest and/or repayment of principal are linked, directly or indirectly, to the credit of one or more obligors and/or value and/or price performance and/or cash flow of a financial asset or a pool of financial assets, and, in each case, by its terms may pay an amount in cash to its holder within a finite time period, and/or with such other rights or assets designed to assure the servicing or timely distribution of proceeds to holders of such Debt Security ("**Asset Backed Securities**") (other than the EM Collateral that are Asset Backed Securities) which may be listed or unlisted that meets the ABS Eligibility Criteria specified in the Collateral Schedule of the applicable Issue Terms (the "**ABS Collateral**");

- (v) any Equity Securities, Debt Securities or Asset Backed Securities issued by an entity incorporated in or otherwise constituted in an EM Jurisdiction, which may be listed or unlisted that meets the EM Eligibility Criteria specified in the Collateral Schedule of the applicable Issue Terms (the "**EM Collateral**"); and
- (vi) any other assets meeting the relevant eligibility criteria, as specified in the Collateral Schedule of the applicable Issue Terms (together with the Equity Collateral, the Debt Collateral, the ABS Collateral and the EM Collateral, the "**Eligible Collateral**").

Any cash (the "**Posted Cash**"), Equity Collateral (the "**Posted Equity Collateral**"), Debt Collateral (the "**Posted Debt Collateral**"), ABS Collateral (the "**Posted ABS Collateral**"), EM Collateral (the "**Posted EM Collateral**") and any other Eligible Collateral provided by the Issuer in respect of such Series of Notes from time to time (together, the "**Posted Collateral**"), will be subject to the relevant eligibility criteria, as specified in the Collateral Schedule.

For further information about the type of assets that may constitute Eligible Collateral for the purposes of this Programme, see the section of this Base Prospectus headed "*The Eligible Collateral*".

Custody Agreement..... Any Posted Collateral in respect of each Series of Notes will be held by the Custodian in an account designated for such Series in the name of the Trustee for the account of the Issuer (the "**Custody Account**"). Any Posted Cash will be held in a cash sub-account opened for such purpose (the "**Custody (Cash) Account**") and any Posted Equity Collateral, Posted Debt Collateral, Posted ABS Collateral and Posted EM Collateral will be held in one or more securities sub-accounts (the "**Custody (Securities) Account**"). The Custodian may appoint sub-custodians, including local sub-custodians in each EM Jurisdiction, that may be an Affiliate of the Custodian, to hold any Posted EM Collateral.

The Issuer, the Trustee and the Custodian (among others) entered into a custody agreement dated 20 December 2012 and as from time to time further amended and/or restated (the "**Custody Agreement**") which specifies the terms on which any Posted Collateral in respect of each Series of Notes will be held.

Additional Custody Agreement(s)..... If the applicable Issue Terms specifies an Additional Custodian, an additional custody agreement shall be entered into on terms to be agreed between the Issuer, the Trustee, the relevant Additional Custodian and any relevant Dealer (if applicable).

Collateral Administrator MSI plc has been appointed to act as the collateral administrator for the Custodian (in such capacity, the "**Collateral Administrator**"), in accordance with terms of the Collateral Administration and Reporting

Agreement (as defined below), for each Series of Notes, to perform certain administrative functions in relation to the transfer of Eligible Collateral and Posted Euroclear Collateral (as defined below), the substitution of Posted Euroclear Collateral for other Eligible Collateral and withdrawal of Posted Euroclear Collateral, where "**Posted Euroclear Collateral**" 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 (the "**Posted Euroclear Cash**"), the Posted Equity Collateral, the Posted Debt Collateral and the Posted ABS Collateral.

In relation to the Posted Euroclear Collateral in respect of each Series of Notes, the Custodian will grant a power of attorney in favour of the Collateral Administrator (each a "**Euroclear Power of Attorney**") under which the Collateral Administrator may act as attorney for the Custodian under the Collateral Service Agreement (as defined below) and exercise any of the rights or undertake any of the obligations of the Custodian under the relevant Collateral Service Agreement.

The Custodian and the Collateral Administrator have, pursuant to the terms of the Collateral Administration and Reporting Agreement, agreed that the scope of the Collateral Administrator's rights under each Euroclear Power of Attorney shall be limited to certain tasks the Custodian is required to perform under the terms of the relevant Collateral Service Agreement, as further described in the Collateral Administration and Reporting Agreement (as described below).

Collateral Administration and Reporting Agreement

The Issuer, the Trustee, the Custodian, MSI plc (in its capacity as the Collateral Administrator, the ABS Collateral Verification Agent (as defined below) and the EM Collateral Verification Agent (as defined below)) and The Bank of New York Mellon, London Branch, in its capacity as the collateral reporting agent (the "**Collateral Reporting Agent**") have entered into a collateral administration and reporting agreement dated 20 December 2012 and as from time to time amended and/or restated (the "**Collateral Administration and Reporting Agreement**") which sets out the terms on which the Collateral Administrator, the ABS Collateral Verification Agent, the EM Collateral Verification Agent and the Collateral Reporting Agent will perform certain collateral administration, verification and reporting tasks on behalf of the Issuer, the Trustee and the Custodian in respect of each Series of Notes.

Transfer, withdrawal and substitution of Posted Collateral.....

The Trust Deed contains the terms governing the initial transfer of Eligible Collateral from the Issuer to the Trustee, the final transfer of the Posted Collateral from the Trustee to the Issuer, substitution and withdrawal of Posted Collateral from the Custody Account and the valuation of the Posted Collateral.

In respect of each Series of Notes, the Issuer will enter into a collateral service agreement with the Custodian, acting as agent for the Trustee, and Euroclear (in its capacities as

collateral service provider (the "**Collateral Service Provider**") and as a collateral verification agent (the "**Debt and Equity Collateral Verification Agent**") to be dated on or about the relevant Issue Date (the "**Collateral Service Agreement**"). The Collateral Service Provider will provide certain services to the Issuer and the Custodian in relation to the valuation of the Posted Debt Collateral and the Posted Equity Collateral, substitution of Posted Collateral for other Eligible Collateral and withdrawal of Posted Collateral.

The transfer, withdrawal, substitution and valuation of Posted Collateral may, if specified in the applicable Issue Terms, be governed by the terms of an additional collateral management agreement, to be agreed by, among others, the Issuer, the Trustee, the relevant entity acting as collateral manager in relation to the applicable Posted Collateral, the relevant Collateral Verification Agent (as defined below) and the relevant Dealer (if applicable) (such agreement, an "**Additional Collateral Management Agreement**").

In respect of each Series of Notes, the Issuer, in accordance with the terms of the Collateral Service Agreement, any Additional Collateral Management Agreement, the Collateral Administration and Reporting Agreement and the Trust Deed, may, at any time without the prior consent of the Trustee, substitute any Posted Collateral in the Custody Account with any Eligible Collateral, and shall substitute any Posted Collateral in the Custody Account that no longer meets the Eligibility Criteria, provided in each case, that following such substitution, the aggregate Value (as defined below) of all the Posted Collateral is greater than or equal to the Minimum Collateralisation Value. The Issuer may also, without the prior consent of the Trustee, withdraw any excess Posted Collateral if the aggregate Value of the Posted Collateral in respect of a Series of Notes exceeds the Minimum Collateralisation Value, provided however that the aggregate Value of the Posted Collateral following such withdrawal must be greater than or equal to the greater of (i) the aggregate of any early redemption amounts that the Issuer would be required to pay to Noteholders in respect of such Series of Notes and (ii) the Minimum Collateralisation Value.

In respect of a Series of Notes, any substitution of Posted Collateral (the "**Substituted Collateral**") with any Eligible Collateral (the "**Replacement Collateral**") which decreases the aggregate Value of the Posted Collateral shall be deemed to be a substitution of the Substituted Collateral with the Replacement Collateral and a withdrawal of any excess Substituted Collateral with such excess having a Value equal to the amount by which the aggregate Value of the Posted Collateral has been reduced following such substitution.

Minimum Collateralisation Value.....

In relation to each Series of Notes, the Issuer will have the obligation to maintain the aggregate Value of the Posted Collateral, on each Collateral Valuation Date, so that such Value is equal to the Minimum Collateralisation

		Percentage (as specified in the applicable Issue Terms) multiplied by the Aggregate Principal Amount of the outstanding Notes.
Collateral Agents	Verification	<p>In respect of any Posted Cash (other than any Posted Euroclear Cash), the Issuer.</p> <p>In respect of any Posted Euroclear Cash, Posted Debt Collateral and any Posted Equity Collateral, the Debt and Equity Collateral Verification Agent.</p> <p>In respect of any Posted ABS Collateral, the Issuer (in its capacity as the Asset Backed Securities collateral verification agent, the "ABS Collateral Verification Agent").</p> <p>In respect of any Posted EM Collateral, the Issuer (in its capacity as the EM Collateral verification agent, the "EM Collateral Verification Agent").</p> <p>Posted Collateral may be valued by any other collateral verification agent, as specified in the applicable Issue Terms (each an "Additional Collateral Verification Agent" and together with the Issuer, the Debt and Equity Collateral Verification Agent, the ABS Collateral Verification Agent and the EM Collateral Verification Agent, the "Collateral Verification Agents" and each a "Collateral Verification Agent").</p>
Collateral Reporting Agent ..		The Bank of New York Mellon, London Branch.
Valuation of Posted Collateral and Reporting		<p>Each Collateral Verification Agent will, unless otherwise specified in the applicable Issue Terms, value the relevant Posted Collateral for each Series of Notes in respect of which it is appointed a Collateral Verification Agent on a daily basis by calculating the product of (i) the market value of such Posted Collateral as determined by the relevant Collateral Verification Agent in accordance with the terms of the Trust Deed, Collateral Administration and Reporting Agreement, Collateral Service Agreement or Additional Collateral Management Agreement and (ii) the valuation percentage (the "Valuation Percentage") attributable to such Posted Collateral (such product, the "Value") and provide such Values to the Collateral Reporting Agent.</p> <p>The Value of any Posted Cash (other than any Posted Euroclear Cash) shall be determined by the Issuer on or prior to the close of business in London one Business Day prior to the date of any Noteholder Report (as defined below). The Value of any Posted Euroclear Cash, Posted Equity Collateral and Posted Debt Collateral shall be determined by the Debt and Equity Collateral Verification Agent on or prior to 10:00 a.m. London time on the date of any Noteholder Report. The Value of the Posted ABS Collateral shall be determined by the ABS Collateral Verification Agent at the close of business in London one Business Day prior to the date of any Noteholder Report. The Value of the Posted EM Collateral shall be determined by the EM Collateral Verification Agent at the</p>

close of business in London on the day that is three Business Days prior to the date of any Noteholder Report.

The Collateral Reporting Agent, pursuant to the terms of the Collateral Administration and Reporting Agreement, shall be responsible for compiling the valuations of the Posted Collateral provided by each of the Collateral Verification Agents in respect of each Series of Notes and producing a report for each Series of Notes on each Business Day such Series of Notes remains outstanding (each a "**Noteholder Report**"). Each Noteholder Report will be made available to the Noteholders of such Series of Notes on the secured website specified in the applicable Issue Terms that is accessible only by way of unique password (which may be obtained from the Collateral Reporting Agent by a Noteholder upon request, provided that such Noteholder provides the Collateral Reporting Agent with proof of its noteholding in a form satisfactory to the Collateral Reporting Agent, acting reasonably).

Forms of Notes

The Issuer may issue Notes either in bearer form to the extent it has been determined that such Notes should be classified as being in registered form for U.S. Federal income tax purposes ("**Bearer Notes**") or in registered form ("**Registered Notes**"). Bearer Notes may be in either definitive form or global form. Notes in definitive bearer form will be serially numbered. Registered Notes may be in either individual certificate form or in global certificate form.

(i) *Bearer Notes*

Bearer Notes with maturities of more than 183 days initially will be represented by a temporary global bearer note that the Issuer will deposit with a common depository or (if in new global note form (a "**New Global Note**" or "**NGN**")) a common safekeeper for Euroclear Bank SA/NV ("**Euroclear**"), Clearstream Banking, *société anonyme*, Luxembourg ("**Clearstream, Luxembourg**"), and/or any other relevant clearing system. Interests in each temporary global Bearer Note will be exchangeable for interests in permanent global Bearer Notes or for definitive bearer notes.

Bearer Notes with maturities of 183 days or less initially will be represented by a permanent global Bearer Note that the Issuer will deposit with a common depository or (if in New Global Note form) a common safekeeper for Euroclear, Clearstream, Luxembourg, and/or any other relevant clearing system.

Bearer Notes will only be issued if it has been determined that such Notes should be classified as being in registered form for U.S. Federal income tax purposes.

(ii) *Registered Notes*

Registered Notes will be in the form of either individual note certificates or global note certificates, in each case as specified in the applicable Issue Terms. Each global note certificate will either be: (a) in the case of Registered

Notes which are not to be held under the new safekeeping structure ("**New Safekeeping Structure**" or "**NSS**"), registered in the name of a nominee of a common depositary 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 depositary; or (b) in the case of Registered Notes which are to be held under the New Safekeeping Structure, registered in the name of a nominee of a common safekeeper 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.

Issue Terms and the Terms and Conditions	Issue terms will be prepared in respect of each Tranche of Notes (each set of issue terms, the " Issue Terms "). The terms and conditions applicable to each Tranche will be those set out in this Base Prospectus under the heading " <i>Terms and Conditions of the Notes</i> ", as supplemented, modified or replaced, in each case, by the applicable Issue Terms.
Specified Currency	Notes may be denominated or payable in any currency as set out in the applicable Issue Terms, subject to all applicable consents being obtained and compliance with all applicable legal and regulatory requirements.
Issue Price	Notes may be issued at any price, as specified in the applicable Issue Terms, subject to compliance with all applicable legal and regulatory requirements.
Maturities	Notes will have maturities as specified in the applicable Issue Terms, subject to compliance with all applicable legal and regulatory requirements.
	Where Notes have a maturity of less than one year and either (i) the issue proceeds are received by the Issuer in the United Kingdom or (ii) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, such Notes must: (a) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (b) be issued in other circumstances which do not constitute a contravention of section 19 of the FSMA by the Issuer.
Redemption	Notes may be redeemed at par or at such other redemption amount (detailed in a formula or otherwise), as may be specified in the applicable Issue Terms.

Early Redemption	<p>The Notes may be redeemed prior to their scheduled maturity in any one of the following circumstances:</p> <ul style="list-style-type: none"> (i) if specified in the applicable Issue Terms, upon the exercise of the Issuer's option to redeem the Notes pursuant to Condition 10.4 (<i>Redemption at the Option of the Issuer</i>); (ii) if specified in the applicable Issue Terms, upon the exercise of the Noteholder of its option to redeem the Notes pursuant to Condition 10.6 (<i>Redemption at the Option of Noteholders</i>); (iii) in the event of the insolvency of the Custodian as further described in Condition 10.7 (<i>Early Redemption in the event of the insolvency of the Custodian</i>); or (iv) in the event of that the Issuer, in its sole and absolute discretion, determines that performance of its obligations shall have or will become illegal, as further described in Condition 15 (<i>Force Majeure and Illegality</i>). <p>Early redemption will also be permitted for taxation reasons as mentioned in Condition 10 (<i>Redemption and Purchase</i>) but will otherwise be permitted only to the extent specified in the applicable Issue Terms.</p>
Interest	Notes may be interest-bearing or non-interest-bearing. Interest (if any) may accrue at a fixed rate, which may be zero, or a floating rate, or at a rate which varies during the lifetime of the relevant Series.
Denominations	Notes will be issued in denominations of at least U.S.\$ 500,000 (or the equivalent amount thereof in other currencies), as may be specified in the applicable Issue Terms, subject to compliance with all applicable legal and regulatory requirements.
Taxation	Payments made by the Issuer, in respect of any Notes will be made without withholding or deduction for, or on account of, any present or future tax, assessment or governmental charge (" Taxes "), unless the withholding or deduction of those Taxes is required by law (including any withholding tax imposed under Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended, and any applicable U.S. Treasury regulations promulgated thereunder or published administrative guidance implementing such sections (including withholding resulting from any inter-governmental agreement in connection with such sections, regulations and/or guidance)).
Benefit Plan Investor	The Notes may not be acquired or held by, or acquired with the assets of, any employee benefit plan subject to Title I of the Employee Retirement Income Security Act of 1974, as amended (" ERISA "), any individual retirement account or plan subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended, or any entity whose underlying assets include "plan assets"

within the meaning of ERISA by reason of any such plan's or account's investment therein.

Use of Proceeds	The net proceeds from the sale of the Notes will be used for the Issuer's funding purposes.
Listing	<p>Applications have been made to admit the Notes offered under the Programme to the Official List and to trading on the Regulated Market of Euronext Dublin. The applicable Issue Terms will specify whether a Tranche of Notes will be admitted to the Official List and to trading on the Regulated Market of Euronext Dublin or admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system or will be unlisted, as the Issuer and any Dealer may agree.</p> <p>A drawdown prospectus (each a "Drawdown Prospectus") will be prepared by the Issuer in respect of any Tranche of Notes admitted to the Official List and to trading on the Regulated Market of Euronext Dublin. Each Drawdown Prospectus will include the applicable set of Issue Terms prepared in respect of such Tranche of Notes.</p>
Clearing Systems	Euroclear, Clearstream, Luxembourg and/or any other clearing system as may be specified in the applicable Issue Terms.
Governing Law	Unless otherwise specified in the applicable Issue Terms, the Notes and any non-contractual obligations arising out of or in connection with them shall be governed by English law.
Selling Restrictions	The Notes may not be offered, sold or delivered <i>at any time, directly or indirectly, within the United States or to or for the account of U.S. Persons (as defined in Regulation S under the Securities Act).</i> For a description of certain restrictions on offers, sales and deliveries of the Notes and on the distribution of offering material in the United States and in certain other countries, see "<i>Subscription and Sale</i>" and "<i>No Ownership by U.S. Persons</i>".

RISK FACTORS RELATING TO THE NOTES

Prospective investors should read the entire Base Prospectus and any applicable Issue Terms. Words and expressions defined elsewhere in this Base Prospectus have the same meanings in this section.

Prospective investors should consider the section entitled "Risk Factors" in the Registration Document, as supplemented or amended from time to time in respect of the Issuer (referred to in the section entitled "Incorporation by Reference" in this Base Prospectus) and the factors described below and consult with their own professional advisers if they consider it necessary. The Issuer believes that such factors represent the most significant risks inherent in investing in Notes issued under the Programme but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons, which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate.

Each investor should carefully consider whether the Notes, as described herein and in the applicable Issue Terms, are suited to its particular circumstances before deciding to purchase any Notes.

1. RISKS RELATING TO THE NOTES

1.1 Recourse and Credit risk

The security for the Notes will be created over the Secured Assets and will be held by the Trustee on trust for the Noteholders in relation to such Series of Notes (as to which see "*Risks relating to the Secured Assets*"). No assurance can be made that the Realisation Proceeds will be sufficient to cover all amounts due and payable in respect of the Notes. If the Realisation Proceeds are insufficient to make all the payments in respect of the Notes, the Issuer shall remain liable for any shortfall. Any shortfall will constitute an unsecured claim against the Issuer. **Investors should be aware that their recovery will be dependent on the creditworthiness of the Issuer and in the event of the insolvency of the Issuer, investors may lose some or all of their investment.**

The Notes of each Series are direct, senior obligations of the Issuer and not of the officers, members, directors, employees, security holders or incorporator of the Issuer, the Trustee, the Agents, the Collateral Agents or the Collateral Obligors (as defined below) or their respective successors or assigns. The Notes will not be obligations or responsibilities of, and will not be guaranteed by, the Trustee, any Agent, any Collateral Agent or any affiliate of any of the foregoing.

1.2 Noteholders will have limited ability to enforce rights with respect to the Notes or the Secured Assets

Except in the limited circumstances set out in Condition 14.3 (*Enforcement*), Noteholders will have no contractual right to act directly with respect to the Secured Assets or to proceed directly against any obligors in respect of the Posted Collateral (each such obligor, a "**Collateral Obligor**" and together, the "**Collateral Obligors**"). Those rights are held by the Trustee who will act on the Noteholders' behalf and the ability to take any action in respect of the Posted Collateral will be limited to rights exercisable by the Trustee. The Trustee is required to act to exercise such rights if so directed by an Extraordinary Resolution of the holders a Series of Notes or the holders of at least 50 per cent. of the aggregate principal amount of the outstanding Notes, provided that it is indemnified and/or secured and/or pre-funded to its satisfaction by such Noteholders.

1.3 Risks relating to third party agents

The Issuer has appointed a number of third party agents under the Programme and is reliant on each agent to fulfil its obligations in respect of the Notes. If any agent becomes insolvent and/or otherwise fails to fulfil its contractual obligations to the Issuer in respect of the Notes, the Issuer may not be able to fulfil its obligations in respect of the Notes notwithstanding that the Issuer may have found replacement agent(s) and, where the Issuer is also insolvent, this may affect the ability of the Trustee (acting on behalf of the Noteholders) to recover amounts due from the Issuer in respect of the Notes.

In particular, prospective investors should also note that The Bank of New York Mellon and its affiliates have been appointed in a number of capacities under the Programme, including as trustee, custodian and principal paying agent. Any failure by The Bank of New York Mellon to fulfil its

obligations in one capacity may result in a failure to fulfil its obligations in its other capacities under the Programme. This is likely to have an adverse effect on the ability of the Issuer to fulfil its obligations in respect of the Notes, for example (without limitation) the ability for the Issuer to maintain the aggregate Value of the Posted Collateral above the Minimum Collateralisation Value, to make withdrawals or substitutions of Posted Collateral from the Custody Account and to make payments due on the Notes, and/or, in the case where the Issuer is also insolvent, the ability for the Trustee (on behalf of the Noteholders) to recover any amounts from the Issuer in respect of the Notes.

Investors should note that the Trustee expressly does not undertake to review the financial condition or affairs of the Issuer, any Agent or any Collateral Agent for any Series of Notes during the life of the Programme.

1.4 Risks relating to the Custodian and sub-custodians

Posted Collateral (other than any Posted Cash) is to be segregated from the assets of the Custodian so as to be protected in the event of the Custodian's insolvency. However, any Posted Cash will not be protected in the event of the Custodian's insolvency and any claim to the Posted Cash will rank together with all other unsecured claims against the Custodian. Consequently, any enforcement action taken by the Trustee (for itself and on behalf of the Secured Creditors) in relation to the Posted Cash could be subject to delay and a Noteholder's recovery could be substantially less than the total value of any claim against the Custodian.

Under the terms of the Custody Agreement, the Custodian may appoint one or more sub-custodians to hold the Posted Collateral, which may be an affiliate of the Custodian. Posted Collateral held with a sub-custodian may be held in an omnibus client securities account and such Posted Collateral may be commingled with securities belonging to other clients of the Custodian held in such securities account. The Custodian will identify in its books and records any Posted Collateral held for the benefit of the Trustee in an omnibus client securities account with any sub-custodian. Unless otherwise specified in the applicable Issue Terms, neither the Issuer nor Trustee has a direct contractual relationship with the sub-custodians and the Custodian has not created security over its rights against the sub-custodians in favour of the Issuer or the Trustee.

In the event (i) of the insolvency of any sub-custodian or (ii) that the Trustee enforces the Security over the Posted Collateral, the Trustee will have no direct rights against any sub-custodians appointed by the Custodian but will need to rely on the rights it has with respect to the Custodian. Should there be a shortfall in the assets held by a sub-custodian after the appointment of a liquidator, administrator, an administrative receiver or other insolvency official in respect of a sub-custodian, the Custodian's recovery of assets held by such sub-custodian may be reduced pro-rata in proportion to the Trustee's original share of the original pool of securities held by such sub-custodian on the Custodian's behalf. **This will, in the event that the Issuer is also insolvent and the Trustee has enforced the Security over the Posted Collateral, affect a Noteholder's recovery in respect of the Notes.**

1.5 Risks relating to the Collateral Administrator

For each Series of Notes issued under the Programme, the Custodian will appoint MSI plc to act as collateral administrator (in such capacity, the "**Collateral Administrator**") in respect of the Posted Euroclear Collateral. The Custodian will grant a power of attorney in favour of the Collateral Administrator in respect of each Series of Notes (each a "**Euroclear Power of Attorney**") and pursuant to such Euroclear Power of Attorney, the Collateral Administrator may exercise any of the rights and undertake any of the obligations of the Custodian under the relevant Collateral Service Agreement. The Collateral Administrator and the Custodian have separately agreed in the Collateral Administration and Reporting Agreement to limit the scope of the Collateral Administrator's rights under any such Euroclear Power of Attorney. **Noteholders will bear the risk of any actions taken by the Collateral Administrator on behalf of the Custodian that are not in accordance with the terms of the Issue Documents.**

1.6 Limited Liquidity and Restrictions on Transfer

Although there is currently a limited secondary market for notes representing collateralised securities similar to the Notes, there is currently no secondary market for the Notes themselves. **Potential investors should be willing to hold the Notes until maturity.**

Neither the Issuer nor any of its affiliates intend to make a market in the Notes. **There can be no assurance that any secondary market for any of the Notes will develop or, if a secondary market does develop, that it will provide the Noteholders with enough liquidity to sell or trade the Notes easily, or such liquidity will continue for the life of such Notes.**

If a secondary market was to develop it would be affected by, amongst other things, supply and demand for the Notes, interest rates and macroeconomic factors, and, accordingly, the Notes may be sold at a discount.

The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. Consequently, the Notes may not be offered, sold, resold, delivered or transferred within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S). In addition, the Issuer has not been and will not be registered as an "investment company" under the 1940 Act. Accordingly, the Notes may only be sold to a person that is an Eligible Purchaser. The Issuer may compel any beneficial owner of an interest in the Notes to sell its interest in such Notes, or may sell such interest on behalf of such holder, if such holder is not an Eligible Purchaser. See "*Subscription and Sale*" and "*No Ownership by U.S. Persons*" below.

1.7 Noteholders' Resolutions

The Principal Trust Deed includes provisions for the passing of Resolutions (whether at a Noteholders' meeting by way of vote or by Written Resolution) of the Noteholders in respect of (among any other matters) amendments to the Conditions of the Notes and/or the Issue Documents. Such provisions include, among other things, (i) quorum requirements for the holding of Noteholders' meetings and (ii) voting thresholds required to pass resolutions at such meetings (or through Written Resolutions). The quorum required for a meeting of Noteholders (other than an adjourned meeting) to pass an Extraordinary Resolution (other than one relating to a Reserved Matter) is two or more persons holding or representing 50 per cent. of the aggregate of the aggregate principal amount outstanding of the Notes and at an adjourned meeting, two or more persons holding or representing Noteholders whatever the principal amount of the Notes held or represented. The voting threshold at any Noteholders' meeting in respect of an Extraordinary Resolution relating to a Reserved Matter is at least 62.5 per cent. of the aggregate principal amount outstanding of the Notes and at an adjourned meeting, one quarter. Accordingly, it is possible that, at any meeting of the Noteholders, an Extraordinary Resolution may be passed with less than 50 per cent. of all the Noteholders, in the case of an Extraordinary Resolution other than one relating to a Reserved Matter, and 62.5 per cent., in the case of an Extraordinary Resolution relating to a Reserved Matter. See Condition 19 (*Meetings of Noteholders and Modification*). Any Extraordinary Resolution duly passed by Noteholders of a Series will bind all the Noteholders of such Series.

1.8 Voting Rights upon an Event of Default and Enforcement

If an Event of Default occurs and is continuing, the Trustee may, at its discretion and shall, if so requested by an Extraordinary Resolution or requested in writing by the Noteholders of a Series holding at least 50 per. cent of the aggregate principal amount of the outstanding Notes of such Series (subject, in each case, to being indemnified and/or secured and/or prefunded by the relevant Noteholders to its satisfaction), give notice to the Issuer that all the Notes of such Series are to be immediately due and payable. At any time after the Notes of a Series become due and payable and the security under the applicable Trust Deed becomes enforceable, the Trustee may, at its discretion, and shall if so directed by an Extraordinary Resolution or the Noteholders holding at least 50 per. cent of the aggregate principal amount of the outstanding Notes of such Series (subject as aforesaid), institute such proceedings against the Issuer as it may think fit to enforce the terms of the applicable Trust Deed and the Notes and pursuant and subject to the terms of the applicable Trust Deed and the Notes of such Series, realise and/or otherwise liquidate or sell the Secured

Assets in whole or in part and/or take any other action to enforce the security over the Secured Assets. See Condition 14 (*Events of Default*). Any such direction to the Trustee will be binding on all Noteholder of such Series.

Except as provided in Condition 14.3 (*Enforcement*), no Noteholder shall be entitled to enforce the Security or to institute proceedings directly against the Issuer to enforce the provisions of the Security Documents unless, the Trustee, having become bound to enforce the Security or to institute proceedings against the Issuer to enforce the provisions of the Security Documents, fails to do so within a reasonable period of time and such failure is continuing.

1.9 **No Fiduciary Role**

None of the Issuer, the Trustee, the Agents, the Collateral Agents or any of the parties to the Issue Documents or any of their respective affiliates is acting as an investment advisor, and none of them (other than the Trustee) assumes any fiduciary obligation, to any purchaser of Notes nor do they assume any responsibility for conducting or failing to conduct any investigation into the business, financial condition, prospects, creditworthiness, status and/or affairs of a Collateral Obligor.

None of such parties makes any representation or warranty, express or implied, as to any of such matters.

1.10 **Notes may be Redeemed Prior to their Scheduled Maturity Date**

In the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any relevant jurisdiction, the Issuer may redeem all outstanding Notes in accordance with the Conditions at the redemption price specified in the applicable Issue Terms.

Further, the applicable Issue Terms may specify that the Notes are redeemable at the Issuer's option prior to their stated maturity. In such event, if the Issuer exercises its option to redeem the Notes, an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

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

In the case of certain Notes, if such Notes are redeemed early for any reason, the amount payable by the Issuer may be less than the amount that would have been paid had the Notes been redeemed at maturity.

1.11 **Interest Rate Risk**

Investment in the Notes may involve interest rate risk. Interest rate fluctuations may cause the value of the Notes (whether issued using Fixed Rate Note Provisions, Floating Rate Note Provisions or otherwise) to change on a daily basis and the uncertain nature of these fluctuations creates interest rate risk. As the market interest rates increase, the interest rate risk that an investor may bear in the Notes will also increase, as a general rule.

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

1.12 **Currency Risk relating to the Notes**

Notes denominated in currencies other than the investor's home currency (namely the currency of the country in which such investor resides or in which such investor conducts its business) may be subject to the risk of significant changes in rates of exchange between such home currency and the

other relevant currencies and the possibility of the imposition or modification of exchange controls by the relevant governmental authorities for example, fixing the exchange rates with respect to another currency, the imposition of regulatory controls or taxes, changes in interest rates to influence the exchange rates of their currencies, issuing a new currency to replace an existing currency or altering the exchange rate or relative exchange characteristics by a devaluation or revaluation of a currency.

These risks generally depend on economic and political events over which the Issuer has no control. Governmental intervention may change or interfere with currency valuations and currency fluctuations that would otherwise occur in response to economic forces, as well as in response to the movement of currencies across borders which in turn could adversely affect yields or payouts in an investor's home currency. Such actions may also affect the availability of the relevant currency to make payments in relation to the Notes.

Where the Notes are denominated in an emerging market currency, such currencies can be significantly more volatile than currencies of more developed markets. Emerging market currencies are more exposed than developed market currencies to the risk of a currency crisis which may affect an investor's return on the Notes.

The Notes and any non-contractual obligations arising out of or in connection with them shall be governed by English law. Although an English court has the power to grant judgment in the currency in which a Note is denominated, it may decline to do so in its discretion. If judgment were granted in a currency other than that in which a Note is denominated, the investor will bear the relevant currency risk.

The Issuer will not make any adjustment or change in the terms of the Notes in the event that exchange rates should become fixed, or in the event of any devaluation or revaluation or imposition of exchange or other regulatory controls or taxes, or in the event of other developments affecting any currency or the volatility of any applicable exchange rates. The investor will bear those risks.

Investors should consult their financial and legal advisers as to any specific risks entailed by an investment in Notes that are denominated or payable in a currency other than their home currency. Such Notes are not appropriate investments for investors who are not sophisticated with respect to foreign currency transactions.

1.13 Reform of LIBOR and EURIBOR and Other Interest Rate Index Benchmark

LIBOR, EURIBOR and other indices which are deemed "benchmarks" are the subject of recent national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such "benchmarks" to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to a "benchmark".

Any of the international, national or other proposals for reform or the general increased regulatory scrutiny of "benchmarks" could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or participate in certain "benchmarks", trigger changes in the rules or methodologies used in certain "benchmarks" or lead to the disappearance of certain "benchmarks".

The disappearance of a "benchmark" or changes in the manner of administration of a "benchmark" could have materially adverse consequences in relation to Notes linked to such "benchmark".

1.14 Secured Overnight Financing Rate

The interest rate on the Notes may be determined by reference to (i) SOFR (as defined in the Terms and Conditions of the Notes) or (ii), in certain circumstances, either a Fallback Term SOFR or Fallback Compounded SOFR (each as defined in the Terms and Conditions of the Notes).

SOFR is published by the New York Federal Reserve and is intended to be a broad measure of the cost of borrowing cash overnight collateralized by U.S. Treasury securities. The New York Federal

Reserve reports that SOFR includes all trades in the Broad General Collateral Rate and bilateral Treasury repurchase agreement (repo) transactions cleared through the delivery-versus-payment service offered by the Fixed Income Clearing Corporation (the "FICC"), a subsidiary of the Depository Trust and Clearing Corporation ("DTCC"), and SOFR is filtered by the New York Federal Reserve to remove some (but not all) of the foregoing transactions considered to be "specials". According to the New York Federal Reserve, "specials" are repos for specific-issue collateral, which take place at cash-lending rates below those for general collateral repos because cash providers are willing to accept a lesser return on their cash in order to obtain a particular security.

The New York Federal Reserve reports that SOFR is calculated as a volume-weighted median of transaction-level tri-party repo data collected from The Bank of New York Mellon as well as General Collateral Finance Repo transaction data and data on bilateral Treasury repo transactions cleared through the FICC's delivery-versus-payment service. The New York Federal Reserve also notes that it obtains information from DTCC Solutions LLC, an affiliate of DTCC.

If data for a given market segment were unavailable for any day, then the most recently available data for that segment would be utilized, with the rates on each transaction from that day adjusted to account for any change in the level of market rates in that segment over the intervening period. SOFR would be calculated from this adjusted prior day's data for segments where current data were unavailable, and unadjusted data for any segments where data were available. To determine the change in the level of market rates over the intervening period for the missing market segment, the New York Federal Reserve would use information collected through a daily survey conducted by its Trading Desk of primary dealers' repo borrowing activity. Such daily survey would include information reported by Morgan Stanley & Co. LLC, a wholly owned subsidiary of Morgan Stanley, as a primary dealer.

The New York Federal Reserve notes on its publication page for SOFR that use of SOFR is subject to important limitations, indemnification obligations and disclaimers, including that the New York Federal Reserve may alter the methods of calculation, publication schedule, rate revision practices or availability of SOFR at any time without notice.

Each U.S. government securities business day, the New York Federal Reserve publishes SOFR on its website at approximately 8:00 a.m., New York City time. If errors are discovered in the transaction data provided by The Bank of New York Mellon or DTCC Solutions LLC, or in the calculation process, subsequent to the initial publication of SOFR but on that same day, SOFR and the accompanying summary statistics may be republished at approximately 2:30 p.m., New York City time. Additionally, if transaction data from The Bank of New York Mellon or DTCC Solutions LLC had previously not been available in time for publication, but became available later in the day, the affected rate or rates may be republished at around this time. Rate revisions will only be effected on the same day as initial publication and will only be republished if the change in the rate exceeds one basis point. Any time a rate is revised, a footnote to the New York Federal Reserve's publication would indicate the revision. This revision threshold will be reviewed periodically by the New York Federal Reserve and may be changed based on market conditions.

Because SOFR is published by the New York Federal Reserve based on data received from other sources, the Issuer has no control over its determination, calculation or publication. The information contained in this Risk Factor "*Secured Overnight Financing Rate*" is based upon the New York Federal Reserve's Website and other U.S. government sources.

1.15 Risks relating to "benchmark" rates

The regulation and reform of "benchmarks" may adversely affect the value of and return on Notes linked to or referencing such "benchmarks"

Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**EU Benchmarks Regulation**") is a key element of the ongoing regulatory reform of benchmarks in the EU and has applied since 1 January 2018. The EU Benchmarks Regulation has been amended by Regulation (EU) 2019/2089 as regards EU Climate Transition Benchmarks, EU Paris-aligned Benchmarks and sustainability-related disclosures, by Regulation (EU) 2019/2175 and Regulation (EU) 2021/168, the latter of

which introduced new powers for regulators to mandate one or more replacement rates for critical or systemically important benchmarks in certain limited circumstances (see “Replacement of LIBOR, and the potential replacement of other Interbank Offered Rates (“IBORs”), May Adversely Affect the Return on Any Notes Linked to such IBORs and their Secondary Market Prices” below) and a limited exemption for certain foreign exchange rates.

Following the end of the Brexit transitional period at 11:00 p.m (London time) on 31 December 2020 the EU Benchmarks Regulation in its then current form was saved into UK domestic law subject to a number of modifications (the “**UK Benchmarks Regulation**” and, together with the EU Benchmarks Regulation, the “**Benchmarks Regulations**”).

In addition to so-called “critical benchmarks” such as the London Interbank Offered Rate (“**LIBOR**”) and the Euro Interbank Offered Rate (“**EURIBOR**”), other interest rates, foreign exchange rates and certain indices, will in most cases be within scope of the EU Benchmarks Regulation as “benchmarks” where they are used to determine the amount payable under, or the value of, certain financial instruments (including Notes listed on an EU (in the case of the EU Benchmarks Regulation) or UK (in the case of the UK Benchmarks Regulation) regulated market or multilateral trading facility (“**MTF**”), and in a number of other circumstances.

Each Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU (in the case of the EU Benchmarks Regulation) or the UK (in the case of the UK Benchmarks Regulation). Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if not based in the EU (in the case of the EU Benchmarks Regulation) or UK (in the case of the UK Benchmarks Regulation), to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain use by supervised entities of “benchmarks” provided by administrators that are not authorised or registered (or, if not based in the EU (in the case of the EU Benchmarks Regulation) or UK (in the case of the UK Benchmarks Regulation), not deemed equivalent or recognised or endorsed), subject in each case to transitional provisions for benchmarks provided by third-country benchmark administrators.

The Benchmarks Regulations could have a material impact on any Notes linked to or referencing a “benchmark”. For example:

- a rate or index which is a “benchmark” may not be used in certain ways by a supervised entity if (subject to applicable transitional provisions) its administrator does not obtain authorisation or registration (or, if a non-EU or non-UK (as the case may be) entity, does not satisfy the “equivalence” conditions and is not “recognised” pending an equivalence decision). If the benchmark administrator does not obtain or maintain (as applicable) such authorisation or registration or, if a non-EU entity, “equivalence” is not available and it is not recognised, then the Notes may be redeemed prior to maturity; and
- the methodology or other terms of the “benchmark” could be changed in order to comply with the requirements of the relevant Benchmarks Regulation, and such changes could reduce or increase the rate or level or affect the volatility of the published rate or level, and (depending on the terms of the particular Notes) could lead to adjustments to the terms of the Notes as the Determination Agent deems necessary or appropriate.

Any of the international or national reforms, or the general increased regulatory scrutiny of “benchmarks”, could increase the costs and risks of administering or otherwise participating in the setting of a “benchmark” and complying with any such regulations or requirements. Such factors may have the following effects on certain “benchmarks”: (i) discourage market participants from continuing to administer or contribute to the “benchmark”; (ii) trigger changes in the rules or methodologies used in the “benchmark” and/or (iii) lead to the disappearance of the “benchmark”. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a “benchmark” and the Determination Agent may be entitled to make corresponding adjustments to the conditions of the Notes.

Replacement of LIBOR, and the potential replacement of other Interbank Offered Rates (“IBORs”), May Adversely Affect the Return on Any Notes Linked to such IBORs and their Secondary Market Prices

Central banks around the world, including the U.S. Federal Reserve, have commissioned working groups that include market participants (the “**Alternative Rate Committees**”) with the goal of finding suitable replacements for their currency’s LIBOR (and certain other IBORs) that are based on observable market transactions. The search for replacements accelerated after the Financial Stability Board reported that uncertainty surrounding the integrity of LIBOR represents a potentially serious systemic vulnerability and risk due to limited transactions in the underlying inter-bank lending market. In July 2017, the Chief Executive of the United Kingdom Financial Conduct Authority (the “**FCA**”), which regulates LIBOR, called for an orderly transition over a 4-5 year period from LIBOR to the reference rates selected by the Alternative Rate Committees. The FCA’s announcement stated that it expects that it would not be in a position to sustain LIBOR through its influence or legal compulsion powers after the end of 2021.

On 5 March 2021, the FCA announced that:

- immediately after 31 December 2021, publication of all seven euro LIBOR settings, all seven Swiss franc LIBOR settings, the Spot Next, 1-week, 2-month and 12-month Japanese yen LIBOR settings, the overnight, 1-week, 2-month and 12-month sterling LIBOR settings and the 1-week and 2-month US dollar LIBOR settings will cease;
- immediately after 30 June 2023, publication of the overnight and 12-month US dollar LIBOR settings will cease;
- immediately after 31 December 2021, the 1-month, 3-month and 6-month Japanese yen LIBOR settings and the 1-month, 3-month and 6-month sterling LIBOR settings will no longer be representative and representativeness will not be restored; and
- immediately after 30 June 2023, the 1-month, 3-month and 6-month US dollar LIBOR settings will no longer be representative and representativeness will not be restored.

The following LIBOR settings consequently ceased at the end of 2021: all seven EUR LIBOR settings, all seven CHF LIBOR settings, the Spot Next, 1-week, 2-month and 12-month JPY LIBOR settings, the overnight, 1-week, 2-month and 12-month GBP LIBOR settings, and the 1-week and 2-month USD LIBOR settings.

Potential investors in the Notes should therefore be aware that the majority of LIBOR settings were permanently discontinued immediately after 31 December 2021 (or, in the case of the overnight and 12-month US dollar LIBOR settings, will be immediately after 30 June 2023) and that the remaining LIBOR settings are no longer representative immediately after 31 December 2021 (or, in the case of the 1-month, 3-month and 6-month US dollar LIBOR settings, will be immediately after 30 June 2023). The discontinuation or non-representativeness of the LIBOR settings may also impact interest rate swaps that have a floating leg referencing a LIBOR setting and this in turn may impact swap rates based on the fixed leg prices for such interest rate swaps.

In the same announcement the FCA stated that it would consult on requiring ICE Benchmark Administration Limited (“**IBA**”), the administrator of LIBOR, to continue to publish the following LIBOR settings on a changed methodology (also known as a “synthetic”) basis using new powers given to the FCA under the Financial Services Act 2021:

- 1-month, 3-month and 6-month sterling LIBOR for a further period after the end of 2021;
- 1-month, 3-month and 6-month Japanese yen LIBOR, for one additional year after the end of 2021; and
- 1-month, 3-month and 6-month US dollar LIBOR for a further period after the end of June 2023.

In order to ensure an orderly wind-down of the 1-month, 3-month and 6-month GBP and JPY LIBOR settings, the FCA subsequently exercised its powers under the UK BMR to compel IBA to publish such LIBOR settings under a changed, “synthetic” methodology for the duration of 2022.

The FCA has noted that any settings published under a “synthetic” methodology will no longer be representative of the underlying market or economic reality the setting is intended to measure. For the 3 JPY LIBOR settings, the FCA does not intend to renew the synthetic-methodology requirement, and publication will therefore cease at end-2022.

In addition:

- under Article 21A of the UK Benchmarks Regulation, where the administrator of a critical benchmark (such as LIBOR) has notified the FCA that it intends to cease providing such benchmark, and the FCA has completed its assessment in relation to the intended cessation, the FCA has power to prohibit some or all “new use” of the benchmark by “supervised entities” (as each term is defined in the UK Benchmarks Regulation); and
- if the FCA considers that a critical benchmark (such as LIBOR) is not representative of the market or economic reality that it is intended to measure or that the representativeness of the benchmark is at risk, the FCA may, subject to the satisfaction of certain conditions, designate the relevant benchmark as an “Article 23A benchmark”. A consequence of a benchmark being designated as an Article 23A benchmark is that “supervised entities” are not permitted to “use” (as such term is defined in the UK Benchmarks Regulation) such benchmark except as permitted by the FCA. The FCA has power to postpone the prohibition on use of an Article 23A benchmark by supervised entities for up to four months from the effective date of designation of the benchmark as an Article 23A benchmark, and also power to permit some or all “legacy use of the benchmark” (as such term is defined in the UK Benchmarks Regulation) by “supervised entities”.

