

OFFERING CIRCULAR FOR NOTES, WARRANTS AND CERTIFICATES

25 June 2026

Morgan Stanley

as issuer and guarantor
(incorporated under the laws of the State of Delaware in the United States of America)

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

MORGAN STANLEY B.V.
as issuer
(incorporated with limited liability in The Netherlands)

MORGAN STANLEY FINANCE LLC
as issuer
(formed under the laws of the State of Delaware in the United States of America)

MORGAN STANLEY FINANCE II LTD
as issuer
(incorporated with limited liability in the Bailiwick of Jersey)

MORGAN STANLEY EUROPE SE
as issuer
(incorporated with limited liability under the laws of Germany)

Regulation S / 144A Program for the Issuance of Notes, Series A and B, Warrants and Certificates

Under the Regulation S / 144A Program for the Issuance of Notes, Series A and B, Warrants and Certificates (the "**Program**") described in this Offering Circular (the "**Offering Circular**"), Morgan Stanley ("**Morgan Stanley**"), Morgan Stanley & Co. International plc ("**MSI plc**" or "**MSIP**"), Morgan Stanley B.V. ("**MSBV**"), Morgan Stanley Finance LLC ("**MSFL**"), Morgan Stanley Finance II Ltd ("**MSFII**") and Morgan Stanley Europe SE ("**MSESE**") or any of Morgan Stanley's subsidiaries that accedes to the Program (each, an "**Additional Issuer**" and, together with Morgan Stanley, MSI plc, MSBV, MSFL, MSFII and MSESE, the "**Issuers**" and each, an "**Issuer**") may offer from time to time Series A Notes and Series B Notes (together, the "**Notes**") and (with the exception of MSFL and MSFII), Warrants (the "**Warrants**") and Certificates (the "**Certificates**"). MSFL may offer from time to time Notes which are cash settled exchangeable notes ("**Cash Settled Exchangeable Notes**"). The Notes, Warrants and Certificates which are being offered under this Offering Circular (including, in the case of English Law Notes and Cash Settled Exchangeable Notes, as issued under the Issue and Paying Agency Agreement and, in the case of Warrants and Certificates, as issued under the Securities Agency Agreement (in each case, as defined below)) shall be referred to collectively as "**Program Securities**" in this Offering Circular.

References herein to "**this Offering Circular**" shall, where applicable, be deemed to be references to this Offering Circular as supplemented from time to time. The specific terms of any Program Securities will be as set forth in this Offering Circular and (i) completed by the applicable Pricing Supplement prepared in relation to the Program Securities, (ii) supplemented, amended and/or replaced to the extent described in the relevant drawdown Listing Particulars (as defined in the rules of the Global Exchange Market of Euronext Dublin, as revised from time to time), or (iii) supplemented, amended and/or replaced to the extent described in the relevant drawdown Admission Particulars (as defined in the rules of the International Securities Market of London Stock Exchange, as revised from time to time), as the case may be.

The payment of all amounts due in respect of Program Securities issued by MSBV, MSFL, MSFII or an Additional Issuer will, unless specified otherwise in the appropriate Pricing Supplement or, in the case of an Additional Issuer, in the accession agreement pursuant to which such Additional Issuer accedes to the Program, be unconditionally and irrevocably guaranteed by Morgan Stanley (in such capacity, the "**Guarantor**") pursuant to

a guarantee dated as of 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time). Payment of amounts due in respect of Notes, Warrants and Certificates issued by MSI plc or MSESE is not guaranteed by Morgan Stanley.

Unless otherwise specified in the applicable Pricing Supplement, the Program Securities are not intended to be offered, sold or otherwise made available and should not be offered, sold or otherwise made available to "retail clients" in the European Economic Area (the "**EEA**") as defined in the rules set out in the Markets in Financial Instruments Directive 2014/65/EU, as amended ("**MiFID II**") or in the United Kingdom (the "**UK**") as defined in the rules set out in Regulation (EU) No 2017/565 as it forms part of the laws of the United Kingdom. Prospective investors are referred to the sections headed "*PRIIPs / IMPORTANT – EEA RETAIL INVESTORS*" and "*UK CCI REGIME / UK IMPORTANT – UK RETAIL INVESTORS*" beginning on page ix of this Offering Circular for further information.

As further described below, Program Securities may be sold to a person that is not a U.S. person (within the meaning of Regulation S ("**Regulation S**") under the U.S. Securities Act of 1933, as amended (the "**Securities Act**")), in an "offshore transaction" within the meaning of Regulation S ("**Regulation S Securities**"). Regulation S Securities will be represented by interests in a permanent global registered security (each, a "**Regulation S Registered Global Instrument**"), without coupons, which will be registered in the name of a nominee for, and shall be deposited on its issue date with a common depository on behalf of, Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**"). In addition, Program Securities may be sold in reliance on Rule 144A under the Securities Act ("**Rule 144A**"), in addition to Regulation S ("**Regulation S/Rule 144A Securities**"). Regulation S/Rule 144A Securities will be offered and sold only to "qualified institutional buyers" ("**QIBs**") within the meaning of Rule 144A or to a person that is not a U.S. person in an offshore transaction. However, any Regulation S/Rule 144A Securities issued by MSBV may only be sold to QIBs that are also qualified purchasers ("**QPs**") as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended (the "**Investment Company Act**"), and the rules thereunder (such person, a "**QIB/QP**") or to a person that is not a U.S. person in an offshore transaction. Regulation S/Rule 144A Securities will be represented by (i) one or more global registered securities (each, a "**Regulation S/Rule 144A Registered Global Instrument**" and, together with any Regulation S Registered Global Instrument, the "**Registered Global Instruments**"), without coupons, which will be deposited with (1) a custodian for, and registered in the name of Cede & Co. as nominee for, The Depository Trust Company ("**DTC**") or (2) a common depository acting on behalf of Euroclear or Clearstream, Luxembourg and/or any other relevant clearing system on its issue date or (ii) individual registered securities ("**Individual Registered Securities**") as identified in the relevant Pricing Supplement. Beneficial interests in Registered Global Instruments will be shown on, and transfers thereof will be effected only through, records maintained by DTC, Clearstream, Luxembourg and Euroclear and their participants. Individual Registered Securities will not be eligible for trading on the facilities of DTC, Euroclear or Clearstream, Luxembourg. The provisions governing the exchange of interests in Registered Global Instruments for Individual Registered Securities are described in the "*Form of Securities*" section of this Offering Circular.

MSBV, MSFL and MSIP may offer and sell Regulation S Securities and/or Regulation S/Rule 144A Securities. All Regulation S/Rule 144A Securities offered and sold by MSFL and MSIP will be offered and sold only to QIBs and/or non-U.S. persons in offshore transactions. All Regulation S/Rule 144A Securities offered and sold by MSBV will be offered and sold only to QIB/QPs and/or to a person that is not a U.S. person in an offshore transaction. Morgan Stanley, MSFII and MSESE will only offer and sell Regulation S Securities

These Program Securities are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted herein. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

In addition to the restrictions described above, transfers and resales of Program Securities issued by MSBV are subject to further conditions and restrictions. As a condition to its acquisition of any such Program Securities, each purchaser of such Program Securities may be required to execute and deliver to MSBV a purchaser certificate pursuant to which it will be required to make certain acknowledgements, representations, warranties and agreements, including, without limitation that (i) such purchaser is a non-U.S. person or, solely in the case of Regulation S/Rule 144A Program Securities, a QIB/QP (an "MSBV Permitted Transferee") and (ii) it understands and agrees to comply with the conditions and restrictions set forth in the following paragraph.

A holder of Program Securities issued by MSBV may offer, sell or otherwise transfer such Program Securities only to (i) MSBV, a Distribution Agent or any of their affiliates or (ii) an MSBV Permitted Transferee. MSBV has the right to refuse to honour the transfer or pledge of any Program Securities that do not meet the transfer restrictions and other restrictions and conditions described herein. Each purchaser

of such Program Securities will be deemed to represent and warrant that it agrees to comply with the transfer restrictions and other restrictions and conditions set forth in this Offering Circular or the Pricing Supplement. Any purported transfer or pledge of such Program Securities that is in breach, at the time made, of any transfer restrictions or other restrictions or conditions set forth in this Offering Circular or the Pricing Supplement may be void ab initio. If, at any time, MSBV determines in good faith that (i) a holder of such Program Securities is in breach, at the time given, of any of the transfer restrictions or other restrictions or conditions set forth in this Offering Circular or the Pricing Supplement, (ii) a transfer or attempted or purported transfer of any such Program Securities was consummated in reliance on an incorrect purchaser certificate from the transferee or purported transferee, (iii) a transferee failed to deliver to MSBV a purchaser certificate satisfactory in form to it, (iv) the holder of such Program Securities was in breach of any representation, warranty or agreement contained in the purchaser certificate or (v) the holder of such Program Securities pledges or attempts or purports to pledge such Program Securities, MSBV may, in its discretion, consider the acquisition by such person or such pledge void and of no force and effect, and such acquisition or pledge will not, at the discretion of MSBV, operate to transfer any rights to the transferee notwithstanding any instructions to the contrary to MSBV or any other intermediary. In addition, MSBV may require such acquirer or beneficial owner to sell the Program Securities to a non-U.S. person or QIB/QP. In connection with the foregoing, MSBV may receive a list of participants holding positions in the Program Securities from one or more book-entry depositaries. For the purposes of the foregoing, references to holders and purchasers of Program Securities include beneficial owners and purchasers of beneficial interests in such Program Securities.

The International Securities Market (the "ISM") is a market designated for qualified investors (as prescribed in Regulation 16 of the Public Offers and Admissions to Trading Regulations 2024 (SI 2024/105) ("POATR")). The London Stock Exchange, as a Recognised Investment Exchange does not make assessments of investor eligibility. Given that under Regulation 16 of POATR, only qualified investors are permitted to trade on ISM and no qualified investor is permitted to trade on behalf of persons who are not themselves qualified investors, financial intermediaries acting for investors are responsible for ensuring that only investors who are qualified investors as prescribed by Regulation 16 of POATR are permitted to trade on ISM. Program Securities which are designated in the relevant Pricing Supplement as being admitted to trading on the ISM are not admitted to the Official List of the United Kingdom Financial Conduct Authority. The London Stock Exchange has not approved or verified the contents of this Offering Circular. Program Securities linked to the performance of cryptocurrencies will not be admitted to the ISM.

Morgan Stanley Finance II Ltd, a wholly-owned subsidiary of Morgan Stanley, ("MSFII") has not filed an application with the London Stock Exchange for its Program Securities to be admitted to the ISM, and therefore, any references to "Morgan Stanley Finance II Ltd" or "MSFII" in this Offering Circular should be disregarded for the purposes of the ISM.

This Offering Circular was approved as an offering circular on 25 June 2026 in Switzerland by SIX Exchange Regulation AG ("SIX Exchange Regulation") in its capacity as Swiss Prospectus Office. The Program Securities consist of derivative components and do not qualify as units of a collective investment scheme according to the relevant provisions of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 ("CISA"), as amended, and are not registered thereunder. Therefore, the Program Securities are neither governed by the CISA nor supervised by the Swiss Financial Market Supervisory Authority ("FINMA"). Accordingly, investors do not have the benefit of the specific investor protection provided under the CISA.

This Offering Circular is valid for 12 months as of 25 June 2026 and may be supplemented from time to time.

MORGAN STANLEY

as Arranger

Important Notices

Warning

This Offering Circular does not constitute a "prospectus" for the purposes of Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**"), and has been prepared on the basis that no prospectus shall be required under the Prospectus Regulation for any Program Securities to be offered and sold under it. This Offering Circular has not been approved or reviewed by any regulator which is a competent authority under the Prospectus Regulation in the EEA or in any other jurisdiction.

Any person making or intending to make an offer of Securities in the United Kingdom may only do so pursuant to an exception from the public offer prohibition contained in the Public Offers and Admissions to Trading Regulations 2024 and in circumstances in which no obligation arises for the Issuer or any Distribution Agent to publish or supplement a prospectus pursuant to the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook. Neither the Issuer nor any Distribution Agent has authorised, nor do they authorise, the making of any offer of Securities in any other circumstances.

Approvals

This Offering Circular has been approved by:

- (i) The Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") as Base Listing Particulars pursuant to the listing and admission to trading rules of Euronext Dublin for the purpose of providing information with regard to the issue of Program Securities hereunder, to be admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market during the twelve month period following the date hereof. The Global Exchange Market is the exchange regulated market of Euronext Dublin and is not a regulated market for the purposes of MiFID II;
- (ii) the Luxembourg Stock Exchange pursuant to the appendices to the Rules and Regulations of the Luxembourg Stock Exchange, to be admitted to trading on the Luxembourg Stock Exchange's Euro MTF market and to the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's Euro MTF market is not a regulated market for the purposes of MiFID II or Article 2(1)(13A) of Regulation (EU) 600/2014 as it forms part of the laws of the United Kingdom. Pursuant to Part 2 / Chapter 2 / point 206 of the Rules and Regulations of the Luxembourg Stock Exchange, every significant new factor relating to the information contained in this Offering Circular, which is capable of affecting the assessment of the Program Securities and arises after the date hereof, shall be covered by a supplement to this Offering Circular. This Offering Circular constitutes a prospectus for the purpose of Part IV of the Luxembourg law on prospectuses for securities dated 16 July 2019; and
- (iii) the SIX Exchange Regulation in its capacity as Swiss Prospectus Office within the meaning of the Swiss Federal Act on Financial Services of 15 June 2018 ("**FinSA**").

Listing

Applications have been made for the Series A Notes, the Warrants and the Certificates to be:

- (i) admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market. As noted above, the Global Exchange Market is the exchange regulated market of Euronext Dublin and is not a regulated market for the purposes of MiFID II;
- (ii) admitted to the Official List of the Luxembourg Stock Exchange and to trading on the Luxembourg Stock Exchange's Euro MTF market;
- (iii) (other than Cash Settled Exchangeable Notes) admitted to trading on the International Securities Market of the London Stock Exchange; and
- (iv) (other than Cash Settled Exchangeable Notes) admitted to listing and trading on the SIX Swiss Exchange,

in each case during the period from and including the date hereof up to but excluding 25 June 2026.

The applicable Pricing Supplement will specify where the Series A Notes will be listed.

The Series B Notes will not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system.

The applicable Pricing Supplement will specify whether and where the Warrants or the Certificates (as applicable) will be listed.

The distribution of this Offering Circular and any Pricing Supplement and the offering, sale and delivery of the Program Securities in certain jurisdictions may be restricted by law. None of the Issuers is making an offer of the Program Securities in any state or other jurisdiction where the offer is not permitted. Persons into whose possession the Offering Circular or any Pricing Supplement comes are required by each Issuer and the Distribution Agents to inform themselves about and to observe any of those restrictions.

Neither this Offering Circular nor any Pricing Supplement may be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which that offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

None of the Issuers, the Guarantor or Morgan Stanley & Co. LLC or MSIP as Distribution Agents for the Program Securities has or will take any action in any country or jurisdiction that would permit a public offering of the Program Securities or possession or distribution of any offering material in relation to a public offering in any country or jurisdiction where action for that purpose is required. 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 Program Securities or has in the investor's possession or distributes this Offering Circular or any accompanying Pricing Supplement.

No action has been or will be taken by any of the Issuers, the Guarantor, the Distribution Agents or any dealer that would permit a public offering of the Program Securities or possession or distribution of this Offering Circular or any accompanying Pricing Supplement in any jurisdiction where action for that purpose is required.

Neither the Offering Circular nor any Pricing Supplement constitutes a recommendation by any Issuer, the Guarantor, the Distribution Agents or any of them that any recipient of the Offering Circular or any Pricing Supplement should subscribe for or purchase any Program Securities. Each recipient of the Offering Circular or any Pricing Supplement will be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the relevant Issuer, the Guarantor, if applicable, and of the particular terms of any offered Program Securities.

You should rely only on the information contained or incorporated by reference or provided in this Offering Circular or the relevant Pricing Supplement. None of the Issuers nor the Guarantor has authorized anyone else to provide you with different or additional information. You should not assume that the information in this Offering Circular or the relevant Pricing Supplement is accurate as of any date subsequent to the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented.

Subject to applicable securities laws, effective from the date of commencement of discussions concerning the offering, you and each of your employees, representatives, or other agents may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the offering and all materials of any kind, including opinions or other tax analyses, that the relevant Issuer has provided to you relating to such tax treatment and tax structure. However, the foregoing does not constitute an authorization to disclose the identity of any of the Issuers or the Guarantor, or their affiliates, agents or advisors, or, except to the extent relating to such tax structure or tax treatment, any specific pricing terms or commercial or financial information.

For a description of certain restrictions on offers, sales and deliveries of Program Securities and on the distribution of the Offering Circular or any Pricing Supplement and other offering material relating to the Program Securities, see "Subscription and Sale."

The Offering Circular should be read and construed with any amendment or supplement thereto and with any other documents incorporated by reference and, in relation to any offering of Program Securities, should be read and construed together with the relevant Pricing Supplement.

None of the Issuers, the Guarantor, the Distribution Agents or any of their respective representatives is making any representation to any offeree or purchaser of the Program Securities regarding the legality of

an investment by such offeree or purchaser under appropriate legal investment or similar laws. Each investor should consult with his own advisers as to the legal, tax, business, financial and related aspects of a purchase of the Program Securities.