The above prohibitions on use will only apply to entities that are “supervised entities” for the purposes of the UK Benchmarks Regulation and will only prohibit “use of a benchmark” if the proposed activity amounts to “use” and is in respect of a financial instrument, financial contract or investment fund that is within the scope of the UK Benchmarks Regulation. While the fallbacks set out in Condition 7.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*), Condition 7.18 (*Effect of Benchmark Transition Event*) and Condition 7.19 (*General Fallback Arrangements*) each contain triggers that would permit LIBOR to be replaced as the benchmark for the Notes following a public statement or publication of information by the regulatory supervisor for the administrator of LIBOR announcing that the relevant LIBOR setting is no longer representative, it is possible that certain Notes that reference a LIBOR setting and in respect of which the relevant LIBOR setting has, for any reason, not been replaced by a replacement rate pursuant to the applicable fallbacks set out in Condition 7.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*), Condition 7.18 (*Effect of Benchmark Transition Event*) or Condition 7.19 (*General Fallback Arrangements*) will continue to reference LIBOR (but in its “synthetic” form). Prospective investors in any Notes referencing LIBOR should be aware that synthetic LIBOR will not be representative of the underlying market or economic reality intended to be measured by the relevant LIBOR setting, will not be the same or equivalent to LIBOR and these differences, as well as the expected reduced liquidity in instruments referencing LIBOR, could adversely affect the value of and return on any such Notes linked to LIBOR and their secondary market prices.

On 29 September 2021, the FCA published a notice under Article 23A(10)(b) of the UK Benchmarks Regulation setting out its decisions to designate the following benchmarks as “Article 23A Benchmarks”, effective on 1 January 2022: (a) 1-month, 3-month and 6-month sterling LIBOR and (b) 1-month, 3-month and 6-month Japanese yen LIBOR (i.e., the current “synthetic” tenors). Such designations taking effect resulted in “supervised entities” being prohibited from using the Article 23A LIBOR tenors, with certain exceptions granted only pursuant to Article 23C(2) of the UK Benchmarks Regulation in relation to certain types of “legacy use of the benchmark”.

Any further exercise or proposed exercise by the FCA of its powers to require continued publication of LIBOR settings on a synthetic basis or on the ability for “supervised entities” (as defined in the UK Benchmarks Regulation) to use such synthetic LIBOR in financial instruments could have a material adverse effect on the value of and return on any Notes linked to LIBOR (either directly or indirectly, e.g. Notes linked to a rate where the underlying reference rate references a LIBOR-linked interest rate swap) and their secondary market prices.

The reform and replacement of IBORs (including LIBOR) and the transition to risk free rates may cause the relevant IBOR to perform differently than in the past, to disappear entirely, or to have other consequences that cannot be predicted. Any of these developments could have a material adverse effect on the value of and return on any Notes linked to such IBOR (either directly or indirectly) and their secondary market prices. Furthermore, such developments may trigger the applicable fallbacks that are contained in Conditions 7.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) to 7.19 (*General Fallback Arrangements*) having the consequences and risks described below.

1.16 **LIBOR, EURIBOR, SONIA, €STR, SARON, TONA and other benchmark rate discontinuance or prohibition on use may lead to adjustments to the terms of the Notes or an early redemption of the Notes**

Fallback arrangements where (i) the Relevant Rates Benchmark is other than U.S. dollar LIBOR or SOFR and (ii) the provisions of Condition 7.17 (Relevant Rates Benchmark Discontinuance or Prohibition on Use) are applicable

In order to address the discontinuance of LIBOR (referred to above) and the risk of discontinuance of other reference rates, the Conditions include certain fallback provisions. These provisions apply to "Relevant Rates Benchmarks" (which will include LIBOR, EURIBOR, other similar interbank rates, SONIA, €STR, SARON and TONA). Unless otherwise specified in the Issue Terms, where ISDA Determination is specified in the applicable Issue Terms as the manner in which the Floating Interest Rate is to be determined, the fallbacks described below will only apply after application of any ISDA Bespoke Fallbacks specified in the relevant Floating Rate Option to apply and the application of such ISDA Bespoke Fallbacks fails to provide a means of determining the relevant Floating Rate. The fallback provisions will be triggered if the Determination Agent determines that (i) the administrator or regulatory supervisor (or other applicable regulatory body) in connection with such Relevant Rates Benchmark announces that the administrator has ceased or will cease permanently or indefinitely to provide such Relevant Rates Benchmark and there is no successor administrator that will continue to provide the Relevant Rates Benchmark, (ii) where the Relevant Rates Benchmark is a LIBOR (other than U.S. dollar LIBOR), a public statement or publication of information by the regulatory supervisor for the administrator of the Relevant Rates Benchmark announcing that the Relevant Rates Benchmark is no longer representative, or (iii) unless otherwise specified in the applicable Issue Terms, an Administrator/Benchmark Event occurs in relation to such Relevant Rates Benchmark.

Following the occurrence of any of these events the Determination Agent may replace the Relevant Rates Benchmark with any "Alternative Pre-nominated Reference Rate" which has been specified in the applicable Issue Terms or if no Alternative Pre-nominated Reference Rate is specified in the applicable Issue Terms, with an alternative rate that is consistent with accepted market practice (the Alternative Pre-nominated Reference Rate or any such other alternative rate, the "**Alternative Rate**"). In an Alternative Rate is used then the Determination Agent may also make other adjustments to the Notes, including to the Alternative Rate and to the Margin, which are consistent with accepted market practice for the use of such Alternative Rate with debt obligations such as the Note. If the Determination Agent is unable to identify an Alternative Rate and determine the necessary adjustments to the terms of the Notes then the Issuer may redeem the Notes. The replacement of the Relevant Rates Benchmark by an Alternative Rate and the making of other adjustments to the Notes and other determinations, decisions or elections that may be made under the terms of the Notes in connection with the replacement of a Relevant Rates Benchmark could adversely affect the value of the Notes, the return on the Notes and the price at which the Noteholder can sell such Notes. Any early redemption of the Notes will result in the Noteholder losing any future return on the Notes and may result in the Noteholder incurring a loss on its investment in the Notes.

Any determination or decision of the Determination Agent described above will be made in the Determination Agent's discretion (in some cases after consultation with the Issuer). Potential investors in any Notes that reference a Relevant Rates Benchmark (other than U.S. dollar LIBOR or SOFR for the purposes of this risk factor 1.16) should be aware that (i) the composition and characteristics of the Alternative Rate will not be the same as those of the Relevant Rates Benchmark which it replaces, the Alternative Rate will not be the economic equivalent of the Relevant Rates Benchmark that it replaces, there can be no assurance that the Alternative Rate will

perform in the same way as the Relevant Rates Benchmark that it replaces would have at any time and there is no guarantee that the Alternative Rate will be a comparable substitute for the Relevant Rates Benchmark which it replaces, (each of which means that the replacement of the Relevant Rates Benchmark by the Alternative Rate could adversely affect the value of the Notes, the return on the Notes and the price at which the Noteholder can sell such Notes), (ii) any failure of the Alternative Rate (or adjustments made to it by the Determination Agent, including any compounding conventions) to gain market acceptance could adversely affect the Notes, (iii) the Alternative Rate may have a very limited history and the future performance of the Alternative Rate cannot be predicted based on historical performance, (iv) the secondary trading market for Notes linked to the Alternative Rate may be limited and (v) the administrator of the Alternative Rate may make changes that could change the value of the Alternative Rate or discontinue the Alternative Rate and has no obligation to consider the Noteholder's interests in doing so.

Prospective investors in any Notes for which the Relevant Rates Benchmark is a LIBOR (other than U.S. dollar LIBOR) should be aware that the Determination Agent, as the Issuer's designee, has determined that the announcements made by ICE Benchmark Administration Limited and the FCA on 5 March 2021 have caused the events referred to in Condition 7.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) (a) and/or (b) to occur and consequently the Determination Agent's and the Issuer's powers under Condition 7.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) will be exercisable upon, or at any time following, the Issue Date of the relevant Notes.

Fallback arrangements where the Relevant Rates Benchmark is U.S. dollar LIBOR or SOFR: If U.S. dollar LIBOR or SOFR is discontinued, any Floating Rate Notes referencing U.S. dollar LIBOR or SOFR will bear interest by reference to a different base rate, which could adversely affect the value of the Notes, the return on the Notes and the price at which the Noteholder can sell such Notes; there is no guarantee that any Benchmark Replacement will be a comparable substitute for U.S. dollar LIBOR or SOFR.

If the Issuer or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of U.S. dollar LIBOR (with the applicable period of maturity in the case of Screen Rate Determination or the applicable Designated Maturity in the case of ISDA Determination) and it cannot determine the Interpolated Benchmark as of the Benchmark Replacement Date (in the case of Notes referencing U.S. dollar LIBOR) or a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of SOFR (in the case of Notes referencing SOFR), then the interest rate on the Notes will no longer be determined by reference to U.S. dollar LIBOR or SOFR (as the case may be), but instead will be determined by reference to a different base rate, which (in the case of Notes referencing U.S. dollar LIBOR) will be a different benchmark than U.S. dollar LIBOR or, (in the case of Notes referencing SOFR) will be a different benchmark than SOFR, plus a spread adjustment, which is referred to as a "Benchmark Replacement," as further described in the relevant terms and conditions. In such a case with respect to U.S. dollar LIBOR, in the first instance, the interest rate on the Notes will be determined based on Fallback Term SOFR, which is a forward-looking term rate based on SOFR that is currently being considered for development by the Alternative Reference Rates Committee (the "ARRC"), a group of private-market participants convened by the Federal Reserve Board and the Federal Reserve Bank of New York to help ensure a successful transition from U.S. dollar LIBOR to SOFR. There can be no assurance that the development of a Fallback Term SOFR will be completed and selected or recommended by the ARRC.

If a particular Benchmark Replacement or Benchmark Replacement Adjustment cannot be determined, then the next-available Benchmark Replacement or Benchmark Replacement Adjustment will apply. These replacement rates and adjustments may be selected, recommended or formulated by (i) the Relevant Governmental Body (such as the ARRC), (ii) ISDA or (iii) in certain circumstances, the Issuer or its designee. In addition, the terms of the Notes expressly authorise the Issuer or its designee to make Benchmark Replacement Conforming Changes with respect to, among other things, changes to the definition of "interest period", timing and frequency of determining rates and making payments of interest and other administrative matters. The determination of a Benchmark Replacement, the calculation of the interest rate on the Notes by reference to a Benchmark Replacement (including the application of a Benchmark Replacement Adjustment), any implementation of Benchmark Replacement Conforming Changes and any other

determinations, decisions or elections that may be made under the terms of the Notes in connection with a Benchmark Transition Event could adversely affect the value of the Notes, the return on the Notes and the price at which the Noteholder can sell such Notes.

Any determination, decision or election described above will be made in the Issuer's or its designee's sole discretion.

Potential investors in any Notes that reference either U.S. dollar LIBOR or SOFR should be aware that (i) the composition and characteristics of the Benchmark Replacement will not be the same as those of U.S. dollar LIBOR or SOFR (as the case may be), the Benchmark Replacement will not be the economic equivalent of U.S. dollar LIBOR or SOFR (as the case may be), there can be no assurance that the Benchmark Replacement will perform in the same way as U.S. dollar LIBOR or SOFR would have at any time and there is no guarantee that the Benchmark Replacement will be a comparable substitute for U.S. dollar LIBOR or SOFR (each of which means that a Benchmark Transition Event could adversely affect the value of the Notes, the return on the Notes and the price at which the Noteholder can sell such Notes), (ii) any failure of the Benchmark Replacement to gain market acceptance could adversely affect the Notes, (iii) the Benchmark Replacement may have a very limited history and the future performance of the Benchmark Replacement cannot be predicted based on historical performance, (iv) the secondary trading market for Notes linked to the Benchmark Replacement may be limited and (v) the administrator of the Benchmark Replacement may make changes that could change the value of the Benchmark Replacement or discontinue the Benchmark Replacement and has no obligation to consider the Noteholder's interests in doing so.

For example, in the case of Notes that initially reference U.S. dollar LIBOR if the Benchmark Replacement is a Fallback Term SOFR or Fallback Compounded SOFR, as adjusted as described herein, the composition and characteristics of SOFR are not the same as those of U.S. dollar LIBOR and the Benchmark Replacement, as so adjusted, will not be the economic equivalent of U.S. dollar LIBOR. Furthermore, a Benchmark Replacement of Fallback Term SOFR (if developed and selected or recommended by the ARRC) or Fallback Compounded SOFR, even with the application of a Benchmark Replacement Adjustment and any implementation of Benchmark Replacement Conforming Changes, will not have the same composition and characteristics as those of LIBOR and there is no guarantee that such Benchmark Replacement, as so adjusted, will be suitable as a substitute for LIBOR. For additional information regarding SOFR, see "*Secured Overnight Financing Rate*" above.

Prospective investors in any Notes for which the Relevant Rates Benchmark is U.S. dollar LIBOR should be aware that the Determination Agent, as the Issuer's designee, has determined that the announcements made by ICE Benchmark Administration Limited and the FCA on 5 March 2021 constitute a Benchmark Transition Event, although any Benchmark Replacement and Benchmark Replacement Conforming Changes pursuant to Condition 7.18 (*Effect of Benchmark Transition Event*) in respect of such Benchmark Transition Event will not take effect unless and until the related Benchmark Replacement Date occurs.

See also the risk factors entitled "*Risk Factors—Reform of LIBOR and EURIBOR and Other Interest Rate Index Benchmark*", "*— Replacement of LIBOR, and the potential replacement of other Interbank Offered Rates ("IBORs"), May Adversely Affect the Return on Any Notes Linked to such IBORs and their Secondary Market Prices*" and "*— LIBOR, EURIBOR, SONIA, €STR, SARON, TONA and other benchmark rate discontinuance or prohibition on use may lead to adjustments to the terms of the Notes or an early redemption of the Notes*" above.

Fallback arrangements – general

The application of any of these fallbacks may adversely affect the value of the Noteholder's investment in the Notes.

If neither of the fallbacks described above in "*Fallback arrangements where (i) the Relevant Rates Benchmark is other than U.S. dollar LIBOR or SOFR and (ii) the provisions of Condition 7.17 (Relevant Rates Benchmark Discontinuance or Prohibition on Use) are applicable*" or "*Fallback arrangements where the Relevant Rates Benchmark is U.S. dollar LIBOR or SOFR: If U.S. dollar LIBOR or SOFR is discontinued, any Floating Rate Notes referencing U.S. dollar LIBOR or SOFR*"

will bear interest by reference to a different base rate, which could adversely affect the value of the Notes, the return on the Notes and the price at which the Noteholder can sell such Notes; there is no guarantee that any Benchmark Replacement will be a comparable substitute for U.S. dollar LIBOR or SOFR" applies, and (a) LIBOR, EURIBOR, SONIA, €STR, SARON or TONA has been permanently discontinued or (b) where the Relevant Rates Benchmark is a LIBOR (other than U.S. dollar LIBOR), a public statement or publication of information by the regulatory supervisor for the administrator of the Relevant Rates Benchmark announcing that the Relevant Rates Benchmark is no longer representative occurs, the Determination Agent will use, as a substitute for LIBOR, EURIBOR, SONIA, €STR, SARON or TONA (as the case may be), and for each future Interest Determination Date, the alternative reference rate selected by the central bank, reserve bank, monetary authority or any similar institution (including any committee or working group thereof) in the jurisdiction of the applicable index currency that is consistent with accepted market practice.

The Determination Agent will also make other adjustments to the Notes, including to the new rate and to the Margin, which are consistent with accepted market practice for the use of such alternative rate for debt obligations such as the Notes.

However, in the case of EURIBOR only, if the Determination Agent determines that no such alternative rate exists on the relevant date, it will make a determination of an alternative rate as a substitute for EURIBOR, for debt obligations such as the Notes, as well as other adjustments to the Notes, including to the new rate and to the Margin, that is consistent with accepted market practice.

Unless otherwise specified in the Issue Terms, where ISDA Determination is specified in the applicable Issue Terms as the manner in which the Floating Interest Rate is to be determined, the fallbacks described above will only apply after application of any ISDA Bespoke Fallbacks specified in the relevant Floating Rate Option to apply and the application of such ISDA Bespoke Fallbacks fails to provide a means of determining the relevant Floating Rate.

The replacement of LIBOR, EURIBOR, SONIA, €STR, SARON or TONA by an alternative rate and the making of other adjustments to the Notes and other determinations, decisions or elections that may be made under the terms of the Notes in connection with the replacement of LIBOR, EURIBOR, SONIA, €STR, SARON or TONA could adversely affect the value of the Notes, the return on the Notes and the price at which the Noteholder can sell such Notes.

Any determination or decision described above will be made in the Determination Agent's discretion (after consultation with the Issuer).

Potential investors in any Notes that reference LIBOR, EURIBOR, SONIA, €STR, SARON or TONA should be aware that (i) the composition and characteristics of the alternative rate will not be the same as those of the Relevant Rates Benchmark which it replaces, the alternative rate will not be the economic equivalent of the Relevant Rates Benchmark that it replaces, there can be no assurance that the alternative rate will perform in the same way as the Relevant Rates Benchmark that it replaces would have at any time and there is no guarantee that the alternative rate will be a comparable substitute for the Relevant Rates Benchmark which it replaces, (each of which means that the replacement of the Relevant Rates Benchmark by the alternative rate could adversely affect the value of the Notes, the return on the Notes and the price at which the Noteholder can sell such Notes), (ii) any failure of the alternative rate to gain market acceptance could adversely affect the Notes, (iii) the alternative rate may have a very limited history and the future performance of the alternative rate cannot be predicted based on historical performance, (iv) the secondary trading market for Notes linked to the alternative rate may be limited and (v) the administrator of the alternative rate may make changes that could change the value of the alternative rate or discontinue the alternative rate and has no obligation to consider the Noteholder's interests in doing so.

Prospective investors should review the Conditions to ascertain whether and how such provisions apply to the Notes and what constitutes an Administrator/Benchmark Event.

ISDA Determination and Fallbacks

In the case where ISDA Determination is specified in the applicable Issue Terms as the manner in which the Floating Interest Rate is to be determined, and the application of any ISDA Bespoke

Fallbacks specified in the relevant Floating Rate Option results in a replacement of, modification to, or change in the method of calculating, the Floating Rate (or the index, benchmark or other price source that is referred to in the Floating Rate Option), the Determination Agent may, after consultation with the Issuer, determine any adjustments to the Floating Rate and the Margin (including any adjustment spread) as well as the applicable Business Day Convention, Interest Determination Dates (or any other rate fixing dates) and related provisions and definitions of the Notes, in each case that are consistent with accepted market practice for the use of such replacement or modified Floating Rate for debt obligations such as the Notes. The making of such adjustments to the Notes and other determinations could adversely affect the value of the Notes, the return on the Notes and the price at which the Noteholder can sell such Notes.

1.17 **Administrator/Benchmark Events**

A Relevant Rates Benchmark (or an administrator or sponsor thereof) may be required to be authorised, registered, recognised, endorsed or otherwise included in an official register in order for the Issuer, the Determination Agent or the Calculation Agent to be permitted to use the Relevant Rates Benchmark and perform their respective obligations under the Notes. If the Determination Agent determines that such a requirement applies to the administrator or sponsor (or the Relevant Rates Benchmark) but it has not been satisfied then an "Administrator/Benchmark Event" will occur and the Determination Agent or the Issuer may then apply certain fallbacks. For the avoidance of doubt, Administrator/Benchmark Events shall not apply where the Relevant Rates Benchmark is U.S. dollar LIBOR.

In the case where the Notes reference a Relevant Rates Benchmark, the fallbacks summarised in the risk factor entitled "LIBOR, EURIBOR, SONIA and other benchmark rate discontinuance or prohibition on use may lead to adjustments to the terms of the Notes or an early redemption of the Notes" above will apply. Holders of the Notes should be aware that such adjustments to the terms of the Notes or early redemption of the Notes may adversely impact the return on and value of the Notes.

1.18 **Specific risks relating to Notes referencing SOFR, SONIA, €STR, SARON or TONA**

The following sets out a number of additional risks specific to Notes that reference SOFR, SONIA, €STR, SARON or TONA (each of which is referred to as a (nearly) risk free rate or an "RFR").

Certain RFRs have limited histories; the future performance of an RFR cannot be predicted based on historical performance.

The publication of €STR began on October 2, 2019 and publication of SOFR began on April 3, 2018 and these RFRs therefore have very limited histories. The publication of SONIA on the basis of its present methodology began on April 24, 2018. The publication of SARON began on August 25, 2009. In addition, the future performance of RFRs (as the case may be) cannot be predicted based on the limited historical performance. The level of an RFR during the term of the Notes may bear little or no relation to its historical level. Prior observed patterns, if any, in the behaviour of market variables and their relation to an RFR, such as correlations, may change in the future. In the case of SOFR, while some pre-publication historical data have been released by the Federal Reserve Bank of New York (the "New York Federal Reserve"), such analysis inherently involves assumptions, estimates and approximations.

The future performance of an RFR is impossible to predict and therefore no future performance of an RFR or the Notes may be inferred from any of the historical performance or historical simulations. Hypothetical or historical performance data are not indicative of, and have no bearing on, the potential performance of an RFR or the Notes. Changes in the levels of the relevant RFR referenced by the Notes will affect the return on the Notes and the trading price of such Notes, but it is impossible to predict whether such levels will rise or fall. There can be no assurance that the relevant RFR referenced by the Notes will be positive.

The composition and characteristics of an RFR are not the same as those of LIBOR and there is no guarantee that a compounded RFR is a comparable substitute for LIBOR.

In December 2016, the Japanese Study Group on Risk-Free Reference Rates announced TONA as its preferred risk free rate for Japanese yen. In April 2017, the Working Group on Sterling Risk-Free Reference Rates announced SONIA as its preferred risk-free rate for sterling. In June 2017, the ARRC announced SOFR as its recommended alternative to U.S. dollar LIBOR. In October 2017, the Swiss National Working Group on Swiss Franc Reference Rates recommended SARON as the alternative to Swiss franc LIBOR. In September 2018, the Working Group on euro risk free rates recommended €STR as the euro risk free rate. However, the composition and characteristics of each of these RFRs are not the same as those of LIBOR.

SOFR is a broad Treasury repo financing rate that represents overnight secured funding transactions. SARON represents the overnight interest rate of the secured money market for Swiss francs. This means that each of SOFR and SARON is fundamentally different from LIBOR for two key reasons.

First, each of SOFR and SARON is a secured rate, while LIBOR is an unsecured rate. Second, each of SOFR and SARON is an overnight rate, while LIBOR represents interbank funding over different maturities. SONIA is a measure of the rate at which interest is paid on sterling short-term wholesale funds in circumstances where credit, liquidity and other risks are minimal. €STR is a rate which reflects the wholesale euro unsecured overnight borrowing costs of euro area banks. TONA represents the weighted average of call rates for uncollateralized overnight transactions in Japanese yen. While SONIA, €STR, TONA and LIBOR are all unsecured rates, SONIA, €STR and TONA are solely overnight rates unlike LIBOR which represents interbank funding over different maturities.

As a result, there can be no assurance that an RFR will perform in the same way as LIBOR would have at any time, including, without limitation, as a result of changes in interest and yield rates in the market, market volatility or global, national or regional economic, financial, political, regulatory, judicial or other events. For example, since publication of SOFR began on April 3, 2018, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmark or other market rates. For additional information regarding SOFR, see "*Secured Overnight Financing Rate*" above.

The secondary trading market for Notes linked to an RFR may be limited.

Since some of the RFRs are relatively new market rates or have only recently been adopted as a benchmark rate for bonds, the trading market in debt securities such as the Notes may not develop or may not be very liquid. Market terms for debt securities linked to an RFR (such as the Notes) may evolve over time and, as a result, trading prices of the Notes may be lower than those of later-issued debt securities that are linked to the same RFR. Similarly, if an RFR does not prove to be widely used in debt securities similar to the Notes, the trading price of the Notes may be lower than that of debt securities linked to rates that are more widely used.

Investors in the Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Further, investors wishing to sell the Notes in the secondary market will have to make assumptions as to the future performance of the relevant RFR. As a result, investors may suffer from increased pricing volatility and market risk.

The administrator of the relevant RFR may make changes that could change the value of the benchmark or discontinue the benchmark and has no obligation to consider Noteholders' interests in doing so.

The New York Federal Reserve (or a successor), as administrator of SOFR, the Bank of England (or a successor), as administrator of SONIA, the European Central Bank (or a successor) as administrator of €STR, SIX Index AG (or a successor) as administrator of SARON or the Bank of Japan (or a successor) as administrator of TONA may make methodological or other changes that could change the value of the relevant RFR, including changes related to the method by which the relevant rate is calculated, eligibility criteria applicable to the transactions used to calculate the relevant rate, or timing related to the publication of the relevant rate. In addition, the administrator may alter, discontinue or suspend calculation or dissemination of the relevant RFR (in which case a fallback method of determining the interest rate on the Notes will apply). The administrator has

no obligation to consider Noteholders' interests in calculating, adjusting, converting, revising or discontinuing the relevant rate and any such calculations, adjustments, conversion, revision or discontinuation could adversely affect the return on the Notes, the value of the Notes and the price at which the Noteholder can sell such Notes.

The interest rate on the Notes is based on a daily compounded RFR rate, which is relatively new in the marketplace; different conventions exist for calculating interest on RFR-linked Notes.

For each Interest Period for Notes linked to an RFR, the interest rate on the Notes is based on a daily compounded RFR calculated using the specific formula specified in the Conditions and the Issue Terms, or the specified ISDA Rate not the RFR published on or in respect of a particular date during such Interest Period, or an average of the relevant RFR rates during such period. For this and other reasons, the interest rate on the Notes during any Interest Period will not be the same as the interest rate on other investments linked to the same RFR that use an alternative basis to determine the applicable interest rate. Further, unless in the case of an ISDA Rate "Daily Floored Rate" is specified as applicable in the relevant Issue Terms and the Daily Floored Rate is zero or above, if the relevant RFR in respect of a particular date during an Interest Period is negative, the portion of the accrued compounded interest compounding factor specifically attributable to such date will be less than one, resulting in a reduction to the accrued interest compounding factor used to calculate the interest payable on the Notes on the Interest Payment Date for such Interest Period.

Very limited market precedent exists for securities that use SOFR and certain other RFRs as the interest rate and, in addition, for each RFR, different market conventions exist for calculating interest on debt securities. Accordingly, the specific formula for the daily compounded RFR used in the Notes may not be widely adopted by other market participants, if at all. If the market adopts a different convention for calculating interest, that would likely adversely affect the market value of such Notes.

The amount of interest payable with respect to each Interest Period will be determined near the end of the Interest Period.

The amount of interest payable with respect to such Interest Period will be determined on a date near the end of such Interest Period, Noteholders will not know the amount of interest payable with respect to each such Interest Period until shortly prior to the related Interest Payment Date and it may be difficult for Noteholders to reliably estimate the amount of interest that will be payable on each such Interest Payment Date.

The Issuer, its subsidiaries or affiliates may publish research that could affect the market value of the Notes. They also may hedge the Issuer's obligations under such Notes.

The Issuer or one or more of its affiliates may, at present or in the future, publish research reports with respect to movements in interest rates generally, the LIBOR transition or any of the RFRs specifically. This research is modified from time to time without notice and may express opinions or provide recommendations that are inconsistent with purchasing or holding the Notes. Any of these activities may affect the market value of such Notes. In addition, the issuer's subsidiaries may hedge the Issuer's obligations under the Notes and they may realize a profit from that hedging activity even if investors do not receive a favourable investment return under the terms of such Notes or in any secondary market transaction.

Reliance on third parties

Each RFR is published and calculated by third parties based on data received from other sources and none of the Issuer, the Determination Agent or the Calculation Agent has any control over the determinations, calculations or publications of any such third parties.

Market Adoption

The market or a significant part thereof may adopt an application of the relevant RFR (one using a different convention to calculating interest including using an RFR screen based rate) that differs significantly from that set out in the Conditions and used in relation to Notes that reference a risk-free rate issued under this Base Prospectus and this may adversely affect the value of the Notes.

Potential investors in the Notes should carefully consider how any mismatch between the adoption of such reference rates in the bond, loan and derivatives markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of any Notes.

Where SOFR/SONIA/€STR/SARON/TONA Compound with "Payment Delay" applies, in determining the compounded RFR for the final Interest Period, the level of the relevant RFR for any day from and including the relevant SOFR/SONIA/€STR/SARON/TONA Rate Cut-Off Date to but excluding the Maturity Date or redemption date, as applicable, will be the level of the relevant RFR in respect of such Rate Cut-off Date.

Where SOFR/SONIA/€STR/SARON/TONA Compound with "Payment Delay" applies, for the final Interest Period, because the level of the relevant RFR for any day from and including the SOFR/SONIA/€STR/SARON/TONA Rate Cut-off Date to but excluding the Maturity Date or redemption date, as applicable, will be the level of the relevant RFR in respect of such Rate Cut-Off Date, Noteholders will not receive the benefit of any increase in the level in respect of the relevant RFR beyond the level for such date in connection with the determination of the interest payable with respect to such Interest Period, which could adversely impact the amount of interest payable with respect to that Interest Period.

1.19 **Additional Risks relating to SOFR-linked Notes**

Any failure of SOFR to gain market acceptance could adversely affect Notes linked to SOFR.

SOFR may fail to gain market acceptance. SOFR was developed for use in certain U.S. dollar derivatives and other financial contracts as an alternative to U.S. dollar LIBOR in part because it is considered a good representation of general funding conditions in the overnight Treasury repo market. However, as a rate based on transactions secured by U.S. Treasury securities, it does not measure bank-specific credit risk and, as a result, is less likely to correlate with the unsecured short-term funding costs of banks. This may mean that market participants would not consider SOFR a suitable substitute or successor for all of the purposes for which LIBOR historically has been used (including, without limitation, as a representation of the unsecured short-term funding costs of banks), which may, in turn, lessen market acceptance of SOFR. Any failure of SOFR to gain market acceptance could adversely affect the return on the Notes and the price at which the Noteholder can sell such Notes.

1.20 **Risks relating to inflation**

Inflation is the general increase in prices and fall in the purchasing value of money over time. Due to the impact of inflation, the same amount of money will buy fewer goods and services over time.

The real return (or yield) on an investment in the Notes may be reduced by inflation. Consequently, the higher the rate of inflation, the lower the real yield on a Note will be. If the inflation rate is equal to or greater than the yield under a Note, the real yield a holder of such Note will achieve will be zero or even negative. Accordingly, inflation may have a negative effect on the value of and return on the Notes, and you should consider the potential impact of inflation (including if the rate of inflation is anticipated to rise over the term of the Notes) before purchasing Notes.

1.21 **Applicable Resolution Powers**

Powers under the Banking Act 2009.

MSI plc, as an investment firm for the purposes of the Banking Act 2009 (the "**Banking Act**"), is subject to provisions of that Act which give wide powers in respect of U.K. banks, their parent and other group companies and investment firms (such as MSI plc) to HM Treasury, the Bank of England, the Prudential Regulation Authority and the FCA (each a "**relevant U.K. Regulatory Authority**") in circumstances where the relevant U.K. bank or investment firm (a "**relevant financial institution**") has encountered or is likely to encounter financial difficulties. The Banking Act implemented the provisions of Directive 2014/59/EU (the "**Bank Recovery and Resolution Directive**" or "**BRRD**"), and was recently amended by, amongst other statutory instruments, The

Bank Recovery and Resolution (Amendment) (EU Exit) Regulations 2020, which implement into UK law certain of the recent amendments to BRRD which were required to be implemented prior to the UK leaving the EU.

These powers include powers to: (a) transfer all or some of the liability in respect of the securities issued by a relevant financial institution, or all or some of the property, rights and liabilities of a relevant financial institution (which could include instruments issued by MSI plc), to a commercial purchaser or, in the case of securities, to HM Treasury or an HM Treasury nominee, or, in the case of property, rights or liabilities, to an entity owned by the Bank of England; (b) override any default provisions in contracts or other agreements, including provisions that would otherwise allow a party to terminate a contract or accelerate the payment of an obligation; (c) commence certain insolvency procedures in relation to a relevant financial institution; and (d) override, vary or impose contractual obligations, for reasonable consideration, between a relevant financial institution or its parent and its group undertakings (including undertakings which have ceased to be members of the group), in order to enable any transferee or successor of the relevant financial institution to operate effectively. The Banking Act also gives power to HM Treasury to make further amendments to the law for the purpose of enabling it to use the special resolution regime powers effectively, potentially with retrospective effect.

By reason of its group relationship with certain other Morgan Stanley Group companies (including companies incorporated outside the U.K.) which are banks, investment firms or third-country institutions for the purposes of the Banking Act, MSI plc is a banking group company within the meaning of the Banking Act. Accordingly, the relevant U.K. Regulatory Authority can exercise substantially similar special resolution powers in respect of MSI plc in its capacity as a banking group company where the Prudential Regulation Authority or third country authority having jurisdiction over the relevant Morgan Stanley Group company is satisfied that such Morgan Stanley Group company meets the relevant conditions for resolution action (including that it is failing or likely to fail, that it is not reasonably likely that other measures would prevent its failure, and that it is in the public interest to exercise those powers) or that it satisfies an equivalent test in the relevant jurisdiction (irrespective of whether at that time MSI plc is failing or likely to fail). Additionally, where a relevant third country Morgan Stanley Group company becomes subject to resolution or similar measures, the relevant U.K. Regulatory Authority may recognise the application of some of those measures to MSI plc (irrespective of whether at that time MSI plc is failing or likely to fail).

Write-down and conversion of capital instruments and liabilities power and bail-in power.

The powers granted to the relevant U.K. Regulatory Authority include (but are not limited to) a "writedown and conversion of capital instruments and liabilities" power and a "bail-in" power.

The "write-down and conversion of capital instruments and liabilities power" may be used where the relevant U.K. Regulatory Authority has determined that the institution concerned has reached the point of non-viability, but that no bail-in of instruments other than capital instruments or (where the institution concerned is not a resolution entity) certain internal non-own funds liabilities ("**relevant internal liabilities**") is required (however the use of the write-down and conversion power does not preclude a subsequent use of the bail-in power) or where the conditions to resolution are met. Any write-down or conversion effected using this power must be carried out in a specific order such that common equity must be written off, cancelled or appropriated from the existing shareholders in full before additional tier 1 instruments are affected, additional tier 1 instruments must be written off or converted in full before tier 2 instruments are affected and (in the case of a non-resolution entity) tier 2 instruments must be written off or converted in full before relevant internal liabilities are affected. Where the write-down and conversion of capital instruments and liabilities power is used, the write-down is permanent and investors receive no compensation (save that common equity tier 1 instruments may be required to be issued to holders of written-down instruments). The write-down and conversion of capital instruments and liabilities power is not subject to the "no creditor worse off" safeguard (unlike the bail-in power described below).

The "bail-in" power gives the relevant U.K. Regulatory Authority the power, in relation to a failing relevant financial institution or a banking group company in respect of a bank, investment firm or third-country institution (whether or not incorporated in the U.K.) which is failing or likely to fail,

to cancel all or a portion of the principal amount of, or interest on, certain unsecured liabilities of a failing financial institution or its holding company, and/or to convert certain debt claims into another security, including ordinary shares of the surviving entity, if any. Under the Banking Act, such power could be utilised in relation to MSI plc were it to be failing or likely to fail, or were a bank, investment firm or third-country institution (whether or not incorporated in the U.K.) in respect of which MSI plc is a banking group company to be failing or likely to fail. Were such power to be utilised in relation to MSI plc, it could be utilised in relation to securities issued by MSI plc.

The Banking Act requires the relevant U.K. Regulatory Authority to apply the "bail-in" power in accordance with a specified preference order which differs from the ordinary insolvency order. In particular, the relevant U.K. Regulatory Authority must write-down or convert debts in the following order: (i) additional tier 1, (ii) tier 2, (iii) other subordinated claims and (iv) certain senior claims. The bail-in power is subject to the "no creditor worse off" safeguard, under which any shareholder or creditor which receives less favourable treatment the institution entered into insolvency may be entitled to compensation.

Although the exercise of the bail-in power under the Banking Act is subject to certain pre-conditions, there remains uncertainty regarding the specific factors (including, but not limited to, factors outside the control of MSI plc or not directly related to MSI plc) which the relevant U.K. Regulatory Authority would consider in deciding whether to exercise such power with respect to MSI plc and its securities. Moreover, as the relevant U.K. Regulatory Authority may have considerable discretion in relation to how and when it may exercise such power, holders of securities issued by MSI plc may not be able to refer to publicly available criteria in order to anticipate a potential exercise of such power and consequently its potential effect on MSI plc and securities issued by MSI plc.

Other powers.

As well as a "write-down and conversion of capital instruments and liabilities power" and a "bail-in" power, the powers of the relevant U.K. Regulatory Authority under the Banking Act include broad powers to (i) direct the sale of the relevant financial institution or the whole or part of its business on commercial terms without requiring the consent of the shareholders or complying with the procedural requirements that would otherwise apply, (ii) transfer all or part of the business of the relevant financial institution to a "bridge institution" (an entity created for such purpose that is wholly or partially in public control) and (iii) separate assets by transferring impaired or problem assets to one or more publicly-owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only). The Bank of England has broad powers to make one or more share transfer instruments (in the case of a transfer to a private sector purchaser described in (i) or a transfer to a "bridge institution" in the case of (ii)) or one or more property transfer instruments (in all three cases). A transfer pursuant to a share transfer instrument or a property transfer instrument will take effect despite any restriction arising by virtue of contract or legislation or in any other way.

In addition, the Banking Act gives the relevant U.K. Regulatory Authority power to amend the maturity date and/or any interest payment date of debt instruments or other eligible liabilities of the relevant financial institution and/or impose a temporary suspension of payments and/or discontinue the listing and admission to trading of debt instruments.

The exercise by the relevant U.K. Regulatory Authority of any of the above powers under the Banking Act (including especially the write-down and conversion of capital instruments power and the bail-in power) could lead to the holders of securities issued by MSI plc losing some or all of their investment. Moreover, trading behaviour in relation to the securities issued by MSI plc, including market prices and volatility, may be affected by the use or any suggestion of the use of these powers and accordingly, in such circumstances, such securities are not necessarily expected to follow the trading behaviour associated with other types of securities. There can be no assurance that the taking of any actions under the Banking Act by the relevant U.K. Regulatory Authority or the manner in which its powers under the Banking Act are exercised will not materially adversely affect the rights of holders of securities issued by MSI plc, the market value of an investment in such securities and/or MSI plc's ability to satisfy its obligations under such securities.

2. RISKS RELATING TO THE SECURED ASSETS

2.1 Valuation of the Posted Collateral and Margin Transfers

Any prospective holder of a Series of Notes considering whether to invest in such Notes should evaluate, among other things, the criteria that the Posted Collateral is required to satisfy, as disclosed in this Base Prospectus and the Issue Terms relating to the particular Series of Notes. This Base Prospectus does not contain any information regarding the individual Posted Collateral on which the Notes will be secured from time to time. While a prospective investor in any of the Notes will have the opportunity to assess the relevant eligibility criteria with respect to a Series of Notes prior to purchasing the Notes, Noteholders will not generally have an opportunity to evaluate for themselves the relevant economic, financial and other information in relation to specific items of Eligible Collateral prior to such Eligible Collateral being posted by the Issuer.

As the Posted Collateral may comprise illiquid assets (as to which investors should review the applicable Collateral Schedule), it may be difficult to accurately and reliably value such Posted Collateral. The valuation of illiquid assets will be determined by one or more of the Collateral Verification Agents and may be effected by reference to the Issuer's own records and external and internal pricing sources. However, the ultimate liquidation value may be higher (or lower) than any such sources may ascribe to such asset at any given time.

2.2 Currency Risk relating to the Posted Collateral

Some or all of the Posted Collateral relating to a Series of Notes may be denominated in a different currency to that of the Notes. To the extent this is the case, the Noteholders will be subject to foreign exchange risk. The Minimum Collateralisation Value in respect of a Series of Notes is determined by reference to the Specified Currency of that Series of Notes and in determining the aggregate Value of the Posted Collateral, the Value of any Posted Collateral denominated in an currency other than the relevant Specified Currency will be converted to the relevant Specified Currency at the applicable foreign exchange rate as determined in accordance with the Collateral Service Agreement and the Collateral Administration and Reporting Agreement. Such foreign exchange rates may be subject to the risk of significant fluctuations and/or the imposition or modification of exchange controls by the relevant governmental authorities. These risks are further described in Section 1.12 (*Currency Risk relating to the Notes*) above and the Issuer will take steps to mitigate this risk by maintaining the aggregate Value of the Posted Collateral at or above the Minimum Collateralisation Value on a daily basis.

However, if the Issuer is in default under the Notes and the Security over the Secured Assets is enforced, Noteholders will be exposed to any changes in exchange rates during the time it takes to enforce the security and liquidate the Posted Collateral which could materially adversely affect the return on the Notes.

2.3 Insolvency Considerations relating to the Issuer

The ability of the Trustee to take action against the Issuer (including in respect of the Posted Collateral) will be subject to applicable insolvency and other laws.

The Issuer will, among other things, grant a security interest (the "**Series Security**") over the Posted Collateral relating to a particular Series of Notes to be held by the Trustee for, among others, the holders of the Notes of that Series. The Series Security is likely to constitute a floating charge for the purposes of the Companies Act 2006 and the applicable insolvency laws.

A number of insolvency and security laws do not apply to security interests created or arising under a "financial collateral arrangement" within the meaning of the Financial Collateral Arrangements (No. 2) Regulations 2003 (as amended from time to time) (the "**Regulations**"). For example, the Companies Act 2006 requires floating charges granted by English obligors to be registered in order to be enforceable against an administrator, liquidator or any creditor of the Issuer; however, such registration is not necessary if the charge is a financial collateral arrangement.

The Issuer believes that, to the extent that the Posted Collateral constitutes financial collateral, the Series Security will qualify as a financial collateral arrangement. However, because there is legal uncertainty regarding the exact application of the Regulations, it is possible that an English court

would come to a different conclusion. The Issuer will register the Series Security to mitigate this risk.

If the Series Security is not a financial collateral arrangement, then, upon the Issuer's insolvency, Noteholders face the following risks:

- (a) An administrator of an English company has the power to dispose of property of the company which is subject to a floating charge as if it were not subject to that security interest. If the Issuer was placed into administration and the Series Security was found not to be a financial collateral arrangement, the Issuer's administrator could dispose of the Posted Collateral. The administrator's remuneration and expenses (which could be substantial with respect to a company such as the Issuer), together with any other preferential debts and statutory charges of the Issuer, would be payable out of the Issuer's assets (including the Posted Collateral) in priority to the obligations secured by the Series Security. In addition, expenses in relation to certain other insolvency procedures (e.g. if a full winding up takes place) may occur instead of and in addition to the costs set out above and such costs would also be paid in preference to a floating charge holder and out of assets subject to such floating charge.
- (b) Upon the appointment of an administrator, no step may be taken by either secured or unsecured creditors to enforce security (which is not a financial collateral arrangement) over the company's property, except with the consent of the administrator or leave of the court. If the Issuer becomes subject to administration proceedings and the Series Security is not a financial collateral arrangement, the Series Security could not be enforced without the leave of the court or consent of the administrator.

Accordingly, where the Series Security is found not to be a financial collateral arrangement, the Realisation Proceeds obtained by the Trustee (on the Noteholders' behalf) may be significantly less, and the process for obtaining such Realisation Proceeds may be significantly longer, than if the Series Security were a financial collateral arrangement.

2.4 **Insolvency considerations relating to Posted Collateral**

If a Collateral Obligor defaults in respect of any Posted Collateral, such defaulted Posted Collateral ("**Defaulted Collateral**") shall no longer be Eligible Collateral and the Issuer is obliged to replace such Defaulted Collateral. Until such Defaulted Collateral is replaced by the Issuer, Noteholders shall bear the risk that the aggregate Value of the Posted Collateral may not be greater than or equal to the Minimum Collateralisation Value.

Should the Issuer become insolvent or otherwise fails to perform its obligations under the Notes and any Defaulted Collateral is not replaced by the Issuer, following the service of an Enforcement Notice by the Trustee, certain insolvency considerations relating to the Defaulted Collateral, including but not limited to the considerations set out below, could reduce the amount of money that the Trustee is able to recover on behalf of the Noteholders.

Defaulted Collateral may be subject to various laws enacted for the protection of creditors in the countries of the jurisdictions of incorporation of Collateral Obligors and, if different, in which the Collateral Obligors conduct business and in which they hold the assets, which may adversely affect such Collateral Obligors' abilities to make payment on a full or on a timely basis. These insolvency considerations will differ depending on the country in which each Collateral Obligor is located or domiciled and may differ depending on whether the Collateral Obligor is a non-sovereign or a sovereign entity.

2.5 **Certain Set-off Considerations**

A Collateral Obligor to whom the Issuer owes other obligations may attempt to satisfy its payment obligation in respect of the relevant Posted Collateral by setting off its other obligations against such payment obligation. Set-off may be contractually agreed between the parties so that it will apply between certain obligations under a contract or across multiple contracts. Set-off of debts owing by an insolvent party may also occur mandatorily pursuant to applicable insolvency laws where either the Issuer or a Collateral Obligor is insolvent.

The occurrence of set-off, whether contractual set-off or on an insolvency of the Issuer or a Collateral Obligor, may reduce the amounts realised from the Posted Collateral upon an enforcement of the security in respect of the Notes.

2.6 Risks Relating to Specific Asset Classes

The following risks relate to specific asset classes of Eligible Collateral that can constitute the Posted Collateral. The Issuer will take steps to mitigate these risks by substituting Posted Collateral (where it no longer meets the requirements of the relevant Eligibility Criteria, including where a default has occurred in respect of any Posted Collateral) and transferring further Eligible Collateral. This requirement involves the Issuer overcollateralising the Trustee by reference to the aggregate Value of the Posted Collateral as determined by the Collateral Verification Agents on each Business Day. The obligation of the Issuer to substitute any defaulted Posted Collateral on each Business Day further mitigates the risks pertaining to the Posted Collateral.

Fluctuations in the value of the Posted Collateral may result over time from the interaction of many factors directly or indirectly affecting economic and political conditions in the related countries, including economic and political developments in other countries. Of particular importance to potential risks are (i) rates of inflation; (ii) interest rate levels; (iii) balance of payments; and (iv) the extent of governmental surpluses or deficits in the relevant country. All of these factors are, in turn, sensitive to the monetary, fiscal and trade policies pursued by the related countries, the governments of the related countries, and other countries important to international trade and finance. Government intervention could materially and adversely affect the value of such Posted Collateral. Governments use a variety of techniques, such as intervention by their central bank or imposition of regulatory controls or taxes to affect the trading of the underlying equity. Thus, a special risk in purchasing and holding such Posted Collateral is that their trading value and amount payable at maturity could be affected by the actions of governments, fluctuations in response to other market forces and the movement of currencies across borders. The value of emerging markets assets, such as any EM Collateral, may be more volatile than the assets in more developed markets.

3. RISKS RELATING TO TAX

3.1 Potential application of U.S. withholding tax to certain Notes

U.S. Federal tax rules commonly referred to as "FATCA" may impose a withholding tax of up to 30% on certain payments made to certain foreign entities (including financial intermediaries) on or after the second anniversary of the date on which final regulations defining the term "foreign passthru payments" are published in the U.S. Federal Register, or with respect to Notes issued or materially modified after the six-month anniversary of the date on which final regulations defining the term "foreign passthru payments" are filed with the U.S. Federal Register, or with respect to Notes that are not considered to be "obligations" for purposes of FATCA whenever issued, unless various U.S. information reporting and due diligence requirements have been satisfied.

If U.S. withholding tax is imposed under FATCA there is no requirement to pay any additional amounts or indemnify an investor with respect to the withheld tax. Prospective investors should consult their own advisors about these rules and review the discussion under "*Taxation – United States Federal Taxation*" below.

3.2 Withholding Tax in Respect of the Notes

In the event that any withholding or deduction for or on account of tax is required to be made from payments in respect of the Notes, neither the Issuer nor any other person will be obliged to pay any additional amounts to Noteholders or to otherwise compensate Noteholders, for the reduction in the amounts that they will receive as a result of such withholding or deduction. In these circumstances the Notes may also be subject to an early redemption under and in accordance with Condition 10.2 (*Tax Redemption*).

DISCLAIMERS

The Issuer disclaims any responsibility to advise prospective purchasers of any matters arising under the laws of the country in which they reside that may affect the purchase, holding, or receipt of payments on the Notes. Each investor should carefully consider whether the Notes, as described herein and in the applicable Issue Terms, are suited to its particular circumstances before deciding to purchase any Notes.

1. Issuer's credit ratings may not reflect all risks

The credit rating (if any) assigned to the Notes is based solely on the credit quality of the Issuer and not the Secured Assets (including the Posted Collateral). Credit ratings do not fully reflect all risks of an investment in the Notes. In addition, prospective purchasers should note that rating agencies may fail to make timely changes in credit ratings in response to subsequent events, and the credit quality of the Issuer may be worse than a credit rating indicates. A credit rating is not a recommendation to buy, sell or hold Notes and may be revised or withdrawn by the rating agency at any time.

2. No Fiduciary Role

None of the Issuer, the Trustee, the Agents, the Collateral Agents or any of the parties to the Issue Documents or any of their respective affiliates is acting as an investment advisor, and none of them (other than the Trustee) assumes any fiduciary obligation, to any purchaser of Notes nor do they assume any responsibility for conducting or failing to conduct any investigation into the business, financial condition, prospects, creditworthiness, status and/or affairs of a Collateral Obligor.

None of such parties makes any representation or warranty, express or implied, as to any of such matters.

3. Change of Law

The Conditions of the Notes are based on English law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice in England after the date of this Base Prospectus.

4. Notes in Global Form

Notes issued under the Programme may be issued in global form and in such case, such global notes will be deposited with a common depositary or common safekeeper for Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking, société anonyme, Luxembourg ("Clearstream, Luxembourg"). Except in the circumstances described in the relevant global notes, investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the global notes, including transfers of such beneficial interests which will only be tradable through Euroclear or Clearstream, Luxembourg.

While the Notes are in global form, the Issuer will discharge its payment obligations under the Notes by making payments through Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of an interest in a global note must rely on the procedures of Euroclear or Clearstream, Luxembourg, as the case may be, to receive payments under the relevant Notes. The Issuer does not have responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the global notes.

Holders of beneficial interests in the global notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear or Clearstream, Luxembourg to appoint appropriate proxies.

5. Provision of Information

The Issuer and the parties to the Issue Documents and any of their respective affiliates, whether by virtue of the types of relationships described herein or otherwise, may possess information in relation to any Collateral Obligor, any affiliate of a Collateral Obligor or any guarantor of a Collateral Obligor that is or may be material in the context of these Notes and that may or may not

be publicly available or known. The Notes will not create any obligation on the part of any of the Issuer, the parties to the Issue Documents and any of their respective affiliates to disclose any such relationship or information (whether or not confidential) other than any such information contained in the Noteholder Reports. Each of such persons may have acquired, or during the term of the Notes may acquire, confidential information with respect to the Posted Collateral or Collateral Obligors. None of such persons is under any obligation to make such information available to Noteholders.

6. General Conflicts of Interest between the Various Parties

Various potential and actual conflicts of interest may arise from the overall management, investment and other activities of the Issuer, its affiliates and their clients and from the conduct by the other transaction parties and their affiliates of other transactions with the Issuer. The following briefly summarises some of these conflicts, but is not intended to be an exhaustive list of all such conflicts.

Each of the parties to the Issue Documents and any of their respective affiliates may have existing or future business relationships with each other, with any Collateral Obligor or the Noteholders of any Series of Notes and, in the ordinary course of its business may deal in any obligation, including any Posted Collateral, and may accept deposits from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking, risk management, advisory or other business with, any other parties to the Issue Documents, any Collateral Obligor, its affiliates, any other person or entity having obligations relating to a Collateral Obligor or its affiliates and may act with respect to such business in the same manner as if any Notes did not exist (including holding directorships and officer positions in any Collateral Obligor), regardless of whether any such action might have an adverse effect (including, without limitation, any action which might give rise to a default under such Posted Collateral or any action which may negatively affect the value of any Posted Collateral) on a Collateral Obligor and/or its affiliates.

As a result of such relationships, various potential and actual conflicts of interest may arise between each of the parties to the Issue Documents and any of their respective affiliates on the one hand and any other of the parties to the Issue Documents and any of their respective affiliates, any Collateral Obligor or the Noteholders of any Series of Notes on the other. None of the Issuer, the parties to the Issue Documents, the Collateral Obligors nor any of their respective affiliates is required to resolve such conflicts of interest in favour of the Noteholders and may pursue actions and take such steps that it deems necessary or appropriate to protect its interests without regard to the consequences for the Noteholders.

INCORPORATION BY REFERENCE

The following documents and/or information shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

Document filed	Information incorporated by reference	Page
1. Registration Document dated 16 November 2023	(a) Risk Factors, excluding the paragraphs headed "All material assets of MSBV are obligations of one or more companies in the Morgan Stanley group and MSBV's ability to perform its obligations is dependent upon such companies fulfilling their obligations to MSBV" on page 16, "Risks relating to insolvency proceedings in the Netherlands" on page 16, "As a finance subsidiary, MSFL has no independent operations and is expected to have no independent assets" on page 16, and "Risks in relation to the exercise of potential resolution powers under German/EU Law" on pages 19 to 21.	1-21
	(b) Description of Morgan Stanley & Co. International plc	58-62
2. Second supplement to the Registration Document dated 7 March 2024	(b) Part B Amendments to the "Risk Factors" Section	7-17
	(c) Part D Amendments to the "Description of Morgan Stanley & Co. International Plc" Section	23
3. Fourth supplement to the Registration Document dated 15 May 2024	(a) Part D Amendments to the "Description of Morgan Stanley & Co. International Plc" Section	11
4. MSI plc Report and Financial Statements for the year ended 31 December 2022	(a) Independent auditor's report	44-51
	(b) Consolidated income statement	52
	(c) Consolidated statement of comprehensive income	53
	(d) Consolidated statement of changes in equity	54

	(e)	Company statement of changes in equity	55
	(f)	Consolidated statement of financial position	56
	(g)	Company statement of financial position	57
	(h)	Consolidated statement of cash flows	58
	(i)	Notes to the financial statements	59-139
	(j)	Appendix to the financial statements: List of subsidiaries	140-141
5. Half-yearly financial report for the six months ended 30 June 2023	(a)	Directors' responsibility statement	14
	(b)	Independent review report to Morgan Stanley & Co. International plc	15-16
	(c)	Condensed consolidated income statement	17
	(d)	Condensed consolidated statement of comprehensive income	18
	(e)	Condensed consolidated statement of changes in equity	19
	(f)	Condensed consolidated statement of financial position	20
	(g)	Condensed consolidated statement of cash flows	21
	(h)	Notes to the condensed consolidated financial statements	22-47
6. MSI plc Report and Financial Statements for the year ended 31 December 2023	(a)	Independent auditor's report	47-55
	(b)	Consolidated income statement	56
	(c)	Consolidated statement of comprehensive income	57
	(d)	Consolidated statement of changes in equity	58
	(e)	Company statement of changes in equity	59

(f)	Consolidated statement of financial position	60
(g)	Company statement of financial position	61
(h)	Consolidated statement of cash flows	62
(i)	Notes to the financial statements	63-144
(j)	Appendix to the financial statements: List of subsidiaries	145

Where any information incorporated by reference constitutes only certain parts of a document, the parts of such document not incorporated into this Base Prospectus are either (i) not relevant to an investor in the Notes or (ii) covered elsewhere in this Base Prospectus.

Any statement contained in this Base Prospectus or any documents incorporated by reference herein, shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in any document subsequently incorporated by reference and in respect of which a supplement to this Base Prospectus is prepared modifies or supersedes such statement.

The information about MSI plc incorporated by reference in this Base Prospectus (the "**Incorporated Information**") is considered to be part of this Base Prospectus. Following the publication of this Base Prospectus a supplement may be prepared by the Issuer and approved by the Central Bank in accordance with Article 23 of the Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

A copy of the documents incorporated by reference above can be accessed at the following locations:

Documents	Location
Registration Document dated 16 November 2023	https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=15846ec7-75cf-4262-9b7d-7d0439029691
Second supplement to the Registration Document dated 7 March 2024	https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=a29d0794-7255-46a7-b2e3-9089469aa63d
Fourth supplement to the Registration Document dated 15 May 2024	https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=954e9108-a42a-4f65-a02e-9872de153588
MSI plc's report and financial statements for the year ended 31 December 2022	https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=e9b3bd73-9df1-4c5c-8b17-305aacc9882f
MSI plc's interim report and financial statements dated 30 June 2023	https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=bfacf1f2-9ff7-4fd4-b309-f5b92b789e41
MSI plc Report and Financial Statements for the year ended 31 December 2023	https://sp.morganstanley.com/EU/Download/GeneralDocument?documentID=b1d01b6c-bdf4-4aca-90ab-4d6c3bdfca9f

DESCRIPTION OF THE ISSUER

Information in relation to the Issuer can be found on pages 58 to 62 of the Registration Document and page 23 of the Second Supplement to the Registration Document (incorporated by reference into this Base Prospectus on page 35).

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, as supplemented by the applicable Issue Terms, will be endorsed on each Note in definitive form (if any) issued under the Programme. The terms and conditions applicable to any Note issued in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "Summary of Provisions Relating to the Notes while in Global Form" below.

1. INTRODUCTION

- 1.1 *Programme:* Morgan Stanley & Co. International plc ("**MSI plc**" or, in its capacity as issuer, the "**Issuer**") has established a Programme (the "**Programme**") for the issuance of up to U.S.\$5,000,000,000 in aggregate principal amount of secured notes which are expressed to be governed by English law (the "**Notes**").
- 1.2 *Issue Terms:* Notes issued under the Programme are issued in series (each a "**Series**") and each Series may comprise one or more tranches (each a "**Tranche**") of Notes. Each Tranche is the subject of a set of issue terms (each set, "**Issue Terms**") which supplement these terms and conditions (the "**Conditions**"). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as supplemented by the applicable Issue Terms. In the event of any inconsistency between these Conditions and the applicable Issue Terms, the applicable Issue Terms shall prevail.
- 1.3 *Agency Agreement:* The Notes are the subject of an agency agreement dated on or about 20 December 2012 and as from time to time further amended and/or restated (the "**Agency Agreement**") between the Issuer, MSI plc, in its capacity as the determination agent (in such capacity, the "**Determination Agent**"), MSI plc, in its capacity as calculation agent (in such capacity, the "**Calculation Agent**", which expression includes any additional or successor Calculation Agent appointed from time to time in connection with the Notes), The Bank of New York Mellon SA/NV, acting through its Luxembourg Branch as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Notes and any successors and any assigns), the transfer agents named therein (the "**Transfer Agents**", which expression includes any successor and assigns or additional transfer agents appointed from time to time in connection with the Notes) and The Bank of New York Mellon, London Branch as principal paying agent (the "**Principal Paying Agent**", which expression includes any successor Principal Paying Agent appointed from time to time in connection with the Notes and any successor and any assigns and together with any additional paying agents appointed pursuant thereto, the "**Paying Agents**", which expression includes any successor paying agents appointed from time to time in connection with the Notes and any successors and assigns). In these Conditions references to the "**Agents**" are to the Paying Agents, the Calculation Agent, the Determination Agent, the Registrar and the Transfer Agents and any reference to an "**Agent**" is to any one of them.
- 1.4 *Trust Deed:* The Notes are constituted by and the obligations of the Issuer under the Notes have the benefit of security created by a trust deed dated on or about 20 December 2012 and as from time to time further amended and/or restated (the "**Principal Trust Deed**") between the Issuer and BNY Mellon Corporate Trustee Services Limited (the "**Trustee**" which expression shall include any co-Trustee and any successor Trustee appointed pursuant to the Principal Trust Deed and any successors and assignees), as supplemented by a supplemental trust deed in respect of each Series of Notes (substantially in the form scheduled to the Principal Trust Deed) dated on or about the Issue Date specified in the applicable Issue Terms between, among others, the Issuer and the Trustee (each a "**Supplemental Trust Deed**" and together with the Principal Trust Deed, the "**Trust Deed**").

The applicable Issue Terms may also specify that security in respect of a Series of Notes is created pursuant to any additional security document (each an "**Additional Security Document**").

- 1.5 *Custody Agreement:* The Issuer, the Trustee, the Collateral Administrator and The Bank of New York Mellon, London Branch, in its capacity as the custodian (the "**Custodian**" which expression includes any successor and assigns) have entered into a Custody Agreement dated on or about 20 December 2012 and as from time to time further amended and/or restated (the "**Custody Agreement**") pursuant to which the Trustee has appointed the Custodian to perform certain custodial functions relating to the Posted Collateral in respect of each Series of Notes. Pursuant to the terms of the Custody Agreement, the Custodian may appoint one or more sub-custodians, including local sub-custodians in each applicable EM Jurisdiction.

The Trustee (with the consent of the Issuer) may appoint an additional custodian to hold any applicable Posted Collateral (each an "**Additional Custodian**") pursuant to an additional custody agreement on terms to be agreed between the Issuer, the Trustee and the applicable Additional Custodian (each an "**Additional Custody Agreement**").

- 1.6 *Collateral Administration and Reporting Agreement:* The Issuer, the Trustee, the Custodian, the Bank of New York Mellon, London Branch in its capacity as collateral reporting agent (the "**Collateral Reporting Agent**" which expression includes any successors and assigns) and MSI plc in its capacity as the collateral administrator (the "**Collateral Administrator**") which expression includes any successors and assigns, the ABS Collateral Verification Agent and the EM Collateral Verification Agent (each as defined below) have entered into a collateral administration and reporting agreement dated on or about 20 December 2012 and as from time to time further amended and/or restated (the "**Collateral Administration and Reporting Agreement**"). Pursuant to the Collateral Administration and Reporting Agreement, the Collateral Administrator, the ABS Collateral Verification Agent and EM Collateral Verification Agent, in relation to each Series of Notes, have agreed to perform certain administrative functions on behalf of the Issuer and the Custodian in respect of the Posted Cash that is managed in accordance with the terms of the relevant Collateral Service Agreement (the "**Posted Euroclear Cash**"), the Posted Equity Collateral, the Posted Debt Collateral and the Posted ABS Collateral (together, the "**Posted Euroclear Collateral**") (in the case of the Collateral Administrator) and certain valuation functions in relation to the Posted ABS Collateral and the Posted EM Collateral (in the case of the ABS Collateral Verification Agent and the EM Collateral Verification Agent, respectively) on behalf of the Issuer. In addition, the Issuer has appointed the Collateral Reporting Agent to perform certain reporting functions relating to the Posted Collateral in respect of each Series of Notes.

- 1.7 *Collateral Service Agreement:* In relation to each Series of Notes, the Issuer, the Custodian and Euroclear Bank SA/NV ("**Euroclear**") in its capacities as a collateral service provider (the "**Collateral Service Provider**") and a collateral verification agent (the "**Debt and Equity Collateral Verification Agent**") will enter into a collateral service agreement to be dated on or about the relevant Issue Date (the "**Collateral Service Agreement**") pursuant to which the Issuer and the Custodian will appoint the Collateral Service Provider to perform certain management and valuation tasks in relation to the Posted Euroclear Cash, the Posted Debt Collateral, the Posted Equity Collateral and Posted ABS Collateral (in relation to the management tasks only) for each such Series of Notes.

The Issuer and the Custodian (with the consent of the Trustee), if specified in the applicable Issue Terms, may enter into an additional collateral management agreement with respect to a Series of Notes (each an "**Additional Collateral Management Agreement**") with the Custodian, any Additional Custodian or the applicable sub-custodian appointed to hold the relevant Posted Collateral, the applicable collateral manager appointed to manage such Posted Collateral (each an "**Additional Collateral Manager**" which expression includes any successors and assigns) and the applicable Collateral Verification Agent.

In these Conditions references to the "**Collateral Agents**" are to the Custodian, the Collateral Service Provider, the Collateral Administrator, the Collateral Verification Agents, the Collateral Reporting Agent, any Additional Custodian, any Additional Collateral Manager and any Additional Collateral Verification Agent (as defined below) and any reference to a "**Collateral Agent**" is to any one of them.

- 1.8 *The Notes:* All subsequent references in these Conditions to "Notes", "Noteholders" or "holders of Notes", unless otherwise expressly specified, are to the Notes or, as appropriate, to the holders of the Notes, which are the subject of the applicable Issue Terms, Supplemental Trust Deed, Collateral Service Agreement, Additional Custody Agreement (if any), Additional Collateral Management Agreement (if any), Additional Security Document (if any) and any other agreement entered into by the Issuer in connection with a Series of Notes.
- 1.9 *Summaries:* Certain provisions of these Conditions are summaries of the Agency Agreement, the Principal Trust Deed, the Collateral Administration and Reporting Agreement, and the Custody Agreement and are subject to their detailed provisions. The holders of the Notes (the "**Noteholders**") and the holders of the related interest coupons, if any, (the "**Couponholders**" and the "**Coupons**", respectively) are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement, the Principal Trust Deed, the Collateral Administration and Reporting Agreement and the Custody Agreement applicable to them.
- 1.10 *Documents available for inspection:* Copies of the Agency Agreement, the Principal Trust Deed, the Collateral Administration and Reporting Agreement and the Custody Agreement are available for inspection by Noteholders during normal business hours at the Specified Offices of each of the Paying Agents, the initial Specified Offices of which are set out below. Copies of the applicable Issue Terms, Supplemental Trust Deed, Collateral Service Agreement, Additional Custody Agreement, Additional Collateral Management Agreement, Additional Security Document and any other agreement entered into by the Issuer in connection with a Series of Notes are available for inspection by Noteholders during normal business hours at the Specified Office of the Principal Paying Agent, the initial Specified Office of which is set out below provided that if the relevant Notes are neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive, the applicable Issue Terms, Supplemental Trust Deed, Collateral Service Agreement, Additional Custody Agreement, Additional Collateral Management Agreement, Additional Security Document and any other agreement entered into by the Issuer in connection with such Notes will only be obtainable by a Noteholder holding such Note and such Noteholder must produce evidence satisfactory to the Issuer as to its identity and the holding of such Notes.

2. INTERPRETATION

- 2.1 *Definitions:* In these Conditions the following expressions have the following meanings:
- "**ABS Collateral**" means, in respect of a Series of Notes, the Asset Backed Securities meeting the ABS Eligibility Criteria;
- "**ABS Eligibility Criteria**" means the criteria that the ABS Collateral must fulfil, as specified in the Collateral Schedule;
- "**Accrual Yield**" has the meaning given in the applicable Issue Terms;
- "**Additional Business Centre(s)**" means the city or cities specified as such in the applicable Issue Terms;
- "**Administrator/Benchmark Event**" means, in respect of any Notes, delivery of a notice by the Determination Agent to the Issuer and the Principal Paying Agent specifying that any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the Relevant Rates Benchmark or the administrator or sponsor of the Relevant Rates Benchmark has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case with the effect that any of the Issuer, the Determination Agent or the Calculation Agent is not, or will not be, permitted under any applicable law or regulation to use the Relevant Rates Benchmark to perform its of their respective obligations in respect of the Notes. For the avoidance of doubt, Administrator/Benchmark Event shall not apply where the Relevant Rates Benchmark is U.S. dollar LIBOR (see Condition 7.18 (*Effect of Benchmark Transition Event*) below) or SOFR (see Condition 7.7 (*Provisions specific to SOFR as Reference Rate*) below);

"Administrator/Benchmark Event Date" means, in respect of any Notes and an Administrator/Benchmark Event, the date on which the authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register is:

- (i) required under any applicable law or regulation; or
- (ii) rejected, refused, suspended or withdrawn, if the applicable law or regulation provides that the Relevant Rates Benchmark is not permitted to be used under the Notes following rejection, refusal, suspension or withdrawal, or, in each case, if such date occurs before the Issue Date, the Issue Date.

"Alternative Pre-nominated Index" means, in respect of a Relevant Rates Benchmark, the first of the indices, benchmarks or other price sources specified in the applicable Issue Terms as an "Alternative Pre-nominated Index" that is not subject to an Administrator/ Benchmark Event;

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

"Benchmark" means:

- (i) if SOFR is not specified in the relevant Issue Terms as the Reference Rate, initially LIBOR (with the applicable period of maturity in the case of Screen Rate Determination or the applicable Designated Maturity in the case of ISDA Determination); provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to LIBOR (with the applicable period of maturity in the case of Screen Rate Determination or the applicable Designated Maturity in the case of ISDA Determination) or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement; or
- (ii) if SOFR is specified in the relevant Issue Terms as the Reference Rate, the Secured Overnight Financing Rate with the applicable period of maturity (which shall be daily); provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the Secured Overnight Financing Rate with the applicable period of maturity (which shall be daily), or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement;

"Benchmark Replacement" means:

- (i) if SOFR is not specified in the relevant Issue Terms as the Reference Rate, the Interpolated Benchmark with respect to the then-current Benchmark, plus the Benchmark Replacement Adjustment for such Benchmark; provided that if the Issuer or its designee cannot determine the Interpolated Benchmark as of the Benchmark Replacement Date, then "Benchmark Replacement" means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:
 - (a) the sum of: (i) Fallback Term SOFR and (ii) the Benchmark Replacement Adjustment;
 - (b) the sum of: (i) Fallback Compounded SOFR and (ii) the Benchmark Replacement Adjustment;
 - (c) the sum of: (i) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (ii) the Benchmark Replacement Adjustment;
 - (d) the sum of: (i) the ISDA Fallback Rate and (ii) the Benchmark Replacement Adjustment;
 - (e) the sum of: (i) the alternate rate of interest that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark for the applicable Corresponding Tenor 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 (ii) the Benchmark Replacement Adjustment; or

- (ii) if SOFR is specified in the relevant Issue Terms as the Reference Rate, the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:
 - (a) the sum of: (i) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (ii) the Benchmark Replacement Adjustment;
 - (b) the sum of: (i) the ISDA Fallback Rate and (ii) the Benchmark Replacement Adjustment;
 - (c) the sum of: (i) the alternate rate of interest that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark for the applicable Corresponding Tenor 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 (ii) the Benchmark Replacement Adjustment;

"Benchmark Replacement Adjustment" means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (a) 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;
- (b) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment;
- (c) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee 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 Period", timing and frequency of determining rates and making payments of interest, changes to the definition of "Corresponding Tenor" solely when such tenor is longer than the Interest Period, and other administrative matters) that the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary);

"Benchmark Replacement Date" means the earliest to occur of the following events with respect to the then-current Benchmark:

- (a) in the case of limb (a) or (b) of the definition of "Benchmark Transition Event", the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or
- (b) in the case of limb (c) 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:

- (a) a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that such administrator has ceased or will cease to provide the Benchmark, 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;
- (b) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the central bank for the currency of the Benchmark, an insolvency official with jurisdiction over the administrator for the Benchmark, a resolution authority with jurisdiction over the administrator for the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark 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
- (c) 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;

"Broken Amount" means the amount specified as such in the applicable Issue Terms;

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

- (i) that is neither a legal holiday nor a day on which banking institutions are authorised or required by law or regulation to close (a) for Notes denominated in U.S. Dollars, in the City of New York or (b) for Notes denominated in Sterling, in London, or (c) for Notes denominated in Australian dollars, in Sydney, or (d) 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, and in each (if any) Additional Business Centre;
- (ii) 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,

and, in each case, if **"Additional Business Centre"** is specified to be or to include: (i) **"U.S. Government Securities Business Day"**, then **"Business Day"** shall also be any day other than a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities; or (ii) **"TARGET"** or **"TARGET Settlement Day"**, then **"Business Day"** shall include a TARGET Settlement Day;

"Business Day Convention", in relation to any particular date referred to in the Conditions or in the applicable Issue Terms which is specified to be adjusted in accordance with a Business Day Convention, the convention for adjusting such date if it would otherwise fall on a day that is not a Business Day, and means any one or more of: Following Business Day Convention, Modified Following Business Day Convention (or Modified Business Day Convention), Preceding Business Day Convention, FRN Convention (or Floating Rate Convention or Eurodollar Convention) or No Adjustment (or Unadjusted), as specified in the applicable Issue Terms. In this context, if the Business Day Convention specified in the relevant Issue Terms is:

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

- (ii) **"Modified Following Business Day Convention" or "Modified Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (iii) **"Preceding Business Day Convention"** means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (iv) **"FRN Convention", "Floating Rate Convention" or "Eurodollar Convention"** means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the applicable Issue Terms as the Specified Period after the calendar month in which the preceding such date occurred **provided, however, that:**
 - (a) 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;
 - (b) 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
 - (c) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (v) **"No Adjustment" or "Unadjusted"** means that the relevant date shall not be adjusted in accordance with any Business Day Convention,

provided that if ISDA Determination, "2021 ISDA Definitions" and "Unscheduled Holiday" are applicable in the relevant Issue Terms, then in the case where Modified Following Business Day Convention, Modified Business Day Convention, Preceding Business Day Convention, FRN Convention, Floating Rate Convention or Eurodollar Convention apply to a particular date and that date would otherwise fall on a day that is not a Business Day as a result of an Unscheduled Holiday (as defined in the 2021 ISDA Definitions but disregarding references to Valuation Business Day and Exercise Business Day and construing references to the Confirmation to mean the applicable Issue Terms) notwithstanding the provisions of (ii) to (iv) above, such day will instead fall on the first following day that is a Business Day;

"Calculation Agent" means, in respect of any Notes, MSI plc 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), subject as otherwise provided in these Conditions (including, without limitation, as provided in Condition 7 (*Floating Rate Note Provisions*)) 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;

"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 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 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 Posted ABS Collateral (in such capacity, the "**ABS Collateral Verification Agent**") and the Posted EM Collateral (in such capacity, the "**EM Collateral Verification Agent**")), and any other 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, in each case which expression includes any successor and assigns (each an "**Additional Collateral Verification Agent**" and together, the "**Collateral Verification Agents**");

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

"**Custody Account**" means, in relation to a Series of Notes, the account maintained by the Custodian in the name 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;

"**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 these Conditions or the applicable Issue Terms and:

- (i) if "**Actual/Actual**" or "**Actual/Actual (ISDA)**" is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;
- (iii) if "**Actual/365L**" is so specified, the actual number of days in the Calculation Period divided by 365 (or, if the last day of the Calculation Period falls in a leap year, 366);
- (iv) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;
- (v) if "**30/360**" or "**30/360 (ICMA)**" is so specified, means the number of days in the relevant period (calculated on the basis of a year of 360 days consisting of 12 months of 30 days each and, in the case of an incomplete month, the actual number of days elapsed) divided by 360;
- (vi) if "**30/360 (ISDA)**", "**360/360**" or "**Bond Basis**" is so specified, 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;

- (vii) if "30E/360" or "Eurobond Basis" is so specified, 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

- (viii) if "30E/360 (ISDA)" is so specified, 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; and

(ix) if "1/1" is so specified, 1;

"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 that the Debt Collateral must fulfil, as specified in the Collateral Schedule;

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

"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;

"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;

"ECB" means the European Central Bank (or its successor);

"ECB €STR Guideline" means Guideline (EU) 2019/1265 of the ECB of 10 July 2019 on the euro short-term rate (€STR) (ECB/2019/19), as amended from time to time;

"ECB's Website" means the website of the ECB, currently at www.ecb.europa.eu or any successor source officially designated by the ECB;

"EEA" means the European Economic Area;

"Eligible Collateral" means, in respect 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;

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

"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 the Equity Collateral must fulfil, as specified in the Collateral Schedule;

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

"€STR", in respect of any TARGET Settlement Day, means the euro-short term rate administered by the ECB (or any successor administrator) for such TARGET Settlement Day and published on the ECB's Website (or any other authorised source) as of 9:00 a.m. (Frankfurt time) or, in case a revised euro short-term rate is published as provided in Article 4 subsection 3 of the ECB €STR Guideline as of 11:00 a.m. (Frankfurt time), such revised interest rate (or any amended publication time as specified by the administrator of the euro-short term rate in the euro-short term rate benchmark methodology) and as then published on the Relevant Screen Page or, if the Relevant

Screen Page is unavailable, as otherwise published by the administrator of €STR or such authorised distributors, in each case on the TARGET Settlement Day immediately following such TARGET Settlement Day;

"€STR Rate Cut-Off Date" means the date that is the number of TARGET Settlement Days specified in the applicable Issue Terms (or if none are specified, the second TARGET Settlement Day) prior to the Maturity Date or the redemption date, as applicable;

"Extraordinary Resolution" has the meaning given in the Trust Deed;

"Fallback Compounded SOFR" means the compounded average of Fallback SOFRs for the applicable Corresponding Tenor, with the rate, or methodology for this rate, and conventions for this rate being established by the Issuer or its designee in accordance with:

- (a) the rate, or methodology for this rate, and conventions for this rate selected or recommended by the Relevant Governmental Body for determining compounded Fallback SOFR; provided that:
- (b) if, and to the extent that, the Issuer or its designee determines that Fallback Compounded SOFR cannot be determined in accordance with clause (a) above, then the rate, or methodology for this rate, and conventions for this rate that have been selected by the Issuer or its designee giving due consideration to any industry-accepted market practice for U.S. dollar-denominated floating rate notes at such time;

"Fallback SOFR" with respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark, (or a successor administrator) on the Federal Reserve Bank of New York's Website;

"Fallback Term SOFR" means the forward-looking term rate for the applicable Corresponding Tenor based on Fallback SOFR that has been selected or recommended by the Relevant Governmental Body;

"Federal Reserve Bank of New York's Website" means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source;

"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;

"Fixed Interest Rate" means the rate or rates (expressed as a percentage per annum) of interest as specified in the applicable Issue Terms;

"Floating Interest Rate" means the rate or rates (expressed as a percentage per annum) of interest determined in accordance with Condition 7 (*Floating Rate Note Provisions*);

"Implementation of Financial Transaction Tax Event" means that, on or after the Trade Date of any Tranche or Series of Notes, due to the adoption of or any change in any applicable law or regulation (including without limitation any law or regulation implementing a system of financial transaction taxes in any jurisdiction, including the European Union relating to any tax, payable in respect of the transfer of, or issue or modification or redemption of, any financial instruments), the Issuer determines (acting in good faith and in a commercially reasonable manner) that either it or any of its Affiliates would incur or has incurred a materially increased amount of tax, transfer tax, duty, stamp duty, stamp duty reserve tax, expense or fee (other than brokerage commissions) to (A) enter into, modify or unwind the Notes or any part thereof, or perform its obligations under such Notes, including for the avoidance of doubt any obligation or exercise of any right to deliver any asset including any Eligible Collateral or any other assets comprising collateral in respect of the relevant Notes or (B) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the relevant Notes or (C) realize, recover or remit the proceeds of any such transaction(s) or asset(s), **provided that** the Issuer has determined that the nature of the

adoption of or any change in law or regulation is such that it is applicable to investors generally when carrying out similar trading or hedging activities in the relevant jurisdiction.

"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" means if the applicable Issue Terms specify: (i) **"Daily Rate Determination"** to be applicable, in respect of a Reference Rate for any relevant day, the Interest Determination Date shall be such relevant day, (ii) **"Periodic Rate Determination"** to be applicable, in respect of a Reference Rate for any Interest Period, the Interest Determination Date shall be the date or dates, if any, specified as such in the applicable Issue Terms, or (iii) SOFR, SONIA, €STR, SARON or TONA as the applicable Reference Rate, the Interest Determination Date(s) shall be the Interest Period End Date at the end of each Interest Period (or such other date or dates, if any, specified as such in the applicable Issue Terms); provided that if any of SOFR Compound with Payment Delay, SONIA Compound with Payment Delay, €STR Compound with Payment Delay, SARON Compound with Payment Delay or TONA Compound with Payment Delay applies, the Interest Determination Date with respect to the final Interest Period for SOFR, SONIA, €STR, SARON or TONA (as the case may be) will be the SOFR Rate Cut-Off Date, the SONIA Rate Cut-Off Date, the €STR Rate Cut-Off Date, the SARON Rate Cut-Off Date or the TONA Rate Cut-Off Date, respectively;

"Interest Payment Date" means:

- (i) if none of SOFR Compound with Payment Delay, SONIA Compound with Payment Delay, €STR Compound with Payment Delay, SARON Compound with Payment Delay or TONA Compound with Payment Delay are specified in the relevant Issue Terms as applicable and Delayed Payment is not specified in the relevant Issue Terms as applicable in respect of any Overnight Floating Rate Option (as defined in the ISDA Definitions) or any Index Floating Rate Option (as defined in the ISDA Definitions), the Interest Payment Date specified in the applicable Issue Terms, if such date is specified in the Conditions or the applicable Issue Terms to be subject to adjustment in accordance with a Business Day Convention:
 - (A) such date as 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),

provided that if the applicable Issue Terms specify "Interest Specified Day(s)" to be applicable and the Relevant Determination Date is adjusted in accordance with the Conditions, the Interest Payment Date shall instead be the day falling the number of Interest Specified Day(s) after the Relevant Determination Date, and no Noteholder shall be entitled to any interest or further payment in respect of such delay; or

- (ii) if
 - (A) any of SOFR Compound with Payment Delay, SONIA Compound with Payment Delay, €STR Compound with Payment Delay, SARON Compound with Payment

Delay or TONA Compound with Payment Delay is specified in the relevant Issue Terms as applicable; or

- (B) Delayed Payment is specified in the relevant Issue Terms as applicable in respect of any Overnight Floating Rate Option or any Index Floating Rate Option,

the number of Business Days equal to the Interest Payment Delay following each Interest Period End Date; provided that the Interest Payment Date with respect to the final Interest Period will be the Maturity Date or other date for redemption of the relevant Notes;

"Interest Payment Delay" means:

- (i) as specified in the applicable Issue Terms, or if not so specified, (A) in respect of SOFR, two U.S. Government Securities Business Days, (B) in respect of SONIA, two London Banking Days, (C) in respect of €STR, two TARGET Settlement Days, (D) in respect of SARON, two Zurich Banking Days and (E) in respect of TONA, two Tokyo Banking Days; or
- (ii) in respect of any Overnight Floating Rate Option (as defined in the ISDA Definitions) or any Index Floating Rate Option (as defined in the ISDA Definitions) where Delayed Payment is specified in the relevant Issue Terms as applicable, the number of Business Days specified in respect of Delayed Payment in the applicable Issue Terms;

"Interest Period" means, subject as otherwise provided in the Conditions, each period beginning on (and including) the Interest Commencement Date or any Interest Period End Date and ending on (but excluding) the next Interest Period End Date or any other period specified as such in the applicable Issue Terms, subject to adjustment in accordance with the relevant Business Day Convention;

"Interest Period End Date" means each Interest Payment Date unless specified otherwise in the relevant Issue Terms;

"Interest Specified Day(s)" means such number of Business Day(s), Clearing System Business Day(s) or calendar days as specified in the applicable Issue Terms;

"Interpolated Benchmark" with respect to the Benchmark means the rate determined for the Corresponding Tenor by interpolating on a linear basis between: (a) the Benchmark for the longest period (for which the Benchmark is available) that is shorter than the Corresponding Tenor and (b) the Benchmark for the shortest period (for which the Benchmark is available) that is longer than the Corresponding Tenor;

"ISDA Bespoke Fallbacks" means, in respect of any Floating Rate Option (as defined in the ISDA Definitions), fallbacks other than ISDA Generic Fallbacks;

"ISDA Definitions" means, for the purposes of Condition 7.18 (*Effect of Benchmark Transition Event*) or Condition 7.7 (*Provisions specific to SOFR as Reference Rate*), 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 including the 2021 ISDA Interest Rate Derivatives Definitions (as amended or supplemented from time to time); and (ii) for all other purposes, (a) if "2006 ISDA Definitions" is specified as applicable in the applicable Issue Terms, 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.; or (b) if "2021 ISDA Definitions" is specified as applicable in the applicable Issue Terms, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions, including any Matrices referred to therein, 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.;

"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 for the applicable tenor;

"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;

"ISDA Generic Fallbacks" means any fallbacks that would be required to be determined in accordance with Section 8.6 (Generic Fallback Provisions) of the 2021 ISDA Interest Rate Derivatives Definitions;

"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;

"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;

"Margin" means, in respect of any Interest Rate or Reference Rate (each a "Relevant Rate") for a relevant day (including an Interest Payment Date) and/or for an Interest Period ending on (but excluding) an Interest Payment Date, the percentage rate specified as such in the applicable Issue Terms in respect of such Relevant Rate for such day and/or such Interest Period, which shall be preceded with either a "+" (plus) or a "-" (minus) sign (provided that if the applicable Issue Terms specify Margin to be not applicable in respect of such Relevant Rate, it shall be deemed to be equal to zero), or if a Rate Table is set out in the applicable Issue Terms, each percentage rate specified in the Rate Table in the column headed "Margin" (which shall be preceded with either a "+" (plus) or a "-" (minus) sign) in the row corresponding to such day or corresponding to the date (specified in the column "Interest Payment Date(s)") on which such Interest Payment Date is scheduled to fall. Where the applicable Issue Terms specify more than one Margin for different Relevant Rates, the Margin will be construed to apply to each Relevant Rate for each relevant day (including an Interest Payment Date) and/or each Interest Period;

"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;

"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 Maturity Date, 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 Maturity Date, 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;

"Payment Business Day" means:

- (i) if the currency of payment is euro, any day which is:
 - (A) 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
 - (B) 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 Financial Centre; or
- (ii) if the currency of payment is not euro, any day which is:
 - (A) 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
 - (B) 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 Financial Centre;

"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;

"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" shall have the meaning given to it in Condition 1.6 (*Collateral Administration and Reporting 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;

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

- (i) 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
- (ii) in relation to Australian dollars, it means Sydney and Melbourne and, in relation to New Zealand dollars, it means Wellington and Auckland;

"Put Option Notice" means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

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

"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 these Conditions and/or the applicable Issue Terms;

"Rate Table" means a table specified as such in the applicable Issue Terms;

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

"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;

"Reference Banks" has the meaning given in the applicable Issue Terms or, if none, four major banks selected by the Determination 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" means in respect of any relevant period or day, any of the following as specified in the applicable Issue Terms: (i) a Fixed Interest Rate, (ii) a Floating Interest Rate, or (iii) any interest rate, swap rate, index, benchmark or price source specified as a "Reference Rate" in the applicable Issue Terms, or determined in accordance with the Conditions, in each case, for such period or such day. If more than one Reference Rate is specified, "Reference Rate" shall be construed to refer to each rate defined or specified as such, or determined, in respect of the relevant period or day as specified in the applicable Issue Terms;

"Reference Time" with respect to any determination of the Benchmark means (a) if the Benchmark is LIBOR, 11:00 a.m. (London time) on the day that is two London banking days preceding the date of such determination, and (b) if the Benchmark is not LIBOR, the time determined by the Issuer or its designee in accordance with the Benchmark Replacement Conforming Changes;

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

"Relevant Clearing System" means, as appropriate, Euroclear SA/NV ("**Euroclear**"), Clearstream, Luxembourg, *société anonyme* ("**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 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" means, in relation to any Series of Notes and the applicable Reference Rate, the city specified as such in the applicable Issue Terms;

"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;

"Relevant Rates Benchmark" means, in respect of any Notes:

- (i) each Reference Rate (or, if applicable, the index, benchmark or other price source that is referred to in the Reference Rate) other than a Fixed Interest Rate;
- (ii) each Floating Rate Option (or, if applicable, the index, benchmark or other price source that is referred to in the Floating Rate Option); or
- (iii) any other index, benchmark or other price source specified as a "Relevant Rates Benchmark" in the applicable Issue Terms;

"Relevant Screen Page" means, in respect of a Reference Rate, 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 in relation to such Reference rate, 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 such Reference Rate;

"Relevant Time" means, for the purposes of a determination of a Reference Rate, the time (in the place) specified as such in the applicable Issue Terms corresponding to such Reference Rate;

"Reserved Matter" shall have the meaning given to it in the Trust Deed;

"Rights" means, in relation to any agreement or asset, all rights, title and interest of the relevant person in, to and under such agreement or asset;

"SARON", in respect of any Zurich Banking Day, means the Swiss Average Rate Overnight rate administered by SIX Index AG (or any successor administrator) for such Zurich Banking Day as provided by the administrator of such rate to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by the administrator of SARON or such authorised distributors, in each case at or after 6.00 p.m. (Zurich time) (or any amended publication time as specified by the administrator of such rate in the benchmark methodology) (or such other publication time as specified in the applicable Issue Terms) on the same Zurich Banking Day;

"SARON Rate Cut-Off Date" means the date that is the number of Zurich Banking Days specified in the applicable Issue Terms (or if none are specified, the second Zurich Banking Day) prior to the Maturity Date or the redemption date, as applicable;

"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;

"Security" means, in relation to a Series of Notes, a mortgage over the Posted Collateral (other than the 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;

"SOFR", in respect of any U.S. Government Securities Business Day, means the rate determined by the Determination Agent as:

- (i) the Secured Overnight Financing Rate in respect of such U.S. Government Securities Business Day as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or a successor administrator) on the Federal Reserve Bank of New York's

Website on or about 5:00 p.m. (New York time) on the U.S. Government Securities Business Day immediately following such U.S. Government Securities Business Day; or

- (ii) if the Secured Overnight Financing Rate in respect of such U.S. Government Securities Business Day does not appear as specified in paragraph (i), unless both a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, the Secured Overnight Financing Rate in respect of the last U.S. Government Securities Business Day for which such rate was published on the Federal Reserve Bank of New York's Website; or
- (iii) if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, the provisions of Condition 7.18 (*Effect of Benchmark Transition Event*) will apply;

"SOFR Rate Cut-Off Date" means the date that is the second U.S. Government Securities Business Day prior to the Maturity Date or the redemption date, as applicable;

"SONIA", in respect of any London Banking Day, means the Sterling Overnight Index Average rate administered by the Bank of England (or any successor administrator) for such London Banking Day as provided by the administrator of such rate 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, in each case as of 9:00 a.m. (London time) (or any amended publication time as specified by the administrator of such rate in the benchmark methodology) on the London Banking Day immediately following such London Banking Day;

"SONIA Rate Cut-Off Date" means the date that is the number of London Banking Days specified in the applicable Issue Terms (or if none are specified, the second London Banking Day) prior to the Maturity Date or the redemption date, as applicable;

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

"Specified Denomination(s)" means, in relation to Notes of any Series, the denomination or denominations of such Notes specified as such in the applicable Issue Terms and may be expressed as (i) currency amounts or (ii) a currency amount and integral multiples of a second currency amount in excess of such currency amount, provided that, the Specified Denomination shall, in no circumstance, be an amount less than €1,000 or, if the Notes are denominated in any other currency, the equivalent amount in such other currency;

"Specified Office" has the meaning given in the Agency Agreement;

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

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

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

"Supplemental Trust Deed" shall have the meaning given to it in Condition 1.4 (*Trust Deed*), as amended, supplemented or restated from time to time;

"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;

"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;

"Tokyo Banking Day" or **"TBD"** means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in Tokyo;

"TONA", in respect of any Tokyo Banking Day, means the Tokyo Overnight Average Rate administered by the Bank of Japan (or any successor administrator) for such Tokyo Banking Day as provided by the administrator of such rate to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by the administrator of TONA or by such authorised distributors, in each case as of approximately 10:00 a.m. (Tokyo time) (or any amended publication time as specified by the administrator of such rate in the benchmark methodology) on the Tokyo Banking Day immediately following such Tokyo Banking Day;

"TONA Rate Cut-Off Date" means the date that is the number of Tokyo Banking Days specified in the applicable Issue Terms (or if none are specified, the second Tokyo Banking Day) prior to the Maturity Date or the redemption date, as applicable;

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

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

"Unadjusted Benchmark Replacement" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment;

"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 recommends that the fixed income departments of its members be closed for the entire day for the purposes of trading in U.S. government securities;

"Valuation Percentage" means, in relation to a Series of Notes and any item of Posted Collateral, the percentage specified in the Collateral Schedule, provided that such percentage shall not exceed 100 per cent.;

"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;

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

2.2 *Interpretation:* In these Conditions:

- (i) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;
- (ii) in respect of Notes in bearer form, if Talons are specified in the applicable Issue Terms as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;
- (iii) in respect of Notes in bearer form, if Talons are not specified in the applicable Issue Terms as being attached to the Notes at the time of issue, references to Talons are not applicable;

- (iv) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 13 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;
- (v) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 13 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;
- (vi) references to Notes being "outstanding" shall be construed in accordance with the Trust Deed;
- (vii) references in these Conditions to taking proceedings against the Issuer shall be deemed to include references to proving in the winding up of the Issuer;
- (viii) references in the Conditions to any action, remedy or method of proceeding for the enforcement of the rights of creditors shall be deemed to include, in respect of any jurisdiction other than England, references to such action, remedy or method of proceeding for the enforcement of the rights of creditors available or appropriate in such jurisdiction as shall most nearly approximate to such action, remedy or method of proceeding described or referred to in the Conditions;
- (ix) words denoting the singular include the plural and vice versa;
- (x) words denoting one gender only include the other genders;
- (xi) words denoting persons only include firms and corporations and vice versa; and
- (xii) if an expression is stated in Condition 2.1 (*Definitions*) to have the meaning given in the applicable Issue Terms, but the applicable Issue Terms gives no such meaning or specifies that such expression is "not applicable" then such expression is not applicable to the Notes.