THE PROGRAM SECURITIES, ANY INTEREST THEREIN AND ANY GUARANTEE IN RESPECT THEREOF, AND THE SECURITIES TO BE DELIVERED ON EXERCISE OR REDEMPTION OF THE PROGRAM SECURITIES (IF ANY), 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, ANY U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER REPRESENTS THAT (A) IN THE CASE OF REGULATION S SECURITIES, IT IS ACQUIRING THIS NOTE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATION S OR (B) IN THE CASE OF REGULATION S/RULE 144A SECURITIES, IT IS A QIB (AND, IN THE CASE OF PROGRAM SECURITIES ISSUED BY MSBV, A QIB/QP OR IT IS ACQUIRING THIS NOTE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATION S).

In making an investment decision, investors must rely on their own examination of the relevant Issuer and the Guarantor, if applicable, and the terms of the offering, including the merits and risks involved. These Program Securities 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 offense.

Each person receiving this Offering Circular acknowledges that (i) such person has been afforded an opportunity to request from the relevant Issuer and to review all additional information it considers to be necessary to verify the accuracy of, or to supplement, the information contained in this Offering Circular and the relevant Pricing Supplement, (ii) such person has not relied on the Distribution Agents or any person affiliated with the Distribution Agents in connection with its investigation of the accuracy of such information or its investment decision, and (iii) no person has been authorized to give any information or to make any representation concerning any Issuer, the Guarantor or the Program Securities other than as contained in this Offering Circular or the relevant Pricing Supplement and, if given or made, any such other information or representation should not be relied upon as having been authorized by any Issuer, the Guarantor or the Distribution Agents.

MiFID II product governance / target market

The Pricing Supplement in respect of any Program Securities may include a legend entitled "**MiFID II Product Governance**" which will outline the target market assessment in respect of the Program Securities and which channels for distribution of the Program Securities are appropriate. Any person subsequently offering, selling or recommending the Program Securities (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 Program Securities (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 Program Securities is a manufacturer in respect of such Program Securities, but otherwise neither the 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 Pricing Supplement in respect of any Program Securities may include a legend entitled "**UK MiFIR Product Governance**" which will outline the target market assessment in respect of the Program Securities and which channels for distribution of the Program Securities are appropriate. Any person subsequently offering, selling or recommending the Program Securities (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 Program Securities (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 Program Securities is a manufacturer in respect of such Program Securities, 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.

Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the "SFA") – Unless otherwise stated in the Pricing Supplement in respect of any Program Securities, all Program Securities issued or to be issued under the Program shall be capital markets products other than prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Benchmarks Regulation

Interest and/or other amounts payable under the Program Securities may be calculated by reference to certain reference rates. A reference rate may constitute a benchmark in scope 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 (as amended) (the "**EU Benchmark Regulation**") and/or the EU Benchmark Regulation as it forms part of the laws of the United Kingdom (as amended) (the "**UK Benchmark Regulation**"). Other reference rates may fall outside the mandatory scope of the EU Benchmark Regulation and/or the UK Benchmark Regulation, or if in scope of the UK Benchmark Regulation but the transitional provisions may apply, such that the administrator may nonetheless not need to be included in the register of administrators maintained by the European Securities and Markets Authority or the United Kingdom Financial Conduct Authority, as applicable, as at the date of the applicable Pricing Supplement. In relation to mandatory scope, note that from 1 January 2026 only benchmarks perceived to have the greatest economic relevance for the EU market (based on quantitative or qualitative criteria) are in mandatory scope of the core provisions of the EU Benchmark Regulation. It is also likely that the scope of the UK Benchmark Regulation will be significantly reduced to cover only systemically important benchmarks, however proposals are currently at consultation stage.

Responsibility statements

Each of the Responsible Persons accepts responsibility for the information contained in this Offering Circular and the Registration Document dated 14 November 2025 (as supplemented from time to time, the "**Registration Document**") and any supplements thereto, and to the best of the knowledge of the Responsible Persons (each having taken all reasonable care to ensure that such is the case), the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

"**Responsible Person**" means:

- (i) Morgan Stanley, with its registered office at The Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, U.S.A., in relation to (A) this Offering Circular which comprises this Offering Circular with the exception of: (i) the items under the sub-sections entitled "*Morgan Stanley & Co. International plc*", "*Morgan Stanley B.V.*", "*Morgan Stanley Finance LLC*", "*Morgan Stanley Finance II Ltd*" and "*Morgan Stanley Europe SE*" in the section entitled "*Incorporation by Reference*" set out at pages 78-89; (ii) the sub-sections entitled "*Selected key financial information relating to MSI plc*", "*Selected key financial information relating to MSBV*", "*Selected key financial information relating to MSFL*", "*Selected key financial information relating to MSFII*" and "*Selected key financial information relating to MSESE*" contained in the Overview section set out on pages 3-4; (iii) the section entitled "*Description of Morgan Stanley Finance II Ltd*" set out on pages 1150-1152; (iv) the section entitled "*Description of Morgan Stanley Europe SE*" set out on pages 1153-1155 and (v) items 1(b)-(f), 2(b)-(f), 5(b)-(f), 7-11 and 12(b)-(f) in the section entitled "*General Information*" set out at pages 1293-1299; (B) the Morgan Stanley registration document which comprises (in each case to the extent of the information incorporated by reference herein) (x) the Registration Document with the exception of (i) the sections entitled "*Description of Morgan Stanley & Co. International plc*" set out at pages 58-63; "*Description of Morgan Stanley B.V.*" set out at pages 64-67; "*Description of Morgan Stanley Finance LLC*" set out at pages 68-70; and "*Description of Morgan Stanley Europe SE*" set out at pages 71-75; (y) the Second Supplement to the Registration Document dated 26 February 2026 with the exception of the sections entitled "*Part D – Amendments to the 'Description of Morgan Stanley & Co. International Plc' Section*" set out on page 15 and "*Part E – Amendment to the 'Description of Morgan Stanley Europe SE' Section*"

on page 16; and (z) the Fourth Supplement to the Registration Document dated 21 May 2026 with the exception of the sections entitled "*Part D – Amendments to the "Description of Morgan Stanley & Co. International Plc" Section*" set out on page 9, "*Part E – Amendments to the "Description of Morgan Stanley Finance LLC" Section*" set out on page 10 and "*Part F – Amendments to the "Description of Morgan Stanley Europe SE" Section*" on page 11.