3. FORM, DENOMINATION AND TITLE

3.1 *Form:* The Issuer may issue Notes in bearer form ("**Bearer Notes**") to the extent it has been determined that such Notes should be classified as being in registered form for U.S. Federal income tax purposes or in registered form ("**Registered Notes**").

3.2 *Bearer Notes*

3.2.1 *Form:* Bearer Notes in definitive form will be serially numbered in the Specified Denomination(s) with Coupons and, if specified in the applicable Issue Terms, Talons attached at the time of issue. In the case of a Series of Bearer Notes with more than one Specified Denomination, Bearer Notes of one Specified Denomination will not be exchangeable for Bearer Notes of another Specified Denomination.

3.2.2 *Title:* Title to the Bearer Notes and the Coupons attaching thereto will pass by delivery. In respect of any Bearer Note, "**Holder**" means the holder of such Bearer Note and "**Noteholder**" and "**Couponholder**" shall be construed accordingly.

3.2.3 *Ownership:* The holder of any Bearer Note or Coupon attaching thereto shall (except as otherwise required by law) 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 other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such holder.

3.3 *Registered Notes*

3.3.1 *Form:* Registered Notes may be in either individual certificate form or in global certificate form. Registered Notes are in the Specified Denomination(s), which may include a minimum denomination specified in the applicable Issue Terms and higher integral multiples of a smaller amount specified in the applicable Issue Terms.

- 3.3.2 *Title:* Title to the Registered Notes passes by registration in the Register which is kept by the Registrar in accordance with the provisions of the Agency Agreement. A certificate (each, a "**Note Certificate**") will be issued to each Holder of Registered Notes in respect of its registered holding. Each Note Certificate will be numbered serially with an identifying number which will be recorded in the Register. "**Holder**" means, in the case of Registered Notes, 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) and "**Noteholder**" shall be construed accordingly.
- 3.3.3 *Ownership:* The Holder of any Registered Note shall (except as otherwise required by law) 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 other interest therein, any writing on the Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such holder.
- 3.3.4 *Transfers:* Subject to Conditions 3.3.7 (*Closed Periods*) and 3.3.8 (*Regulations concerning transfers and registration*) below, a Registered Note may be transferred upon surrender of the relevant Note Certificate, with the endorsed form of transfer duly completed, at the Specified Office of the Registrar or any Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer; provided, however, that a Registered Note may not be transferred unless the principal amount of Registered Notes transferred and (where not all of the Registered Notes held by a holder are being transferred) the principal amount of the balance of Registered Notes not transferred are Specified Denominations. Where not all the Registered Notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the Registered Notes will be issued to the transferor.
- 3.3.5 *Registration and Delivery:* Within five business days of the surrender of a Note Certificate in accordance with Condition 3.3.4 (*Transfers*) above, the Registrar will register the transfer in question and deliver a new Note Certificate of a like principal amount to the Registered Notes transferred to each relevant holder at its Specified Office or (as the case may be) the Specified Office of any Transfer Agent or (at the request and risk of any such relevant holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant holder. In this Condition 3.3.5, "**business day**" means a day on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the Registrar or (as the case may be) the relevant Transfer Agent has its Specified Office.
- 3.3.6 *No charge:* The transfer of a Registered Note will be effected without charge by or on behalf of the Issuer or the Registrar or any Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.
- 3.3.7 *Closed Periods:* Holders of Registered Notes may not require transfers to be registered during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Registered Notes.
- 3.3.8 *Regulations concerning transfers and registration:* All transfers of Registered Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Registered Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any holder of Registered Notes who requests in writing a copy of such regulations.

4. STATUS

Status of the Notes: The Notes constitute secured, direct and general obligations of the Issuer which rank *pari passu* among themselves.

5. SECURITY

5.1 *Security:* Each Series of Notes will have the benefit of security granted by the Issuer over a pool of Posted Collateral and other Secured Assets, as specified in the applicable Issue Terms for such Series of Notes and the Security Documents, in favour of the Trustee for the benefit of itself and the Noteholders and the Couponholders to secure the Issuer's obligations under the Notes and the Coupons (if any) comprising such Series of Notes. The Posted Collateral and the Security created in respect of it is intended to constitute a security financial collateral arrangement pursuant to the Financial Collateral Arrangements (No.2) Regulations 2003 (as amended from time to time). Any Security shall be created by the Security Documents, as agreed between the Issuer and the Trustee, from time to time and will be held on trust by the Trustee for itself and the Noteholders under the terms of the Trust Deed and any Additional Security Document.

5.2 *Minimum Collateralisation Value:* All Posted Collateral over which Security will be created by the Issuer in favour of the Trustee (for the benefit of itself and the Noteholders) of each Series of Notes will be transferred by the Issuer to the Custody Account pursuant to the terms of the Custody Agreement and the Trust Deed. In respect of each Series of Notes, the Issuer shall deliver Eligible Collateral or shall procure that Eligible Collateral is delivered to the Custodian, so that the aggregate Value of the Posted Collateral for such Series of Notes is, on each Collateral Valuation Date, greater than or equal to the Minimum Collateralisation Value. The Issuer, in respect of each Series of Notes, shall deliver further Eligible Collateral, or shall procure that further Eligible Collateral is delivered, to the Custodian in respect of any Collateral Valuation Date on which the aggregate Value of the Posted Collateral for such Series of Notes is less than the Minimum Collateralisation Value so that after such delivery, the aggregate Value of the Posted Collateral for such Series of Notes is greater than or equal to the Minimum Collateralisation Value. If, on any Collateral Valuation Date, the aggregate Value of the Posted Collateral for such Series of Notes is greater than the Minimum Collateralisation Value, the Issuer may request, or may take such steps as may be reasonably required to procure, the withdrawal of such Posted Collateral, as permitted, in accordance with Condition 5.3 (*Substitution and Withdrawal of Posted Collateral*) below.

5.3 *Substitution and Withdrawal of Posted Collateral:* On any Collateral Valuation Date in respect of a Series of Notes, the Issuer may, without the consent of the Trustee, substitute Posted Collateral with other Eligible Collateral and shall substitute any Posted Collateral that does not meet the Eligibility Criteria with other Eligible Collateral, subject to the provisions of the Trust Deed, the Collateral Service Agreement, any Additional Collateral Management Agreement and the applicable Issue Terms. The Issuer, may, on any Collateral Valuation Date in respect of a Series of Notes, withdraw any Posted Collateral from the Custody Account without the consent of the Trustee provided that following any such withdrawal the aggregate Value of the Posted Collateral for such Series of Notes is greater than or equal to the greater of (i) the aggregate of any early redemption amounts that the Issuer would be required to pay to Noteholders in respect of such Series of Notes and (ii) the Minimum Collateralisation Value.

For the purposes of this Condition 5.3, any substitution of Posted Collateral (the "**Substituted Collateral**") with other Eligible Collateral (the "**Replacement Collateral**") which results in a reduction of the aggregate Value of the Posted Collateral shall be deemed to be a substitution of the Substituted Collateral with the Replacement Collateral and a withdrawal of any excess Substituted Collateral with such excess having a Value equal to the amount by which the aggregate Value of the Posted Collateral has been reduced following such substitution.

5.4 *Valuation of Posted Collateral:* In accordance with the terms of the Trust Deed, the Collateral Administration and Reporting Agreement, the Collateral Service Agreement and any Additional Collateral Management Agreement, each Collateral Verification Agent will determine, on each Collateral Valuation Date, the Value of the Posted Collateral for each Series of Notes in respect of which it is so appointed and provide a report of such determination to the Collateral Reporting Agent.

- 5.5 *Noteholder Reports:* On each Collateral Valuation Date, the Collateral Reporting Agent shall prepare a report in respect of each Series of Notes (a "**Noteholder Report**") detailing, among other things, the Value of each individual item of Posted Collateral, the aggregate Value of each type of Posted Collateral and the aggregate Value of the Posted Collateral in the Custody Account. Each Noteholder Report will be made available to the Noteholders on the secured website specified in the applicable Issue Terms that is accessible only by way of unique password (which may be obtained from the Collateral Reporting Agent by a Noteholder upon request, provided that such Noteholder provides the Collateral Reporting Agent with proof of its noteholding in a form satisfactory to the Collateral Reporting Agent, acting reasonably).
- 5.6 *Realisation of the Secured Assets following an Event of Default:* If the Security created by the Security Documents in relation to the Secured Assets with respect to a Series of Notes becomes enforceable in accordance with these Conditions and the Security Documents, the Trustee, may at its discretion or, if so directed by an Extraordinary Resolution of the Noteholders or if so requested, in writing, by holders of not less than 50 per cent. of the aggregate principal amount outstanding of such Notes, shall (subject to the Trustee being indemnified and/or secured and/or pre-funded to its satisfaction) enforce the Security and/or take such action as may be permitted under the applicable laws against any obligor in respect of the Secured Assets. The Trustee will not have any liability as to the consequences of such action and will not have regard to the effect of such action on any individual Noteholder or Couponholder.
- 5.7 *Application of proceeds following enforcement:* The Realisation Proceeds shall be held by the Trustee on trust to be applied in the following order of priority, after the payment of any amounts due to the Collateral Service Provider in relation to such Series of Notes from the realisation proceeds relating to the Posted Euroclear Collateral, (unless otherwise specified in the applicable Issue Terms):
- (a) *firstly*, in and towards payment of all amounts due to the Trustee and/or any appointee and/or any receiver in relation to such Series of Notes, including any costs, expenses and taxes properly incurred in connection with enforcement or realisation of the Secured Assets in accordance with the Security Documents;
 - (b) *secondly*, in and towards payment of all amounts, on a *pari passu* and *pro rata* basis, due to the Agents and the Collateral Agents (other than the Collateral Service Provider) in relation to such Series of Notes;
 - (c) *thirdly*, in and towards payment of all amounts of principal and interest due but unpaid to the Noteholders and the Couponholders (if any) of such Series of Notes, including any Early Redemption Amount, on a *pari passu* and *pro rata* basis; and
 - (d) *finally*, the balance, if any, to the Issuer.
- 5.8 *Shortfall of proceeds:* In the event that, following the application of the Realisation Proceeds in respect of a Series of Notes in accordance with Condition 5.7 (*Application of proceeds following enforcement*), the amount payable to a Noteholder in respect of each Note is less than the Early Redemption Amount, together with any interest accrued to the date fixed for redemption (such amount, the "**Shortfall**"), the Issuer shall remain liable for such Shortfall but Noteholders shall not have recourse to the Secured Assets in respect of any other Series of Notes in relation to such Shortfall.

6. FIXED RATE NOTE PROVISIONS

- 6.1 *Application:* This Condition 6 is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the applicable Issue Terms as being applicable.
- 6.2 *Fixed Interest Rate:* The Rate of Interest in respect of each Interest Period and/or Interest Payment Date which is subject to the Fixed Rate Note Provisions will be the Fixed Interest Rate. A different Fixed Interest Rate may apply in respect of different Interest Periods and/or Interest Payment Dates, as specified in the applicable Issue Terms. If a Rate of Interest or a Reference Rate for any period or any relevant day is specified in the Conditions or in the applicable Issue Terms to be a "Fixed

Interest Rate", the relevant Rate of Interest or Reference Rate will be determined in accordance with the provisions set out in this Condition 6.

- 6.3 *Accrual of interest:* The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Conditions 11 (*Payments – Bearer Notes*) and 12 (*Payments – Registered Notes*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation or, in the case of a Registered Note, upon such due date, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).
- 6.4 *Fixed Coupon Amount:* The amount of interest payable in respect of each Note for any Interest Period which is a Regular Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination, provided that if a Broken Amount is specified in the Issue Terms in respect of an Interest Payment Date in respect of each Calculation Amount, the Interest Amount payable on such Interest Payment Date in respect of such Note per Calculation Amount shall be the Broken Amount. A different Fixed Coupon Amount may apply in respect of different Interest Periods and/or Interest Payment Dates, as specified in the applicable Issue Terms.
- 6.5 *Regular Interest Periods:* If all of the Interest Payment Dates fall at regular intervals between the Issue Date and the Maturity Date, then:
- 6.5.1 the Notes shall for the purposes of this Condition 6 be "**Regular Interest Period Notes**";
- 6.5.2 the day and month (but not the year) on which any Interest Payment Date falls shall, for the purposes of this Condition 6, be a "**Regular Date**"; and
- 6.5.3 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 this Condition 6, be a "**Regular Interest Period**".
- 6.6 *Irregular first or last Interest Periods:* If the Notes would be Regular Interest Period Notes but for the fact that either or both of:
- 6.6.1 the interval between the Issue Date and the first Interest Payment Date; and
- 6.6.2 the interval between the Maturity Date and the immediately preceding Interest Payment Date,
- is longer or shorter than a Regular Interest Period, then the Notes shall nevertheless be deemed to be Regular Interest Period Notes, **provided, however, that** if the interval between the Maturity Date and the immediately preceding Interest Payment Date is longer or shorter than a Regular Interest Period, the day and month on which the Maturity Date falls shall not be a "**Regular Date**".
- 6.7 *Irregular Interest Amount:* If the Notes are Regular Interest Period Notes, the amount of interest payable in respect of each Note for any period which is not a Regular Interest Period shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards). For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

- 6.8 *Day Count Fraction:* In respect of any period which is not a Regular Interest Period the relevant day count fraction (the "**Day Count Fraction**") shall be determined in accordance with the following provisions:
- 6.8.1 if the Day Count Fraction is specified in the applicable Issue Terms as being 30/360, the relevant Day Count Fraction will be the number of days in the relevant period (calculated on the basis of a year of 360 days consisting of 12 months of 30 days each and, in the case of an incomplete month, the actual number of days elapsed) divided by 360;
 - 6.8.2 if the Day Count Fraction is specified in the applicable Issue Terms as being Actual/Actual (ICMA) and the relevant period falls during a Regular Interest Period, the relevant Day Count Fraction will be the number of days in the relevant period divided by the product of (A) the number of days in the Regular Interest Period in which the relevant period falls and (B) the number of Regular Interest Periods in any period of one year; and
 - 6.8.3 if the Day Count Fraction is specified in the applicable Issue Terms as being Actual/Actual (ICMA) and the relevant period begins in one Regular Interest Period and ends in the next succeeding Regular Interest Period, interest will be calculated on the basis of the sum of:
 - (a) the number of days in the relevant period falling within the first such Regular Interest Period divided by the product of (1) the number of days in the first such Regular Interest Period and (2) the number of Regular Interest Periods in any period of one year; and
 - (b) the number of days in the relevant period falling within the second such Regular Interest Period divided by the product of (1) the number of days in the second such Regular Interest Period and (2) the number of Regular Interest Periods in any period of one year.
- 6.9 *Number of days:* For the purposes of this Condition 6, unless the Day Count Fraction is specified in the applicable Issue Terms as being 30/360 (in which case the provisions of Condition 6.8.1 above shall apply), the number of days in any period shall be calculated on the basis of actual calendar days from and including the first day of the relevant period to but excluding the last day of the relevant period.
- 6.10 *Irregular Interest Periods:* If the Notes are not Regular Interest Period Notes and interest is required to be calculated for any period other than an Interest Period, interest shall be calculated on such basis as is described in the applicable Issue Terms.

7. FLOATING RATE NOTE PROVISIONS

- 7.1 *Application:* This Condition 7 is applicable to the Notes only if the Floating Rate Note Provisions are specified in the applicable Issue Terms as being applicable.
- 7.2 *Floating Interest Rate:* The Rate of Interest in respect of each Interest which is subject to the Floating Rate Note Provisions will be the Floating Interest Rate. If a Rate of Interest or a Reference Rate for any period is specified in the Conditions or in the applicable Issue Terms to be a "**Floating Interest Rate**", the relevant Rate of Interest or Reference Rate will be determined in accordance with the provisions set out in Condition 7.5 (*Screen Rate Determination*), 7.6 (*ISDA Determination*), 7.7 (*Provisions specific to SOFR as Reference Rate*), 7.8 (*Provisions specific to SONIA as Reference Rate*), 7.9 (*Provisions specific to €STR as Reference Rate*), 7.10 (*Provisions specific to SARON as Reference Rate*) or 7.11 (*Provisions specific to TONA as Reference Rate*) as specified in the applicable Issue Terms.
- 7.3 *Accrual of interest:* The Notes bear interest from the Interest Commencement Date at the Floating Interest Rate (being a "**Rate of Interest**" in respect of Floating Rate Notes) payable in arrear on each Interest Payment Date, subject as provided in Conditions 11 (*Payments – Bearer Notes*) and 12 (*Payments – Registered Notes*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation or, in the case of a Registered Note, upon such due date, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 7 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that

day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment). The Rate of Interest in respect of all or any Interest Periods shall, if so specified in the applicable Issue Terms, be zero.

7.4 *Linear Interpolation:* In respect of any Notes for which the Floating Rate Notes Provisions are applicable, if "Linear Interpolation" is specified to be applicable in respect of any Interest Period, the Floating Interest Rate for such Interest Period shall be determined by the Determination Agent through the use of straight-line interpolation by reference to:

7.4.1 if Screen Rate Determination is specified as the manner in which the Floating Interest Rate is to be determined, 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 such Interest 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 such Interest Period; and

7.4.2 if ISDA Determination is specified as the manner in which the Floating Interest Rate is to be determined, unless either "2006 ISDA Definitions Linear Interpolation" or "2021 ISDA Definitions Linear Interpolation" is specified as applicable in the applicable Issue Terms, two rates based on the relevant Floating Rate Option 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 such Interest 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 such Interest Period;

7.5 *Screen Rate Determination:* Subject to the provisions of Condition 7.7 (*Provisions specific to SOFR as Reference Rate*), Condition 7.8 (*Provisions specific to SONIA as Reference Rate*), Condition 7.9 (*Provisions specific to €STR as Reference Rate*), Condition 7.10 (*Provisions specific to SARON as Reference Rate*), Condition 7.11 (*Provisions specific to TONA as Reference Rate*), Condition 7.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*), where such provisions are specified to apply in the applicable Issue Terms, Condition 7.18 (*Effect of Benchmark Transition Event*) or Condition 7.19 (*General Fallback Arrangements*), if Screen Rate Determination is specified in the applicable Issue Terms as the manner in which a Floating Interest Rate is to be determined, the Floating Interest Rate for an Interest Period or any relevant day (each a "**Relevant Day**") will be the Screen Rate for such Interest Period or such Relevant Day, plus or minus (as indicated in the applicable Issue Terms) the Margin (if any is specified in the applicable Issue Terms in relation to such Screen Rate), and multiplied by the Interest Participation Rate (if any is specified in the applicable Issue Terms in relation to such Screen Rate).

The Screen Rate applicable to the Notes for an Interest Period or a Relevant Day will be determined by the Determination Agent on the following basis:

7.5.1 if the Reference Rate is a composite quotation or customarily supplied by one entity, the Screen Rate will be the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date in respect of such Interest Period or such Relevant Day, as determined by the Determination Agent;

7.5.2 in any other case, the Screen Rate will be the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date in respect of such Interest Period or such Relevant Day, as determined by the Determination Agent;

7.5.3 if, in the case of Condition 7.5.1 above, such rate does not appear on that page or, in the case of Condition 7.5.2 above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Determination Agent will:

(a) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial

Centre interbank market in an amount that is representative for a single transaction in that market at that time; and

(b) determine the arithmetic mean of such quotations; and

7.5.4 if fewer than two such quotations are provided as requested, the Determination Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Determination Agent) quoted by major banks in the Principal Financial Centre of the Specified Currency, selected by the Determination Agent, at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

provided, however, that if the Determination Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period or any Relevant Day, the Screen Rate applicable to the Notes during such Interest Period or Relevant Day will be the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period or Relevant Day.

7.6 *ISDA Determination:* Subject to the provisions of Condition 7.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*), where such provisions are specified to apply in the applicable Issue Terms, Condition 7.18 (*Effect of Benchmark Transition Event*) or Condition 7.19 (*General Fallback Arrangements*), if ISDA Determination is specified in the applicable Issue Terms as the manner in which a Floating Interest Rate is to be determined, the Floating Interest Rate applicable to the Notes for each Interest Period will be the relevant ISDA Rate, plus or minus (as indicated in the applicable Issue Terms) the Margin (if any is specified in the applicable Issue Terms in relation to such ISDA Rate), and multiplied by the Interest Participation Rate (if any is specified in the applicable Issue Terms in relation to such ISDA Rate). The "**ISDA Rate**" in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Determination Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

7.6.1 if "2006 ISDA Definitions" is specified as applicable in the relevant Issue Terms:

- (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the applicable Issue Terms;
- (ii) except in the case of Overnight Floating Rate Options (as defined in the ISDA Definitions), the Designated Maturity (as defined in the ISDA Definitions), if applicable, is a period specified in the applicable Issue Terms;
- (iii) the relevant Reset Date (as defined in the ISDA Definitions) is either (A) if the relevant Floating Rate Option is based on the London inter-bank offered rate (LIBOR) for a currency, the first day of that Interest Period or (B) in any other case, as specified in the applicable Issue Terms;
- (iv) if an Overnight Floating Rate Option is specified as applicable in the relevant Issue Terms and:
 - (A) an Overnight Rate Compounding Method (as defined in the ISDA Definitions) is specified in the relevant Issue Terms:
 - (1) OIS Compounding is applicable if specified in the relevant Issue Terms and, if so, Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Issue Terms and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the relevant Issue Terms;
 - (2) Compounding with Lookback is applicable if specified in the relevant Issue Terms and, if so, (a) Lookback is the number of

Applicable Business Days specified in the relevant Issue Terms or, if not so specified in the relevant Issue Terms, in the ISDA Definitions, and (b) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Issue Terms and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the relevant Issue Terms;

- (3) Compounding with Observation Period Shift is applicable if specified in the relevant Issue Terms and, if so, (a) Set-in-Advance is applicable if specified as such in the relevant Issue Terms, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Issue Terms or, if not so specified in the relevant Issue Terms, in the ISDA Definitions, (c) Observation Period Shift Additional Business Days are the days, if any, specified as such in the relevant Issue Terms and (d) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Issue Terms and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the relevant Issue Terms; or
- (4) Compounding with Lockout is applicable if specified in the relevant Issue Terms and, if so, (a) Lockout is the number of Lockout Period Business Days specified in the relevant Issue Terms or, if not so specified in the relevant Issue Terms, in the ISDA Definitions, (b) Lockout Period Business Days are the days specified as such in the relevant Issue Terms or, if not so specified in the relevant Issue Terms, in the ISDA Definitions and (c) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Issue Terms and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the relevant Issue Terms; or

(B) an Overnight Rate Averaging Method (as defined in the ISDA Definitions) is specified in the relevant Issue Terms:

- (1) Overnight Averaging is applicable if specified in the relevant Issue Terms and, if so, Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Issue Terms and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the relevant Issue Terms;
- (2) Averaging with Lookback is applicable if specified in the relevant Issue Terms and, if so, (a) Lookback is the number of Applicable Business Days specified in the relevant Issue Terms or, if not so specified in the relevant Issue Terms, in the ISDA Definitions and (b) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Issue Terms and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the relevant Issue Terms;
- (3) Averaging with Observation Period Shift is applicable if specified in the relevant Issue Terms and, if so, (a) Set-in-Advance is applicable if specified as such in the relevant Issue Terms, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Issue Terms or, if not so specified in the relevant Issue Terms, in the ISDA Definitions, (c) Observation Period Shift Additional Business Days are the days, if any, specified as such in the relevant Issue Terms and (d) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Issue

Terms and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the relevant Issue Terms; or

- (4) Averaging with Lockout is applicable if specified in the relevant Issue Terms and, if so, (a) Lockout is the number of Lockout Period Business Days specified in the relevant Issue Terms or, if not so specified in the relevant Issue Terms, in the ISDA Definitions, (b) Lockout Period Business Days are the days specified as such in the relevant Issue Terms or, if not so specified in the relevant Issue Terms, in the ISDA Definitions and (c) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Issue Terms and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the relevant Issue Terms;
- (v) if an Index Floating Rate Option (as defined in the ISDA Definitions) is specified as applicable in the relevant Issue Terms and an Index Method (as defined in the ISDA Definitions) is specified in the relevant Issue Terms:
 - (A) Compounded Index Method is applicable if specified in the relevant Issue Terms; or
 - (B) Compounded Index Method with Observation Period Shift is applicable if specified in the relevant Issue Terms and, if so, (a) Set-in-Advance is applicable if specified as such in the relevant Issue Terms, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Issue Terms or, if not so specified in the relevant Issue Terms, in the ISDA Definitions and (c) Observation Period Shift Additional Business Days are the days, if any, specified as such in the relevant Issue Terms;
- (vi) in connection with any Overnight Rate Compounding Method, Overnight Rate Averaging Method or Index Method specified in the relevant Issue Terms, references in the ISDA Definitions to: (1) numbers, financial centers or other items specified in the Confirmation shall be deemed to be references to the numbers, financial centers or other items specified for such purpose in the relevant Issue Terms; (2) "Business Day in the financial centres, if any, specified for such purpose in the Confirmation" shall be deemed to be references to Business Day; (3) "Calculation Period" shall be deemed to be references to the relevant Interest Period; (4) "Floating Rate Day Count Fraction" shall be deemed to be references to Day Count Fraction; (5) "Period End Date" shall be deemed to be references to the relevant Interest Period End Date; (6) "Termination Date" shall be deemed to be references to the final Interest Period End Date; and (7) "Effective Date" shall be deemed to be references to the Interest Commencement Date;
- (vii) Delayed Payment is applicable if specified in the relevant Issue Terms and the relevant delay is the number of Business Days specified in respect of Delayed Payment in the relevant Issue Terms;
- (viii) Section 8.3 (*Linear Interpolation*) of the ISDA Definitions is deemed to be deleted unless "2006 ISDA Definitions Linear Interpolation" is specified as applicable in the relevant Issue Terms;
- (ix) Section 4.14 (*Calculation Agent*) is deemed to be amended by the deletion of the words "Whenever the Calculation Agent is required to act, make a determination or to exercise judgment in any other way, it will do so in good faith and in a commercially reasonable manner.";

7.6.2 if "2021 ISDA Definitions" is specified as applicable in the relevant Issue Terms:

- (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the applicable Issue Terms;
- (ii) except in the case of Overnight Floating Rate Options (as defined in the ISDA Definitions), the Designated Maturity (as defined in the ISDA Definitions), if applicable, is a period specified in the applicable Issue Terms;
- (iii) the relevant Reset Date (as defined in the ISDA Definitions) is either (A) if the relevant Floating Rate Option is based on the London interbank offered rate (LIBOR) for a currency, the first day of that Interest Period or (B) in any other case, as specified in the applicable Issue Terms;
- (iv) if an Overnight Floating Rate Option is specified as applicable in the relevant Issue Terms and:
 - (A) an Overnight Rate Compounding Method (as defined in the ISDA Definitions) is specified in the relevant Issue Terms:
 - (1) OIS Compounding is applicable if specified in the relevant Issue Terms and, if so, Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Issue Terms and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the relevant Issue Terms;
 - (2) Compounding with Lookback is applicable if specified in the relevant Issue Terms and, if so, (a) Lookback is the number of Applicable Business Days specified in the relevant Issue Terms or, if not so specified in the relevant Issue Terms, in the ISDA Definitions and (b) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Issue Terms and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the relevant Issue Terms;
 - (3) Compounding with Observation Period Shift is applicable if specified in the relevant Issue Terms and, if so, Set-in-Advance is applicable if specified as such in the relevant Issue Terms and, if so, (a) Set-in-Advance is applicable if specified as such in the relevant Issue Terms, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Issue Terms or, if not so specified in the relevant Issue Terms, in the ISDA Definitions, (c) Observation Period Shift Additional Business Days are the days, if any, specified as such in the relevant Issue Terms and (d) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Issue Terms and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the relevant Issue Terms;
 - (4) Compounding with Lockout is applicable if specified in the relevant Issue Terms and, if so, (a) Lockout is the number of Lockout Period Business Days specified in the relevant Issue Terms or, if not so specified in the relevant Issue Terms, in the ISDA Definitions, (b) Lockout Period Business Days are the days specified as such in the relevant Issue Terms or, if not so specified in the relevant Issue Terms, in the ISDA Definitions and (c) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Issue Terms and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the relevant Issue Terms; or

- (5) unless an Overnight Rate Compounding Method in sub-paragraphs (1) to (4) above is applicable, in respect of an Overnight Floating Rate Option in the Floating Rate Matrix (as defined in the ISDA Definitions), any other method of compounding an overnight rate that is set out in the column entitled "Category/Style" in the Floating Rate Matrix is applicable; or
- (B) an Overnight Rate Averaging Method (as defined in the ISDA Definitions) is specified in the relevant Issue Terms:
 - (1) Overnight Averaging is applicable if specified in the relevant Issue Terms and, if so, Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Issue Terms and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the relevant Issue Terms;
 - (2) Averaging with Lookback is applicable if specified in the relevant Issue Terms and, if so, (a) Lookback is the number of Applicable Business Days specified in the relevant Issue Terms or, if not so specified in the relevant Issue Terms, in the ISDA Definitions and (b) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Issue Terms and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the relevant Issue Terms;
 - (3) Averaging with Observation Period Shift is applicable if specified in the relevant Issue Terms and, if so, Set-in-Advance is applicable if specified as such in the relevant Issue Terms and, if so, (a) Set-in-Advance is applicable if specified as such in the relevant Issue Terms, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Issue Terms or, if not so specified in the relevant Issue Terms, in the ISDA Definitions, (c) Observation Period Shift Additional Business Days are the days, if any, specified as such in the relevant Issue Terms and (d) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Issue Terms and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the relevant Issue Terms;
 - (4) Averaging with Lockout is applicable if specified in the relevant Issue Terms and, if so, (a) Lockout is the number of Lockout Period Business Days specified in the relevant Issue Terms or, if not so specified in the relevant Issue Terms, in the ISDA Definitions, (b) Lockout Period Business Days are the days specified as such in the relevant Issue Terms or, if not so specified in the relevant Issue Terms, in the ISDA Definitions and (c) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the relevant Issue Terms and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the relevant Issue Terms; or
 - (5) unless an Overnight Rate Averaging Method in sub-paragraphs (1) to (4) above is applicable, in respect of an Overnight Floating Rate Option in the Floating Rate Matrix, any other method of averaging an overnight rate that is set out in the column entitled "Category/Style" in the Floating Rate Matrix is applicable;

- (v) if an Index Floating Rate Option (as defined in the ISDA Definitions) is specified as applicable in the relevant Issue terms and an Index Method is specified in the relevant Issue Terms:
 - (A) Standard Index Method is applicable if specified in the relevant Issue Terms;
 - (B) Compounded Index Method is applicable if specified in the relevant Issue Terms; or
 - (C) Compounded Index Method with Observation Period Shift is applicable if specified in the relevant Issue Terms and, if so, (a) Set-in-Advance is applicable if specified as such in the relevant Issue Terms, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Issue Terms or, if not so specified in the relevant Issue Terms, in the ISDA Definitions and (c) Observation Period Shift Additional Business Days are the days, if any, specified as such in the relevant Issue Terms;
- (vi) in connection with any Overnight Rate Compounding Method, Overnight Rate Averaging Method or Index Method specified in the relevant Issue Terms, references in the ISDA Definitions to: (1) numbers, financial centers or other items specified in the Confirmation shall be deemed to be references to the numbers, financial centers or other items specified for such purpose in the relevant Issue Terms; (2) "Business Day in the financial centres, if any, specified for such purpose in the Confirmation" shall be deemed to be references to Business Day; (3) "Calculation Period" shall be deemed to be references to the relevant Interest Period; (4) "Floating Rate Day Count Fraction" shall be deemed to be references to Day Count Fraction; (5) "Period End Date" shall be deemed to be references to the relevant Interest Period End Date; (6) "Termination Date" shall be deemed to be references to the final Interest Period End Date; and (7) "Effective Date" shall be deemed to be references to the Interest Commencement Date;
- (vii) Delayed Payment is applicable if specified in the relevant Issue Terms and the relevant delay is the number of Business Days specified in respect of Delayed Payment in the relevant Issue Terms;
- (viii) Period End Date/Termination Date adjustment for Unscheduled Holiday (as defined in the 2021 ISDA Definitions) will apply if specified in the relevant Issue Terms to be applicable;
- (ix) Non-Representative (as defined in the 2021 ISDA Definitions) will apply if specified in the relevant Issue Terms to be applicable;
- (x) Successor Benchmark and Successor Benchmark Effective Date (as defined in the 2021 ISDA Definitions) will be as specified in the relevant Issue Terms;
- (xi) if any fallbacks would otherwise be required to be determined in accordance with Section 8.6 (*Generic Fallback Provisions*) of the ISDA Definitions, such fallbacks shall not be so determined, but shall instead be determined in accordance with Condition 7.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*), where such provisions are specified to apply in the applicable Issue Terms or Condition 7.19 (*General Fallback Arrangements*) and the ISDA Definitions shall be construed accordingly;
- (xii) Sections 1.2.2 (*Calculation Agent Standard*) and 1.2.4 (*Determinations by Calculation Agent*) of the ISDA Definitions are deemed to be deleted;
- (xiii) Section 6.10 (*Linear Interpolation*) of the ISDA Definitions is deemed to be deleted unless "2021 ISDA Definitions Linear Interpolation" is specified as applicable in the relevant Issue Terms; and

- (xiv) in any circumstance where the ISDA Definitions provide for anything to be determined by agreement between the parties or a discretion is given thereunder to the Calculation Agent to make any determination, the Determination Agent will make such determination or exercise such discretion.

7.7 Provisions specific to SOFR as Reference Rate

7.7.1 If Screen Rate Determination is specified in the applicable Issue Terms as the manner in which a Floating Interest Rate is to be determined and SOFR is specified in the relevant Issue Terms as the Reference Rate, the Floating Interest Rate for an Interest Period will be the relevant SOFR Benchmark plus or minus (as indicated in the applicable Issue Terms) the Margin (as specified in the relevant Issue Terms), subject to a minimum of zero per cent.

7.7.2 The "**SOFR Benchmark**" will be determined based on SOFR Compound with Lookback, SOFR Compound with Observation Period Shift, SOFR Compound with Payment Delay or SOFR Index Average, as follows:

- (i) if SOFR Compound with Lookback ("**SOFR Compound with Lookback**") is specified as applicable in the relevant Issue Terms, the SOFR Benchmark for each Interest Period shall be equal to the rate of return of a daily compound SOFR interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SOFR_{i-xUSBD} \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

"d" means the number of calendar days in the relevant Interest Period.

"d₀", for any Interest Period, means the number of U.S. Government Securities Business Days in the relevant Interest Period.

"i" is a series of whole numbers from one to d₀, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Interest Period.

"**Lookback Days**" means the number of U.S. Government Securities Business Days specified in the relevant Issue Terms.

"n_i" for any U.S. Government Securities Business Day "i" in the relevant Interest Period, means the number of calendar days from, and including, such day "i" up to, but excluding, the following U.S. Government Securities Business Day ("**i+1**").

"**SOFR_i**", for any U.S. Government Securities Business Day "i" in the relevant Interest Period, is equal to SOFR in respect of that day.

"**SOFR_{i-xUSBD}**", for any U.S. Government Securities Business Day "i" in the relevant Interest Period, is equal to SOFR in respect of the U.S. Government Securities Business Days falling a number of U.S. Government Securities Business Days prior to that day "i" equal to the number of Lookback Days.

- (ii) if SOFR Compound with Observation Period Shift ("**SOFR Compound with Observation Period Shift**") is specified as applicable in the relevant Issue Terms, the SOFR Benchmark for each Interest Period shall be equal to the rate of return of a daily compound SOFR interest investment calculated in accordance with the

following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

"**d**" means the number of calendar days in the relevant Observation Period.

"**d₀**", for any Observation Period, means the number of U.S. Government Securities Business Days in the relevant Observation Period.

"**i**" is a series of whole numbers from one to **d₀**, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Observation Period.

"**n_i**" for any U.S. Government Securities Business Day "**i**" in the relevant Observation Period, means the number of calendar days from, and including, such day "**i**" up to, but excluding, the following U.S. Government Securities Business Day ("**i+1**").

"**Observation Period**" means, in respect of each Interest Period, the period from, and including, the date falling a number of U.S. Government Securities Business Days equal to the Observation Shift Days preceding the first day of such Interest Period to, but excluding, the date falling a number of U.S. Government Securities Business Days equal to the Observation Shift Days preceding the Interest Period End Date for such Interest Period.

"**Observation Shift Days**" means the number of U.S. Government Securities Business Days specified in the relevant Issue Terms.

"**SOFR_i**", for any U.S. Government Securities Business Day "**i**" in the relevant Observation Period, is equal to SOFR in respect of that day.

- (iii) if SOFR Compound with Payment Delay ("**SOFR Compound with Payment Delay**") is specified as applicable in the relevant Issue Terms, the SOFR Benchmark for each Interest Period shall be equal to the rate of return of a daily compound SOFR interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

"**d**" means the number of calendar days in the relevant Interest Period.

"**d₀**", for any Interest Period, means the number of U.S. Government Securities Business Days in the relevant Interest Period.

"**i**" is a series of whole numbers from one to **d₀**, each representing the relevant U.S. Government Securities Business Days in chronological

order from, and including, the first U.S. Government Securities Business Day in the relevant Interest Period.

"**n_i**" for any U.S. Government Securities Business Day "i" in the relevant Interest Period, means the number of calendar days from, and including, such day "i" up to, but excluding, the following U.S. Government Securities Business Day ("**i+1**").

"**SOFR_i**", for any U.S. Government Securities Business Day "i" in the relevant Interest Period, is equal to SOFR in respect of that day.

Where "SOFR Compound with Payment Delay" applies, for the purposes of calculating the SOFR Benchmark with respect to the final Interest Period, the level of SOFR for each U.S. Government Securities Business Day in the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Maturity Date or the redemption date, as applicable, shall be the level of SOFR in respect of such SOFR Rate Cut-Off Date.

- (iv) if SOFR Index Average ("**SOFR Index Average**") is specified as applicable in the relevant Issue Terms, the SOFR Benchmark for each Interest Period shall be equal to the rate of return of the SOFR Index calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

where:

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

"**d_c**" means the number of calendar days from, and including, the SOFR Index_{Start} to, but excluding, the SOFR Index_{End}.

"**SOFR Index Determination Time**" means approximately 5:00 p.m. (New York City time).

"**SOFR Index**" means, in respect of any U.S. Government Securities Business Day, the SOFR Index value as published by the Federal Reserve Bank of New York in relation to such U.S. Government Securities Business Day, as such value appears at the SOFR Index Determination Time on such U.S. Government Securities Business Day on the Federal Reserve Bank of New York's Website, and appearing on the Relevant Screen Page.

"**SOFR Index_{End}**" means the SOFR Index value on the date that is the number of U.S. Government Securities Business Days specified in the relevant Issue Terms preceding the Interest Period End Date relating to such Interest Period (or in the final Interest Period, the Maturity Date or redemption date).

"**SOFR Index_{Start}**" means the SOFR Index value on the date that is the number of U.S. Government Securities Business Days specified in the relevant Issue Terms preceding the first date of the relevant Interest Period.

If the values for SOFR Index_{Start} or SOFR Index_{End} are not published on or by the relevant Interest Determination Date and a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred, the "SOFR Index Average" shall be calculated on such Interest Determination Date with respect to the relevant Interest Period, in accordance with the formula set out in Condition 7.7.2(ii) (*SOFR Compound with Observation Period Shift*) above and for such purpose,

"Observation Shift Days" shall be the number of U.S. Government Securities Business Days specified for such purpose in the relevant Issue Terms. If a Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 7.18 (*Effect of Benchmark Transition Event*) below shall apply.

7.8 *Provisions specific to SONIA as Reference Rate*

7.8.1 If Screen Rate Determination is specified in the applicable Issue Terms as the manner in which a Floating Interest Rate is to be determined and SONIA is specified in the relevant Issue Terms as the Reference Rate, the Floating Interest Rate for an Interest Period will be the relevant SONIA Benchmark plus or minus (as indicated in the applicable Issue Terms) the Margin (if any) (as specified in the relevant Issue Terms), subject to a minimum of zero per cent.

7.8.2 The "**SONIA Benchmark**" will be determined based on SONIA Compound with Lookback, SONIA Compound with Observation Period Shift, SONIA Compound with Payment Delay or SONIA Index Average, as follows:

- (i) if SONIA Compound with Lookback ("**SONIA Compound with Lookback**") is specified as applicable in the relevant Issue Terms, the SONIA Benchmark for each Interest Period shall be equal to the rate of return of a daily compound SONIA interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SONIA_{i-pLBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

"**d**" means the number of calendar days in the relevant Interest Period;

"**d₀**" for any Interest Period, means the number of London Banking Days in the relevant Interest Period;

"**i**" is a series of whole numbers from one to d₀, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in the relevant Interest Period;

"**Lookback Days**" means the number of London Banking Days specified in the relevant Issue Terms;

"**n_i**" for any London Banking Day "i" in the relevant Interest Period, means the number of calendar days from, and including, such day "i" up to, but excluding, the following London Banking Day ("**i+1**");

"**SONIA_{i-pLBD}**" for any London Banking Day "i" in the relevant Interest Period, is equal to the SONIA in respect of the London Banking Day falling a number of London Banking Days prior to that day "i" equal to the number of Lookback Days;

- (ii) if SONIA Compound with Observation Period Shift ("**SONIA Compound with Observation Period Shift**") is specified as applicable in the relevant Issue Terms, the SONIA Benchmark for each Interest Period shall be equal to the rate of return of a daily compound SONIA interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SONIA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

"d" means the number of calendar days in the relevant Interest Period;

"d₀" for any Observation Period, means the number of London Banking Days in the relevant Observation Period;

"i" is a series of whole numbers from one to d₀, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in the relevant Observation Period;

"**Lookback Days**" means the number of London Banking Days specified in the relevant Issue Terms;

"n_i" for any London Banking Day "i" in the relevant Observation Period, means the number of calendar days from, and including, such day "i" up to, but excluding, the following London Banking Day ("i+1");

"**Observation Period**" means, in respect of each Interest Period, the period from, and including, the date falling a number of London Banking Days equal to the Observation Shift Days preceding the first day of such Interest Period to, but excluding, the date falling a number of London Banking Days equal to the Observation Shift Days preceding the Interest Period End Date for such Interest Period;

"**Observation Shift Days**" means the number of London Banking Days specified in the relevant Issue Terms; and

"SONIA_i" for any London Banking Day "i" in the relevant Observation Period, is equal to SONIA in respect of that day "i".

- (iii) if SONIA Compound with Payment Delay ("**SONIA Compound with Payment Delay**") is specified as applicable in the relevant Issue Terms, the SONIA Benchmark for each Interest Period shall be equal to the rate of return of a daily compound SONIA interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SONIA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

"d" means the number of calendar days in the relevant Interest Period;

"d₀" for any Interest Period, means the number of London Banking Days in the relevant Interest Period;

"i" is a series of whole numbers from one to d₀, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in the relevant Interest Period;

"n_i" for any London Banking Day "i" in the relevant Interest Period, means the number of calendar days from, and including, such day "i" up to, but excluding, the following London Banking Day ("i+1");

"SONIA_i" for any London Banking Day "i" in the relevant Interest Period, is equal to SONIA in respect of that day "i".

Where "SONIA Compound with Payment Delay" applies, for the purposes of calculating the SONIA Benchmark with respect to the final Interest Period, the level of SONIA for each London Banking Day in the period from (and including) the SONIA Rate Cut-Off Date to (but excluding) the Maturity Date or the redemption date, as applicable, shall be the level of SONIA in respect of such SONIA Rate Cut-Off Date.

- (iv) if SONIA Index Average ("**SONIA Index Average**") is specified as applicable in the relevant Issue Terms, the SONIA Benchmark for each Interest Period shall be equal to the rate of return of the SONIA Index calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left(\frac{SONIA\ Index_{End}}{SONIA\ Index_{Start}} \right) - 1 \left(\frac{365}{d} \right)$$

where:

"d" means the number of calendar days from, and including, the SONIA Index_{Start} to, but excluding, the SONIA Index_{End};

"**Relevant Number**" means the number specified as such in the applicable Issue Terms (or, if no such number is specified, five);

"**SONIA Index**" means in respect of any London Banking Day, the SONIA Compounded Index in relation to such London Banking Day as provided by the Bank of England (or any successor) 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, in each case on such London Banking Day;

If the value of either or both of SONIA Index_{Start} or SONIA Index_{End} is not published or displayed on the Relevant Screen Page by the administrator of the SONIA Index or other information service by 5.00 p.m. (London time) (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the administrator of the SONIA Index or of such other information service, as the case may be) on the relevant Interest Determination Date, the SONIA Benchmark for the applicable Interest Period for which the SONIA Index is not available shall be determined as set out under Condition 7.8.2(ii) (*SONIA Compound with Observation Period Shift*) above as if SONIA Compound with Observation Period Shift were specified as applicable in the relevant Issue Terms, and for these purposes: the Observation Shift Days in respect of the applicable Interest Period for which the SONIA Index is not available shall be deemed to be equal to the Relevant Number of London Banking Days plus one (or such other number of London Banking Days as is specified for this purpose in the applicable Issue Terms), as if such alternative elections had been made in the applicable Issue Terms;

"**SONIA Index_{End}**" means, in respect of an Interest Period, the SONIA Index value on the date that is the Relevant Number of London Banking Days preceding (a) the Interest Payment Date relating to such Interest Period or (b) such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

"SONIA Index_{Start}" means, in respect of an Interest Period, the SONIA Index value on the date that is the Relevant Number of London Banking Days preceding the first date of the relevant Interest Period.

For the purposes of this Condition 7.8, if SONIA in respect of any London Banking Day (the **"Relevant London Banking Day"**) is not published on the Relevant Screen Page or by an authorised distributor, and is not otherwise provided by the administrator of SONIA, by either (A) the immediately following London Banking Day (or any amended publication day for SONIA as specified by the administrator of SONIA in the SONIA benchmark methodology) or (B) such other date and time on which SONIA for the Relevant London Banking Day is required for the purpose of any determination pursuant to the Conditions and, in either case, none of the events triggering the fallbacks specified in Condition 7.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) or 7.19 (*General Fallback Arrangements*) (as applicable) have occurred, SONIA for the Relevant London Banking Day shall be deemed to be the rate equal to SONIA for the most recent London Banking Day in respect of which SONIA was so published or provided.

7.9 *Provisions specific to €STR as Reference Rate*

- 7.9.1 If Screen Rate Determination is specified in the applicable Issue Terms as the manner in which a Floating Interest Rate is to be determined and €STR is specified in the relevant Issue Terms as the Reference Rate, the Floating Interest Rate for an Interest Period will be the relevant €STR Benchmark plus or minus (as indicated in the applicable Issue Terms) the Margin (if any) (as specified in the relevant Issue Terms), subject to a minimum of zero per cent.
- 7.9.2 The **"€STR Benchmark"** will be determined based on €STR Compound with Lookback, €STR Compound with Observation Period Shift, €STR Compound with Payment Delay or €STR Index Average, as follows:
- (i) if €STR Compound with Lookback (**"€STR Compound with Lookback"**) is specified as applicable in the relevant Issue Terms, the €STR Benchmark for each Interest Period shall be equal to the rate of return of a daily compound €STR interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{\text{€STR}_{ipTBD} \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

"d" means the number of calendar days in the relevant Interest Period;

"d₀" for any Interest Period, means the number of TARGET Settlement Days in the relevant Interest Period;

"€STR_{i-pTBD}" for any TARGET Settlement Day "i" in the relevant Interest Period, is equal to €STR in respect of the TARGET Settlement Day falling a number of TARGET Settlement Days prior to that day "i" equal to the number of Lookback Days;

"i" is a series of whole numbers from one to d₀, each representing the relevant TARGET Settlement Day in chronological order from, and including, the first TARGET Settlement Day in the relevant Interest Period;

"Lookback Days" means the number of TARGET Settlement Days specified in the relevant Issue Terms;

"n_i" for any TARGET Settlement Day "i" in the relevant Interest Period, means the number of calendar days from, and including, such day "i" up to, but excluding, the following TARGET Settlement Day ("i+1");

- (ii) if €STR Compound with Observation Period Shift ("**€STR Compound with Observation Period Shift**") is specified as applicable in the relevant Issue Terms, the €STR Benchmark for each Interest Period shall be equal to the rate of return of a daily compound €STR interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{\text{€STR}_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

"d" means the number of calendar days in the relevant Observation Period;

"d₀" for any Observation Period, means the number of TARGET Settlement Days in the relevant Observation Period;

"€STR_i" for any TARGET Settlement Day "i" in the relevant Observation Period, is equal to €STR in respect of that day "i";

"i" is a series of whole numbers from one to d₀, each representing the relevant TARGET Settlement Day in chronological order from, and including, the first TARGET Settlement Day in the relevant Observation Period;

"n_i" for any TARGET Settlement Day "i" in the relevant Observation Period, means the number of calendar days from, and including, such day "i" up to, but excluding, the following TARGET Settlement Day ("i+1");

"Observation Period" means, in respect of each Interest Period, the period from, and including, the date falling a number of TARGET Settlement Days equal to the Observation Shift Days preceding the first day of such Interest Period to, but excluding, the date falling a number of TARGET Settlement Days equal to the Observation Shift Days preceding the Interest Period End Date for such Interest Period; and

"Observation Shift Days" means the number of TARGET Settlement Days specified in the relevant Issue Terms;

- (iii) if €STR Compound with Payment Delay ("**€STR Compound with Payment Delay**") is specified as applicable in the relevant Issue Terms, the €STR Benchmark for each Interest Period shall be equal to the rate of return of a daily compound €STR interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{\text{€STR}_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

"d" means the number of calendar days in the relevant Interest Period;

"d₀" for any Interest Period, means the number of TARGET Settlement Days in the relevant Interest Period;

"€STR_i" for any TARGET Settlement Day "i" in the relevant Interest Period, is equal to €STR in respect of that day "i".

"i" is a series of whole numbers from one to d₀, each representing the relevant TARGET Settlement Day in chronological order from, and including, the first TARGET Settlement Day in the relevant Interest Period;

"n_i" for any TARGET Settlement Day "i" in the relevant Interest Period, means the number of calendar days from, and including, such day "i" up to, but excluding, the following TARGET Settlement Day ("i+1");

Where "€STR Compound with Payment Delay" applies, for the purposes of calculating €STR with respect to the final Interest Period, the level of €STR for each TARGET Settlement Day in the period from (and including) the €STR Rate Cut-Off Date to (but excluding) the Maturity Date or the redemption date, as applicable, shall be the level of €STR in respect of such €STR Rate Cut-Off Date.

- (iv) if €STR Index Average ("**€STR Index Average**") is specified as applicable in the relevant Issue Terms, the €STR Benchmark for each Interest Period shall be equal to the rate of return of the €STR Index calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left(\frac{\text{€STR Index}_{\text{End}}}{\text{€STR Index}_{\text{Start}}} \right) - 1 \left(\frac{360}{d} \right)$$

where:

"d" means the number of calendar days from, and including, the €STR Index_{Start} to, but excluding, the €STR Index_{End};

"**€STR Index**" means, in respect of any TARGET Settlement Day, the Compounded €STR Index in relation to such TARGET Settlement Day as published by the ECB on the ECB's Website on such TARGET Settlement Day and appearing on the Relevant Screen Page;

If the value of either or both of €STR Index_{Start} or €STR Index_{End} is not published or displayed on the ECB's Website or the Relevant Screen Page by the administrator of the €STR Index or other information service by 5.00 p.m. (Central European Time) (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the administrator of €STR Index or of such other information service, as the case may be) on the relevant Interest Determination Date, the €STR Benchmark for the applicable Interest Period for which the €STR Index is not available shall be determined as set out under Condition 7.9.2(ii) (*€STR Compound with Observation Period Shift*) above as if €STR Compound with Observation Period Shift were specified as applicable in the relevant Issue Terms, and for these purposes: the Observation Shift Days in respect of the applicable Interest Period for which the €STR Index is not available shall be deemed to be equal to the Relevant Number of TARGET Settlement Days plus one (or such other number of

TARGET Settlement Days as is specified for this purpose in the applicable Issue Terms), as if such alternative elections had been made in the applicable Issue Terms;

"**€STR Index_{End}**" means, in respect of an Interest Period, the €STR Index value on the date that is the Relevant Number of TARGET Settlement Days specified in the relevant Issue Terms preceding (a) the Interest Payment Date relating to such Interest Period or (b) such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

"**€STR Index_{Start}**" means, in respect of an Interest Period, the €STR Index value on the date that is the Relevant Number of TARGET Settlement Days preceding the first date of the relevant Interest Period;

"**Relevant Number**" means the number specified as such in the applicable Issue Terms (or, if no such number is specified, five).

For the purposes of this Condition 7.9, if €STR in respect of any TARGET Settlement Day (the "**Relevant TARGET Settlement Day**") is not published on the Relevant Screen Page or by an authorised distributor, and is not otherwise provided by the administrator of €STR, by either (A) the immediately following TARGET Settlement Day (or any amended publication day for €STR as specified by the administrator of €STR in the €STR benchmark methodology) or (B) such other date and time on which €STR for the Relevant TARGET Settlement Day is required for the purpose of any determination pursuant to the Conditions and, in either case, none of the events triggering the fallbacks specified in Condition 7.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) or 7.19 (*General Fallback Arrangements*) (as applicable) have occurred, €STR for the Relevant TARGET Settlement Day shall be deemed to be the rate equal to €STR for the most recent TARGET Settlement Day in respect of which €STR was so published or provided.

7.10 Provisions specific to SARON as Reference Rate

- 7.10.1 If Screen Rate Determination is specified in the applicable Issue Terms as the manner in which a Floating Interest Rate is to be determined and SARON is specified in the relevant Issue Terms as the Reference Rate, the Floating Interest Rate for an Interest Period will be the relevant SARON Benchmark plus or minus (as indicated in the applicable Issue Terms) the Margin (if any) (as specified in the relevant Issue Terms), subject to a minimum of zero per cent.
- 7.10.2 The "**SARON Benchmark**" will be determined based on SARON Compound with Lookback, SARON Compound with Observation Period Shift, SARON Compound with Payment Delay or SAION Index Average, as follows:
- (i) if SARON Compound with Lookback ("**SARON Compound with Lookback**") is specified as applicable in the relevant Issue Terms, the SARON Benchmark for each Interest Period shall be equal to the rate of return of a daily compound SARON interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SARON_{i-xZBD} \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

"d" means the number of calendar days in the relevant Interest Period;

"d₀" for any Interest Period, means the number of Zurich Banking Days in the relevant Interest Period;

"i" is a series of whole numbers from one to d₀, each representing the relevant Zurich Banking Day in chronological order from, and including, the first Zurich Banking Day in the relevant Interest Period;

"Lookback Days" means the number of Zurich Banking Days specified in the relevant Issue Terms;

"n_i" for any Zurich Banking Day "i" in the relevant Interest Period, means the number of calendar days from, and including, such day "i" up to, but excluding, the following Zurich Banking Day ("i+1");

"SARON_{i-xZBD}" for any Zurich Banking Day "i" in the relevant Interest Period, is equal to SARON in respect of the Zurich Banking Day falling a number of Zurich Banking Days prior to that day "i" equal to the number of Lookback Days;

- (ii) if SARON Compound with Observation Period Shift ("**SARON Compound with Observation Period Shift**") is specified as applicable in the relevant Issue Terms, the SARON Benchmark for each Interest Period shall be equal to the rate of return of a daily compound SARON interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SARON_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

"d" means the number of calendar days in the relevant Observation Period;

"d₀" for any Observation Period, means the number of Zurich Banking Days in the relevant Observation Period;

"i" is a series of whole numbers from one to d₀, each representing the relevant Zurich Banking Day in chronological order from, and including, the first Zurich Banking Day in the relevant Observation Period;

"n_i" for any Zurich Banking Day "i" in the relevant Observation Period, means the number of calendar days from, and including, such day "i" up to, but excluding, the following Zurich Banking Day ("i+1");

"**Observation Period**" means, in respect of each Interest Period, the period from, and including, the date falling a number of Zurich Banking Days equal to the Observation Shift Days preceding the first day of such Interest Period to, but excluding, the date falling a number of Zurich Banking Days equal to the Observation Shift Days preceding the Interest Period End Date for such Interest Period;

"**Observation Shift Days**" means the number of Zurich Banking Days specified in the relevant Issue Terms; and

"SARON_i" for any Zurich Banking Day "i" in the relevant Observation Period, is equal to SARON in respect of that day "i";

- (iii) if SARON Compound with Payment Delay ("**SARON Compound with Payment Delay**") is specified as applicable in the relevant Issue Terms, the SARON Benchmark for each Interest Period shall be equal to the rate of return of a daily compound SARON interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{\text{SARON}_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

"d" means the number of calendar days in the relevant Interest Period;

"d₀" for any Interest Period, means the number of Zurich Banking Days in the relevant Interest Period;

"i" is a series of whole numbers from one to d₀, each representing the relevant Zurich Banking Day in chronological order from, and including, the first Zurich Banking Day in the relevant Interest Period;

"n_i" for any Zurich Banking Day "i" in the relevant Interest Period, means the number of calendar days from, and including, such day "i" up to, but excluding, the following Zurich Banking Day ("i+1");

"SARON_i" for any Zurich Banking Day "i" in the relevant Interest Period, is equal to SARON in respect of that **SARON Compound with Payment Delay** day "i".

Where "SARON Compound with Payment Delay" applies, for the purposes of calculating SARON with respect to the final Interest Period, the level of SARON for each Zurich Banking Day in the period from (and including) the SARON Rate Cut-Off Date to (but excluding) the Maturity Date or the redemption date, as applicable, shall be the level of SARON in respect of such SARON Rate Cut-Off Date;

- (iv) if SAION Index Average ("**SAION Index Average**") is specified as applicable in the relevant Issue Terms, the SARON Benchmark for each Interest Period shall be equal to the rate of return of the SAION Index calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left(\frac{\text{SAION Index}_{End}}{\text{SAION Index}_{Start}} \right) - 1 \left(\frac{360}{d} \right)$$

where:

"d" means the number of calendar days from, and including, the SAION Index_{Start} to, but excluding, the SAION Index_{End};

"Relevant Number" means the number specified as such in the applicable Issue Terms (or, if no such number is specified, five).

"SAION Index" means, in respect of any Zurich Banking Day, the SAION Index in relation to such Zurich Banking Day as provided by SIX Index AG (or any successor administrator) 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 administrator or authorised distributors, in each case on such Zurich Banking Day.

If the value of either or both of SAION Index_{Start} or SAION Index_{End} is not published or displayed by the administrator of the SARON or other information service by 6.00 p.m. (Zurich time) (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the administrator of the SAION Index or of such other information service, as the case may be) on the relevant Interest Determination Date, the SARON Benchmark for the applicable Interest Period for which the SAION Index is not available shall be determined as set out under Condition 7.10.2(ii) (*SARON Compound with Observation Period Shift*) above as if SARON Compound with Observation Period Shift were specified as applicable in the relevant Issue Terms, and for these purposes the Observation Shift Days in respect of the applicable Interest Period for which the SAION Index is not available shall be deemed to be equal to the Relevant Number of Zurich Banking Days plus one (or such other number of Zurich Banking Days as is specified for this purpose in the applicable Issue Terms), as if such alternative elections had been made in the applicable Issue Terms.

"**SAION Index_{End}**" means, with respect to an Interest Period, the SAION Index value on the date that is the Relevant Number of Zurich Banking Days preceding (a) the Interest Payment Date relating to such Interest Period or (b) such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period).

"**SAION Index_{Start}**" means, with respect to an Interest Period, the SAION Index value on the date that is the Relevant Number of Zurich Banking Days preceding the first date of the relevant Interest Period.

For the purposes of this Condition 7.10, if SARON in respect of any Zurich Banking Day (the "**Relevant Zurich Banking Day**") is not published on the Relevant Screen Page or by an authorised distributor, and is not otherwise provided by the administrator of SARON, by either (A) that Zurich Banking Day (or any amended publication day for SARON as specified by the administrator of SARON in the SARON benchmark methodology) or (B) such other date and time on which SARON for the Relevant Zurich Banking Day is required for the purpose of any determination pursuant to the Conditions and, in either case, none of the events triggering the fallbacks specified in Condition 7.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) or 7.19 (*General Fallback Arrangements*) (as applicable) have occurred, SARON for the Relevant Zurich Banking Day shall be deemed to be the rate equal to SARON for the most recent Zurich Banking Day in respect of which SARON was so published or provided.

7.11 *Provisions specific to TONA as Reference Rate*

- 7.11.1 If Screen Rate Determination is specified in the applicable Issue Terms as the manner in which a Floating Interest Rate is to be determined and TONA is specified in the relevant Issue Terms as the Reference Rate, the Floating Interest Rate for an Interest Period will be the relevant TONA Benchmark plus or minus (as indicated in the applicable Issue

Terms) the Margin (if any) (as specified in the relevant Issue Terms), subject to a minimum of zero per cent.

7.11.2 The **"TONA Benchmark"** will be determined based on TONA Compound with Lookback, TONA Compound with Observation Period Shift, TONA Compound with Payment Delay or TONA Index Average, as follows:

- (i) if TONA Compound with Lookback (**"TONA Compound with Lookback"**) is specified as applicable in the relevant Issue Terms, the TONA Benchmark for each Interest Period shall be equal to the rate of return of a daily compound TONA interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{TONA_{i-pTBD} \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

"d" means the number of calendar days in the relevant Interest Period;

"d₀" for any Interest Period, means the number of Tokyo Banking Days in the relevant Interest Period;

"i" is a series of whole numbers from one to d₀, each representing the relevant Tokyo Banking Day in chronological order from, and including, the first Tokyo Banking Day in the relevant Interest Period;

"Lookback Days" means the number of Tokyo Banking Days specified in the relevant Issue Terms;

"n_i" for any Tokyo Banking Day "i" in the relevant Interest Period, means the number of calendar days from, and including, such day "i" up to, but excluding, the following Tokyo Banking Day ("i+1");

"TONA_{i-pTBD}" for any Tokyo Banking Day "i" in the relevant Interest Period, is equal to TONA in respect of the Tokyo Banking Day falling a number of Tokyo Banking Days prior to that day "i" equal to the number of Lookback Days.

- (ii) if TONA Compound with Observation Period Shift (**"TONA Compound with Observation Period Shift"**) is specified as applicable in the relevant Issue Terms, the TONA Benchmark for each Interest Period shall be equal to the rate of return of a daily compound TONA interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{TONA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

"d" means the number of calendar days in the relevant Observation Period;

"d₀" for any Observation Period, means the number of Toyko Banking Days in the relevant Observation Period;

"i" is a series of whole numbers from one to d_0 , each representing the relevant Tokyo Banking Day in chronological order from, and including, the first Tokyo Banking Day in the relevant Observation Period;

" n_i " for any Tokyo Banking Day "i" in the relevant Observation Period, means the number of calendar days from, and including, such day "i" up to, but excluding, the following Tokyo Banking Day (" $i+1$ ");

"**Observation Period**" means, in respect of each Interest Period, the period from, and including, the date falling a number of Tokyo Banking Days equal to the Observation Shift Days preceding the first day of such Interest Period to, but excluding, the date falling a number of Tokyo Banking Days equal to the Observation Shift Days preceding the Interest Period End Date for such Interest Period;

"**Observation Shift Days**" means the number of Tokyo Banking Days specified in the relevant Issue Terms; and

" $TONA_i$ " for any Tokyo Banking Day "i" in the relevant Observation Period, is equal to TONA in respect of that day "i";

- (iii) if TONA Compound with Payment Delay ("**TONA Compound with Payment Delay**") is specified as applicable in the relevant Issue Terms, the TONA Benchmark for each Interest Period shall be equal to the rate of return of a daily compound TONA interest investment calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{TONA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

"d" means the number of calendar days in the relevant Interest Period;

" d_0 " for any Interest Period, means the number of Tokyo Banking Days in the relevant Interest Period;

"i" is a series of whole numbers from one to d_0 , each representing the relevant Tokyo Banking Day in chronological order from, and including, the first Tokyo Banking Day in the relevant Interest Period;

" n_i " for any Tokyo Banking Day "i" in the relevant Interest Period, means the number of calendar days from, and including, such day "i" up to, but excluding, the following Tokyo Banking Day (" $i+1$ ");

" $TONA_i$ " for any Tokyo Banking Day "i" in the relevant Interest Period, is equal to TONA in respect of that day "i".

Where "**TONA Compound with Payment Delay**" applies, for the purposes of calculating TONA with respect to the final Interest Period, the level of TONA for each Tokyo Banking Day in the period from (and including) the TONA Rate Cut-Off Date to (but excluding) the Maturity Date or the redemption date, as applicable, shall be the level of TONA in respect of such TONA Rate Cut-Off Date.

- (iv) if TONA Index Average ("**TONA Index Average**") is specified as applicable in the relevant Issue Terms, the TONA Benchmark for each Interest Period shall be equal to the rate of return of the TONA Index calculated in accordance with the following formula (with the resulting percentage rounded, if necessary, to the

nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left(\frac{\text{TONA Index}_{\text{End}}}{\text{TONA Index}_{\text{Start}}} \right) - 1 \left(\frac{365}{d} \right)$$

where:

"**d**" means the number of calendar days from, and including, the TONA Index_{Start} to, but excluding, the TONA Index_{End};

"**Relevant Number**" means the number specified as such in the applicable Issue Terms (or, if no such number is specified, five).

"**TONA Index**" means, in respect of any Tokyo Banking Day, the TONA Index in relation to such Tokyo Banking Day as provided by QUICK Corp (or any successor administrator) and published on the Relevant Screen Page, or if the Relevant Screen Page is unavailable, as otherwise published by QUICK Corp. (or successor administrator), in each case on such Tokyo Banking Day.

If the value of either or both of TONA Index_{Start} or TONA Index_{End} is not published or displayed on the Relevant Screen Page by the administrator of the TONA Index or other information service by 5.00 p.m. (Tokyo time) (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the administrator of the TONA Index or of such other information service, as the case may be) on the relevant Interest Determination Date, the TONA Benchmark for the applicable Interest Period for which the TONA Index is not available shall be determined as set out under Condition 7.11.2(ii) (*TONA Compound with Observation Period Shift*) above as if TONA Compound with Observation Period Shift were specified as applicable in the relevant Issue Terms, and for these purposes: the Observation Shift Days in respect of the applicable Interest Period for which the TONA Index is not available shall be deemed to be equal to the Relevant Number of Tokyo Banking Days plus one (or such other number of Tokyo Banking Days as is specified for this purpose in the applicable Issue Terms), as if such alternative elections had been made in the applicable Issue Terms.

"**TONA Index_{End}**" means, with respect to an Interest Period, the TONA Index value on the date that is the Relevant Number of Tokyo Banking Days preceding (a) the Interest Payment Date relating to such Interest Period or (b) such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period).

"**TONA Index_{Start}**" means, with respect to an Interest Period, the TONA Index value on the date that is the Relevant Number of Tokyo Banking Days preceding the first date of the relevant Interest Period.

For the purposes of this Condition 7.11, if TONA in respect of any Tokyo Banking Day (the "**Relevant Tokyo Banking Day**") is not published on the Relevant Screen Page or by an authorised distributor, and is not otherwise provided by the administrator of TONA, by either (A) the immediately following Tokyo Banking Day (or any amended publication day for TONA as specified by the administrator of TONA in the TONA benchmark methodology) or (B) such other date and time on which TONA for the Relevant Tokyo Banking Day is required for the purpose of any determination pursuant to the Conditions and, in either case, none of the events triggering the fallbacks specified in Condition 7.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) or 7.19

(*General Fallback Arrangements*) (as applicable) have occurred, TONA for the Relevant Tokyo Banking Day shall be deemed to be the rate equal to TONA for the most recent Tokyo Banking Day in respect of which TONA was so published or provided.

- 7.12 *Maximum or Minimum Rate of Interest:* If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the applicable Issue Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.
- 7.13 *Calculation of Interest Amount:* The Determination Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, means the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.
- 7.14 *Calculation of other amounts:* If the applicable Issue Terms specify that any other amount is to be calculated by the Determination Agent, the Determination Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Determination Agent in the manner specified in the applicable Issue Terms.
- 7.15 *Publication:* The Determination Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents and each listing authority, stock exchange and/or quotation system (if any) by which the Notes have been admitted to listing, trading and/or quotation as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders. The Determination Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the Determination Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.
- 7.16 *Notifications:* All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 7 by the Determination Agent will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the Determination Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.
- 7.17 *Relevant Rates Benchmark Discontinuance or Prohibition on Use:* If (i) Condition 7.18 (*Effect of Benchmark Transition Event*) does not apply, (ii) the applicable Issue Terms specifies that the provisions of this Condition 7.17 are applicable and (iii) unless otherwise specified in the Issue Terms, where ISDA Determination is specified in the applicable Issue Terms as the manner in which the Floating Interest Rate is to be determined, after application of any ISDA Bespoke Fallbacks specified in the relevant Floating Rate Option (as defined in the ISDA Definitions) to apply following the occurrence of any of the following events and the application of such ISDA Bespoke Fallbacks fails to provide a means of determining the relevant Floating Rate (as defined in the ISDA Definitions), then, notwithstanding the terms set forth elsewhere in these Conditions, if the Determination Agent determines that any of the following events has occurred:
- (a) a public statement or publication of information by or on behalf of the administrator of the Relevant Rates Benchmark announcing that it has ceased or will cease to provide the Relevant Rates Benchmark permanently or indefinitely, provided that, at the time of

statement or publication, there is no successor administrator that will continue to provide the Relevant Rates Benchmark; or

- (b) a public statement or publication of information by the regulatory supervisor for the administrator of the Relevant Rates Benchmark, the central bank for the currency of the Relevant Rates Benchmark, an insolvency official with jurisdiction over the administrator of the Relevant Rates Benchmark, a resolution authority with jurisdiction over the administrator of the Relevant Rates Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator of the Relevant Rates Benchmark, which states that the administrator of the Relevant Rates Benchmark has ceased or will cease to provide the Relevant Rates Benchmark permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Relevant Rates Benchmark; or
- (c) where the Relevant Rates Benchmark is a LIBOR (other than U.S. dollar LIBOR which is addressed in Condition 7.18 (*Effect of Benchmark Transition Event*) below), a public statement or publication of information by the regulatory supervisor for the administrator of the Relevant Rates Benchmark announcing that the Relevant Rates Benchmark is no longer representative;
- (d) unless otherwise specified in the Issue Terms, an Administrator/Benchmark Event occurs in relation to a Relevant Rates Benchmark,

then the Determination Agent may use, as a substitute for the Relevant Rates Benchmark, and for each future Interest Determination Date (or other rate fixing date), the alternative rates benchmark determined in accordance with the following provisions:

- (i) if an alternative reference rate, index or benchmark is specified in the Issue Terms for this purpose (an "**Alternative Pre-nominated Reference Rate**"), such Alternative Pre nominated Reference Rate; or
- (ii) if an Alternative Pre-nominated Reference Rate is not specified in the Issue Terms, the alternative reference rate, index or benchmark selected by the central bank, reserve bank, monetary authority or any similar institution (including any committee or working group thereof) in the jurisdiction of the applicable index currency that is consistent with accepted market practice (the rate determined under sub-paragraph (i) above or this sub-paragraph (ii), the "**Alternative Rate**").

The Determination Agent may, after consultation with the Issuer, determine any adjustments to the Alternative Rate or the Margin (which may include the addition of an adjustment spread, which may be positive or negative, in order to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value to or from the Issuer as a result of the replacement of the Relevant Rates Benchmark with the Alternative Rate), as well as the applicable Business Day Convention, Interest Determination Dates (or any other rate fixing dates) and related provisions and definitions of the Notes, in each case that are consistent with accepted market practice for the use of such Alternative Rate for debt obligations such as the Notes.

If the Determination Agent determines, after consultation with the Issuer, that no such Alternative Rate exists on the relevant date, it may, after consultation with the Issuer, determine an alternative rate to be used as a substitute for the Relevant Rates Benchmark (which shall be the "Alternative Rate" for the purposes of these provisions), as well as any adjustments to the Margin (including any adjustment spread), the Business Day Convention, the Interest Determination Dates (or any other rate fixing dates) and related provisions and definitions in respect of the Notes, in each case, that are consistent with accepted market practice for the use of such Alternative Rate for debt obligations such as the Notes.

The Issuer will then provide a notice, in accordance with Condition 22 (*Notices*), to Noteholders to inform them of the occurrence of any of events listed in Conditions 7.17(a) to 7.17(d) above, the Alternative Rate and any adjustment determinations which will apply to the Notes. The notice shall also confirm the effective date of the Alternative Rate and any adjustments.

Notwithstanding anything else in this Condition 7.17, if the Determination Agent determines that the selection of a particular index, benchmark or other price as an "Alternative Rate" (taking into account any necessary adjustments that would need to be made in accordance with this Condition 7.17) (1) is or would be unlawful under any applicable law or regulation; or (2) would contravene any applicable licensing requirements; or (3) would result in the Determination Agent, the Issuer or the Calculation Agent being considered to be administering a benchmark, index or other price source whose production, publication, methodology or governance would subject the Determination Agent, the Issuer or the Calculation Agent to material additional regulatory obligations which it is unwilling to undertake, then the Determination Agent shall not select such index, benchmark or price source as the Alternative Rate.

If the Determination Agent is unable to identify an Alternative Rate and determine the necessary adjustments to the terms of the Notes, then the Issuer may, in its reasonable discretion, determine that the Notes shall be redeemed as of any later date. If the Issuer so determines that the Notes shall be redeemed, then the Issuer shall give not less than five Business Days' notice to the Noteholders to redeem the Notes and upon redemption the Issuer will pay in respect of each Note an amount equal to either:

- (A) If "Early Redemption Amount (Benchmark Trigger Event) - Fair Market Value Less Costs" is specified in the Issue Terms, the fair market value of such Note, on such date as is selected by the Determination Agent in its reasonable discretion (provided that such day is not more than 15 days before the date fixed for redemption of the Note), less the proportion attributable to that Notes of the reasonable cost to the Issuer and/ or any Affiliate of, or the loss realised by the Issuer and/or any Affiliate on, unwinding any related hedging arrangements, all as calculated by the Determination Agent in its reasonable discretion; or
- (B) If "Early Redemption Amount (Benchmark Trigger Event) - Fair Market Value" is specified in the Issue Terms, the fair market value of such Note, on such day as is selected by the Determination Agent in its reasonable discretion (provided that such day is not more than 15 days before the date fixed for redemption of the Note), as calculated by the Determination Agent in its reasonable discretion.

The Issuer's obligations under the Notes shall be satisfied in full upon payment of such amount.

In the case where ISDA Determination is specified in the applicable Issue Terms as the manner in which the Floating Interest Rate is to be determined, and the application of any ISDA Bespoke Fallbacks specified in the relevant Floating Rate Option results in a replacement of, modification to, or change in the method of calculating, the Floating Rate (or the index, benchmark or other price source that is referred to in the Floating Rate Option), the Determination Agent may, after consultation with the Issuer, determine any adjustments to the Floating Rate and the Margin (including any adjustment spread) as well as the applicable Business Day Convention, Interest Determination Dates (or any other rate fixing dates) and related provisions and definitions of the Notes, in each case that are consistent with accepted market practice for the use of such replacement or modified Floating Rate for debt obligations such as the Notes. The Issuer will provide a notice, in accordance with Condition 22 (*Notices*), to Noteholders to inform them of any adjustment determinations which will apply to the Notes. The notice shall also confirm the effective date of any adjustments.

7.18 *Effect of Benchmark Transition Event*

This Condition 7.18 applies where the Relevant Rates Benchmark is U.S. dollar LIBOR or where otherwise expressed to apply.

- (i) *Benchmark Replacement.* If the Issuer or its designee 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 or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time.
- (iii) *Decisions and Determinations.* Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 7.18, including 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, will be conclusive and binding absent manifest error, will be made in the Issuer's or its designee's sole discretion, and, notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the holders of the Notes or any other party.

7.19 *General Fallback Arrangements*

Notwithstanding the terms set forth elsewhere in these Conditions, and unless the applicable Issue Terms specifies that the provisions of Condition 7.17 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) apply or unless Condition 7.18 (*Effect of Benchmark Transition Event*) applies, (a) if the Relevant Rates Benchmark is a LIBOR, EURIBOR, SONIA, €STR, SARON or TONA, and such Relevant Rates Benchmark has been permanently discontinued or (b) where the Relevant Rates Benchmark is a LIBOR (other than U.S. dollar LIBOR which is addressed in Condition 7.18 (*Effect of Benchmark Transition Event*)), upon the occurrence of a public statement or publication of information by the regulatory supervisor for the administrator of the Relevant Rates Benchmark announcing that the Relevant Rates Benchmark is no longer representative, the Determination Agent will use, as a substitute for such Relevant Rates Benchmark, and for each future Interest Determination Date, the alternative reference rate selected by the central bank, reserve bank, monetary authority or any similar institution (including any committee or working group thereof) in the jurisdiction of the applicable index currency that is consistent with accepted market practice (the "**Alternative Rate**"). The Determination Agent will, after consultation with the Issuer, make such adjustments to the Alternative Rate or the Margin, as well as the applicable Business Day Convention, Interest Determination Dates and related provisions and definitions of the Notes, in each case that are consistent with accepted market practice for the use of such Alternative Rate for debt obligations such as the Notes. However, in the case of EURIBOR only, if the Determination Agent determines, after consultation with the Issuer, that no such Alternative Rate exists on the relevant date, it shall make a determination, after consultation with the Issuer, of an alternative rate as a substitute for EURIBOR, for debt obligations such as the Notes, as well as the Margin, the Business Day Convention and the Interest Determination Dates in respect of the Notes, that is consistent with accepted market practice.

In the case where ISDA Determination is specified in the applicable Issue Terms as the manner in which the Floating Interest Rate is to be determined, and the application of any ISDA Bespoke Fallbacks specified in the relevant Floating Rate Option results in a replacement of, modification to, or change in the method of calculating, the Floating Rate (or the index, benchmark or other price source that is referred to in the Floating Rate Option), the Determination Agent may, after consultation with the Issuer, determine any adjustments to the Floating Rate and the Margin, (including any adjustment spread) as well as the applicable Business Day Convention, Interest Determination Dates (or any other rate fixing dates) and related provisions and definitions of the Notes, in each case that are consistent with accepted market practice for the use of such replacement or modified Floating Rate for debt obligations such as the Notes. The Issuer will provide a notice, in accordance with Condition 22(Notices), to Noteholders to inform them of any adjustment determinations which will apply to the Notes. The notice shall also confirm the effective date of any adjustments.

8. **ZERO COUPON NOTE PROVISIONS**

- 8.1 *Application:* This Condition 8 is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the applicable Issue Terms as being applicable.

- 8.2 *Late payment on Zero Coupon Notes:* If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:

8.2.1 the Reference Price; and

8.2.2 the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

9. DUAL CURRENCY NOTE PROVISIONS

- 9.1 *Application:* This Condition 9 is applicable to the Notes only if the Dual Currency Note Provisions are specified in the applicable Issue Terms as being applicable.

- 9.2 *Rate of Interest:* If the rate or amount of interest fails to be determined by reference to an exchange rate, the rate or amount of interest payable shall be determined in the manner specified in the applicable Issue Terms.

10. REDEMPTION AND PURCHASE

- 10.1 *Scheduled Redemption.* Unless previously redeemed, or purchased and cancelled, and unless otherwise specified in the applicable Issue Terms, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Conditions 11 (*Payments – Bearer Notes*) and 12 (*Payments – Registered Notes*).

- 10.2 *Tax Redemption.* The Notes may be redeemed in whole (but not in part), at the option of the Issuer at any time prior to maturity, upon the giving of a notice of redemption as described below, if the Issuer determines, in its sole discretion, that, it is or will become required by law or agreement with a taxing authority to make any withholding or deduction with respect to the Notes, as described in Condition 13 (*Taxation*), including (but not limited to) any withholding tax imposed under Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended, and any applicable U.S. Treasury regulations promulgated thereunder or published administrative guidance implementing such sections (including withholding resulting from any inter-governmental agreement in connection with such sections, regulations and/or guidance).

The Notes will be redeemed at the Early Redemption Amount. The Issuer will give notice of any tax redemption in accordance with Condition 22 (*Notices*).

- 10.3 Prior to the Issuer giving notice of redemption under Condition 10.2 (*Tax Redemption*), it will deliver to the Principal Paying Agent and the Trustee:

10.3.1 a certificate stating that it is entitled to effect the redemption and setting forth a statement of facts showing that the conditions precedent to its right to so redeem have occurred (the date on which that certificate is delivered to the Principal Paying Agent is the "**Redemption Determination Date**"); and

10.3.2 an opinion of independent legal counsel of recognised standing to that effect based on the statement of facts.

Notice of redemption will be given not less than 30 nor more than 60 days prior to the date fixed for redemption. The date and the applicable Early Termination Amount will be specified in the notice.

In relation to any Notes if any date fixed for redemption is a date prior to the date (the "**Exchange Date**") that is 40 days after the date on which the Issuer receives the proceeds of the sale of a Note, definitive bearer notes will be issuable on and after that redemption date as if that redemption date had been the Exchange Date. Bearer Notes in definitive form will be redeemed as described above.

- 10.4 *Redemption at the Option of the Issuer.* If the Call Option is specified in the applicable Issue Terms as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the applicable Issue Terms, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer's giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date).
- 10.5 *Partial Redemption.* If the Notes are to be redeemed in part only on any date in accordance with Condition 10.4 (*Redemption at the Option of the Issuer*), the Notes to be redeemed shall be selected by the drawing of lots in such place as the Principal Paying Agent approves and in such manner as the Principal Paying Agent considers appropriate, subject to compliance with applicable law and the rules of each listing authority, stock exchange and/or quotation system by which the Notes have then been admitted to listing, trading and/or quotation, and the notice to Noteholders referred to in Condition 10.4 (*Redemption at the Option of the Issuer*) shall specify the serial numbers of the Notes so to be redeemed; and
- 10.6 *Redemption at the Option of Noteholders.* If the Put Option is specified in the applicable Issue Terms as being applicable, the Issuer shall, at the option of the holder of any Note redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put), together with interest (if any) accrued to such date.

In order to exercise the option contained in this Condition 10.6 the holder of a Note must, not less than 30 nor more than 60 days before the relevant Optional Redemption Date (Put), deposit such Note (together with all unmatured Coupons relating thereto) with, in the case of a Bearer Note, any Paying Agent or, in the case of a Registered Note, the Registrar, and a duly completed Put Option Notice in the form obtainable from any Paying Agent. The Paying Agent with which a Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Noteholder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 10.6, may be withdrawn; provided, however, that if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 10.6, the depositor of such Note and not such Paying Agent shall be deemed to be the holder of such Note for all purposes.

- 10.7 *Early Redemption in the event of the insolvency of the Custodian:* The Notes may be redeemed in whole (but not in part), at the option of the Issuer at any time prior to maturity, upon the giving of a notice of redemption as described below, if the Issuer determines, in its sole discretion, that (i) the Custodian becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator of the Custodian or the whole or a substantial part of the undertaking, assets and revenues of the Custodian is appointed (otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent), (iii) the Custodian takes any action for a composition with or for the benefit of its creditors generally, or (iv) an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Custodian (otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent). The Issuer shall give at least 30 days' notice (but not more than 60 days' notice) to the Noteholders of any redemption under this Condition 10.7 in accordance with Condition 22 (*Notices*), specifying the date on which the Notes shall be redeemed (such date, the "**Early Redemption (Custodian Insolvency) Date**"). The Notes will be redeemed at the relevant Early Redemption Amount on the Early Redemption (Custodian Insolvency) Date.
- 10.8 *Early Redemption of Zero Coupon Notes:* Unless otherwise specified in the applicable Issue Terms, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:

10.8.1 the Reference Price; and

- 10.8.2 the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the applicable Issue Terms for the purposes of this Condition 10.8 or, if none is so specified, a Day Count Fraction of 30E/360.

- 10.9 *Purchase:* The Issuer, Morgan Stanley or any of their Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price.
- 10.10 *Cancellation:* All Notes so redeemed shall, and all Notes so purchased by Morgan Stanley, the Issuer or any of their respective Subsidiaries may, at the discretion of the relevant purchaser, be cancelled (together with all unmatured Coupons attached to or surrendered with them). All Notes so redeemed, and all Notes so purchased and cancelled, may not be reissued or resold.