- (ii) MSI plc, with its registered office at 25 Cabot Square, Canary Wharf, London E14 4QA, in relation to (A) this Offering Circular which comprises this Offering Circular with the exception of: (i) the items under the sub-sections "*Morgan Stanley*", "*Morgan Stanley B.V.*", "*Morgan Stanley Finance LLC*", "*Morgan Stanley Finance II Ltd*" and "*Morgan Stanley Europe SE*" in the section entitled "*Incorporation by Reference*" set out at pages 78-89; (ii) the sections entitled "*Selected key financial information relating to Morgan Stanley*", "*Selected key financial information relating to MSBV*", "*Selected key financial information relating to MSFL*", "*Selected key financial information relating to MSFII*" and "*Selected key financial information relating to MSESE*" contained in the Overview section set out on pages 3-4; (iii) the section entitled "*Description of Morgan Stanley Finance II Ltd*" set out on pages 1150-1152; (iv) the section entitled "*Description of Morgan Stanley Europe SE*" set out on pages 1153-1155; and (v) items 1(a) and (c)-(f), 2(a) and (c)-(f), 3, 5(a) and (c)-(f), 6, 8-11 and 12(a) and (c)-(f) in the section entitled "*General Information*" set out at pages 1293-1299; and (vi) the sections entitled "*Key Features of the Cash Settled Exchangeable Notes*", "*Terms and Conditions of the Cash Settled Exchangeable Notes*" and "*Pro Forma Pricing Supplement for the Cash Settled Exchangeable Notes*" set out at pages 100, 511 and 888 respectively; and (B) the MSI plc registration document which comprises (in each case to the extent of the information incorporated by reference herein) (x) the Registration Document with the exception of (i) the sections entitled "*Description of Morgan Stanley*" set out at pages 36-57; "*Description of Morgan Stanley B.V.*" set out at pages 64-67; "*Description of Morgan Stanley Finance LLC*" set out at pages 68-70; "*Description of Morgan Stanley Europe SE*" set out at pages 71-75; and "*Subsidiaries of Morgan Stanley as of 2 October 2025*" set out at page 76; (y) the Second Supplement to the Registration Document dated 26 February 2026 with the exception of the sections entitled "*Part C – Amendments to the "Description of Morgan Stanley" Section*" set out on pages 11-14, "*Part E – Amendment to the "Description of Morgan Stanley Europe SE" Section*" on page 16 and "*Part F – Amendments to the "Subsidiaries of Morgan Stanley as of 2 October 2025" Section*" set out on page 17, (z) the Third Supplement to the Registration Document dated 30 April 2026 with the exception of the sections entitled "*Part D – Amendments to the "Description of Morgan Stanley B.V." Section*" set out on pages 10-11 and "*Part E – Amendments to the "Description of Morgan Stanley Europe SE" Section*" on pages 12-14 and (aa) the Fourth Supplement to the Registration Document dated 21 May 2026 with the exception of the sections entitled "*Part C – Amendments to the "Description of Morgan Stanley" Section*" set out on page 8, "*Part E – Amendments to the "Description of Morgan Stanley Finance LLC" Section*" set out on page 10 and "*Part F – Amendments to the "Description of Morgan Stanley Europe SE" Section*" on page 11.
- (iii) MSBV, with its registered office at Luna Arena, Herikerbergweg 238, 1101 CM, Amsterdam, Zuidoost, The Netherlands, in relation to (A) this Offering Circular which comprises this Offering Circular with the exception of: (i) the items under the sub-sections "*Morgan Stanley*", "*Morgan Stanley & Co. International plc*", "*Morgan Stanley Finance LLC*", "*Morgan Stanley Finance II Ltd*" and "*Morgan Stanley Europe SE*" in the section entitled "*Incorporation by Reference*" set out at pages 78-89; (ii) the sections entitled "*Selected key financial information relating to Morgan Stanley*", "*Selected key financial information relating to MSI plc*", "*Selected key financial information relating to MSFL*", "*Selected key financial information relating to MSFII*" and "*Selected key financial information relating to MSESE*" contained in the Overview section set out on pages 3-4; (iii) the section entitled "*Description of Morgan Stanley Finance II Ltd*" set out on pages 1150-1152; (iv) the section entitled "*Description of Morgan Stanley Europe SE*" set out on pages 1153-1155; and (v) items 1(a)-(b) and (d)-(f), 2(a)-(b) and (d)-(f), 3, 5(a)-(b) and (d)-(f), 6-7, 9-11 and 12(a)-(b) and (d)-(f) in the section entitled "*General Information*" set out at pages 1293-1299; and (vi) the sections entitled "*Key Features of the Cash Settled Exchangeable Notes*", "*Terms and Conditions of the Cash Settled Exchangeable Notes*" and "*Pro Forma Pricing Supplement for the Cash Settled Exchangeable Notes*" set out at pages 100, 511 and 888 respectively; and (B) the MSBV registration document which comprises (in each case to the extent of the information incorporated by reference herein) (x) the Registration Document with the exception of (i) the sections entitled "*Description of Morgan Stanley*" set out at pages 36-57; "*Description of Morgan Stanley & Co. International plc*" set out at pages 58-63; "*Description of Morgan Stanley Finance LLC*" set out at pages 68-70; "*Description of Morgan Stanley Europe SE*" set out at pages 71-75; and "*Subsidiaries of Morgan Stanley as of 2 October 2025*" set out at page 76; (y) the Second Supplement to the Registration Document dated 26 February 2026 with the exception of the sections entitled "*Part C – Amendments to*

the "Description of Morgan Stanley" Section" set out on pages 11-14, "Part D – Amendments to the "Description of Morgan Stanley & Co. International Plc" Section" set out on page 15, "Part E – Amendment to the "Description of Morgan Stanley Europe SE" Section" on page 16 and Part F – Amendments to the "Subsidiaries of Morgan Stanley as of 2 October 2025" Section" set out on page 17; and (z) the Third Supplement to the Registration Document dated 30 April 2026 with the exception of the sections entitled "Part C – Amendments to the "Description of Morgan Stanley & Co. International Plc" Section" set out on pages 8-9 and "Part E – Amendments to the "Description of Morgan Stanley Europe SE" Section" on pages 12-14.

- (iv) MSFL, with its registered office at Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, in relation to (A) this Offering Circular which comprises this Offering Circular with the exception of: (i) the items under the sub-sections "Morgan Stanley", "Morgan Stanley & Co. International plc", "Morgan Stanley B.V.", "Morgan Stanley Finance II Ltd" and "Morgan Stanley Europe SE" in the section entitled "Incorporation by Reference" set out at pages 78-89; (ii) the sections entitled "Selected key financial information relating to Morgan Stanley", "Selected key financial information relating to MSI plc", "Selected key financial information relating to MSBV", "Selected key financial information relating to MSFII" and "Selected key financial information relating to MSESE" contained in the Overview section set out on pages 3-4; (iii) the section entitled "Description of Morgan Stanley Finance II Ltd" set out on pages 1150-1152; (iv) the section entitled "Description of Morgan Stanley Europe SE" set out on pages 1153-1155; and (v) items 1(a)-(c) and (e)-(f), 2(a)-(c) and (e)-(f), 3, 5(a)-(c) and (e)-(f), 6-8, 10-11 and 12(a)-(c) and (e)-(f) in the section entitled "General Information" set out at pages 1293-1299; and (vi) the sections entitled "Key Features of the Cash Settled Exchangeable Notes", "Terms and Conditions of the Cash Settled Exchangeable Notes" and "Pro Forma Pricing Supplement for the Cash Settled Exchangeable Notes" set out at pages 100, 511 and 888 respectively; and (B) the MSFL registration document which comprises (to the extent of the information incorporated by reference herein) (x) the Registration Document with the exception of (i) the sections entitled "Description of Morgan Stanley" set out at pages 36-57; "Description of Morgan Stanley & Co. International plc" set out at pages 58-63; "Description of Morgan Stanley B.V." set out at pages 64-67; "Description of Morgan Stanley Europe SE" set out at pages 71-75; and "Subsidiaries of Morgan Stanley as of 2 October 2025" set out at page 76; (y) the Second Supplement to the Registration Document dated 26 February 2026 with the exception of the sections entitled "Part C – Amendments to the "Description of Morgan Stanley" Section" set out on pages 11-14, "Part D – Amendments to the "Description of Morgan Stanley & Co. International Plc" Section" set out on page 15, "Part E – Amendment to the "Description of Morgan Stanley Europe SE" Section" on page 16 and Part F – Amendments to the "Subsidiaries of Morgan Stanley as of 2 October 2025" Section" set out on page 17 and (z) the Fourth Supplement to the Registration Document dated 21 May 2026 with the exception of the sections entitled "Part C – Amendments to the "Description of Morgan Stanley" Section" set out on page 8, "Part D – Amendments to the "Description of Morgan Stanley & Co. International Plc" Section" set out on page 9 and "Part F – Amendments to the "Description of Morgan Stanley Europe SE" Section" on page 11.
- (v) MSFII, with its registered office at 47 Esplanade, St Helier, Jersey JE1 0BD, Channel Islands, in relation to this Offering Circular which comprises this Offering Circular with the exception of: (i) the items under the sub-sections "Morgan Stanley", "Morgan Stanley & Co. International plc", "Morgan Stanley B.V.", "Morgan Stanley Finance LLC" and "Morgan Stanley Europe SE" in the section entitled "Incorporation by Reference" set out at pages 78-89; (ii) the sections entitled "Selected key financial information relating to Morgan Stanley", "Selected key financial information relating to MSI plc", "Selected key financial information relating to MSBV", "Selected key financial information relating to MSFL" and "Selected key financial information relating to MSESE" contained in the Overview section set out on pages 3-4; (iii) the section entitled "Description of Morgan Stanley Europe SE" set out on pages 1153-1155; and (iv) items 1(a)-(d) and (f), 2(a)-(d) and (f), 3, 5(a)-(d) and (f), 6-9, 11 and 12(a)-(d) and (f) in the section entitled "General Information" set out at pages 1293-1299; and (v) the sections entitled "Key Features of the Cash Settled Exchangeable Notes", "Terms and Conditions of the Cash Settled Exchangeable Notes" and "Pro Forma Pricing Supplement for the Cash Settled Exchangeable Notes" set out at pages 100, 511 and 888 respectively;
- (vi) MSESE, with its registered office at Grosse Gallusstrasse 18, 60312 Frankfurt am Main, Germany in relation to (A) this Offering Circular which comprises this Offering Circular with the exception of: (i) the items under the sub-sections "Morgan Stanley", "Morgan Stanley & Co. International plc", "Morgan Stanley B.V.", "Morgan Stanley Finance LLC" and "Morgan Stanley Finance II Ltd" in the section entitled "Incorporated by Reference" set out at pages 78-89; (ii) the sections entitled "Selected key financial information relating to Morgan Stanley", "Selected key financial information relating to MSI