11. PAYMENTS – BEARER NOTES

This Condition 11 is only applicable to Bearer Notes.

- 11.1 *Principal:* Payments of principal shall be made only against presentation and (**provided that** payment is made in full) surrender of Bearer Notes at the Specified Office of any Paying Agent outside the United States by cheque drawn in the currency in which the payment is due on, or by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency. Such payment shall be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Bearer Notes. On each occasion on which a payment of principal or interest is made in respect of a Global Note, the Issuer shall procure that the same is noted in a schedule thereto. No Issuer or any Paying Agent shall under any circumstances be liable for any acts or defaults of the Relevant Clearing System in the performance of the Relevant Clearing System's duties in relation to the Notes. Notwithstanding the foregoing, payment on any Bearer Note will not be made (1) by cheque mailed to any address in the United States; or (2) by wire transfer to an account maintained with a bank located in the United States.
- 11.2 *Interest:* Payments of interest shall, subject to Condition 11.8 (*Payments other than in Respect of Matured Coupons*) below, be made only against presentation and (**provided that** payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in Condition 10.1 (*Scheduled Redemption*) above.
- 11.3 *Payments in New York City:* Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City if (i) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Bearer Notes in the currency in which the payment is due when due, (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is permitted by applicable United States law without adverse U.S. Federal tax consequences or other adverse consequences to the Issuer.
- 11.4 *Payments Subject to Fiscal Laws:* All payments in respect of the Bearer Notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment and to the rules and procedures of the Relevant Clearing System, but without prejudice to the provisions of Condition 13 (*Taxation*). No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- 11.5 *Deductions for Unmatured Coupons:* If the applicable Issue Terms specify that the Fixed Rate Note Provisions are applicable and a Bearer Note in definitive form is presented without all unmatured Coupons relating thereto:
- 11.5.1 if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons

will be deducted from the amount of principal due for payment, **provided, however, that** if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;

11.5.2 if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:

- (a) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the "**Relevant Coupons**") being equal to the amount of principal due for payment, **provided, however, that** where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and
- (b) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment, **provided, however, that**, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in sub-paragraph (a) above against presentation and (**provided that** payment is made in full) surrender of the relevant missing Coupons.

- 11.6 *Unmatured Coupons Void:* If the applicable Issue Terms specify that this Condition 11.6 is applicable or that the Floating Rate Note Provisions are applicable, on the due date for final redemption of any Note in definitive form or early redemption of such Note pursuant to Condition 10.2 (*Tax Redemption*), Condition 10.6 (*Redemption at the Option of Noteholders*), Condition 10.4 (*Redemption at the Option of the Issuer*) or Condition 14 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.
- 11.7 *Payments on Payment Business Days:* If the due date for payment of any amount in respect of any Bearer Note or Coupon is not a Payment Business Day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.
- 11.8 *Payments other than in Respect of Matured Coupons:* Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Bearer Notes at the Specified Office of any Paying Agent outside the United States (or in New York City if permitted by Condition 11.3 (*Payments in New York City*) above).
- 11.9 *Partial Payments:* If a Paying Agent makes a partial payment in respect of any Bearer Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.
- 11.10 *Exchange of Talons:* On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Bearer Notes in definitive form, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Principal Paying Agent during regular business hours for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 16 (*Prescription*)). Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

- 11.11 *Unavailability of Currency.* If the Specified Currency is not available to the Issuer for making payments of principal of, and premium, interest and/or additional amounts, if any, on any Note (whether due to the imposition of exchange controls or other circumstances beyond the control of the Issuer, or if the Specified Currency is no longer used by the government of the country issuing that currency or by public institutions within the international banking community for the settlement of transactions), the Issuer may satisfy its obligations to Noteholders by making payments on the date of payment in U.S. dollars on the basis of the prevailing exchange rate on the date of the payment or of the most recent practicable date, such rate being based on the highest bid quotation in The City of New York received by the Exchange Rate Agent at approximately 11:00 a.m., New York City time, on the second Business Day preceding the applicable payment date from three recognised foreign exchange dealers for the purchase by the quoting dealer:
- (i) of the Specified Currency for U.S. dollars for settlement on the payment date;
 - (ii) in the aggregate amount of the Specified Currency payable to those holders or beneficial owners of Notes; and
 - (iii) at which the applicable dealer commits to execute a contract.

If those bid quotations are not available, the Exchange Rate Agent will determine the Market Exchange Rate at its sole discretion. All determinations by the Exchange Rate Agent will, in the absence of manifest error, be conclusive for all purposes and binding on the Issuer and the Noteholders. The Exchange Rate Agent will be Morgan Stanley & Co. International plc, unless otherwise noted in the applicable Issue Terms. If the Exchange Rate Agent is not an affiliate of Morgan Stanley, it may be one of the dealers providing quotations.

Any payment made in U.S. dollars on the basis of the prevailing exchange rate where the required payment is in an unavailable Specified Currency will not constitute an Event of Default.

The foregoing provisions do not apply if a Specified Currency is unavailable because it has been replaced by the euro. If the euro has been substituted for a Specified Currency, the Issuer may (or will, if required by applicable law) without the consent of the holders of the affected Notes, pay the principal of, premium, if any, or interest, if any, on any Note denominated in the Specified Currency in euro instead of the Specified Currency, in conformity with legally applicable measures taken pursuant to, or by virtue of, the Treaty. Any payment made in U.S. dollars or in euro as described above where the required payment is in an unavailable Specified Currency will not constitute an Event of Default.

12. PAYMENTS – REGISTERED NOTES

This Condition 12 is only applicable to Registered Notes.

- 12.1 *Principal:* Payments of principal shall be made by cheque drawn in the currency in which the payment is due drawn on, or, upon application by a holder of a Registered Note to the Specified Office of the Principal Paying Agent not later than the fifteenth (15th) day before the due date for any such payment, by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London) and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.
- 12.2 *Interest:* Payments of interest shall be made by cheque drawn in the currency in which the payment is due drawn on, or, upon application by a holder of a Registered Note to the Specified Office of the Principal Paying Agent not later than the fifteenth (15th) day before the due date for any such payment, by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London) and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.

- 12.3 *Payments Subject to Fiscal Laws:* All payments in respect of the Registered Notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 13 (*Taxation*). No commissions or expenses shall be charged to the Noteholders in respect of such payments.
- 12.4 *Payments on Payment Business Days:* Where payment is to be made by transfer to an account, payment instructions (for value the due date, or, if the due date is not a Payment Business Day, for value the next succeeding Payment Business Day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment and the day on which the relevant Note Certificate is surrendered (or, in the case of part payment only, endorsed) at the Specified Office of a Paying Agent and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A holder of a Registered Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from (A) the due date for a payment not being a Payment Business Day or (B) a cheque mailed in accordance with this Condition 12 arriving after the due date for payment or being lost in the mail.
- 12.5 *Partial payments:* If a Paying Agent makes a partial payment in respect of any Registered Note, the Issuer shall procure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Note Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Note Certificate.
- 12.6 *Record date:* Each payment in respect of a Registered Note will be made to the person shown as the holder in the Register at the opening of business in the place of the Registrar's Specified Office on the fifteenth (15th) day before the due date for such payment (the "**Record Date**"). Where payment in respect of a Registered Note is to be made by cheque, the cheque will be mailed to the address shown as the address of the holder in the Register at the opening of business on the relevant Record Date.

13. TAXATION

- 13.1 All payments in respect of the Notes or Coupons will be made without withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature unless the Issuer, or any Paying Agent or, where applicable, the Trustee is required by applicable law, regulation, rule or agreement to make any payment in respect of the Notes or Coupons subject to any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature (including any withholding tax imposed under Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended, and any applicable U.S. Treasury regulations promulgated thereunder or published administrative guidance or agreements implementing such sections (including withholding resulting from any inter-governmental agreement in connection with such sections, regulations and/or guidance)).

In that event, the Issuer, any Paying Agent, or the Trustee (as the case may be) shall make such payment after such withholding or deduction has been made and shall account to the relevant taxing authorities or other governmental agencies for the amount so required to be withheld or deducted. Neither the Issuer, nor any Paying Agent, nor the Trustee will be obliged to make any additional payments to the Noteholders or the Couponholders in respect of such withholding or deduction, but Condition 10.2 (*Tax Redemption*) will apply. The Issuer or any Paying Agent may require Holders to provide such certification and other documents as required by applicable law or reasonably requested pursuant to Condition 13.2 below in order to qualify for exemption, reduction or refund of any withholding taxes or other taxes imposed by any taxing authority or governmental agency.

- 13.2 The Issuer, the Trustee or any Agent acting on its behalf may require Noteholders to provide any certifications or other documents as required by law or reasonably requested pursuant to this Condition 13.2 in order to qualify for exemption, reduction or refund of any withholding taxes or other taxes imposed by any taxing authority or governmental agency. Each Noteholder or any third party having an interest in the Notes or Coupons shall furnish (including by way of updates in such form and at a such time as is reasonably requested) any information, representations and forms as shall reasonably be requested to assist in obtaining any exemption, reduction or refund of any withholding or other taxes imposed by any taxing authority or other governmental agency upon

the Issuer including any withholding tax imposed under Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended, and any applicable U.S. Treasury regulations promulgated thereunder or published administrative guidance or agreement implementing such sections (including withholding resulting from any inter-governmental agreement in connection with such sections, regulations and/or guidance), amounts paid to the Issuer, or amounts distributable by the Issuer to Noteholders.

- 13.3 If "**Implementation of Financial Transaction Tax Event**" is specified in the applicable Issue Terms to be applicable to any Series of Notes, then upon the occurrence of an Implementation of Financial Transaction Tax Event, the Issuer may (i) in its sole discretion, with immediate effect amend the Conditions of the Notes by adjusting downward any amount payable and/or any other value or term of the Conditions to account for the economic impact of the Implementation of Financial Transaction Tax on the Issuer and its affiliates in relation to the Notes, and (ii) to the extent that at any time thereafter the Issuer determines (acting in good faith and in a commercially reasonable manner) that it (including its affiliates) has incurred additional loss as a result of the Implementation of Financial Transfer Tax Event that has not been accounted for through the adjustment made pursuant to sub-paragraph (i) (such amount, "**Additional Increased Tax**"), it may reduce the amount otherwise payable on the Notes on the next payment date (and any payment date thereafter) by an amount up to the Additional Increased Tax amount. Any such adjustments shall be notified to Noteholders as soon as reasonably practicable.

14. EVENTS OF DEFAULT

- 14.1 If any of the following events (each, an "**Event of Default**") occurs in respect of a Series of Notes and is continuing:

14.1.1 *Non-payment:* the Issuer fails to pay any amount in respect of the Notes within thirty days of the due date for payment thereof; or

14.1.2 *Insolvency, etc.:* (i) the Issuer becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator of the Issuer or the whole or a substantial part of the undertaking, assets and revenues of the Issuer is appointed (otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent), (iii) the Issuer takes any action for a composition with or for the benefit of its creditors generally, or (iv) an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer (otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent); or

14.1.3 *Failure to deliver Eligible Collateral:* the Issuer fails to make, when due, any transfer of Eligible Collateral required to be made by it and such failure continues for three days after notice of such failure is given to it by the Trustee; or

14.1.4 *Other specified events of default:* any other event specified as an Event of Default in the applicable Issue Terms,

then the Trustee may or if directed by an Extraordinary Resolution of the Noteholders or if so requested, in writing, by Noteholders of not less than 50 per cent. in aggregate principal amount of the outstanding Notes shall (subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction), by written notice (in accordance with Condition 14.3 (*Enforcement*) below), declare the Notes of such Series to be immediately due and payable, whereupon they shall become so due and payable at their Early Redemption Amount (or in accordance with any other provisions specified in the applicable Issue Terms) without further action or formality. Notice of any such declaration shall promptly be given to the Noteholders.

- 14.2 *Annulment of Acceleration and Waiver of Defaults.* If any Event of Default, other than the non-payment of the principal of the Notes of a Series that has become due as a result of an acceleration, have been cured, waived or otherwise remedied, then holders of such Series of Notes by Extraordinary Resolution or if so requested, in writing, by holders of not less than 50 per cent. of the aggregate principal amount outstanding of such Notes, may annul past declarations of acceleration of or waive past defaults of the Notes. However, any continuing default in payment of principal of or any premium or interest on those Notes may not be waived.

14.3 *Enforcement:*

- (a) Following the occurrence of an Event of Default in respect of a Series of Notes and the Notes of such Series becoming immediately due and payable pursuant to Condition 14.1 (but subject to Condition 14.2 (*Annulment of Acceleration and Waiver of Defaults*)), the Trustee at its discretion may, or if so directed by Extraordinary Resolution or if so requested by the holders of no less than 50 per cent. of the aggregate principal amount outstanding of a Series of Notes, shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction) give notice (the "**Enforcement Notice**") to the Issuer (with a copy to the Principal Paying Agent, the Registrar, the Custodian, any Additional Custodian, any Additional Collateral Manager (as applicable)) that the Security in respect of the Notes of such Series shall become immediately enforceable.
- (b) Following the delivery of the Enforcement Notice, the Trustee may at any time, at its discretion and without notice, take such action under or in connection with any of the Security Documents against the Issuer or the Secured Assets as it may think fit but shall not be bound to take any such action unless it shall have been (i) directed by Extraordinary Resolution or requested in writing to do so by the holders of no less than 50 per cent. of the aggregate principal amount outstanding of the Notes and (ii) indemnified and/or secured and/or prefunded to its satisfaction.
- (c) No Noteholder shall be entitled to enforce the Security or to institute proceedings directly against the Issuer to enforce the provisions of the Security Documents unless, the Trustee, having become bound to enforce the Security or to institute proceedings against the Issuer to enforce the provisions of the Security Documents, fails to do so within a reasonable period of time and such failure is continuing. In such event to the extent permitted by the applicable law, any Noteholder may, on giving an indemnity, security and/or pre-funding satisfactory to the Trustee, in the name of the Trustee (but not otherwise) institute proceedings to the same extent and in the same jurisdiction as the Trustee would have been entitled to do in respect of the Notes and/or the Security Document.

15. FORCE MAJEURE AND ILLEGALITY

- 15.1 The Issuer shall have the right to terminate the Notes if it shall have determined, in its sole and absolute discretion, that its performance thereunder shall have become or will be unlawful in whole or in part as a result of compliance in good faith by the Issuer with any applicable present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power ("**applicable law**").
- 15.2 In such circumstances the Issuer will, however, if and to the extent permitted by applicable law, pay to each Noteholder in respect of each Note held by him an amount equal to the Final Redemption Amount that would have been payable on the Maturity Date (ignoring such illegality). In the case of any Notes in global form, payment will be made to the Relevant Clearing System in such manner as shall be notified to the Noteholders in accordance with Condition 22 (*Notices*).

16. PRESCRIPTION

Claims for principal in respect of Bearer Notes shall become void unless the relevant Bearer Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest in respect of Bearer Notes shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date. Claims for principal and interest on redemption in respect of Registered Notes shall become void unless the relevant Note Certificates are surrendered for payment within ten years of the appropriate Relevant Date.

17. REPLACEMENT OF NOTES AND COUPONS

If any Note, Note Certificate 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 the Registrar in the case of Registered Notes, during normal business hours (and, if the Notes are then admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, the

Paying Agent having its Specified Office in the place required by such listing authority, stock exchange and/or quotation system), subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes, Note Certificates or Coupons must be surrendered before replacements will be issued.

18. AGENTS

18.1 In acting under the Agency Agreement, the Trust Deed, the Custody Agreement, the Collateral Administration and Reporting Agreement and the Collateral Service Agreement and in connection with the Notes and the Coupons, the Agents and the Collateral Agents (other than the Custodian, who acts as an agent of the Trustee and the Collateral Administrator, who acts as an agent of the Custodian, the Trustee and the Issuer) act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders. All calculation and determination functions required of or the relevant Agent or Collateral Agent (as the case may be) may be delegated to such persons as the relevant Agent or Collateral Agent (as the case may be) may decide and all notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the Notes by the Agents or the Collateral Agents or the Issuer shall (in the absence of manifest error or wilful misconduct) be binding on the Issuer and the Noteholders and (subject as aforesaid) no liability to the Noteholders (or any of them) shall attach to the Agents, the Collateral Agents or the Issuer in connection with the exercise or non-exercise by any of them of their powers, duties and discretions for such purposes.

18.2 The initial Agents and the initial Collateral Agents and their initial Specified Office are listed on the inside back cover of the Base Prospectus. The initial Calculation Agent is MSI plc. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint a successor Principal Paying Agent, Registrar, Calculation Agent, Determination Agent, Custodian, Collateral Service Provider, Collateral Verification Agent and additional or successor paying agents, custodians, collateral manager or collateral verification agents; **provided, however, that:**

18.2.1 there shall at all times be a Principal Paying Agent, a Registrar and a Custodian appointed in respect of the Notes;

18.2.2 if a Calculation Agent or a Determination Agent is specified in the applicable Issue Terms, the Issuer shall at all times maintain a Calculation Agent or a Determination Agent (as applicable);

18.2.3 if and for so long as the Notes are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent or a Transfer Agent (as the case may be) in any particular place, the Issuer shall maintain a Paying Agent or a Transfer Agent (as the case may be) having its Specified Office in the place required by such listing authority, stock exchange and/or quotation system; and

18.2.4 notice of any change in any of the Paying Agents or in their Specified Offices shall promptly be given to the Noteholders in accordance with Condition 22 (*Notices*).

19. MEETINGS OF NOTEHOLDERS AND MODIFICATION

19.1 *Meetings of Noteholders:* The Trust Deed contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by it upon the request in writing of Noteholders 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 two or more Persons holding or representing half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, two or more Persons holding or representing Noteholders whatever the principal amount of the Notes held or represented, **provided, however, that** Reserved Matters may only be sanctioned by an

Extraordinary Resolution passed at a meeting of Noteholders at which two or more Persons holding or representing not less than 62.5 per cent. or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not.

For voting on any matters other than voting on an Extraordinary Resolution, the quorum will be two or more Persons holding or representing Noteholders holding one tenth of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, two or more Persons holding or representing Noteholders whatever the principal amount of the Notes held or represented.

In addition, a resolution in writing signed by or on behalf of Noteholders holding sixty two and a half per cent. (62.5) of the aggregate principal amount of the outstanding Notes who for the time being are entitled to receive notice of a meeting of Noteholders 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 Noteholders.

19.2 *Modification:*

The Trustee may, at any time, without the consent of the Secured Creditors of any Series concur with the Issuer in making any modification:

- (a) (other than the definition of "Reserved Matter") to the Conditions or any of the Issue Documents which in the opinion of the Trustee it is proper to make, provided that the Trustee is of the opinion that such modification will not be materially prejudicial to the interests of the Secured Creditors of such Series (in relation to which it is Trustee); or
- (b) to the Conditions or any Issue Documents if in the opinion of the Trustee such modification is of a formal, minor or technical nature or to correct a manifest error.

Any such modification may be made on such terms and subject to such conditions as may seem fit and proper to the Trustee, shall be binding upon the Holders of such Series and any other Secured Creditor relating to such Series and, unless the Trustee agrees otherwise, shall be notified by the Issuer to the relevant Holders in accordance with Condition 22 (*Notices*) and the other Secured Creditors as soon as practicable thereafter.

19.3 *Interests of Noteholders and Couponholders:* In connection with the Conditions, the Trustee shall have regard to the interests of the Noteholders and the Couponholders as a class. In particular, but without limitation, the Trustee shall not have regard to the consequences for individual Noteholders or Couponholders resulting from such individual Noteholders or Couponholders being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory.

19.4 *Modifications binding on Noteholders and Couponholders:* Any modifications made to the Notes, the Conditions, the Trust Deed and the Security Documents, pursuant to the Trust Deed, shall be binding upon the Noteholders and shall be notified by the Issuer to the Noteholders in accordance with Condition 22 (*Notices*) as soon as practicable thereafter.

19.5 *Severance:* Should any of the provisions contained in these Conditions be or become invalid, the validity of the remaining provisions shall not be affected in any way.

20. THE TRUSTEE – INDEMNIFICATION, POTENTIAL CONFLICTS OF INTEREST AND RETIREMENT AND REMOVAL

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, secured and/or prefunded to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, inter alia, (a) to enter into business transactions with the Issuer and/or any of its subsidiaries and/or any other persons and to act as trustee for the holders of any other securities issued by, or relating to, the

Issuer and/or any of its subsidiaries and/or any other persons, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders or Couponholders and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

The Trust Deed contains provisions allowing the Trustee to retire at any time on giving not less than 90 days' prior written notice to the Issuer without giving any reason and without being responsible for any Expenses (as defined in the Trust Deed) incurred by such retirement. The Noteholders may by Extraordinary Resolution remove any trustee or trustees of the Notes. The Trust Deed provides that the retirement or removal of any such Trustee shall not become effective until a successor trustee (being a trust corporation) is appointed. The Trust Deed provides that, in the event of the Security Trustee giving notice of retirement or being removed by Extraordinary Resolution under the Trust Deed, the Issuer shall use all reasonable endeavours to procure that a new trustee is appointed as soon as reasonably practicable. If no appointment has become effective within 90 days of such notice or Extraordinary Resolution, the Trust Deed provides that the Trustee shall be entitled to appoint a trust corporation as the new trustee. No appointment of a Trustee shall take effect unless previously approved by an Extraordinary Resolution. Notice of any such change shall be given to the Noteholders in accordance with Condition 22 (*Notices*) as soon as practicable thereafter.

The Trust Deed also contains provisions protecting the Trustee from responsibility or liability for selecting any Eligible Collateral posted to the Custody Account and for monitoring the compliance of the Issuer with provisions in the Trust Deed relating to Eligible Collateral and the Posted Collateral. The Trust Deed provides that the Trustee shall have no responsibility or liability arising from the fact that any Posted Collateral is registered in its name or held by it or in an account with Euroclear or Clearstream, Luxembourg or any similar clearing system in accordance with that system's rules or is otherwise held in safe custody by any bank or custodian selected by the Issuer with the consent of the Trustee nor shall the Trustee have responsibility for insuring and/or monitoring the adequacy or otherwise of any insurance arrangements in respect of the Posted Collateral.

21. FURTHER ISSUES

The Issuer may from time to time, without the consent of the Noteholders or the Couponholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes.

22. NOTICES

- 22.1 *Bearer Notes*: Notices to holders of Bearer Notes shall be valid if published in a leading English language daily newspaper published in Dublin or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers) or the first date on which such notice would in the ordinary course be delivered. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes.
- 22.2 *Registered Notes*: Notices to holders of Registered Notes shall be sent to them by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses on the Register. Any such notice shall be deemed to have been given on the fourth day after the date of mailing.
- 22.3 *Listed Notes*: Notices to Noteholders of Notes admitted to listing on the Official List of Euronext Dublin and, for so long as it is a requirement of applicable law or regulations, such notices shall also be filed with the Companies Announcement Office of Euronext Dublin. The Issuer shall ensure that all notices are duly published in a manner which complies with the rules, regulations and guidelines of any listing authority, stock exchange and/or quotation system on which the Notes are listed.

- 22.4 *Unlisted Notes:* Notices to Noteholders of non-listed Notes may be published, as specified in the applicable Issue Terms, in newspapers, on a website or otherwise.

23. LOSSES

In no event shall the Issuer, the Trustee, the Agents or the Collateral Agents have any liability for indirect, incidental, consequential or other damages (whether or not it may have been advised of the possibility of such damages) other than interest until the date of payment on sums not paid when due in respect of any Notes or assets not delivered when due. Noteholders are entitled to damages only and are not entitled to the remedy of specific performance in respect of any Note.

24. CURRENCY INDEMNITY

- 24.1 If any sum due from the Issuer in respect of the Notes or the Coupons or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under these Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Principal Paying Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.
- 24.2 This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

25. ROUNDING

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the applicable Issue Terms), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. rounded up to 0.00001 per cent.), (b) all U.S. dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one-half cent rounded upward), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downward to the next lower whole Japanese Yen amount and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency (with 0.005 rounded up to 0.01).

26. REDENOMINATION, RENOMINALISATION AND RECONVENTIONING

- 26.1 *Application:* This Condition 26 is applicable to the Notes only if it is specified in the applicable Issue Terms as being applicable.
- 26.2 *Notice of redenomination:* If the country of the Specified Currency becomes or, announces its intention to become, a Participating Member State, the Issuer may, without the consent of the Noteholders and Couponholders, on giving at least 30 days' prior notice to the Noteholders and the Paying Agents, designate a date (the "**Redenomination Date**"), being an Interest Payment Date under the Notes falling on or after the date on which such country becomes a Participating Member State.
- 26.3 *Redenomination:* Notwithstanding the other provisions of these Conditions, with effect from the Redenomination Date:
- 26.3.1 the Notes shall be deemed to be redenominated into euro in the denomination of euro 0.01 with a principal amount for each Note equal to the principal amount of that Note in the Specified Currency, converted into euro at the rate for conversion of such currency into euro established by the Council of the European Union pursuant to the Treaty (including compliance with rules relating to rounding in accordance with European Community

regulations); **provided, however, that**, if the Issuer determines, with the agreement of the Principal Paying Agent that the then market practice in respect of the redenomination into euro 0.01 of internationally offered securities is different from that specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders and Couponholders, each listing authority, stock exchange and/or quotation system (if any) by which the Notes have been admitted to listing, trading and/or quotation and the Paying Agents of such deemed amendments;

26.3.2 if Notes have been issued in definitive form:

- (a) all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date (the "**Euro Exchange Date**") on which the Issuer gives notice (the "**Euro Exchange Notice**") to the Noteholders that replacement Notes and Coupons denominated in euro are available for exchange (**provided that** such Notes and Coupons are available) and no payments will be made in respect thereof;
- (b) the payment obligations contained in all Notes denominated in the Specified Currency will become void on the Euro Exchange Date but all other obligations of the Issuer thereunder (including the obligation to exchange such Notes in accordance with this Condition 26) shall remain in full force and effect;
- (c) new Notes and Coupons denominated in euro will be issued in exchange for Notes and Coupons denominated in the Specified Currency in such manner as the Principal Paying Agent may specify and as shall be notified to the Noteholders in the Euro Exchange Notice; and
- (d) all payments in respect of the Notes (other than, unless the Redenomination Date is on or after such date as the Specified Currency ceases to be a sub-division of the euro, payments of interest in respect of periods commencing before the Redenomination Date) will be made solely in euro by cheque drawn on, or by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) maintained by the payee with, a bank in the principal financial centre of any Member State of the European Communities.

26.4 *Interest:* Following redenomination of the Notes pursuant to this Condition 26, where Notes have been issued in definitive form, the amount of interest due in respect of such Notes will be calculated by reference to the aggregate principal amount of the Notes presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant holder.

26.5 *Interest Determination Date:* If the Floating Rate Note Provisions are specified in the applicable Issue Terms as being applicable and Screen Rate Determination is specified in the applicable Issue Terms as the manner in which the Rate(s) of Interest is/are to be determined, with effect from the Redenomination Date the Interest Determination Date shall be deemed to be the second TARGET Settlement Day before the first day of the relevant Interest Period.

27. SUBSTITUTION

27.1 Subject to the conditions in the Trust Deed relating to substitution of the Issuer but without the consent of the holders of Notes MSI plc may, subject to the Notes being unconditionally and irrevocably guaranteed by MSI plc, substitute any other company (incorporated in any jurisdiction) (which may or may not be a subsidiary of Morgan Stanley or of MSI plc) in place of MSI plc as principal debtor under the Notes.

27.2 Any Notes in respect of which such a substitution is effected will be fully and unconditionally guaranteed pursuant to a guarantee of MSI plc as to the payment of principal of, premium, interest and supplement amounts, if any, and any additional amounts payable in accordance with the Conditions, if any, on those Notes when and as the same will be due and payable, whether at maturity or otherwise. Under the terms of the guarantee, holders of the Notes will not be required to exercise their remedies against the substitute issuer prior to proceeding directly against MSI plc.

- 27.3 In the event of such substitution, any reference in these Conditions to the Issuer shall be construed as a reference to the entity substituted in accordance with this Condition 27. Such substitution shall be promptly notified to the Noteholders in accordance with Condition 22 (*Notices*). In connection with such right of substitution, the Issuer shall not be obliged to have regard to the consequences of the exercise of such right for individual Noteholders in particular, without limitation, any consequences resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory, and no Noteholder shall be entitled to claim from the Issuer any indemnification or payment in respect of any tax or other consequence of any such substitution upon such Noteholder.

28. GOVERNING LAW AND JURISDICTION

- 28.1 *Governing Law:* The Notes and any non-contractual obligations arising out of or in connection with them shall be governed by and construed in accordance with English law.
- 28.2 *Jurisdiction:* The Issuer agrees for the benefit of the Noteholders that the courts of England shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with the Notes (respectively, "**Proceedings**" and "**Disputes**") and, for such purposes, irrevocably submits to the jurisdiction of such courts.
- 28.3 *Non-exclusivity:* The submission to the jurisdiction of the courts of England shall not (and shall not be construed so as to) limit the right of any Noteholder 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) if and to the extent permitted by law.

29. RIGHTS OF THIRD PARTIES

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

PRO FORMA ISSUE TERMS FOR THE NOTES

Issue Terms dated [•]

Morgan Stanley & Co. International plc

Legal Entity Identifier (LEI): 4PQUHN3JPFGFNF3BB653

Issue of [*Aggregate Nominal Amount of Tranche*] [*Title of Notes*]

under the Up to U.S.\$5,000,000,000 Secured Note Programme

[These Issue Terms and the related Drawdown Prospectus has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area (each a "**Relevant State**") pursuant to the Prospectus Regulation ((EU) 2017/1129) will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to the Prospectus Regulation or supplement a prospectus pursuant to the Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.]

[These Issue Terms and the related Drawdown Prospectus has been prepared on the basis that any offer of Notes in the United Kingdom pursuant to the Prospectus Regulation ((EU) 2017/1129) as it forms part of "retained EU law", as defined in the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**") will be made pursuant to an exemption under the UK Prospectus Regulation from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in the United Kingdom of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to the UK Prospectus Regulation or supplement a prospectus pursuant to the UK Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.]

Singapore Securities and Futures Act Product Classification – Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act (Chapter 289 of Singapore) (the "**SFA**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Notes are ["prescribed capital markets products"/[capital markets products other than "prescribed capital markets products"] (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

PART A – CONTRACTUAL TERMS

THE NOTES DESCRIBED HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE IN THE UNITED STATES. THE NOTES DESCRIBED HEREIN MAY NOT BE OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED, EXERCISED OR REDEEMED AT ANY TIME, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT). SEE "**SUBSCRIPTION AND SALE**" AND "**NO OWNERSHIP BY U.S. PERSONS**" IN THE BASE PROSPECTUS DATED 21 APRIL 2023. IN PURCHASING THE NOTES, PURCHASERS WILL BE DEEMED TO REPRESENT AND WARRANT THAT THEY ARE NEITHER LOCATED IN THE UNITED STATES NOR A U.S. PERSON AND THAT THEY ARE NOT PURCHASING FOR, OR FOR THE ACCOUNT OR BENEFIT OF, ANY SUCH PERSON. [THE NOTES ARE NOT RATED.]¹

This document constitutes Issue Terms relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes set forth in the Base Prospectus dated 21 April 2023 [and the supplemental Base Prospectus[es] dated [•] ([each a/[the] "**Supplemental Base Prospectus**" [and, together the "**Supplemental Base Prospectuses**"])] which

¹ Delete if Notes are rated.

[together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Regulation ((EU) 2017/1129). This document constitutes the Issue Terms of the Notes described herein and must be read in conjunction with such Base Prospectus [as so supplemented] and, in the case of Notes admitted to the Official List and to trading on the Regulated Market, admitted to trading on any other regulated market for the purposes of Directive 2004/39/EC ("**MiFID II**") or offered to the public in any Relevant State, are the Issuer Terms which form a part of the related Drawdown Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Issue Terms, the related Drawdown Prospectus and the Base Prospectus. Copies of the Base Prospectus dated 21 April 2023 (and any Supplemental Base Prospectus[es]) are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA and on the Issuer's website (morganstanleyiq.eu).

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA ("EEA"). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU, AS AMENDED ("MIFID II"); (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97 (THE "INSURANCE DISTRIBUTION DIRECTIVE"), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR (III) NOT A QUALIFIED INVESTOR AS DEFINED IN THE PROSPECTUS REGULATION. CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (THE "PRIIPS REGULATION") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA OR IN THE UK MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.]

[PROHIBITION OF SALES TO UK RETAIL INVESTORS – THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE UNITED KINGDOM (THE "UK"). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF:

(A) A RETAIL CLIENT AS DEFINED IN POINT (8) OF ARTICLE 2 OF REGULATION (EU) NO 2017/565 AS IT FORMS PART OF "RETAINED EU LAW", AS DEFINED IN THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 ("**EUWA**");

(B) A CUSTOMER WITHIN THE MEANING OF THE PROVISIONS OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 ("**FSMA**") AND ANY RULES OR REGULATIONS MADE UNDER THE FSMA TO IMPLEMENT DIRECTIVE (EU) 2016/97, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF "RETAINED EU LAW", AS DEFINED IN THE EUWA; OR

(C) NOT A QUALIFIED INVESTOR AS DEFINED IN ARTICLE 2 OF REGULATION (EU) 2017/1129 AS IT FORMS PART OF "RETAINED EU LAW", AS DEFINED IN THE EUWA.

CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 AS IT FORMS PART OF "RETAINED EU LAW", AS DEFINED IN THE EUWA (THE "**UK PRIIPS REGULATION**") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE UK HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE UK MAY BE UNLAWFUL UNDER THE UK PRIIPS REGULATION.]

[MIFID II PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET:

SOLELY FOR THE PURPOSES OF THE MANUFACTURER'S PRODUCT APPROVAL PROCESS, THE TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES HAS LED TO THE CONCLUSION THAT:

(A) THE TARGET MARKET FOR THE NOTES IS ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ONLY, EACH AS DEFINED IN MIFID II; AND

(B) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE.

ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A "DISTRIBUTOR") SHOULD TAKE INTO CONSIDERATION THE MANUFACTURER'S TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO MIFID II IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURER'S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.]

[UK MIFIR PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET:

SOLELY FOR THE PURPOSES OF THE MANUFACTURER'S PRODUCT APPROVAL PROCESS, THE TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES HAS LED TO THE CONCLUSION THAT:

(A) THE TARGET MARKET FOR THE NOTES IS ONLY ELIGIBLE COUNTERPARTIES, AS DEFINED IN THE FCA HANDBOOK CONDUCT OF BUSINESS SOURCEBOOK ("COBS"), AND PROFESSIONAL CLIENTS, AS DEFINED IN REGULATION (EU) NO 600/2014 AS IT FORMS PART OF "RETAINED EU LAW", AS DEFINED IN THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 ("EUWA") ("UK MIFIR"); AND

(B) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE.

ANY [PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A "DISTRIBUTOR")]/[DISTRIBUTOR] SHOULD TAKE INTO CONSIDERATION THE MANUFACTURERS' TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO THE FCA HANDBOOK PRODUCT INTERVENTION AND PRODUCT GOVERNANCE SOURCEBOOK (THE "UK MIFIR PRODUCT GOVERNANCE RULES") IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURERS' TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.]

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Issue Terms.]

- | | | |
|----|--|--|
| 1. | Issuer: | Morgan Stanley & Co. International plc |
| 2. | [(i)] Series Number: | [•] |
| | [(ii)] [Tranche Number:] | [•] |
| | (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).] | |
| 3. | Specified Currency or Currencies: | [•] |

4. Aggregate Principal Amount of the Notes: [•]
- [(i) Series: [•]
- [(ii) Tranche: [•]]
5. Issue Price [•] per cent. of par per Note/[•] per Note
6. (i) Specified Denominations (Par): [•]
- [the Specified Denomination of Notes issued under this Programme should be at least U.S.\$500,000. If the Specified Denomination is less than this amount, additional disclosure will need to be made]*
- (ii) Calculation Amount: [•]
- [the Calculation Amount of should equal the Specified Denominations (Par) of the Notes]*
7. (i) Issue Date: [•]
- (ii) Trade Date: [•]
- (iii) Interest Commencement Date [Specify/Issue Date/Not Applicable]
- (iv) 2006 ISDA Definitions [Applicable]/[Not Applicable]
- (v) 2021 ISDA Definitions [Applicable]/[Not Applicable]
8. Maturity Date: [•], [provided that where one party gives notice to the other party pursuant to the provisions of paragraph 12(i) (Redemption at the option of the Issuer) or paragraph 12(ii) (Redemption at the option of the Noteholders), the Maturity Date shall be the Early Redemption Date (as determined in accordance with the provisions of 12(i) (Redemption at the option of the Issuer) or 12(ii) (Redemption at the option of the Noteholders) as relevant)]
9. Interest Basis: [[•]% Fixed Rate]
- [[specify reference rate] +/- [•]% Floating Rate]
- [Zero Coupon]
- [Dual Currency Interest]
- [Other (specify and include further particulars here)]
10. Redemption/Payment Basis: [Redemption at par]
- [Dual Currency Redemption]

[Other (specify)]

[include all that apply]

11. Change of Interest or Redemption/Payment Basis: [Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]

12. Put/Call Options:

- (i) Redemption at the option of the Issuer: [Applicable/Not Applicable]

(Condition 10.4) (*Redemption at the Option of the Issuer*) [Condition 10.4 (*Redemption at the Option of the Issuer*) shall be deleted and replaced with the following:

The Notes may be redeemed in whole at the option of the Issuer on any Business Day prior to the Maturity Date if the Issuer gives notice of such optional redemption (the "**Issuer Redemption Notice**"). The Issuer Redemption Notice will specify a date (the "**Early Redemption Date**") which will be a day falling at least [367] calendar days after the date on which the Issuer Redemption Notice is delivered in accordance with the provisions of Condition 22 (*Notices*) as amended by this paragraph 12.

Upon giving an Issuer Redemption Notice, the Issuer shall be obliged to redeem each Note on the Early Redemption Date at an amount per Note equal to the principal amount of such Note and interest accrued in respect of such principal amount but not paid in respect of such Note to (and including) the Early Redemption Date.

The following shall be added to Condition 22.2 (*Registered Notes*):

"Notwithstanding the forgoing, if a beneficial holder of 100% of the Notes has notified the Issuer in writing of:

- (i) proof of such beneficial holder's beneficial interest in the Notes (in form and substance satisfactory to the Issuer); and
- (ii) a fax number and/or an e-mail address

then an Issuer Redemption Notice sent by the Issuer to such beneficial holder (the "**Beneficial Noteholder**") at such

fax and/or email address shall constitute a valid Issuer Redemption Notice.

15. If an Issuer Redemption Notice is sent:

- (a) by fax, it will be deemed effective on the date it is sent (and proof of transmission will be met by a transmission report generated by the sender's fax machine); and
- (b) by email, it will be deemed effective on the date it is sent [unless the Issuer receives an error message or other electronic notification that delivery of such email has not occurred].

The Issuer will provide the Registrar with a copy of any Issuer Redemption Notice given by fax or e-mail pursuant to this Condition 22.2 (*Registered Notes*).

From and including the date on which the Beneficial Noteholder (the "**Original Beneficial Noteholder**") supplies the Issuer with the information set out above, the Issuer shall be entitled to assume that the Original Beneficial Noteholder remains the Beneficial Noteholder unless and until it is notified to the contrary by the Original Beneficial Noteholder or a subsequent beneficial holder of some or all of the Notes which provides proof of its beneficial holding of the Notes (in form and substance satisfactory to the Issuer).

Any notification to the Issuer pursuant to this Condition 22.2 (*Registered Notes*) shall be made either

(a) in writing to:

Structured Secured Funding
Morgan Stanley & Co. International plc
25 Cabot Square
Canary Wharf
London
E14 4QA; or

(b) by email to:

securedfunding_firm@morganstanley.com.

with a copy in writing to the address set out above.

The Issuer shall not be liable in the event that any facsimile transmission or e-mail communication is not received, or is mutilated, illegible, interrupted, duplicated, incomplete, unauthorised or delayed for any reason, including (but not limited to) electronic or telecommunications failure."]

- | | |
|---|--|
| (ii) Redemption at the option of the Noteholders: | [Applicable/Not Applicable] |
| (Condition 10.6) (<i>Redemption at the Option of Noteholders</i>) | [Condition 10.6 (<i>Redemption at the Option of Noteholders</i>) shall be deleted and replaced with the following: |

The Notes may be redeemed in whole at the option of 100% of the beneficial holders of the Notes on any Business Day prior to the Maturity Date if:

(i) 100% beneficial holders of the Notes deliver to the Issuer (in accordance with the Redemption Notice Contact Details provided in sub-paragraph (iii) below) prior to 17.00 (*London time*) on any Business Day (such day being the "**Noteholder Redemption Notice Date**" *provided that*, if either the Noteholder Redemption Notice or the Proof of Holding is delivered after 17.00 (*London Time*) on any Business Day, it shall be deemed to be delivered at 10.00 (*London Time*) on the immediately following Business Day and such Business Day shall be the Noteholder Redemption Notice Date):

(A) notice of such intention to redeem in the form set out in Part D – Form of Noteholder Redemption Notice (the "**Noteholder Redemption Notice**") specifying a date (the "**Early Redemption Date**") which will be a day falling at least [367] calendar days after the date of delivery of the Noteholder Redemption Notice Date; and

(B) proof of the holding of the Notes on the Noteholder Redemption Notice Date in form reasonably satisfactory to the Issuer ("**Proof of Holding**"); and

(ii) an instruction to redeem the Notes is simultaneously sent by or on behalf of such beneficial holders of the Notes to Euroclear or Clearstream, Luxembourg,

as applicable, in the form required by such clearing system.

For the avoidance of doubt, the Noteholder Redemption Notice shall constitute a "duly completed Put Option Notice" for the purposes of clause 9.2 (*Exercise of put option*) of the Agency Agreement.

Provided that the Issuer has received both the Noteholder Redemption Notice and the Proof of Holding prior to 17.00 (*London time*) on the Noteholder Redemption Notice Date, the Issuer shall, as soon as reasonably practicable thereafter, notify the Registrar, the Trustee, the Principal Paying Agent and Euronext Dublin of the Early Redemption Date and the Issuer shall be obliged to redeem each Note on the Early Redemption Date at an amount per Note equal to the principal amount of such Note and interest accrued in respect of such principal amount but not paid in respect of such Note to (and including) the Early Redemption Date.]

(iii) Redemption Notice Contact Details:

[Not Applicable]

[In the case of the Issuer, by email to:

securedfunding_firm@morganstanley.com.

or such other Redemptions Notice Contact Details as may be notified to the Noteholders pursuant to Condition 22 (*Notices*).

In the case of the Principal Paying Agent, by email to:

CT_PutOption@bnymellon.com]

(iv) Other Put/Call Options:

[Applicable/Not Applicable]

13. Status of the Notes:

Condition 4 (*Status*) applies.