plc", "Selected key financial information relating to MSBV", "Selected key financial information relating to MSFL" and "Selected key financial information relating to MSFII" contained in the "Overview" section set out on pages 2-4; (iii) the section entitled "Description of Morgan Stanley Finance II Ltd" set out on pages 1150-1152; and (iv) items 1(a)-(e), 2(a)-(e), 3, 5(a)-(e), 6-10 and 12(a)-(e) in the section entitled "General Information" set out at pages 1293-1299; and (v) the sections entitled "Key Features of the Cash Settled Exchangeable Notes", "Terms and Conditions of the Cash Settled Exchangeable Notes" and "Pro Forma Pricing Supplement for the Cash Settled Exchangeable Notes" set out at pages 100, 511 and 888 respectively; and (B) the MSESE registration document which comprises (to the extent of the information incorporated by reference herein) (x) the Registration Document with the exception of (i) the sections entitled "Description of Morgan Stanley" set out at pages 36-57; "Description of Morgan Stanley & Co. International plc" set out at pages 58-63; "Description of Morgan Stanley B.V." set out at pages 64-67; "Description of Morgan Stanley Finance LLC" set out at pages 68-70; and "Subsidiaries of Morgan Stanley as of 2 October 2025" set out at page 76 (y) the Third Supplement to the Registration Document dated 30 April 2026 with the exception of the sections entitled "Part C – Amendments to the "Description of Morgan Stanley & Co. International Plc" Section" set out on pages 8-9 and "Part D – Amendments to the "Description of Morgan Stanley B.V." Section" on pages 10-11 and (z) the Fourth Supplement to the Registration Document dated 21 May 2026 with the exception of the sections entitled "Part C – Amendments to the "Description of Morgan Stanley" Section" set out on page 8, "Part D – Amendments to the "Description of Morgan Stanley & Co. International Plc" Section" set out on page 9 and "Part E – Amendments to the "Description of Morgan Stanley Finance LLC" Section" on page 10.

However, see "No consent given or responsibility taken for any public offerings in the EEA or in the UK" below.

Important notice in relation to the Program Securities offered in the Kingdom of Bahrain

In relation to investors in the Kingdom of Bahrain, Program Securities issued in connection with this Offering Circular together with any Pricing Supplement and related offering documents must be in registered form and must only be marketed to existing account holders and Accredited Investors as defined by the Central Bank of Bahrain ("CBB") in the Kingdom of Bahrain where such investors make a minimum investment of at least US\$ 100,000, or any equivalent amount in other currency or such other amount as the CBB may determine.

This offer does not constitute an offer of securities in the Kingdom of Bahrain in terms of [Article 81](#) of the Central Bank and Financial Institutions Law 2006 (Decree Law No. 64 of 2006). This Offering Circular, together with any Pricing Supplement and related offering documents have not been and will not be registered as a prospectus with the CBB. Accordingly, no Program Securities may be offered, sold or made the subject of an invitation for subscription or purchase nor will this Offering Circular, together with any Pricing Supplement or any other related document or material be used in connection with any offer, sale or invitation to subscribe or purchase Program Securities, whether directly or indirectly, to persons in the Kingdom of Bahrain, other than as marketing to Accredited Investors for an offer outside Bahrain.

The CBB has not reviewed, approved or registered the Offering Circular, together with any Pricing Supplement or related offering documents and it has not in any way considered the merits of the Program Securities to be marketed for investment, whether in or outside the Kingdom of Bahrain. Therefore, the CBB assumes no responsibility for the accuracy and completeness of the statements and information contained in this document and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the content of this document.

No offer of Program Securities will be made to the public in the Kingdom of Bahrain and this Offering Circular, together with any Pricing Supplement or related offering documents must be read by the addressee only and must not be issued, passed to, or made available to the public generally.

The term '[Accredited Investors](#)' used in this section of the Offering Circular refers to investors meeting the following criteria:

- (i) Individuals who have a minimum net worth (or joint net worth with their spouse) of USD 1,000,000, excluding that person's principal place of residence;
- (ii) Companies, partnerships, trusts or other commercial undertakings, which have financial assets available for investment of not less than USD 1,000,000; or

- (iii) Governments, supranational organisations, central banks or other national monetary authorities, and state organisations whose main activity is to invest in financial instruments (such as state pension funds).

Individuals and commercial undertakings may elect in writing to be treated as accredited investors subject to meeting at least two of the following conditions:

- (i) The investor has carried out trading/investing transactions, in significant size (i.e. value of transactions aggregating USD 200,000) over the last 12-month period;
- (ii) The size of the investor's financial assets portfolio including cash deposits and financial instruments is USD 500,000 or more; and/or
- (iii) The investor works or has worked in the financial sector for at least one year in a professional position, which requires knowledge of the transactions or services envisaged (i.e. the position was professional in nature and held in a field that allowed the client to acquire knowledge of transactions or services that have comparable features and a comparable level of complexity to the transactions or services envisaged).

Offering restrictions in Switzerland

This Offering Circular has been approved in Switzerland by SIX Exchange Regulation in its capacity as Swiss Prospectus Office within the meaning of FinSA. If and to the extent the Program Securities will be publicly offered, directly or indirectly, in Switzerland within the meaning of the FinSA or if the Program Securities shall be admitted to trading on a Swiss trading venue within the meaning of the Swiss Federal Financial Market Infrastructure Act of 19 June 2015 ("**FMIA**"), e.g. SIX Swiss Exchange AG (the "**SIX Swiss Exchange**"), a prospectus pursuant to the requirements of article 40 et seq. FinSA is required (the Program Securities not falling into the scope of the requirement to be issued under a prospectus in the sense of the FinSA are hereinafter referred to as the "**FinSA Exempt Program Securities**"). Such requirement will be met by an issuance under (i) a Pricing Supplement prepared on the basis of the pro forma Pricing Supplement in this Offering Circular that does not specify the Program Securities as FinSA Exempt Program Securities and (ii) depositing the relevant Pricing Supplement as soon as it is in final form and, in any case, prior to any public offering in Switzerland or admission to trading in Switzerland of such Program Securities with a Swiss Prospectus Office in accordance with the requirements of FinSA. The Program Securities other than FinSA Exempt Program Securities may be publicly offered on the basis of this Offering Circular and the Pricing Supplement pertaining to the Program Securities in Switzerland in accordance with the requirements of the FinSA.

As regards FinSA Exempt Program Securities, neither this Offering Circular nor any other offering or marketing material relating to the Securities constitutes a prospectus pursuant to the FinSA, and neither this Offering Circular nor any other offering or marketing material relating to the Program Securities may be publicly distributed or otherwise made publicly available in Switzerland, unless the requirements of FinSA for such public distribution are complied with. FinSA Exempt Program Securities may only be offered, sold or advertised, directly or indirectly, in Switzerland if the Program Securities (a) are placed solely with investors classified as Professional or Institutional Clients; (b) are placed with fewer than 500 Retail Clients; (c) are placed to investors acquiring securities to the value of at least CHF 100,000; (d) have a minimum denomination per unit of CHF 100,000; or (e) do not exceed a total value of CHF 8 million over a 12-month period. All clients other than professional clients (*professionelle Kunden*) and institutional clients (*institutionelle Kunden*), as defined in Article 4 para. 3, 4 and 5 and Article 5 para. 1 and 2 FinSA ("**Professional or Institutional Clients**"), are retail clients ("**Retail Clients**"). Professional or Institutional Clients include: (a) financial intermediaries regulated pursuant to the Swiss Federal Banking Act of 8 November 1934, the Swiss Federal Financial Institutions Act of 15 June 2018 ("**FinIA**") or the CISA; (b) regulated insurance undertakings pursuant to the Swiss Federal Insurance Supervision Act of 17 December 2004; (c) foreign financial intermediaries or insurance undertakings subject to a similar prudential supervision as the financial intermediaries or insurance undertakings pursuant to (a) and (b); (d) central banks; (e) public entities with professional treasury operations; (f) pension funds and occupational pension schemes with professional treasury operations; (g) undertakings with professional treasury operations; (h) large companies that exceed two of the following thresholds: (i) a balance sheet total of CHF 20 million, (ii) turnover of CHF 40 million, and/or (iii) own capital of CHF 2 million; (i) private investment structures for high-net worth individuals with professional treasury operations; and (j) Opting-out Clients.

An "**Opting-out Client**" (*vermögende Privatkundinnen und -kunden*) is a Retail Client who confirms (i) that, based on the education/professional experience or based on comparable experience in the financial sector, he/she/it has the necessary knowledge to understand the risks resulting from an investment in the Notes and who

owns, directly or indirectly, eligible financial assets of at least CHF 500,000, or (ii) that he/she/it owns, directly or indirectly, eligible financial assets of at least CHF 2 million.

The Program Securities are only intended to be publicly offered, directly or indirectly, in Switzerland within the meaning of FinSA or admitted to trading in Switzerland in accordance with FinSA if the relevant Pricing Supplement pertaining to the Program Securities is registered with SIX Exchange Regulation in its capacity as Swiss Prospectus Office pursuant to FinSA as soon as in final form and in any case prior to any public offering in Switzerland or admission to trading in Switzerland of such Securities in accordance with the requirements of FinSA. Furthermore, the Program Securities may only be offered to Retail Clients in Switzerland if a key investor document (*Basisinformationsblatt*) in the sense of Article 58 et seq. of FinSA relating to the Securities (a "**FinSA-KID**") or a key information document pursuant to the PRIIPs Regulation has been prepared and provided to the relevant Retail Client.

Offering restrictions in the EEA and in the UK

This Offering Circular has been prepared on the basis that any offer of Program Securities in any Member State of the EEA (each, a "**Relevant State**") will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Program Securities. Accordingly, any person making or intending to make an offer in that Relevant State of Program Securities which are the subject of an offering contemplated in this Offering Circular as completed by a Pricing Supplement in relation to the offer of those Program Securities may only do so in circumstances in which no obligation arises for the relevant Issuer or MSI plc, which may act in whole or in part through an affiliate thereof, and Morgan Stanley & Co. LLC as distribution agents (the "**Distribution Agents**") to publish or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation in relation to such offer. None of the Issuers, the Guarantor or the Distribution Agents has authorised, nor do they authorise, the making of any offer of Program Securities in circumstances in which an obligation arises for the Issuer to publish a prospectus in the EEA, in the UK or in any other jurisdiction.

No consent given or responsibility taken for any public offerings in the EEA or in the UK

None of the Issuers, the Guarantor or the Distribution Agents consents to the use of this Offering Circular (or any supplement thereto or any Pricing Supplement) by any financial intermediary or any other person for the purpose of making a public offering of the Program Securities in the EEA or in the UK, and none of the Issuers, the Guarantor or the Distribution Agents accepts any responsibility for the content of this Offering Circular to any person with respect to the making of a public offering of the Program Securities by any financial intermediary or other person or for the actions of such financial intermediary or other person making such offer. The Issuers, the Guarantor and the Distribution Agents agree and acknowledge that this Offering Circular may only be used for the purposes for which it has been published, as described further herein.

Prohibition of sales to consumers in Belgium

Unless the Pricing Supplement in respect of any English Law Notes or Warrants and Certificates specifies the "Prohibition of Sales to Consumers in Belgium" as "Not Applicable", such English Law Notes or Warrants and Certificates are not intended to be offered, sold or otherwise made available, and will not be offered, sold or otherwise made available, in Belgium to "consumers" (*consumenten/consommateurs*) within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit économique*), as amended from time to time, and each Distribution Agent has represented and agreed, and each further Distribution Agent 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, such English Law Notes or Warrants and Certificates in Belgium to "consumers" (*consumenten/consommateurs*) within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit économique*), as amended from time to time.

The New York Law Notes and the Cash Settled Exchangeable Notes are not intended to be offered, sold or otherwise made available, and will not be offered, sold or otherwise made available, in Belgium to "consumers" (*consumenten/consommateurs*) within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit économique*), as amended from time to time, and each Distribution Agent has represented and agreed, and each further Distribution Agent 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, such New York Law Notes (or Cash Settled Exchangeable Notes, as applicable) in Belgium to "consumers" (*consumenten/consommateurs*) within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit économique*), as amended from time to time.

Rating

Program Securities may or may not be rated. Any credit rating applied for in relation to a tranche of Program Securities will be specified in the applicable Pricing Supplement.

Information Covenant

To permit compliance with Rule 144A in connection with any resales or other transfers of Regulation S/Rule 144A Securities, each relevant Issuer and, if applicable, the Guarantor, has undertaken to furnish, upon the request of a holder or beneficial owner of such Program Securities, to such holder, beneficial owner or to a prospective purchaser designated by holder or beneficial owner, the information required to be delivered under Rule 144A(d)(4) under the Securities Act if, at the time of the request, the relevant Issuer is neither a reporting company under Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE RELEVANT ISSUER AND, WHERE APPLICABLE, THE GUARANTOR AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

Jersey Notices

The Jersey Financial Services Commission (the "**Commission**") has given, and has not withdrawn, or will have given prior to the issue of Notes by MSFII and not withdrawn, its consent under Article 4 of the Control of Borrowing (Jersey) Order 1958 to the issue of Notes by MSFII. The Commission is protected by the Control of Borrowing (Jersey) Law 1947, as amended, against liability arising from the discharge of its functions under that law. It must be distinctly understood that, in giving this consent, neither the registrar of companies in Jersey (the "**Jersey Registrar**") nor the Commission takes any responsibility for the financial soundness of MSFII or for the correctness of any statements made, or opinions expressed, with regard to it. If you are in any doubt about the contents of this document you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.

The investments described in this document do not constitute a collective investment fund for the purpose of the Collective Investment Funds (Jersey) Law 1988, as amended, on the basis that they are investment products designed for financially sophisticated investors with specialist knowledge of, and experience of investing in, such investments, who are capable of fully evaluating the risks involved in making such investments and who have an asset base sufficiently substantial as to enable them to sustain any loss that they might suffer as a result of making such investments. These investments are not regarded by the Commission as suitable investments for any other type of investor.

It should be remembered that the price of securities and the income from them can go down as well as up. Any individual intending to invest in any investment described in this document should consult his or her professional adviser and ensure that he or she fully understands all the risks associated with making such an investment and has sufficient financial resources to sustain any loss that may arise from it.

Neither the investments described in this document nor the activities of any functionary with regard to such investments are subject to all the provisions of the Financial Services (Jersey) Law 1998.

Authorizations

The Program Securities were authorised by Morgan Stanley pursuant to resolutions (the "**Authorizing Resolutions**") adopted at a meeting of the Board of Directors of Morgan Stanley held on 25 September 1998, as amended and updated pursuant to resolutions adopted at meetings of the Board of Directors of Morgan Stanley held on 17 June 2003, 14 December 2004, 20 September 2005, 12 December 2006, 19 June 2007, 17 September 2007, 16 June 2008, 18 October 2023 and 2 May 2025.

Governing law

The governing law of the Program Securities will be as follows:

- (i) The Notes (other than Cash Settled Exchangeable Notes) will be governed by either the laws of the State of New York ("**New York Law Notes**") or the laws of England and Wales ("**English Law Notes**"), as

specified in the applicable Pricing Supplement. MSI plc, MSBV, MSFL, MSFII, MSESE and each Additional Issuer may issue English Law Notes, but shall not issue New York Law Notes.

- (ii) The Cash Settled Exchangeable Notes will be governed by the laws of England and Wales. MSFL may issue Cash Settled Exchangeable Notes.
- (iii) The Warrants and Certificates will be governed by the laws of England and Wales. Morgan Stanley may issue Certificates only and MSI plc, MSBV and, MSFL and MSESE may issue both Warrants and Certificates. MSFII may not issue Warrants or Certificates.

Risk warning

The Program Securities may not be a suitable investment for all investors

An investment in the Program Securities entails certain risks, which vary depending on the specification and type or structure of the Program Securities.

Each potential investor should determine whether an investment in the Program Securities is appropriate in its particular circumstances. An investment in the Program Securities requires a thorough understanding of the nature of the relevant transaction. Potential investors should be experienced with respect to an investment in the Program Securities and be aware of the related risks.

An investment in the Program Securities is only suitable for potential investors who:

- (i) have the requisite knowledge and experience in financial and business matters to evaluate the merits and risks of an investment in the Program Securities and the information contained or incorporated by reference into this document;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate such merits and risks in the context of the potential investor's particular financial situation and to evaluate the impact the Program Securities will have on their overall investment portfolio;
- (iii) understand thoroughly the terms of the Program Securities and are familiar with the behaviour of the Relevant Underlying or Relevant Factor as applicable and financial markets;
- (iv) are capable of bearing the economic risk of an investment in the Program Securities until the maturity date of the Notes or exercise date of the Warrants or Certificates;
- (v) recognise that it may not be possible to dispose of the Program Securities for a substantial period of time, if at all before the maturity date in respect of the English Law Notes, the Cash Settled Exchangeable Notes and/or the New York Notes or the specified expiration date in respect of the Warrants and Certificates; and
- (vi) are familiar with the behaviour of the Relevant Underlying or Relevant Factor, as applicable and relevant financial markets and be able to evaluate (either alone or with the help of a financial and legal advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Program Securities are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as standalone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Program Securities unless it has the expertise (either alone or with a financial and legal advisor) to evaluate how the Program Securities will perform under changing conditions, the resulting effects on the value of the Program Securities and the impact this investment will have on the potential investor's overall investment portfolio. Each Issuer, and the Distribution Agents, disclaim any responsibility to advise prospective investors of any matters arising under the law of the country in which they reside that may affect the purchase of, or holding of, or the receipt of payments or deliveries on the Program Securities.

Secured Overnight Financing Rate

As further described under "*Risk Factors relating to the Program Securities*" below, the interest rate on the Notes may be SOFR.

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 triparty 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, none of the Issuers nor the Guarantor have any control over its determination, calculation or publication. See "*Risk Factors relating to the Program Securities*" below.