(Condition 4 (*Status*))

14. Method of distribution:

[Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. Fixed Rate Note Provisions

[Applicable/Not Applicable]

(Condition 6 (*Fixed Rate Note Provisions*))

(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)

(i) Fixed Interest Rate:

[•] per cent. per annum [payable annually/semi-

annually/quarterly/monthly/ *other*
(*specify*) in arrear]

[OR]

[

Interest Period	Fixed Interest Rate
From (and including) the [Interest Commencement Date]/[Interest Payment Date] [falling on]/[scheduled to fall on] [•] to (but excluding) the Interest Payment Date [falling on]/[scheduled to fall on] [•] (<i>repeat as required</i>)	[•] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/other (<i>specify</i>)] in arrear] (<i>repeat as required</i>)

]

- (ii) Interest Period: [As set out in Condition 2 (*Interpretation*)] / [Insert "*Unadjusted*" if the application of the relevant Business Day Convention is not intended to affect the Interest Period]
- (iii) Linear Interpolation (General Condition 7.4 (*Linear Interpolation*)) [Applicable in respect of the Interest Period: [•]/[Not Applicable]
- (iv) Interest Payment Date(s): [•] in each year [adjusted in accordance with [*specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"*]/not adjusted]
- (v) Fixed Coupon Amount[(s)]: [•] per Calculation Amount
- (vi) Broken Amount(s): [•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•]
- (vii) Day Count Fraction: [Actual/Actual; Actual/Actual (ISDA); Actual/365L; Actual/365(Fixed); Actual/360; 30/360; 30/360 (ICMA); 30E/360, Eurobond Basis; Actual/ICMA; 30/360 (ISDA); 360/360; Bond Basis; 1/1; other]

(viii)	Business Day Convention	[Following Business Day Convention]/[Modified Following Business Day Convention]/[Modified Business Day Convention]/[Preceding Business Day Convention]/[No Adjustment/Unadjusted]
(ix)	Additional Business Centre(s):	[•]
(x)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	[Not Applicable/give details]
16.	Floating Rate Note Provisions	[Applicable/Not Applicable]
	(Condition 7 (<i>Floating Rate Note Provisions</i>))	(If not applicable, delete the remaining sub-paragraphs of this paragraph)
(i)	Interest Payment Dates:	[•]
(ii)	First Interest Payment Date:	[delete if not applicable]
(iii)	Interest Period:	[As set out in Condition 2 (<i>Interpretation</i>)] / [Insert "Unadjusted" if the application of the relevant Business Day Convention is not intended to affect the Interest Period]
(iv)	Business Day Convention:	[Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ other (give details)]
(v)	Additional Business Centre(s):	[•]
(vi)	Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination/other (give details)]
(vii)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Calculation Agent):	[•]
(viii)	Screen Rate Determination:	
	• Reference Rate:	[•]
	• Provisions specific to SOFR as Reference Rate - SOFR Benchmark (General Condition 7.7):	[Not Applicable] [SOFR Compound with Lookback Lookback Days: [•] U.S. Government Securities Business Days] [SOFR Compound with Observation Period Shift Observation Shift Days: [•] U.S. Government Securities Business Days]

[SOFR Compound with Payment Delay

[Interest Payment Delay: [•]
U.S. Government Securities
Business Days]]

[SOFR Index Average

SOFR Index_{Start}: [•] U.S.
Government Securities
Business Days preceding the
first date of the relevant
Interest Period

SOFR Index_{End}: [•] U.S.
Government Securities
Business Days preceding the
Interest Period End Date
relating to the relevant Interest
Period

Observation Shift Days: [•]
U.S. Government Securities
Business Days]

- Provisions specific to SONIA as Reference Rate – SONIA Benchmark (General Condition 7.8):

[Not Applicable]

[SONIA Compound with Lookback

Lookback Days: [•] London
Banking Days]

[SONIA Compound with Observation
Period Shift

Observation Shift Days: [•]
London Banking Days]

[SONIA Compound with Payment
Delay

[SONIA Rate Cut-Off Date: [•]
London Banking Days]

[Interest Payment Delay: [•]
London Banking Days]]

[SONIA Index Average

Relevant Number: [•]

[Observation Shift Days: [•]
London Banking Days]]

- Provisions specific to €STR as Reference Rate – €STR Benchmark (General Condition 7.9):

[€STR Compound with Lookback

Lookback Days: [•] TARGET
Settlement Days]

[€STR Compound with Observation
Period Shift

Observation Shift Days: [•]
TARGET Settlement Days]

[€STR Compound with Payment Delay

[€STR Rate Cut-Off Date: [•]
TARGET Settlement Days]

[Interest Payment Delay: [•]
TARGET Settlement Days]]

[€STR Index Average

Relevant Number: [•]

[Observation Shift Days: [•]
TARGET Settlement Days]]

- Provisions specific to
SARON as Reference
Rate – SARON
Benchmark (General
Condition 7.10):

[SARON Compound with Lookback

Lookback Days: [•] Zurich
Banking Days]

[SARON Compound with Observation
Period Shift

Observation Shift Days: [•]
Zurich Banking Days]

[SARON Compound with Payment
Delay

[SARON Rate Cut-Off Date:
[•] Zurich Banking Days]

[Interest Payment Delay: [•]
Zurich Banking Days]]

[SAION Index Average

Relevant Number: [•]

[Observation Shift Days: [•]
Zurich Banking Days]]

- Provisions specific to
TONA as Reference
Rate – TONA
Benchmark (General
Condition 7.11):

[TONA Compound with Lookback

Lookback Days: [•] Tokyo
Banking Days]

[TONA Compound with Observation
Period Shift

Observation Shift Days: [•]
Tokyo Banking Days]

[TONA Compound with Payment Delay

[TONA Rate Cut-Off Date:
[•] Tokyo Banking Days]

[Interest Payment Delay: [•]
Tokyo Banking Days]]

[TONA Index Average

Relevant Number: [•]

[Observation Shift Days: [•]
Tokyo Banking Days]]

- Interest Determination Date(s): [•]/[Periodic Rate Determination is applicable. The Interest Determination Date(s) [is/are]: [•]/[the first day of each Interest Period]/[the second TARGET Settlement Day prior to the start of each Interest Period]]/[Daily Rate Determination is applicable][Following the designation of an Early Redemption Date (in accordance with the provisions of 12(i) (*Redemption at the Option of the Issuer*) or 12(ii) (*Redemption at the Option of the Noteholders*) as relevant), there shall be no Interest Determination Date until the Early Redemption Date and the Notes shall bear interest at the Rate of Interest applicable at the time of such designation until the Early Redemption Date.]

- Relevant Screen Page: [•]

- Relevant Time [•]

- [Interest Participation Rate: [•]/[As specified in the Rate Table below]]

- [Margin [[+/-][•] per cent. per annum]/[As specified in the Rate Table below]]

- [Rate Table

Rate Table		
Interest Payment Date(s)	Margin	Interest Participati on Rate
[•] (repeat as required)	[[+/-][•] per cent. per annum] (repeat as required)	[•] (repeat as required)

]

- Designated Maturity [•]/[Not Applicable]

(ix) ISDA Determination

- Floating Rate Option: [•]
- Designated Maturity: [•]
- Reset Date: [•]
- Overnight Floating Rate Option: [Applicable]/[Not Applicable]
- Index Floating Rate Option: [Applicable]/[Not Applicable]
- Overnight Rate Compounding Method [Not Applicable] (*Specify as Not Applicable if Averaging applies*)

[OIS Compounding

[Daily Capped Rate and/or
Daily Floored Rate:
[Applicable]/[Not Applicable]]

[Daily Capped Rate: [•]]

[Daily Floored Rate: [•]]]

[Compounding with Lookback

[Lookback: [•] Applicable
Business Days]

[Daily Capped Rate and/or
Daily Floored Rate:
[Applicable]/[Not Applicable]]

[Daily Capped Rate: [•]]

[Daily Floored Rate: [•]]]

[Compounding with Observation Period
Shift

Set-in-Advance:
[Applicable]/[Not Applicable]

[Observation Period Shift: [•]
Observation Period Shift
Business Days]

[Observation Period Shift
Additional Business Days:
[•]/[Not Applicable]]

[Daily Capped Rate and/or
Daily Floored Rate:
[Applicable]/[Not Applicable]]

[Daily Capped Rate: [•]]

[Daily Floored Rate: [•]]]

[Compounding with Lockout

[Lockout: [●] Lockout Period
Business Days]

[Lockout Period Business
Days: [●]/[Applicable
Business Days]]

[Daily Capped Rate and/or
Daily Floored Rate:
[Applicable]/[Not Applicable]]

[Daily Capped Rate: [●]]

[Daily Floored Rate: [●]]

[Applicable, as per the Floating Rate
Matrix (as defined in the ISDA
Definitions)] (*Only applicable where
the 2021 ISDA Definitions apply*)

- Overnight Rate Averaging Method [Not Applicable] (*Specify as Not
Applicable if Compounding applies*)

[Overnight Averaging

[Daily Capped Rate and/or
Daily Floored Rate:
[Applicable]/[Not Applicable]]

[Daily Capped Rate: [●]]

[Daily Floored Rate: [●]]

[Averaging with Lookback

[Lookback: [●] Applicable
Business Days]

[Daily Capped Rate and/or
Daily Floored Rate:
[Applicable]/[Not Applicable]]

[Daily Capped Rate: [●]]

[Daily Floored Rate: [●]]

[Averaging with Observation Period
Shift

Set-in-Advance:
[Applicable]/[Not Applicable]

[Observation Period Shift: [●]
Observation Period Shift
Business Days]

[Observation Period Shift
Additional Business Days:
[●]/[Not Applicable]]

[Daily Capped Rate and/or
Daily Floored Rate:
[Applicable]/[Not Applicable]]

[Daily Capped Rate: [●]]

[Daily Floored Rate: [●]]]

[Averaging with Lockout

[Lockout: [●] Lockout Period
Business Days]

[Lockout Period Business
Days: [●]/[Applicable
Business Days]]

[Daily Capped Rate and/or
Daily Floored Rate:
[Applicable]/[Not Applicable]]

[Daily Capped Rate: [●]]

[Daily Floored Rate: [●]]]

[Applicable, as per the Floating Rate
Matrix (as defined in the ISDA
Definitions)] (Only applicable where the
2021 ISDA Definitions apply)

- Index Method: [Not Applicable]

[Standard Index Method] (*Only
applicable where the 2021 ISDA
Definitions apply*)

[Compounded Index Method]

[Compounded Index Method with
Observation Period Shift]

Set-in-Advance:
[Applicable]/[Not Applicable]

[Observation Period Shift: [●]
Observation Period Shift
Business Days]

[Observation Period Shift
Additional Business Days:
[●]/[Not Applicable]]]
- Unscheduled Holiday: [Applicable]/[Not Applicable]] (*Only
include where the 2021 ISDA
Definitions apply*)
- [Period End Date/Termination Date
adjustment for
Unscheduled Holiday: [Applicable]/[Not Applicable]] (*Only
include where the 2021 ISDA
Definitions apply*)

- [Non-Representative: [Applicable]/[Not Applicable]] *(Only include where the 2021 ISDA Definitions apply)*
- [Successor Benchmark: [•]
 Successor Benchmark Effective Date: [•]
(Only include where the 2021 ISDA Definitions apply)
 [Yes]/[No]
- If ISDA Determination applies, ISDA Bespoke Fallbacks to apply in priority to other fallbacks in General Condition 7.17 *(Relevant Rates Benchmark Discontinuance or Prohibition on Use):*
- Delayed Payment [Applicable, with the specified number of days being [•] Business Days]/[Not Applicable]
- [2006 ISDA Definitions Linear Interpolation [Applicable]/[Not Applicable]] *(Only include where the 2006 ISDA Definitions apply)*
- [2021 ISDA Definitions Linear Interpolation [Applicable]/[Not Applicable]] *(Only include where the 2021 ISDA Definitions apply)*
- [Interest Participation Rate: [•]/[As specified in the Rate Table below]]
- [Margin [[+/-][•] per cent. per annum]/[As specified in the Rate Table below]]
- [Rate Table

Rate Table		
Interest Payment Date(s)	Margin	Interest Participati on Rate
[•] (repeat as required)	[[+/-][•] per cent. per annum] (repeat as required)	[•] (repeat as required)

]

- (x) Minimum Rate of Interest: [•] per cent. per annum
- (xi) Maximum Rate of Interest: [•] per cent. per annum
- (xii) Day Count Fraction: [•]

- (xiii) [Other Relevant Rates Benchmark:] [[•](specify any applicable Relevant Rates Benchmark Rate which is not a Reference Rate. Otherwise delete line)]
- (xiv) Alternative Pre-nominated Reference Rate: [specify][Not Applicable] (specify in respect of each Relevant Rates Benchmark)
- (xv) Fallback provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [•]
- 17. Zero Coupon Note Provisions** [Applicable/Not Applicable]
- (Condition 8 (Zero Coupon Note Provisions)) (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Accrual Yield: [•] per cent. per annum
- (ii) Reference Price: [•]
- (iii) Any other formula/basis of determining amount payable: [•]
- 18. Dual Currency Note Interest Provisions** [Applicable/Not Applicable]
- (Condition 9 (Dual Currency Note Provisions)) (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate of Exchange/method of calculating Rate of Exchange: [give details]
- (ii) Party, if any, responsible for calculating the Rate(s) of interest and/or Interest Amount(s) (if not the Calculation Agent): [•]
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable or otherwise disrupted: [Need to include a description of market disruption or settlement disruption events and adjustment provisions.]
- (iv) Person at whose option Specified Currency(ies) is/are payable: [•]
- (v) Other special terms and conditions: [•]
- 19. [Implementation of Financial Transaction Tax Event]** [Applicable/Not Applicable]
- (Condition 13.3)

PROVISIONS RELATING TO REDEMPTION

- 20. Call Option** [Applicable/Not Applicable]
(Condition 10.4 (*Redemption at the Option of the Issuer*)) (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [•]
 - (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [•] per Calculation Amount
 - (iii) Notice period: [•]
- 21. Put Option** [Applicable/Not Applicable]
(Condition 10.6 (*Redemption at the Option of Noteholders*)) (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [•]
 - (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [•] per Calculation Amount
 - (iii) Notice period: [•]
- 22. Final Redemption Amount of each Note** [[•] per Calculation Amount]
(Condition 10.1 (*Scheduled Redemption*))
- 23. Dual Currency Redemption Provisions** [Applicable (give details)/Not Applicable]
(Condition 9 (*Dual Currency Note Provisions*))
- (i) Rate of Exchange/method of calculating Rate of Exchange: [give details]
 - (ii) Determination Agent responsible for calculating the Final Redemption Amount: [•]
 - (iii) Provisions for determining Final Redemption Amount: [•]
 - (iv) Provisions for determining Final Redemption Amount where calculation by reference to Rate of Exchange is impossible or impracticable or otherwise disrupted: [Need to include a description of market disruption or settlement disruption events and adjustment provisions.]
 - (v) Person at whose option Specified Currency(ies) is/are payable: [•]

(vi) Other special terms and [•]
conditions:

24. **Events of Default:** [As set out in Condition 14 (*Events of Default*)/[Each of] The following shall be an additional Event of Default for the purposes of Condition 14 (*Events of Default*):

(provide details of additional Event(s) of Default)

25. **a. Early Redemption Amount upon Event of Default** As set out in Condition 2 (*Interpretation*).

(Condition 14 (*Events of Default*))

b. Early Redemption Amount upon Early Redemption

(Conditions 10.2 (*Tax Redemption*) and 10.7 (*Early Redemption in the event of the insolvency of the Custodian*))

Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): [specify if the definition in Condition 2 (*Interpretation*) is applicable/ specify any other provisions applicable to determining the Early Redemption Amount]

c. Early Redemption Amount upon Redemption at the option of the Issuer (Call Option):

(Condition 10.4 (*Redemption at the Option of the Issuer*))

Early Redemption Amount(s) payable on redemption at the option of the Issuer: An amount per Note equal to the principal amount of such Note and interest accrued in respect of such principal amount but not paid in respect of such Note to (and including) the Early Redemption Date.

d. Early Redemption Amount upon Redemption at the option of the Noteholders (Put Option):

(Condition 10.6 (*Redemption at the Option of Noteholders*))

Early Redemption Amount(s) payable on redemption at the option of the Noteholders: An amount per Note equal to the principal amount of such Note and interest accrued in respect of such principal amount but not paid in respect of such Note to (and including) the Early Redemption Date.

26. Relevant Rates Benchmark [Applicable]/[Not Applicable]
Discontinuance or Prohibition on Use Administrator/Benchmark Event:
(Condition 7.17) applicable for Condition 7.17(c): [Not Applicable]²/[Applicable as per the Conditions]
- [Alternative Pre-nominated Reference Rate: [None][Specify] (specify in respect of each Relevant Rates Benchmark)]
- [Early Redemption Amount (Benchmark Trigger Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Benchmark Trigger Event) – Fair Market Value] shall apply] / [Not Applicable]
- (Note – for issuances of Notes to retail investors, "Early Redemption Amount (Benchmark Trigger Event) – Fair Market Value Less Costs" may not be selected)*
27. Governing Law [English law/other (specify)]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

28. Form of Notes [Bearer Notes:
(Condition 3 (Form, Denomination and Title)) [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [•] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]
- [Temporary Global Note exchangeable for Definitive Notes on [•] days' notice]
- [Permanent Global Note exchangeable for Definitive Notes on [•] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]]
- [Note: Bearer Notes may only be issued if it has been determined that they should be classified as being in registered form for U.S. Federal income tax purposes.]*
- [Registered Notes:
[Global Note Certificate registered in the name of [a nominee for] [a common depositary for Euroclear and Clearstream, Luxembourg]/[a common

² Not applicable where the Relevant Rates Benchmark is U.S. Dollar LIBOR.

safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS))]³, exchangeable for Individual Note Certificates on [•] days' notice/at any time/ in the limited circumstances described in the Global Note Certificate]

[Individual Note Certificates]]

- 29.** (i) Security: *[provide details of security as granted by the Supplemental Trust Deed in respect of the Series of Notes and/or any security created pursuant to any Additional Security Document(s)]*
- (ii) Additional Security Document(s): [Not Applicable/ *provide details*]
- (iii) Custodian(s)/Additional Custodian: [The Bank of New York Mellon, London Branch/ *(insert details of any additional custodians)*]
(delete as appropriate)
- (iv) Additional Custody Agreement: [Not Applicable/ *provide details*]
- (v) Additional Collateral Management Agreement: [Not Applicable/ *provide details*]
- (vi) Additional Collateral Verification Agent: [Not Applicable/ *provide details*]
- (vii) Eligible Collateral: As specified in Part C – Collateral Schedule
- (viii) Collateral Administrator: [MSI plc/*insert name of Collateral Administrator, if different*]
- (ix) EM Collateral Verification Agent: [MSI plc/*insert name of EM Collateral Verification Agent, if different*]
- (x) ABS Collateral Verification Agent: [MSI plc/*insert name of ABS Collateral Verification Agent, if different*]
- (xi) Minimum Collateralisation Percentage: *[insert relevant percentage]*
- (xii) Collateral Valuation Date(s): [Condition 2 (*Interpretation*) shall apply/ *insert alternative valuation frequency*]
(select "Condition 2 (Interpretation) shall apply" if the Posted Collateral is to be valued daily)
- (xiii) Noteholder Reports available at: *[insert website]*
- (xiv) [Substitution: [Condition 5.3 (*Substitution and Withdrawal of Posted Collateral*) shall

³ To be included for Registered Notes in global form which are to be held under the NSS.

	apply/ See Part C (<i>Collateral Schedule</i>)]
	(specify " <i>Part C (Collateral Schedule)</i> " if any other provisions relating to substitution are to apply. When amending the terms in relation to substitution, consider the effect on the Security)
(xv) [Withdrawal:	[Condition 5.3 (<i>Substitution and Withdrawal of Posted Collateral</i>) shall apply/ See Part C (<i>Collateral Schedule</i>)]
	(specify " <i>Part C (Collateral Schedule)</i> " if any other provisions relating to withdrawal are to apply. When amending the terms in relation to withdrawal, consider the effect on the Security)
(xvi) Application Proceeds:	[Condition 5.7 (<i>Application of proceeds following enforcement</i>) shall apply/ specify alternative payment priority if Condition 5.7 (<i>Application of proceeds following enforcement</i>) will not apply]
(xvii) Other issue terms relating to Security:	[Not Applicable/ include any other <i>Issue Terms</i> in relation to the Security]
30. Additional Business Centre(s) or other special provisions relating to Payment Dates:	[Not Applicable/give details. Note that this item relates to the date and place of payment, and not interest period end dates, to which items 15(ii) and 16(iv) relate] ⁴
31. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No. If yes, give details]
32. Redenomination, renominalisation and reconventioning provisions:	[Not Applicable/The provisions [in Condition 26 (<i>Redenomination, Renominalisation and Reconventioning</i>)] [annexed to these Issue Terms] apply]
33. Restrictions on free transferability of the Notes:	[None][give details]
34. Other issue terms:	[See Part C – <i>Collateral Schedule</i> / give details of any other issue terms]
35. If syndicated, names of Dealers:	[Not Applicable/give names]
36. If non-syndicated, name of Dealer (if not MSI plc):	[Not Applicable/give name]

⁴ This should specify "Not applicable" unless, exceptionally, location of Principal Paying Agent is to be included as a business day for the purposes of payments whilst Notes are in global form in the clearing systems.

- | | | |
|-----|--|--|
| 37. | U.S. Selling Restrictions: | Reg. S Compliance Category; TEFRA not applicable |
| 38. | Additional selling restrictions: | [Not Applicable/ <i>give details</i>] |
| 39. | Details of benchmarks administrators and registration under Benchmarks Regulation: | <p>[Applicable]/[Not Applicable]]</p> <p>[[<i>specify benchmark</i>] is administered by [<i>insert legal name of administrator</i>], who as at the Issue Date, appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Benchmarks (Regulation (EU) 2016/2011) (the “Benchmarks Regulation”).][<i>specify benchmark</i>] is administered by [<i>insert legal name of administrator</i>], who as at the Issue Date, does not appear on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Benchmarks (Regulation (EU) 2016/2011) (the “Benchmarks Regulation”). [As far as the Issuer is aware [<i>insert legal name of administrator</i>] is not required to be registered by virtue of Article 2 of the Benchmarks Regulation.][As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that [<i>insert legal name of administrator</i>] is not currently required to obtain authorisation or registration (or if located outside the European Union, recognition, endorsement or equivalence).]</p> |

PURPOSE OF ISSUE TERMS

These Issue Terms comprise the issue terms required for issue [and] [admission to trading on [Euronext Dublin's Regulated Market/ *specify relevant regulated market*] of the Notes described herein pursuant to the Up to U.S.\$5,000,000,000 Secured Note Programme of Morgan Stanley & Co. International plc.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Issue Terms. [*(Relevant third party information)* has been extracted from [•] (*specify source*)]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [•], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By:
Duly authorised

PART B – OTHER INFORMATION

1. LISTING

Listing and admission to Trading: [Application [has been made/is expected to be made] by the Issuer (or on its behalf) for the Notes to be admitted to trading on Euronext Dublin's Regulated Market and to be listed on the Official List with effect from [•].]

[Application [has been made/is expected to be made] by the Issuer (or on its behalf) for the Notes to be [admitted to trading/listed] on *[insert details of listing, quotation system or exchange]* with effect from [•].]

[No assurance can be given that any such Application will be successful and that the admission to trading and/or the listing of the Notes will be maintained until the Maturity Date.]

[Not Applicable.]

[Where documenting a fungible issue, need to indicate that original Notes are already admitted to trading.]

2. RATINGS

Ratings: The Notes to be issued have been rated:

[S & P: [•]]

[[•]⁵ is established in the EEA and is registered under Regulation (EU) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.]

[Moody's: [•]]

[[•]⁶ is established in the EEA and is registered under Regulation (EU) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.]

[Fitch: [•]]

[[•]⁷ is established in the EEA and is registered under Regulation (EU) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.]

[[Other]: [•]]

⁵ Please confirm exact S&P entity issuing the rating and amend this paragraph as required.

⁶ Please confirm exact Moody's entity issuing the rating and amend this paragraph as required.

⁷ Please confirm exact Fitch entity issuing the rating and amend this paragraph as required.

[Option 1

[Insert legal name of particular credit rating agency entity providing rating] is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").

Option 2

[Insert legal name of particular credit rating agency entity providing rating] is not established in the EEA and is not registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").

Option 3

[Insert legal name of particular credit rating agency entity providing rating] is not established in the EEA but the rating it has given to the Notes is endorsed by [insert legal name of credit rating agency], which is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").

Option 4

[Insert legal name of particular credit rating agency entity providing rating] is not established in the EEA but is certified under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").⁸

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

[The Notes will not be rated].

3. **[INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]**

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"Save as discussed in ["*Subscription and Sale*"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer".]

4. **REASONS FOR THE OFFER OR ADMISSION TO TRADING, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

[(i) Reasons for the offer [•]
or admission to
trading:

⁸ Edit and delete options as appropriate for the relevant rating agency/agencies providing the rating(s).

(If reasons for offer different from making profit and/or hedging, certain risks will need to include those reasons here.)]

[(ii)] Estimated net [•]
proceeds:

(If proceeds are intended for more than one use, will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

[(iii)] Estimated total [•]
expenses:

[Include breakdown of expenses.] (If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)]

5. [Fixed Rate Notes only – YIELD

Indication of yield: [•]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

6. [Floating Rate Notes only – HISTORIC INTEREST RATES

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters].]

7. [Dual Currency Notes only – PERFORMANCE OF RATE[S] OF EXCHANGE

[Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained [and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]

8. Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]

[The Notes may constitute "packaged" products and no KID will be prepared, "Applicable" should be specified.]

9. Prohibition of Sales to UK Retail Investors: [Applicable/Not Applicable]

[The Notes may constitute "packaged" products and no KID will be prepared, "Applicable" should be specified.]

10. OPERATIONAL INFORMATION

ISIN Code: [•]

Common Code: [•]

New Global Note: [Yes][No]

Any clearing system(s) other than Euroclear Bank SA/NV [Not Applicable/give name(s) and number(s)]

and Clearstream Banking
société anonyme and the
relevant identification
number(s):

Delivery: Delivery [against/free of] payment

Names and addresses of [•]
initial Paying Agent(s):

Names and addresses of [•]
additional Paying Agent(s) (if
any):

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

[Note that designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs⁹ as common safekeeper [, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper]¹⁰ and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either on issue or subsequently. Such recognition will depend on satisfaction of Eurosystem eligibility criteria]¹¹

[Note that whilst the designation is specified as "no" at the date of these Issue Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper)]¹². Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]¹³

⁹ International Central Securities Depositories.

¹⁰ To be included for Registered Notes.

¹¹ Include this text if "yes" selected, in which case the Bearer Notes must be issued in NGN form.

¹² To be included for Registered Notes.

¹³ Include this text if "no" selected.

PART C – COLLATERAL SCHEDULE

ELIGIBLE COLLATERAL

- | | | |
|-------|-------------------|---|
| (i) | Cash | <p>[Applicable/Not Applicable]</p> <p><i>(if Not Applicable, delete the sub-paragraphs below)</i></p> |
| | (a) | <p>Eligible Currencies: <i>[provide details of the Eligible Currencies in which the Issuer can post cash]</i></p> |
| | (b) | <p>Valuation Percentage(s): <i>[•]%</i></p> |
| (ii) | Equity Collateral | <p>[Applicable/Not Applicable]</p> <p><i>(if Not Applicable, delete the sub-paragraphs below)</i></p> |
| | (a) | <p>Criteria: Paragraph[s] 2 <i>[•]</i> of the Schedule 8 of the Trust Deed are applicable.</p> <p><i>(if paragraph 2(h) is applicable, please insert details of the relevant equity interest and the relevant eligibility criteria. Consider whether any additional risk factors need to be included in a drawdown prospectus)</i></p> <p><i>(insert details of the applicable Equity Eligibility Criteria from the Supplemental Trust Deed e.g. whether eligible Equities Securities must be listed, whether they must be fully paid etc.)</i></p> |
| | (b) | <p>Eligible Indices: <i>[Each Eligible Index as defined in Schedule 8 of the Trust Deed [other than [list all the non-applicable indices] [and including [insert any additional indexes]]/ Each Eligible Index as set out below: /Not Applicable]</i></p> <p><i>(When including additional eligible indices are included, information regarding the index should be included)</i></p> |
| | (c) | <p>Valuation Percentage(s): <i>[•]%</i></p> |
| (iii) | Debt Collateral | <p>[Applicable/Not Applicable]</p> <p><i>(if Not Applicable, delete the sub-paragraphs below)</i></p> |

- (a) Criteria: Paragraph[s] 3 [•] of Schedule 8 of the Trust Deed are applicable.
- (if paragraph 3(h) is applicable, please insert details of the relevant debt instrument and the relevant eligibility criteria. Consider whether any additional risk factors need to be included in a drawdown prospectus)*
- (insert details of the applicable Debt Eligibility Criteria from the Supplemental Trust Deed e.g. whether eligible Debt Securities must be listed, whether they must be secured etc.)*
- (b) Valuation Percentage(s): [•]%
- (iv) ABS Collateral [Applicable/ Not Applicable]
- (if Not Applicable, delete the sub-paragraphs below)*
- (a) Criteria: Paragraph 4 of Schedule 8 of the Trust Deed is applicable
- (insert details of the applicable ABS Eligibility Criteria from the Supplemental Trust Deed, including any modifications to the standard criteria set out in Schedule 8 of the Principal Trust Deed)*
- (b) Valuation Percentage(s): [•]%
- (v) EM Collateral [Applicable/Not Applicable]
- (if Not Applicable, delete the sub-paragraphs below)*
- (a) Criteria: *(insert details of the applicable EM Eligibility Criteria from the Supplemental Trust Deed. Consider whether any additional risk factors or disclosure needs to be included in a drawdown prospectus)*
- (b) EM Jurisdictions: [specify applicable EM Jurisdictions]
- (c) Valuation Percentage(s): [•]%
- (vi) Other Eligible Collateral [Applicable/Not Applicable]
- (if Not Applicable, delete the sub-paragraphs below)*
- (a) Criteria: Other Eligible Collateral shall meet the following criteria:
1. [insert details of relevant criteria];
- (When including any Other Eligible Collateral, consider whether any additional risk factors or disclosure needs to be included in a drawdown prospectus)*

- | | | |
|-------|--|--|
| (b) | Valuation
Percentage(s): | [•]% |
| (vii) | Other general criteria
applicable to the Eligible
Collateral | <p>[Not Applicable/ Applicable]</p> <p>[Paragraph 7 of Schedule 8 of the Trust Deed is
applicable.]</p> <p><i>(please specify any amendments to or additions to
the general criteria specified in paragraph 7 of
Schedule 8 of the Principal Trust Deed)</i></p> |

PROVISIONS RELATING TO SUBSTITUTION

- (i) *[insert any applicable Issue
Terms items, otherwise
delete]*

PROVISIONS RELATING TO WITHDRAWAL

- (i) *[insert any applicable Issue
Terms items, otherwise
delete]*

PART D – FORM OF NOTEHOLDER REDEMPTION NOTICE

BY EMAIL

To: Structured Secured Funding

Morgan Stanley & Co. International plc (the "Issuer")
(securedfunding_firm@morganstanley.com)

Copy to: Put Team

The Bank of New York Mellon, London Branch (the "Principal Paying Agent")
(CT_PutOption@bnymellon.com)

Date: [•]

Dear Sirs

MORGAN STANLEY & CO. INTERNATIONAL PLC

Issue of Series [•] [•] Secured [Fixed/Floating] Rate Notes due [•] with ISIN Code [•] under the Up to U.S.\$5,000,000,000 Secured Note Programme (the "Notes")

NOTEHOLDER REDEMPTION NOTICE

By delivering this duly completed Noteholder Redemption Notice to the Issuer, with a copy to the Principal Paying Agent, in relation to the Notes in accordance with Condition 10.6 (*Redemption at the Option of Noteholders*), the undersigned Holder of the principal amount of the Notes specified below hereby exercises its option to have such Notes redeemed in accordance with Condition 10.6 (*Redemption at the Option of Noteholders*) on [date].

This Noteholder Redemption Notice relates to Note(s) in the aggregate principal amount of [•] [full amount] which are credited to [name and number of Euroclear/Clearstream account], such account being in the name of "[name of Holder]".

Yours faithfully

.....

[Name of Holder]

THE ELIGIBLE COLLATERAL

This section of the Base Prospectus entitled "*The Eligible Collateral*" is an extract of the criteria relating to the Eligible Collateral, as set out in Schedule 8 of the Principal Trust Deed.

The Eligible Collateral in respect of a Series of Notes may consist of the following, or any combination of the following, types of assets described below, and any other assets as otherwise specified in the applicable Issue Terms.

1. ELIGIBLE CASH

Cash in any Eligible Currency (as specified in the applicable Issue Terms) may be Eligible Collateral.

2. EQUITY ELIGIBILITY CRITERIA

Equity securities may include any one (or combination) of the following (as specified in the applicable Issue Terms):

- (a) common shares or stock;
- (b) preference shares or stock;
- (c) convertible common shares or stock;
- (d) convertible preference shares or stock;
- (e) American depositary receipts ("**ADRs**");
- (f) global depositary receipts ("**GDRs**");
- (g) warrants; or
- (h) any other type of asset which represents a share of an equity interest in an entity, as further specified in the applicable Issue Terms,

(each type of asset, an "**Equity Security**" and together, the "**Equity Securities**").

In order to constitute Equity Collateral, the relevant asset (i) must be an Equity Security that is not EM Collateral, (ii) may be unlisted or issued by an entity whose share is a component of an Eligible Index and (iii) may or may not confer voting rights on the holder thereof.

The relevant Collateral Schedule will specify the criteria that will determine whether an Equity Security constitutes Equity Collateral in respect of a Series of Notes (such criteria, the "**Equity Eligibility Criteria**").

In respect of a Series of Notes, an "**Eligible Index**" means each of the indices listed in Table 1 (*The Eligible Indices*) 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.

Table 1 – The Eligible Indices

Prospective Noteholders requiring any further information in relation to any of component shares or stocks of the Eligible Indices may contact the Issuer.

Ticker	Official Name of Index	Index Sponsor
AEX INDEX	AEX-Index	Euronext
AMX INDEX	AMSTERDAM MIDKAP INDEX	Euronext
ASE INDEX	Athens Stock Exchange General Index or Athex Composite 60	Athens Exchange S.A.
AS25 INDEX	S&P/ASX 100	S&P Dow Jones Indices, a Division of S&P Global
AS26 INDEX	S&P/ASX 20	S&P Dow Jones Indices, a Division of S&P Global
AS51 INDEX	S&P/ASX 200	S&P Dow Jones Indices, a Division of S&P Global
AS52 INDEX	S&P/ASX 300	S&P Dow Jones Indices, a Division of S&P Global
AS31 INDEX	S&P/ASX 50	S&P Dow Jones Indices, a Division of S&P Global
AS30 INDEX	S&P/ASX All Ordinaries Index	S&P Dow Jones Indices, a Division of S&P Global
FTSEM INDEX	FTSE/ATHEX Mid Cap Index	FTSE International Limited; Athens Stock Exchange, S.A.
FTASE INDEX	FTSE/Athex Large Cap	FTSE International Limited; Athens Stock Exchange, S.A.
ATX INDEX	Austrian Traded Index in EUR - ATX	Wiener Borse AG
ATXPRIME Index	ATX PRIME INDEX	Wiener Borse AG
BEL20 Index	BEL20 INDEX	Euronext
CAC INDEX	CAC 40	Euronext
SBF250 INDEX	CAC All Tradable Index	Euronext
DAX INDEX	DAX Index	Deutsche Borse AG
SXXE INDEX	EURO STOXX Index	STOXX Limited
SX5E INDEX	EURO STOXX 50 Index	STOXX Limited
SX3E INDEX	EURO STOXX Food & Beverage	STOXX Limited
DJI INDEX	Dow Jones Industrial Average	S&P Dow Jones Indices, a division of S&P Global
SX5P INDEX	STOXX Europe 50 Index	STOXX Limited
SXXP INDEX	STOXX Europe 600 Index	STOXX Limited
SXAP INDEX	STOXX Europe 600 Automobiles & Parts	STOXX Limited
SXOP INDEX	STOXX Europe 600 Construction & Materials	STOXX Limited
SX7E INDEX	EURO STOXX Banks	STOXX Limited

Ticker	Official Name of Index	Index Sponsor
SXPP INDEX	STOXX Europe 600 Basic Resources	STOXX Limited
SX4P INDEX	STOXX Europe 600 Chemicals	STOXX Limited
SXFP INDEX	STOXX Europe 600 Financial Services	STOXX Limited
SX3P INDEX	STOXX Europe 600 Food & Beverage	STOXX Limited
SXDP INDEX	STOXX Europe 600 Health Care	STOXX Limited
SXDE INDEX	EURO STOXX Health Care	STOXX Limited
SXNP INDEX	STOXX Europe 600 Industrial Goods & Services	STOXX Limited
SXIE INDEX	EURO STOXX Insurance	STOXX Limited
SXIP INDEX	STOXX Europe 600 Insurance	STOXX Limited
LCXP INDEX	STOXX Europe Large 200	STOXX Limited
SXMP INDEX	STOXX Europe 600 Media	STOXX Limited
SXME INDEX	EURO STOXX Media	STOXX Limited
MCXP INDEX	STOX Europe Mid 200	STOXX Limited
SXEE INDEX	EURO STOXX Oil & Gas	STOXX Limited
SXQP INDEX	STOXX Europe 600 Personal & Household Goods	STOXX Limited
SXRP INDEX	STOXX Europe 600 Retail	STOXX Limited
SXRE INDEX	EURO STOXX Retail	STOXX Limited
SCXP INDEX	STOXX Europe Small 200	STOXX Limited
SX8P INDEX	STOXX Europe 600 Technology	STOXX Limited
SXKP INDEX	STOXX Europe 600 Telecommunications	STOXX Limited
SXKE INDEX	EURO STOXX Telecommunications	STOXX Limited
SXTP INDEX	STOXX Europe 600 Travel & Leisure	STOXX Limited
SX6P INDEX	STOXX Europe 600 Utilities	STOXX Limited
MCX INDEX	FTSE 250 Index	FTSE International Limited
AXX INDEX	FTSE AIM All-Share Index	FTSE International Limited
ASX INDEX	FTSE All-Share Index	FTSE International Limited
E100 INDEX	FTSE Eurotop 100 Index	FTSE International Limited
E300 INDEX	FTS Eurofirst 300 INDEX	FTSE International Limited
ITLMS INDEX	FTSE Italia All Share Index	FTSE International Limited

Ticker	Official Name of Index	Index Sponsor
ITMC INDEX	FTSE Italia Mid Cap Index	FTSE International Limited
FTSEMIB INDEX	FTSE MIB Index	FTSE International Limited
SMX INDEX	FTSE SmallCap Index	FTSE International Limited
STI INDEX	Straits Times Index	FTSE International Limited; the London Stock Exchange Group companies; SPH Data Services Pte Ltd; Singapore Press Holdings Ltd; Singapore Exchange Securities Trading Limited
UKX INDEX	FTSE 100 Index	FTSE International Limited
HSI INDEX	Hang Seng Index	Hang Seng Indexes Company Limited
HSCI INDEX	Hang Seng Composite Index	Hang Seng Indexes Company Limited
HDAX INDEX	HDAX Index	Deutsche Borse AG
IBEX INDEX	IBEX 35	Sociedad de Bolsas, S.A.
JSDA INDEX	JASDAQ INDEX	Tokyo Stock Exchange, Inc.
MDAX INDEX	MDAX Index	Deutsche Borse AG
INMEX INDEX	Mexican Stock Exchange INMEX Index	Bolsa Mexicana de Valores, S.A.B. de C.V.
MEXBOL INDEX	Mexican Stock Exchange IPC Index	Bolsa Mexicana de Valores, S.A.B. de C.V.
MID INDEX	S&P MidCap 400	S&P Dow Jones Indices, a Division of S&P Global
NDX INDEX	NASDAQ 100 Index	The NASDAQ OMX Group, Inc.
NKY INDEX	Nikkei 225 Index	Nikkei, Inc.
NEY INDEX	Nikkei 300 Index	Nikkei, Inc.
NIFTY INDEX	NIFTY 50 Index	NSE Indices Limited
NYA INDEX	New York Stock Exchange Composite Index	NYSE
OBX INDEX	OBX Total Return Index	Oslo Bors ASA, a subsidiary of Oslo Bors VPS Holding ASA
KFX INDEX	OMX Copenhagen 20 Index	The NASDAQ OMX Group, Inc.
HEX 25 INDEX	OMX Helsinki 25 Index	The NASDAQ OMX Group, Inc.
HEX INDEX	OMX Helsinki All-Share Index	The NASDAQ OMX Group, Inc.
OMX INDEX	OMX Stockholm 30 Index	The NASDAQ OMX Group, Inc.
SBX INDEX	OMX Stockholm Benchmark Index	The NASDAQ OMX Group, Inc.

Ticker	Official Name of Index	Index Sponsor
SAX INDEX	OMX Stockholm Index	The NASDAQ OMX Group, Inc.
OSEAX INDEX	Oslo Stock Exchange All Share Index	Oslo Bors ASA, a subsidiary of Oslo Bors VPS Holding ASA
PSI20 INDEX	PSI 20 Index	Euronext
RIY INDEX	Russell 1000 Index	FTSE Russell
RTY INDEX	Russell 2000 Index	FTSE Russell
OEX INDEX	S&P Global 100 Index	S&P Dow Jones Indices, a Division of S&P Global.
SPX INDEX	S&P 500 Index	S&P Dow Jones Indices, a Division of S&P Global
SML INDEX	S&P SmallCap 600 Index	S&P Dow Jones Indices, a Division of S&P Global
SPTSX60 INDEX	S&P/TSX 60	S&P Dow Jones Indices, a Division of S&P Global
SPTSX INDEX	S&P/TSX Composite	S&P Dow Jones Indices, a Division of S&P Global
SBF120 INDEX	SBF 120 Index	Euronext
SPI INDEX	Swiss Performance Index	SIX Swiss Exchange Ltd.
SMI INDEX	Swiss Market Index	SIX Swiss Exchange Ltd.
TPX INDEX	TOPIX	Tokyo Stock Exchange Group, Inc
TPXC30 INDEX	TOPIX Core 30	Tokyo Stock Exchange Group, Inc
TPXL70 INDEX	TOPIX Large 70	Tokyo Stock Exchange Group, Inc
TPXM400 INDEX	TOPIX Mid400	Tokyo Stock Exchange Group, Inc
TPXPSML INDEX	TOPIX Small	Tokyo Stock Exchange Group, Inc
TPX100 INDEX	TOPIX 100	Tokyo Stock Exchange Group, Inc
TPX500 INDEX	TOPIX 500	Tokyo Stock Exchange Group, Inc
TSEMOTHR INDEX	Tokyo Stock Exchange Mothers Core Index	Tokyo Stock Exchange Group, Inc
TDXP INDEX	TECDAX (PR) EUR	Deutsche Borse AG

3. DEBT ELIGIBILITY CRITERIA

Debt securities may include any one (or combination) of the following (as specified in the applicable Issue Terms):

- (a) 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 ("**Linked Notes**");
- (b) 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 ("**Credit Linked Notes**");
- (c) bonds or notes linked to the issuer's participation in a portion of one or more outstanding commercial loans ("**Loan Participation Notes**");
- (d) bonds (i) convertible, at the option of the holder or otherwise, into shares in the issuing company ("**Convertible Bonds**") or (ii) exchangeable, at the option of the holder or otherwise, into shares in another specified company ("**Exchangeable Bonds**");
- (e) 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 ("**Covered Bonds**");
- (f) Covered Bonds issued by a German mortgage bank or public sector bank ("**Pfandbriefe**"); or
- (g) 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 ("**Vanilla Debt Securities**"); or
- (h) any other type of debt instrument, as further specified in the applicable Issue Terms,

(each type of asset, a "**Debt Security**" and together, the "**Debt Securities**").

In order to constitute Debt Collateral, the relevant asset (i) must be a Debt Security that is not EM Collateral, (ii) may not be an Asset Backed Security, (iii) may be unlisted or listed and (iv) may be secured or unsecured.

The relevant Collateral Schedule will specify the criteria that will determine whether a Debt Security constitutes Debt Collateral in respect of a Series of Notes (such criteria, the "**Debt Eligibility Criteria**").

4. ABS ELIGIBILITY CRITERIA

Asset backed securities may include any one (or combination) of the following types of assets (as specified in the applicable Issue Terms):

Any Debt Security which has the following characteristics:

- (a) the timing and/or amount of payments of interest and/or repayment of principal depend on the cash flow from a financial asset or a pool of financial assets; or
- (b) payments of interest and/or repayment of principal are linked, directly or indirectly, to the credit of one or more obligors and/or value and/or price performance and/or cash flow of a financial asset or a pool of financial assets,

and, in each case, by its terms may pay an amount in cash to its holder within a finite time period, and/or with such other rights or assets designed to assure the servicing or timely distribution of proceeds to holders of such Debt Security, (each type of asset, an "**Asset Backed Security**" and together, the "**Asset Backed Securities**").

In order to constitute ABS Collateral, the relevant asset (i) must be an Asset Backed Security that is not EM Collateral and (ii) may be unlisted or listed.

The relevant Collateral Schedule will specify the criteria that will determine whether an Asset Backed Security constitutes ABS Collateral in respect of a Series of Notes (such criteria, the "**ABS Eligibility Criteria**").

5. EM ELIGIBILITY CRITERIA

EM Collateral may be either Equity Securities, Debt Securities or Asset Backed Securities or any combination thereof (as specified in the applicable Issue Terms) issued by an entity incorporated or otherwise constituted under the laws of any of the Republic of Hungary, the Republic of Poland or any other jurisdiction as specified in the applicable Issue Terms (the "**EM Jurisdictions**").

The relevant Collateral Schedule will specify the criteria that will determine whether an Equity Security, a Debt Security or an Asset Backed Security constitutes EM Collateral in respect of a Series of Notes (such criteria, the "**EM Eligibility Criteria**").

6. OTHER ELIGIBLE COLLATERAL

The relevant Collateral Schedule in respect of a Series of Notes may specify any other type of asset as Eligible Collateral and, if relevant, will specify the relevant eligibility criteria to be applied in determining whether such asset will constitute Eligible Collateral in respect of a Series of Notes.