The information contained in this section "*Secured Overnight Financing Rate*" is based upon the New York Federal Reserve's Website and other U.S. government sources.

Investing in the Program Securities involves risks. See "*Risk Factors relating to the Program Securities*" beginning on page 15 of this Offering Circular.

Important U.S. notices

THE PROGRAM SECURITIES AND ANY GUARANTEE IN RESPECT THEREOF, AND THE SECURITIES TO BE DELIVERED ON EXERCISE OR REDEMPTION OF THE PROGRAM

SECURITIES (IF ANY), HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. NONE OF THE ISSUERS OR THE GUARANTOR ARE REGISTERED, OR WILL REGISTER, UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED. TRADING IN THE PROGRAM SECURITIES HAS NOT BEEN APPROVED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION UNDER THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED (THE "CEA").

THE PROGRAM SECURITIES, ANY INTEREST THEREIN AND ANY GUARANTEE IN RESPECT THEREOF, AND THE SECURITIES TO BE DELIVERED ON EXERCISE OR REDEMPTION OF THE PROGRAM SECURITIES (IF ANY), 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, ANY U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER REPRESENTS THAT (A) IN THE CASE OF REGULATION S SECURITIES, IT IS ACQUIRING THIS NOTE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATION S OR (B) IN THE CASE OF REGULATION S/RULE 144A SECURITIES, IT IS A QIB (AND, IN THE CASE OF PROGRAM SECURITIES ISSUED BY MSBV, A QIB/QP OR IT IS ACQUIRING THIS NOTE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATION S). HEDGING TRANSACTIONS INVOLVING ANY "EQUITY SECURITIES" OF "DOMESTIC ISSUERS" (AS SUCH TERMS ARE DEFINED IN THE SECURITIES ACT AND REGULATIONS THEREUNDER) MAY ONLY BE CONDUCTED IN ACCORDANCE WITH THE SECURITIES ACT. SEE "*SUBSCRIPTION AND Sale*" AND "*TRANSFER RESTRICTIONS*".

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE RELEVANT ISSUER AND, WHERE APPLICABLE, THE GUARANTOR AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE PROGRAM SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION OR ANY OTHER REGULATORY AUTHORITY IN THE UNITED STATES NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF ANY PROGRAM SECURITIES OR THE ACCURACY OR THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

United States Withholding Tax

Payments in respect of a Program Security by Morgan Stanley, MSFL or MSFII may be subject to U.S. withholding tax if the beneficial owner of the Program Security does not meet the criteria for being exempt from this withholding tax. These criteria include the requirement that a beneficial owner that is not a United States person for U.S. federal income tax purposes (or a financial institution holding the Program Security on behalf of the beneficial owner) complies with certain tax identification and certification rules, generally by furnishing the appropriate U.S. Internal Revenue Service ("IRS") Form W-8BEN or W-8BEN-E on which the beneficial owner certifies under penalties of perjury (i) that it is not a U.S. person, (ii) in the case of an entity, that it is exempt from FATCA withholding, and (iii) in the case of certain Program Securities, that it is eligible for a certain exemption under an applicable tax treaty, as described below under "United States Federal Taxation". U.S. withholding may also apply with respect to certain Program Securities issued by any Issuer that are linked to U.S. equities or certain indices that include U.S. equities. In addition, U.S. backup withholding may apply to payments generally unless certain certification requirements are satisfied or an exemption is otherwise established. If withholding is so required, unless specified otherwise in an applicable Pricing Supplement none of the Issuers or any intermediary will be required to pay any additional amounts with respect to the amounts so withheld.

Program Securities are not deposits and are not covered by any deposit protection scheme.

THE PROGRAM SECURITIES ARE NOT DEPOSITS OR SAVINGS ACCOUNTS AND ARE NOT INSURED BY THE U.S. FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY OR INSTRUMENTALITY OR DEPOSIT PROTECTION SCHEME ANYWHERE, NOR ARE THEY OBLIGATIONS OF, OR GUARANTEED BY, A BANK.

No other person is authorised to give information on the Program Securities beyond what is in this Offering Circular and related Pricing Supplement

No person has been authorised by any of Morgan Stanley, MSI plc, MSBV, MSFL, MSFII or MSESE to give any information or to make any representation not contained or incorporated by reference in this Offering Circular, and, if given or made, that information or representation should not be relied upon as having been authorised by Morgan Stanley, MSI plc, MSBV, MSFL, MSFII or MSESE.

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

- (A) a retail client as defined in point (11) of Article 4(1) of MiFID II;
- (B) a customer within the meaning of 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
- (C) not a qualified investor as defined in the Prospectus Regulation.

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

UK CCI REGIME / UK IMPORTANT – UK RETAIL INVESTORS – If the Pricing Supplement in respect of any Program Securities includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Program Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes, a retail investor in the UK 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 the laws of the United Kingdom; 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 the laws of the United Kingdom; or
- (C) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of the laws of the United Kingdom.

Consequently, if the Pricing Supplement in respect of any Program Securities includes 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 the laws of the United Kingdom (the "UK PRIIPs Regulation") for offering or selling the Program Securities or otherwise making them available to retail investors in the UK has been or will be prepared and therefore offering or selling the Program Securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

The information in this Offering Circular (including any supplement) is subject to change.

Neither the delivery of this Offering Circular nor the offering, sale or delivery of any Program Securities will, in any circumstances, create any implication that the information contained in this Offering Circular is true subsequent to the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change in the financial situation of any of Morgan Stanley, MSI plc, MSBV, MSFL, MSFII or MSESE since the date hereof or, as the case may be, the date upon which this Offering Circular has been most recently amended or supplemented or the balance sheet date of the most recent financial statements which have been incorporated into this Offering Circular by way of a supplement to this Offering Circular, 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 Morgan Stanley, MSI plc, MSBV, MSFL, MSFII and/or MSESE (as applicable) when evaluating any Program Securities or an investment therein (such financial statements shall not form a part of this Offering Circular unless they have been expressly incorporated herein, including by way of a supplement to this Offering Circular).

Distribution

Each Issuer is offering the Program Securities on a continuing basis through the Distribution Agents, who have agreed to use reasonable efforts to solicit offers to purchase the Program Securities. Each Issuer may also sell Program Securities to the Distribution Agents as principal for their own accounts at a price to be agreed upon at the time of sale. The Distribution Agents may resell any Program Securities they purchase as principal at prevailing market prices, or at other prices, as they determine. Each Issuer or the Distribution Agents may reject any offer to purchase Program Securities, in whole or in part. See "*Subscription and Sale*" and "*Transfer Restrictions*" beginning on pages 1267 and 1287, respectively.

Compliance with all applicable laws

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 Program Securities or has in the investor's possession or distributes this Offering Circular or any accompanying Pricing Supplement.

General restriction on distribution of this Offering Circular

The distribution of this Offering Circular and the offering, sale and delivery of Program Securities in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by Morgan Stanley, MSI plc, MSBV, MSFL, MSFII and MSESE to inform themselves about and to observe those restrictions.

No post-issuance information

Subject to the applicable Pricing Supplement, none of the Issuers, the Guarantor or the Distribution Agents intends to provide post-issuance information in respect of the Program Securities unless required to do so by applicable laws and regulations.

Read and construe with each supplement and document incorporated by reference

This Offering Circular does not constitute an offer of or an invitation to subscribe for or purchase any Program Securities and should not be considered as a recommendation by any of Morgan Stanley, MSI plc, MSBV, MSFL, MSFII or MSESE that any recipient of this Offering Circular should subscribe for or purchase any Program Securities. Each recipient of this Offering Circular will be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of Morgan Stanley, MSI plc, MSBV, MSFL, MSFII or MSESE (as applicable) and of the particular terms of any offered Program Securities.

General offer restriction

Neither this Offering Circular nor any Pricing Supplement 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.

Important Swiss notice

The Program Securities do not qualify as units of a collective investment scheme according to the relevant provisions of the Swiss Federal Act on Collective Investments Scheme ("**CISA**"), as amended, and are not registered thereunder. Therefore, the Program Securities are neither governed by the CISA nor supervised by the Swiss Financial Market Supervisory Authority. Accordingly, investors do not have the benefit of the specific investor protection provided under the CISA. Investors should be aware that they are exposed to the credit risk of the relevant Issuer and, if applicable, of the Guarantor.

Language

The language of this Offering Circular 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.

Defined terms

See "*Index of Defined Terms*" at the end of this document.

CNY Program Securities

In this Offering Circular, references to "**CNY Program Securities**" are to Program Securities denominated in CNY or Renminbi deliverable in Hong Kong, or such other CNY Center as specified in the applicable Pricing Supplement.