7. GENERAL CRITERIA APPLYING TO ALL TYPES OF ELIGIBLE COLLATERAL

No Eligible Collateral may be a Defaulted Security.

A "**Defaulted Security**" is:

- (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.

In addition, there must be no restrictions on such Eligible Collateral being assigned or transferred by the Issuer to the Trustee and neither the Trustee nor the Custodian shall be required to obtain any further authorisations, consents, approvals or filings under the applicable law in order to hold such Eligible Collateral.

FORMS OF NOTES

The Issuer may issue Notes in bearer form ("**Bearer Notes**") if it has been determined that such Notes should be classified as being in registered form for U.S. Federal income tax purposes and in registered form ("**Registered Notes**"). Bearer Notes may be in either definitive form or global form. Notes in definitive bearer form will be serially numbered. Registered Notes may be in either individual certificate form or global certificate form.

Bearer Notes

Unless otherwise specified in the Conditions or the applicable Issue Terms, each issuance of Bearer Notes having a maturity of more than 183 days (and any Tranche thereof) will initially be in the form of a temporary global note in bearer form (a "**Temporary Global Note**"), without interest coupons. Each Temporary Global Note will be deposited on or around the issue date of such Notes (or any Tranche thereof) either:

- (a) if the Temporary Global Note is intended to be issued in New Global Note ("**NGN**") form, as stated in the applicable Issue Terms, with a common safekeeper (the "**Common Safekeeper**") for Euroclear and/or Clearstream, Luxembourg; and
- (b) if the Temporary Global Note is not intended to be issued in NGN form, with a depositary or a common depositary (together with a "**Common Safekeeper**", a "**Bearer Note Depositary**") for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Upon deposit of each Temporary Global Note, Euroclear or Clearstream, Luxembourg or, as applicable, any other relevant clearing system, will credit each subscriber with a principal amount of Notes equal to the principal amount for which it has subscribed and paid.

The interests of the beneficial owner or owners in a Temporary Global Note will be exchangeable, in whole or in part, for interests in a permanent global note in bearer form (a "**Permanent Global Note**" and, together with a Temporary Global Note, the "**Global Notes**"), without interest coupons, to be held by a Bearer Note Depositary from the date (the "**Exchange Date**") that is 40 days after the date on which the Issuer receives the proceeds of the sale of that Note (or the relevant Tranche thereof) (the "**Closing Date**"). Each issuance of Notes having a maturity of 183 days or less will be in the form of a Permanent Global Note.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of the first exchange) the prompt delivery (free of charge to the bearer) of such Permanent Global Note, duly authenticated, to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against presentation and (in the case of final exchange) surrender of the Temporary Global Note at the Specified Office of the Principal Paying Agent within seven days of the bearer requesting such exchange.

The principal amount of the Permanent Global Note shall be equal to the aggregate of the principal amounts of the Temporary Global Note presented; **provided, however, that** in no circumstances shall the principal amount of the Permanent Global Note exceed the initial principal amount of the Temporary Global Note.

*The Permanent Global Note will be exchangeable in whole, but not in part, for Bearer Notes in definitive form ("**Definitive Notes**"), which will be serially numbered, with coupons, if any, attached (i) on the expiry of such period of notice as may be specified in the applicable Issue Terms, (ii) at any time, if so specified in the applicable Issue Terms, or (iii) if the applicable Issuer Terms specify "in the limited circumstances described in the Permanent Global Note", then if (a) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or (b) any of the circumstances described in Condition 14 (Events of Default) occurs.*

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons (as defined in "*Terms and Conditions of the Notes*" below) and Talons attached (if so specified in the applicable Issue Terms), in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note at the Specified Office the Principal Paying Agent within 30 days of the bearer requesting such

exchange. The Bearer Note Depositary for Euroclear and Clearstream, Luxembourg or, as applicable, any other relevant clearing system will instruct the Principal Paying Agent regarding the aggregate principal amount and denominations of Definitive Notes that must be authenticated and delivered to each of Euroclear and Clearstream, Luxembourg or, as applicable, any other relevant clearing system. Definitive Notes may not be delivered in the United States. Definitive Notes will be serially numbered.

Terms and Conditions Applicable to the Bearer Notes

The terms and conditions of any Definitive Note will be endorsed on that Definitive Note and will consist of the terms and conditions set out under "*Terms and Conditions of the Notes*" as set out above (or in the relevant Supplemental Base Prospectus) and the provisions of the applicable Issue Terms, which supplement, amend and/or replace those terms and conditions.

The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "*Summary of Provisions Relating to the Notes while in Global Form*" below.

Registered Notes

Registered Notes will be in the form of either individual Note Certificates in registered form ("**Individual Note Certificates**") or a global Note in registered form (a "**Global Note Certificate**"), in each case as specified in the applicable Issue Terms. Each Global Note Certificate will either be: (a) in the case of a Registered Note which is not to be held under the new safekeeping structure ("**New Safekeeping Structure**" or "**NSS**"), registered in the name of a common depositary (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 depositary and will be exchangeable in accordance with its terms; or (b) in the case of a Registered Note to be held under the New Safekeeping Structure, be 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 and will be exchangeable for Individual Note Certificates in accordance with its terms.

If the applicable Issue Terms specify the form of Notes as being "Individual Note Certificates", then the Notes will at all times be in the form of Individual Note Certificates issued to each Noteholder in respect of their respective holdings.

If the applicable Issue Terms specify the form of Notes as being "Global Note Certificate exchangeable for Individual Note Certificates", then the Notes will initially be in the form of a Global Note Certificate which will be exchangeable in whole, but not in part, for Individual Note Certificates:

- (a) on the expiry of such period of notice as may be specified in the applicable Issue Terms; or
- (b) at any time, if so specified in the applicable Issue Terms; or
- (c) if the applicable Issue Terms specify "in the limited circumstances described in the Global Note Certificate", then if (a) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or (b) any of the circumstances described in Condition 14 (*Events of Default*) occurs.

Whenever the Global Note Certificate is to be exchanged for Individual Note Certificates, the Issuer shall procure that Individual Note Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Note Certificate within five business days of the delivery, by or on behalf of the registered holder of the Global Note Certificate to the Registrar of such information as is required to complete and deliver such Individual Note Certificates (including, without limitation, the names and addresses of the persons in whose names the Individual Note Certificates are to be registered and the principal amount of each such person's holding) against the surrender of the Global Note Certificate at the specified office of the Registrar.

Such exchange will be effected in accordance with the provisions of the Agency Agreement and the regulations concerning the transfer and registration of Notes scheduled thereto and, in particular, shall be

effected without charge to any holder, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

Terms and Conditions applicable to the Registered Notes

The terms and conditions applicable to any Individual Note Certificate will be endorsed on that Individual Note Certificate and will consist of the terms and conditions set out under "*Terms and Conditions of the Notes*" above and the provisions of the applicable Issue Terms which supplement, amend and/or replace those terms and conditions.

The terms and conditions applicable to any Global Note Certificate will differ from those terms and conditions which would apply to the Note were it in individual form to the extent described under "*Summary of Provisions Relating to the Notes while in Global Form*" below.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Clearing System Accountholders

In relation to any Bearer Notes (or any Tranche thereof) represented by a Global Note, references in the *"Terms and Conditions of the Notes"* to "Noteholder" are references to the bearer of the relevant Global Note which, for so long as the Global Note is held by a Bearer Note Depositary, in the case of a CGN, or a common safekeeper, in the case of an NGN for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that Bearer Note Depositary or, as the case may be, the common safekeeper.

In relation to any Registered Notes (or any Tranche thereof) represented by a Global Note Certificate, references in the *"Terms and Conditions of the Notes"* to "Noteholder" are references to the person in whose name such Global Note Certificate is for the time being registered in the Register which, for so long as the Global Note Certificate is held by or on behalf of a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary or a nominee for that depositary or common depositary.

Each of the persons 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 (each an **"Accountholder"**) must look solely to Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system (as the case may be) for such Accountholder's share of each payment made by the Issuer to the holder of such Global Note or Global Note Certificate and in relation to all other rights arising under such Global Note or Global Note Certificate, including any right to exchange any exchangeable Notes or any right to require the Issuer to repurchase such Notes. The respective rules and procedures of Euroclear and Clearstream, Luxembourg and any other relevant clearing system from time to time will determine the extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Note or Global Note Certificate and the timing requirements for meeting any deadlines for the exercise of those rights. For so long as the relevant Notes are represented by a Global Note or Global Note Certificate, Accountholders shall have no claim directly against the Issuer in respect of payments due under the Notes and such obligations of the Issuer will be discharged by payment to the holder of such Global Note or Global Note Certificate.

Conditions Applicable to Global Notes and the Global Note Certificates

Each Global Note and Global Note Certificate will contain provisions which modify the terms and conditions set out in *"Terms and Conditions of the Notes"* as they apply to the Global Note or Global Note Certificate. The following is a summary of certain of those provisions:

Payments: All payments in respect of the Global Note or Global Note Certificate which, according to the Terms and Conditions of the Notes (except in the case of Global Notes in NGN form), require presentation and/or surrender of a Note, Note Certificate or Coupon will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Note or the Global Note Certificate at the Specified Office or to the order of any paying agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Global Note, the Issuer shall procure that in respect of a CGN the same is noted in a schedule thereto and in respect of an NGN the payment is entered *pro rata* in the records of Euroclear and Clearstream, Luxembourg. For the purposes of any payments in respect of a Global Notes or a Global Note Certificate, notwithstanding Condition 2 (*Interpretation*), the definition of **"Payment Business Day"** shall be amended as follows:

"Payment Business Day" means:

- (a) if the currency of payment is euro, any day which is 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 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;"

Exercise of Put Option: In order to exercise the Noteholder's put option set out in Condition 10.6 (*Redemption at the Option of Noteholders*) of the Terms and Conditions of the Notes, the bearer of the Permanent Global Note or the holder of a Global Note Certificate must, within the period specified therein for the deposit of the relevant Note and put notice, give written notice of such exercise to the Principal Paying Agent and/or such other person as is specified in the applicable Issue Terms specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

Partial Exercise of Call Option: In connection with an exercise of the option contained in Condition 10.4 (*Redemption at the Option of the Issuer*) of the Terms and Conditions of the Notes in relation to some but not all of the Notes, the Permanent Global Note or Global Note Certificate may be redeemed in part in the principal amount specified by the Issuer in accordance with the Conditions and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion).

Notices: Notwithstanding Condition 22 (*Notices*) of the Terms and Conditions of the Notes while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) or Global Note Certificate and the Permanent Global Note is (or the Permanent Global Note and the Temporary Global Note are), or Global Note Certificate is, deposited with a Bearer Note Depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a common safekeeper, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 22 (*Notices*) of the Terms and Conditions of the Notes, on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, except that, for so long as the Notes are listed on any stock exchange or are admitted to trading by another relevant authority, any notice to Noteholders shall be published in accordance with the rules and regulations of each such stock exchange or other relevant authority.

Redenomination: If the Notes are redenominated pursuant to Condition 26 (*Redenomination, Renominalisation and Reconventioning*) of the Terms and Conditions of the Notes then following redenomination:

- (a) if Definitive Notes are required to be issued, they shall be issued at the expense of the Issuer in the denominations of euro 0.01, euro 1,000, euro 10,000, euro 100,000 and such other denominations as the relevant Principal Paying Agent shall determine and notify to the Noteholders; and
- (b) the amount of interest due in respect of Notes represented by a Permanent Global Note and/or a Temporary Global Note will be calculated by reference to the aggregate principal amount of such Notes and the amount of such payment shall be rounded down to the nearest euro 0.01.

Registered Notes

Notwithstanding Condition 12 (*Payments – Registered Notes*), each payment in respect of any Global Note Certificate shall be made to the person shown in the Register as the registered holder of the Notes represented by such Global Note Certificate at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment (the "**Record Date**") where the "**Clearing System Business Day**" means a day on which each clearing system for which the Global Note Certificate is being held is open for business.

BENEFIT PLAN INVESTORS

The Notes may not be acquired or held by, or acquired with the assets of, any employee benefit plan subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), or any individual retirement account or plan subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended or any entity whose underlying assets include "plan assets" within the meaning of Section 3(42) of ERISA by reason of any such employee benefit plan's account's or plan's investment therein.

The Global Notes and the Definitive Notes will bear a legend to the following effect:

THE INVESTOR SHALL BE DEEMED TO REPRESENT BY ITS ACQUISITION AND HOLDING OF AN INTEREST HEREIN THAT IT IS NOT ACQUIRING THE NOTES WITH THE ASSETS OF ANY EMPLOYEE BENEFIT PLAN SUBJECT TO TITLE I OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), ANY INDIVIDUAL RETIREMENT ACCOUNT OR PLAN SUBJECT TO SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, OR ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" WITHIN THE MEANING OF SECTION 3(42) OF ERISA BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT THEREIN.

UNITED KINGDOM TAXATION

*The following is a summary of the United Kingdom withholding taxation treatment at the date hereof in relation to payments of principal and interest in respect of the Notes. The comments do not deal with other United Kingdom tax aspects of acquiring, holding, disposing of, or abandoning Notes. Transactions involving Notes, including the issue and subscription of Notes, any purchase or disposal or settlement of Notes, may have United Kingdom tax consequences for potential purchasers (including, but not limited to, transfer taxes and possible withholding or deduction for or on account of United Kingdom tax from payments made in respect of the Notes). The tax consequences may depend, amongst other things, on the status of the potential investor and the terms and conditions of a particular Note as specified in the Issue Terms. It is based on current United Kingdom tax law as applied in England and Wales and published practice of HM Revenue and Customs ("**HMRC**") (which may not be binding on HMRC), which may be subject to change, sometimes with retrospective effect. The comments relate only to the position of persons who are the absolute beneficial owners of the Notes. Prospective Noteholders should be aware that the particular terms of issue of any series of Notes as specified in the applicable Issue Terms may affect the tax treatment of that and other series of Notes. The following is a general guide and should be treated with appropriate caution. It is not intended as tax advice and it does not purport to describe all of the tax considerations that may be relevant to a prospective purchaser. Prospective Noteholders who are in any doubt as to their tax position should consult their professional advisors about the tax implications of purchasing and holding a Note, any transaction involving a Note, and any transaction involved in the exercise and settlement of a Note. Noteholders who may be liable to taxation in jurisdictions other than the United Kingdom are particularly advised to consult their professional advisors as to whether they are so liable (and if so under the laws of which jurisdictions), since the following comments relate only to certain United Kingdom withholding taxation aspects of payments in respect of the Notes. In particular, Noteholders should be aware that the tax legislation of any jurisdiction where they are resident or otherwise subject to taxation (as well as any jurisdictions discussed herein) may have an impact on the tax consequences of an investment in the Notes (including in respect of any income received from the Notes) and, in particular, that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Notes even if such payments may be made without withholding or deduction for or on account of taxation under the laws of the United Kingdom.*

A. Notes - UK Withholding Tax on Interest Payments by the Issuer

UK Notes listed on a recognised stock exchange

1. Interest on Notes issued for a term of less than one year (and which are not issued under arrangements the effect of which is to render the Notes part of a borrowing with a total term of one year or more) may be paid by the Issuer without withholding or deduction for or on account of United Kingdom income tax. Interest on Notes issued for a term of one year or more (or under arrangements the effect of which is to render the Notes part of a borrowing with a total term of one year or more) may be paid by the Issuer without withholding or deduction for or on account of United Kingdom income tax if such Notes constitute "quoted Eurobonds". The Notes issued by the Issuer which carry a right to interest ("**UK Notes**") will constitute "quoted Eurobonds" provided they are and continue to be listed on a "recognised stock exchange" within the meaning of section 1005 Income Tax Act 2007 or are admitted to trading on a multilateral trading facility operated by a regulated recognised stock exchange within the meaning of section 987 Income Tax Act 2007. Notes will be regarded as "listed on a recognised stock exchange" for this purpose if they are admitted to trading on an exchange designated as a recognised stock exchange by an order made by the Commissioners for HMRC and either they are included in the United Kingdom's official list (within the meaning of Part 6 of the Financial Services and Markets Act 2000) or they are officially listed, in accordance with provisions corresponding to those generally applicable in European Economic Area states, in a country outside the United Kingdom in which there is a recognised stock exchange.
2. Euronext Dublin is a "recognised stock exchange". The Issuer's understanding of current HMRC practice is that securities which are officially listed and admitted to trading on the main market of that Exchange may be regarded as "listed on a recognised stock exchange" for these purposes.

All UK Notes

3. If the Notes do not constitute "quoted Eurobonds", payments of interest on the Notes may still be made without withholding or deduction for or on account of United Kingdom income tax, provided that the Issuer is and continues to be authorised for the purposes of the Financial Services and Markets Act 2000 and its business is and continues to consist wholly or mainly of dealing in financial instruments (within the meaning of section 885 of the Income Tax Act 2007) as principal and that such payments are made in the ordinary course of that business.
4. In all other cases, UK interest on the Notes may fall to be paid under deduction of United Kingdom income tax at the basic rate (currently 20 per cent.) subject to such relief as may be available following a direction from HMRC pursuant to the provisions of any applicable double taxation treaty, or to any other exemption which may apply.

B. Other Rules Relating to United Kingdom Withholding Tax

1. Notes may be issued at an issue price of less than 100 per cent. of their principal amount. Whether any discount element on such Notes will be subject to any United Kingdom withholding tax pursuant to the provisions mentioned above, will depend on the precise terms of the Notes.
2. Where Notes are to be, or may fall to be, redeemed at a premium, as opposed to being issued at a discount, then any such element of premium may constitute a payment of interest. Payments of interest are subject to United Kingdom withholding tax as outlined above.
3. Where interest has been paid under deduction of United Kingdom income tax, Noteholders who are not resident in the United Kingdom may be able to recover all or part of the tax deducted if there is an appropriate provision in any applicable double taxation treaty.
4. The references to "interest" above mean amounts that are treated as "interest" for the purposes of United Kingdom tax law. The statements above do not take any account of any different definitions of "interest" or "principal" which may prevail under any other law or which may be created by the terms and conditions of the Notes or any related documentation. Where a payment on a Note does not constitute (or is not treated as) interest for United Kingdom tax purposes, and the payment has a United Kingdom source, it would potentially be subject to United Kingdom withholding tax if, for example, it constitutes (or is treated as) an annual payment or a manufactured payment, rent or royalties for United Kingdom tax purposes. Where a payment is subject to United Kingdom withholding tax, depending on the nature of the payment (which will be determined by, amongst other things, the terms and conditions specified by the Issue Terms of the Note), the payment may fall to be made under deduction of United Kingdom tax at the relevant rate, subject to any exemption from withholding which may apply and to such relief as may be available following a direction from HMRC pursuant to the provisions of any applicable double tax treaty, or to any other exemption which may apply.
5. The above description of the United Kingdom withholding tax position assumes that there will be no substitution of an issuer pursuant to Condition 27 of the Notes or otherwise and does not consider the tax consequences of any such substitution.

UNITED STATES FEDERAL TAXATION

U.S. Foreign Account Tax Compliance Withholding

The Issuer and other financial institutions through which payments on the Notes are made may be required to withhold at a rate of 30% on all, or a portion of, payments made on or with respect to Notes pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended, any applicable U.S. Treasury regulations promulgated thereunder and pursuant to agreements with the United States regarding these rules (commonly referred to as "**FATCA**"). This withholding is scheduled to begin no earlier than the second anniversary of the date on which final regulations defining the term "foreign passthru payments" are published in the U.S. Federal Register.

FATCA withholding should not apply to Notes that are considered to be "grandfathered obligations" under FATCA. Notes that are not classified as obligations for purposes of FATCA will not be classified as grandfathered obligations. Notes that are classified as obligations for purposes of FATCA will generally be grandfathered obligations so long as they are issued before (and not materially modified on or after) the date that is six months after final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register.

For Notes that are not grandfathered obligations, withholding may be triggered if: (i) an investor does not provide information sufficient for the relevant withholding agent to determine whether the investor is a U.S. person or should otherwise be treated as holding a "United States Account" under FATCA, (ii) an investor does not consent, where necessary, to have its information disclosed to the U.S. Internal Revenue Service or (iii) any "foreign financial institution" (or "**FFI**") that is an investor, or through which payment on the Notes is made, is not exempt from being withheld upon under FATCA.

The United States has entered into intergovernmental agreements to facilitate the implementation of FATCA ("**IGAs**") with a number of jurisdictions, including the United Kingdom. Generally, FFIs in an IGA jurisdiction are not subject to FATCA withholding, and payments made by FFIs in certain IGA jurisdictions would not be treated as foreign passthru payments.

If an amount in respect of FATCA were to be deducted or withheld from payments on or with respect to the Notes, the Issuer shall not be required to pay any additional amounts or otherwise indemnify any person with respect to amounts so withheld.

FATCA is particularly complex and significant aspects of its application to the Notes is uncertain at this time. Prospective investors should consult their own tax advisors about the application of FATCA, in particular if they may be classified as financial institutions under FATCA.

PROPOSED FINANCIAL TRANSACTION TAX

On 14 February 2013, the European Commission published a proposal (the “**Commission’s Original Proposal**”) for a Directive for a common financial transactions tax (“**FTT**”) in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**Participating Member States**”). In December 2015, Estonia withdrew from the group of Participating Member States.

The Commission’s Original Proposal had a very broad scope and would, if introduced, have applied to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes would, however, have been exempt.

In 2019, the Finance Ministers of the Participating Member States indicated that they were discussing a new FTT proposal based on a French model of the tax (and the possible mutualisation of the tax as a contribution to the EU budget) (the “**2019 FTT Proposal**”). Under the 2019 FTT Proposal, the FTT would only have applied to transactions in financial instruments issued by a company, partnership or other entity whose registered office is established within one of the Participating Member States and which had a market capitalisation of at least EUR 1 billion on 1 December of the year preceding the respective transaction. The FTT under the 2019 FTT Proposal would not have applied to straight bonds.

No agreement has been reached between the Participating Member States on either the Commission’s Original Proposal or the 2019 FTT Proposal. Subsequently, the European Commission declared that, if there was no agreement between the Participating Member States by the end of 2022, it would endeavour to propose a new own resource, based on a new FTT, by June 2024 with a view to its introduction by 1 January 2026, as also set out in the Council Regulation laying down the Multi-annual Financial Framework for the years 2021 to 2027.

Prospective holders of the Notes should therefore note that the scope of any FTT proposal remains uncertain and subject to negotiation between the Participating Member States. Any such proposal may also be altered prior to any implementation, the timing of which also remains unclear. Additional EU Member States may decide to participate and/or other Participating Member States may decide to withdraw. Accordingly, prospective holders of the Notes are advised to seek their own professional advice in relation to any FTT.

SUBSCRIPTION AND SALE

MSI plc is offering the Notes on a continuing basis (in such capacity, the "**Dealer**"), and through any dealer that has agreed to subscribe and/or distribute any Tranche of Notes (together with the Dealer, the "**Dealers**"), who will use, or will agree to use, reasonable efforts to solicit offers to purchase the Notes. The Issuer will have the sole right to accept offers to purchase Notes and may reject any offer in whole or in part. The Dealers will have the right to reject any offer to purchase Notes solicited by it in whole or in part. The Issuer may pay the Dealer, in connection with sales of the Notes resulting from a solicitation the Dealers made or an offer to purchase received by the Dealers, a commission, which may be in the form of a discount from the purchase price if the Dealers are purchasing the Notes for their own account.

The Issuer may also sell Notes to a Dealer as principal for its own account at a price to be agreed upon at the time of sale. The Dealers may resell any Notes they purchase as principal at prevailing market prices, or at other prices, as the Dealers determine.

No action has been or will be taken by the Issuer (or any Dealer) that would permit a public offering of the Notes or possession or distribution of any offering material in relation to any Notes in any jurisdiction where action for that purpose is required and has not been taken. No offers, sales, re-sales or deliveries of the Notes, or distribution of any offering material relating to the Notes, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulation and which will not impose any obligations on the Issuer.

United States of America

The Notes, any interest therein have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and are subject to U.S. tax law requirements. The Issuer is not registered and will not be registered under the Investment Company Act of 1940, as amended. Trading in the Notes has not been approved by the U.S. Commodity Futures Trading Commission pursuant to the Commodity Exchange Act of 1936, as amended. The Notes, any interest therein may not be offered, sold, pledged, assigned, delivered or otherwise transferred, exercised or redeemed at any time, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the Securities Act ("**Regulation S**")). Each Dealer (1) has acknowledged that the Notes, any interest therein have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, and the Notes are not being offered, sold, pledged, assigned, delivered or otherwise transferred, exercised or redeemed and may not be offered, sold, pledged, assigned, delivered or otherwise transferred, exercised or redeemed at any time, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons; (2) has represented, as a condition to acquiring any interest in the Notes, that neither it nor any persons on whose behalf or for whose account or benefit the Notes are being acquired is a U.S. Person, that it is not located in the United States, and was not solicited to purchase Notes while present in the United States; (3) has agreed not to offer, sell, pledge, assign, deliver or otherwise transfer, exercise or redeem any of the Notes at any time, directly or indirectly, within the United States or to, or for the account or benefit of, any U.S. Person and that hedging transactions involving any "equity securities" of "domestic issuers" (as such terms are defined in the Securities Act and regulations thereunder) may be conducted only in accordance with the Securities Act; (4) has agreed that any hedging transactions involving "equity securities" of "domestic issuers" (as such terms are defined in the Securities Act and regulations thereunder) will be conducted only in accordance with the Securities Act and (5) has agreed that, at or prior to confirmation of sale of any Notes (whether upon original issuance or in any secondary transaction), it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it a written notice containing language substantially the same as the foregoing. As used herein, "**United States**" means the United States of America (including the states and the District of Columbia), its territories and possessions.

In addition, the Dealers have represented and agreed that they have not offered or sold Notes and will not offer or sell Notes *at any time* except in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, the Dealers have represented and agreed that neither they, their affiliates (if any) nor any person acting on behalf of any of them has engaged or will engage in any directed selling efforts with respect to Notes, and they have all complied and will comply with the offering restrictions requirements of Regulation S. Terms used in this paragraph have the meanings given to them in Regulation S.

An offer or sale of Notes within the United States by any dealer (whether or not participating in the offering of such Notes) may violate the registration requirements of the Securities Act.

European Economic Area

In relation to each Member State of the European Economic Area (each, a "**Relevant Member State**"), the Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Issue Terms and the related Drawdown Prospectus in relation thereto to the public in that Relevant Member State except that it may make an offer of such Notes to the public in that Relevant Member State:

- (a) if the Issue Terms and/or the related Drawdown Prospectus in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that Relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus or Drawdown Prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, **provided that** any such prospectus or Drawdown Prospectus which has subsequently been completed by the Issue Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Regulation, in the period beginning and ending on the dates specified in such prospectus, Drawdown Prospectus or Issue Terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation, or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

Prohibition of Sales to EEA Retail Investors

Unless the Issue Terms in respect of any Notes specifies the "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Issue Terms in relation thereto to any retail investor in the EEA. For the purposes of this provision:

- (A) the expression "retail investor" means a person who is one (or more) of the following:
 - (1) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - (2) a customer within the meaning of the Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (3) not a qualified investor as defined in the Prospectus Regulation; and

- (B) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

United Kingdom

In relation to each Tranche of Notes, each Dealer has represented and agreed, subscribing for or purchasing such Notes, and each further Dealer appointed under the Programme will be required to represent and agree, with, the Issuer that:

- (a) **Notes with maturities of less than one year:** in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 ("FSMA") by the Issuer;
- (b) **Financial promotion:** it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (c) **General compliance:** it has complied and will comply with all applicable provisions of the FSMA and the Financial Conduct Authority Handbook with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom; and
- (d) **Commissions and fees:**
- (i) if it is distributing Notes that are "retail investment products" (as such term is defined in the Financial Conduct Authority Handbook) into the United Kingdom and it is entitled to receive any commission or fee from the Issuer, it will not transfer any part of that commission or fee to any third party who may advise retail investors to purchase a Note that is a retail investment product; and
 - (ii) if it is authorised and regulated by the Financial Conduct Authority to provide investment advice to retail investors in the United Kingdom and it is providing advice to retail investors in respect of a Note that is a retail investment product, it undertakes not to request any commission or fee from the Issuer and to otherwise reject any such payment offered to it other than in circumstances where the Issuer has agreed to facilitate the payment of an advisory fee and has the express consent of the retail investor to do so.

The Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, in relation to each Tranche of Notes, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Issue Terms and Drawdown Prospectus in relation thereto to the public in the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

- (a) if the Issue Terms or Drawdown Prospectus in relation to the Notes specify that an offer of those Notes may be made other than pursuant to section 86 of the FSMA (a "**Public Offer**"), following the date of publication of a prospectus in relation to such Notes which either (i) has been approved by the Financial Conduct Authority, or (ii) is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provision in Regulation 74 of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019, provided that any such prospectus which is not a Drawdown Prospectus has subsequently been completed by the Issue Terms contemplating such Public Offer, in the period beginning and ending on the dates specified in such prospectus

or Issue Terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Public Offer;

- (b) at any time to any legal entity which is a qualified investor as defined in the UK Prospectus Regulation;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the Dealer nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA, or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of "retained EU law", as defined in the European Union (Withdrawal) Act 2018 (the "**EUWA**").

Prohibition of Sales to UK Retail Investors

Unless the Issue Terms in respect of any Notes specifies the "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Issue Terms in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (A) the expression "retail investor" means a person who is one (or more) of the following:
 - (1) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of "retained EU law", as defined in the EUWA; or
 - (2) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of "retained EU law", as defined in the EUWA; or
 - (3) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of "retained EU law", as defined in the EUWA; and
- (B) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) (the "**FIEL**") and, accordingly, each Dealer has undertaken, and each further Dealer appointed under the Programme will be required to undertake, that it will not offer or sell any Notes directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person except pursuant to an exemption from the registration requirements under, and otherwise in compliance with the FIEL and any other applicable laws, regulations and ministerial guidelines of Japan. For the purposes of this paragraph, "**Japanese Person**" shall mean any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Ireland

In relation to each Tranche of Notes, each Dealer subscribing for or purchasing such Notes has represented to, warranted and agreed with, or will represent to, warrant and agree with, the Issuer that:

- (a) it will not underwrite the issue of, or place the Notes, otherwise than in conformity with the provisions of the European Union (Markets in Financial Instruments) Regulations 2017 (as amended) (the "MiFID II Regulations") including, without limitation, Regulation 5 (Requirement for Authorisation (and certain provisions **concerning** MTFS and OTFS)) thereof, or any rules or codes of conduct made under the MiFID II Regulations and the provisions of the Investor Compensation Act 1998 (as amended);
- (b) it will not underwrite the issue of, or place, the Notes, otherwise than in conformity with the provisions of the **Companies** Act 2014 of Ireland (as amended, the "**Irish Companies Act**") Irish Central Bank Acts 1942 – 2018 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989 (as amended) or section 48 of the Central Bank (Supervision and Enforcement) Act 2013;
- (c) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity **with** the provisions of the Market Abuse Regulation (EU 596/2014) (as amended), the European Union (Market Abuse) Regulations 2016 (as amended) and any rules and guidance issued by the Central Bank of Ireland under Section 1370 of the Irish Companies Act;
- (d) it will not underwrite the issue of, or place, the Notes, otherwise than in conformity with the Prospectus Regulation, the European Union (Prospectus) Regulations 2019 of Ireland and any rules issued under Section 1363 of the Irish Companies Act by the Central Bank of Ireland; and
- (e) any issue of Notes with a legal maturity of less than one year will be carried out in strict compliance with the Central Bank of Ireland's implementation notice for credit institutions BSD C 01/02 of 12 November 2002 (as may be amended, replaced or up-dated) and issued pursuant to Section 8(2) of the Irish Central Bank Act, 1971 (as amended).

Spain

The Notes may not be listed, offered, sold or distributed in Spain nor any document or offer material be distributed in Spain or targeted at Spanish resident investors, except in accordance with the requirements set out in the Prospectus Regulation and any other related regulations that may be in force from time to time in Spain, including, among others, Law 6/2023 of 17 March of the Securities Markets and Investment Services (Ley 6/2023, de 17 de marzo, de los Mercados de Valores y de los Servicios de Inversión) as amended and restated and, to the extent applicable, Royal Decree 1310/2005 of 4 November on admission to trading of securities in official secondary markets, public offerings and prospectus (*Real Decreto 1310/2005 de 4 de noviembre, por el que se desarrolla parcialmente la Ley 24/1988, de 28 de julio, de Mercado de Valores, en materia de admisión a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos*) as amended and restated.

Republic of Italy

Unless specified in the relevant Issue Terms that a Non-exempt Offer may be made in Republic of Italy, the offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") pursuant to Italian securities legislation and, accordingly, each Dealer has represented and agreed that, save as set out below, it has not offered or sold, and will not offer or sell, any Notes in the Republic of Italy in an offer to the public and that sales of the Notes in the Republic of Italy shall be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulation. Accordingly, each Dealer has represented and agreed that it will not offer, sell or deliver any Notes or distribute copies of this Base Prospectus (including the applicable Issue Terms) and any other document relating to the Notes in the Republic of Italy except:

- (a) to "**qualified investors**", pursuant to Article 2 of the Prospectus Regulation; or
- (b) that it may offer, sell or deliver Notes or distribute copies of the Base Prospectus (including the applicable Issue Terms) in an offer to the public if the Issue Terms in relation to the Notes specify that a Non-exempt Offer may be made in the Republic of Italy, **provided that** the Base Prospectus

(including the applicable Issue Terms) has been notified to CONSOB, all in accordance with the Prospectus Regulation and the applicable Italian laws, in the period beginning and ending on the dates specified in the applicable Issue Terms; or

- (c) in any other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the "**Decree No. 58**"), Article 34-ter of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time, and the applicable Italian laws.

Any such offer, sale or delivery of the Notes or distribution of copies of the Base Prospectus (including the applicable Issue Terms) or any other document relating to the Notes in the Republic of Italy must be:

- (a) made by investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 385 of 1 September 1993 as amended (the "**Banking Act**"), Decree No. 58, CONSOB Regulation No. 20307 of 15 February 2018, as amended and any other applicable laws and regulations;
- (b) in compliance with Article 129 of the Banking Act, as amended, and the implementing guidelines of the Bank of Italy, as amended from time to time, with regard, inter alia, to the reporting obligations required; and
- (c) in compliance with any other applicable requirement or limitation which may be imposed by CONSOB or the Bank of Italy or other Italian authority.

Provisions relating to the secondary market in Italy

Investors should also note that, in any subsequent distribution of the Notes in the Republic of Italy, Article 100-bis of Decree No. 58 may require compliance with the law relating to public offers of securities.

Furthermore, where the Notes are placed solely with "qualified investors" and are then systematically ("*sistematicamente*") resold on the secondary market at any time in the 12 months following such placing, purchasers of Notes who are acting outside of the course of their business or profession may in certain circumstances be entitled to declare such purchase void and, in addition, to claim damages from any authorised person at whose premises the Notes were purchased, unless an exemption provided for under Decree No. 58 applies.

The Netherlands

For selling restrictions in respect of The Netherlands, see "*European Economic Area*" and "*Prohibition of Sales to EEA and UK Retail Investors*" above and in addition:

Regulatory capacity to offer Notes in The Netherlands: The Dealer, and each further Dealer appointed under the Programme, which did and does not have the requisite Dutch regulatory capacity to make offers or sales of financial instruments in The Netherlands has represented and agreed respectively will be required to represent and agree with the Issuer that it has not offered or sold and will not offer or sell any of the Notes in The Netherlands, other than through one or more investment firms acting as principals and having the Dutch regulatory capacity to make such offers or sales.

If the Issue Terms in respect of any Notes specifies the "Prohibition of Sales to EEA and UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes (or any interest therein) may not be offered to the public in the Netherlands in reliance on Article 1(4) of the Prospectus Regulation unless (a) such offer was or is made exclusively to persons or entities which are qualified investors as defined in the Prospectus Regulation or (b) each such Exempt Note has a minimum denomination in excess of EUR 100,000 (or the equivalent thereof in non-Euro currency) and subject to compliance with the relevant requirements under Regulation (EU) No 1286/2014.

Norway

Notes denominated in Norwegian Krone (NOK) may not be offered or sold, directly or indirectly, within the Kingdom of Norway or to or for the benefit of Norwegian purchasers. Each purchaser of Notes denominated in Norwegian Krone (NOK) will be deemed to have acknowledged, represented and agreed

that such Notes may not be offered or resold within the Kingdom of Norway or to or for the benefit of Norwegian purchasers.

In addition to the provisions of the selling restriction for European Economic Area Member States (including Norway) and subject to the section "Prohibition of Sales to EEA Retail Investors" above, the Dealer represents and agrees that it will not, directly or indirectly, offer for subscription or purchase or issue invitations to subscribe for or buy or sell Notes or distribute any draft or definitive document in relation to any such offer, invitation or sale in Norway or to Norwegian residents except in compliance with Norwegian laws and regulations, including but not limited to section 16-2 of the Norwegian Financial Institutions Regulations (Norwegian: finansforetaksforskriften) of 9 December 2016 no. 1502, as amended, regarding sale of structured products.

Switzerland

The Notes must not be offered in Switzerland and each offeror of Notes represents and agrees that it has not made and will not make an offer of the Notes to the public in Switzerland, except that the Notes may be offered and an offeror may make an offer of the Notes to the public in Switzerland:

- (1) if the relevant Issue Terms in respect of any Notes specifies the "Prohibition of Offer to Private Clients in Switzerland" to be "Not Applicable" and consent has been granted to its use for the purpose of such offer to the public in accordance with Article 36(4) FinSA and Article 45 Financial Services Ordinance ("**FinSO**"),
- (2) in any circumstances falling within the exemptions listed in Article 36(1) of the Financial Services Act ("**FinSA**"), or
- (3) where such offer does not qualify as a public offer in Switzerland,

provided that no offer of Notes referred to in (2) and (3) above shall require the Issuer or any offeror to publish a prospectus pursuant to Article 35 FinSA. For the purposes of this provision, the expression "offer to the public" refers to the respective definitions in Article 3(g) and (h) FinSA and as further detailed in the FinSO and provided that a key information document under article 58 FinSA (Basisinformationsblatt für Finanzinstrumente) or article 59 para. 2 FinSA in respect of the Notes is published.

Hong Kong

Each Dealer has represented and agreed that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any *Notes* (except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**")) other than (a) to "professional investors" as defined in the SFO and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for

subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289 of Singapore) as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA, or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

NO OWNERSHIP BY U.S. PERSONS

The Notes may not be legally or beneficially owned by U.S. Persons at any time. The term "U.S. Person" will have the meaning ascribed to it in Regulation S under the Securities Act.

Each purchaser of Notes, by accepting delivery of this Base Prospectus or the Notes, will be deemed to have represented, agreed and acknowledged that:

- (c) it is, or at the time such Notes are purchased will be, the beneficial owner of such Notes and it is not, and is not acting for the account or benefit of, a U.S. Person and it is located outside the United States and was not solicited to purchase such Notes while present in the United States;
- (d) such Notes, any interest therein have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, are subject to U.S. tax law requirements and may not be offered, sold, pledged, assigned, delivered or otherwise transferred, exercised or redeemed at any time, directly or indirectly, except to a person that is not a U.S. Person (within the meaning of Regulation S) in an "offshore transaction" in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with all applicable securities laws of any state of the United States and any other applicable jurisdiction and it will provide notice of the foregoing transfer restriction to any subsequent transferee;
- (e) such Notes will bear a legend substantially to the following effect:

"THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES; AND IS SUBJECT TO U.S. TAX LAW REQUIREMENTS. THIS NOTE MAY NOT BE OFFERED, SOLD OR DELIVERED AT ANY TIME, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT)."

and

- (f) the Issuer, the Registrar, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

GENERAL INFORMATION

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate code for each issue allocated by Euroclear and Clearstream, Luxembourg will be contained in the applicable Issue Terms. Transactions will normally be effected for settlement not earlier than two business days after the date of the transaction.

For so long as this Base Prospectus remains in effect or any securities issued by the Issuer remain outstanding, the following documents will be available from the date hereof in physical or electronic form during usual business hours on any weekday, for inspection at The Bank of New York Mellon, London Branch, 160 Queen Victoria Street, London EC4V 4LA and also at the registered office of the Issuer or at <https://sp.morganstanley.com/EU/Documents>:

- (a) copies of the Agency Agreement, the Trust Deed, the Custody Agreement, the Collateral Administration and Reporting Agreement, the Master Schedule of Definitions and all of the Issuer's future published financial statements;
- (b) copies of any Issue Document made available to any Noteholder in accordance with the Conditions;
- (c) the Certificate of Incorporation and the Articles of Association of MSI plc;
- (d) all reports, letters and other documents, historical financial information, valuations and statements by any expert any part of which is included or referred to herein;
- (e) the Issuer's interim report and financial statements dated 30 June 2023, annual report and financial statements for the period ending 31 December 2022 and the report and financial statements for the year ended 31 December 2021;
- (f) a copy of this Base Prospectus and any document incorporated by reference herein;
- (g) any supplement to this Base Prospectus; and
- (h) any Issue Terms and related Drawdown Prospectuses (save that any Issue Terms and related Drawdown Prospectuses relating to a Note which is not listed will only be available for inspection by a holder of such Note and such holder must provide evidence satisfactory to the Issuer as to the identity of such holder).

The documents described in paragraphs (c) to (h) above are also available for viewing at the website. Information on the Issuer's website does not form part of this Base Prospectus unless such information is incorporated by reference into this Base Prospectus.

Listing and Admission to Trading

This Base Prospectus has been approved by the Central Bank of Ireland (the "**Central Bank**") as competent authority under the Prospectus Regulation. The Central Bank only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer nor as an endorsement of the quality of any Notes that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in such Notes. This Base Prospectus is valid for a period of twelve months from the date of approval.

Application has also been made for the Notes to be admitted during the twelve months after the date hereof to listing on the Official List of Euronext Dublin and to trading on the Regulated Market of Euronext Dublin.

There has been no significant change in the financial performance or position of the MSI plc Group since 31 December 2023, the date of the last published annual audited financial statements of MSI plc.

Save as disclosed in the section entitled "Litigation Matters" and the section entitled "Tax Matters" under the heading "Provisions" in "Notes to Consolidated Financial Statements" at pages 89 to 91 of MSI plc's report and financial statements for the year ended 31 December 2023 (as incorporated by reference herein on page 38 to 39 of this Base Prospectus); and in the section entitled "Legal Proceeding and Contingencies" at Part 7 of the section entitled "Description of Morgan Stanley & Co. International plc" at pages 61-62 of

the Registration Document (as supplemented from time to time) and incorporated by reference herein on page 35 of this Base Prospectus and the section entitled "Litigation Matters" and "Tax Matters" under the heading "Notes to the Condensed Consolidated Financial Statements" of MSI plc's Interim Report and Financial Statements dated 30 June 2023 (as incorporated by reference herein on page 38 of this Base Prospectus), there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the Issuer and the group's financial position or profitability.

As at the date of this Base Prospectus, the Registration Document and the supplements thereto (as incorporated by reference herein on page 35 of this Base Prospectus) contain the most up to date information relating to the Issuer.

The role of MSI plc as issuer, collateral administrator, ABS collateral verification agent, EM collateral verification agent, determination agent and dealer under the Programme was authorised by resolutions of the Board of Directors of MSI plc on 12 December 2012.

The auditors of the Issuer are Deloitte LLP, Chartered Accountants and Registered Auditors (members of the Institute of Chartered Accountants of England and Wales) of 1 New Street Square, London EC4A 3HQ. Deloitte LLP have audited MSI plc's accounts, without qualification, in accordance with generally accepted auditing standards in the United Kingdom for the financial year ended 31 December 2022 and the financial year ended 31 December 2023. The auditors of MSI plc have no material interest in MSI plc. Deloitte LLP have confirmed to the Issuer that their audit report has been prepared in compliance with the requirements of Directive 2006/43/EC as transposed into UK law and Regulation (EU) No 537/2014 as retained in UK law, and sets out that they give a true and fair view in accordance with International Standards on Auditing (UK) which (a) reflect the requirements of the Directive 2006/43/EC and Regulation (EU) No 537/2014 that applied when the UK was a member state of the EU, and have not changed since then, and (b) are in any case equivalent to International Standards on Auditing (Ireland), the standards of a member state of the EU, as the Irish standards are a licensed version of the UK standards.

Maples and Calder (Ireland) LLP is acting solely in its capacity as listing agent for the Issuer (and not on its own behalf) in connection with the application for admission of the Notes to the Official List of Euronext Dublin and trading on its regulated market (the "**Regulated Market**").

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