Stabilising legend

In connection with the issue of any tranche of Program Securities under the Program, any Distribution Agent or any other agent specified for that purpose in the applicable Pricing Supplement as the stabilising manager (or any person acting for the stabilising manager) may over allot Program Securities or effect transactions with a view to supporting the market price of any of the Program Securities at a level higher than that which might otherwise prevail for a limited period. However, there is no assurance that the stabilising manager (or any agent of the stabilising manager) will undertake stabilising action. Any stabilising action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant tranche of Program Securities is made and, if commenced, may be discontinued at any time, but must be brought to an end no later than the earlier of 30 days after the issue date of the relevant tranche of Program Securities and 60 days after the date of the allotment of the relevant tranche of Program Securities. Any stabilising action or over allotment must be conducted by the stabilising manager (or any person acting for the stabilising manager) in accordance with all applicable laws and rules.

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OVERVIEW

This overview must be read as an introduction to the Offering Circular relating to the Program Securities. Any decision to invest in any Program Securities should be based on a consideration of the Offering Circular as a whole, including the documents incorporated by reference.

For SIX Exchange Regulation purposes: This overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Circular and, in relation to the terms and conditions of any Program Securities, the relevant Pricing Supplement. Investors are required to base their investment decision on the information in this Offering Circular in its entirety and not on this overview. Liability for this overview is limited to cases where the information contained herein is misleading, inaccurate or inconsistent when read together with the other parts of this Offering Circular.

Words and expressions defined in the "Terms and Conditions of the English Law Notes" (and, in the case of Cash Settled Exchangeable Notes, in the "Terms and Conditions of the Cash Settled Exchangeable Notes") below or elsewhere in this Offering Circular have the same meanings in this overview.

THE ISSUERS AND THE GUARANTOR

Legal name and commercial name of the Issuers:

Morgan Stanley ("**Morgan Stanley**")
Morgan Stanley & Co. International plc ("**MSI plc**")
Morgan Stanley B.V. ("**MSBV**")
Morgan Stanley Finance LLC ("**MSFL**")
Morgan Stanley Finance II Ltd ("**MSFII**")
Morgan Stanley Europe SE ("**MSESE**")

Domicile and legal form of the Issuers, the legislation under which the Issuers operate and its country of incorporation:

Morgan Stanley was incorporated under the laws of the State of Delaware. As a financial holding company, it is regulated by the Board of Governors of the Federal Reserve System (the "**Federal Reserve**") under the Bank Holding Company Act of 1956, as amended (the "**BHC Act**"). As a major financial services firm, Morgan Stanley is subject to extensive regulation by U.S. federal and state regulatory agencies and securities exchanges and by regulators and exchanges in each of the major markets where it conducts its business. Morgan Stanley has its registered office at The Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, U.S.A., and its principal executive office at 1585 Broadway, New York, NY 10036, U.S.A. The date of Morgan Stanley's Amended and Restated Certificate of Incorporation is 1 August 2022.

MSI plc was incorporated in England and Wales on 28 October 1986. MSI plc was incorporated as a company limited by shares under the Companies Act 1985 and operates under the UK Companies Act 2006. MSI plc was re-registered as a public limited company on 13 April 2007. MSI plc's registered office is at 25 Cabot Square, Canary Wharf, London E14 4QA.

MSBV was incorporated as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of The Netherlands on 6 September 2001 for an unlimited duration. MSBV is registered at the commercial register of the Chamber of Commerce (*Kamer van Koophandel*). It has its corporate seat at Amsterdam, The Netherlands and its offices are located at Luna Arena, Herikerbergweg 238, 1101 CM, Amsterdam, Zuidoost, The Netherlands. MSBV is incorporated under, and subject to, the laws of The Netherlands.

MSFL is a wholly-owned finance subsidiary of Morgan Stanley and a limited liability company formed pursuant to the Delaware Limited Liability Company Act on 27 March 2002 for an unlimited duration under the name of Morgan Stanley

Tower LLC. MSFL has an issued fully paid in capital of USD 1,000 and according to the Schedule A of the MSFL Limited Liability Company Agreement, Morgan Stanley holds one member interest. On 8 January 2016 Morgan Stanley Tower LLC changed its name to Morgan Stanley Finance, LLC. On 12 January 2016 Morgan Stanley Finance, LLC changed its name to Morgan Stanley Finance LLC. MSFL'S registered address is at Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801. MSFL's principal place of business is 1585 Broadway, New York, NY 10036. MSFL is formed under, and subject to, the laws of the state of Delaware, United States.

MSFII is a wholly-owned subsidiary of Morgan Stanley. MSFII is incorporated as a public company with limited liability under the laws of The Bailiwick of Jersey on 24 September 1986 for an unlimited duration. MSFII is registered under the Companies (Jersey) Law 1991 under number 35857. Its registered office and principal place of business is located at 47 Esplanade, St Helier, Jersey JE1 0BD, Channel Islands. MSFII's telephone number is +44 (0)1534 835 600. MSFII is subject to the laws of The Bailiwick of Jersey.

For U.S. federal income tax purposes, MSFII is disregarded as an entity separate from Morgan Stanley. Therefore, unless otherwise indicated in an applicable Pricing Supplement, a Note issued by MSFII will be treated as if it were a Note issued by Morgan Stanley for U.S. federal income tax purposes.

MSESE was incorporated as a stock corporation under European Law (European Company (*Societas Europaea*)) on 26 May 2017 and is based in Frankfurt am Main with its registered office located at Grosse Gallusstrasse 18, 60312 Frankfurt am Main, Germany. MSESE is registered in the Commercial Register B of the Local Court in Frankfurt am Main under number HRB 109880.

The group and the Issuers' position within the group:

Morgan Stanley is the ultimate parent undertaking of the group comprising Morgan Stanley and its consolidated subsidiaries (the "**Morgan Stanley Group**").

MSI plc forms part of a group of companies including MSI plc and all of its subsidiary and associated undertakings ("**MSI plc Group**"). MSI plc's ultimate UK parent undertaking is Morgan Stanley International Limited and MSI plc's ultimate parent and controlling entity is Morgan Stanley.

MSBV has no subsidiaries. It is ultimately controlled by Morgan Stanley.

MSFL has no subsidiaries. It is a wholly-owned finance subsidiary of Morgan Stanley.

MSFII has no subsidiaries. It is a wholly-owned subsidiary of Morgan Stanley.

Morgan Stanley Bank N.A. is the sole shareholder of MSESE. MSESE is the sole shareholder of Morgan Stanley Bank AG.

Selected Historical Key Financial Information:

Selected key financial information relating to Morgan Stanley:

Consolidated Statement of Financial Position (U.S.\$ in millions)	At 31 March (unaudited)		At 31 December 2025	At 31 December 2024
	2026	2025		
<i>Total assets</i>	1,581,418	1,300,296	1,420,270	1,215,071

<i>Total liabilities and equity</i>	1,581,418	1,300,296	1,420,270	1,215,071
Consolidated Income Statements (U.S.\$ in millions)	Three months ended 31 March (unaudited)		2025	2024
	2026	2025		
<i>Net revenues</i>	20,580	17,739	70,645	61,761
<i>Income before provision for income taxes</i>	7,011	5,544	21,954	17,596
<i>Net income</i>	5,638	4,371	17,025	13,529

Selected key financial information relating to MSI plc:

Consolidated Statement of Financial Position (in U.S. \$ millions)	31 Dec 2025	31 Dec 2024
<i>Total assets</i>	668,940	578,078
<i>Total liabilities and equity</i>	668,940	578,078

Consolidated Income Statement (in U.S. \$ millions)	31 Dec 2025	31 Dec 2024
<i>Net gains from financial instruments at fair value through profit or loss</i>	8,202	6,958
<i>Profit before tax</i>	2,422	1,959
<i>Profit for the year</i>	1,754	1,425

Selected key financial information relating to MSBV:

Statement of financial position (in EUR '000)	31 Dec 2025	31 Dec 2024
<i>Total assets</i>	9,074,880	9,593,545
<i>Total liabilities and equity</i>	9,074,880	9,593,545

Statement of comprehensive income (in EUR '000)	31 Dec 2025	31 Dec 2024

<i>Net trading (expense) / income</i>	397,835	(19,208)
<i>Net income / (expense) on other financial instruments held at fair value</i>	(397,835)	19,208
<i>Profit before income tax</i>	1,088	1,427
<i>Profit and total comprehensive income for the year</i>	811	1,081

Selected key financial information relating to MSFL:

Statement of Financial Position (<i>in U.S. \$ millions</i>)	31 Dec 2025	31 Dec 2024
<i>Net income</i>	8	6
<i>Total assets</i>	69,026	47,947
<i>Total liabilities</i>	70,200	48,623

Selected key financial information relating to MSFII:

Statement of Financial Position (<i>in U.S. \$ thousands</i>)	31 Dec 2025	31 Dec 2024
<i>Net income</i>	755	682
<i>Total assets</i>	976,730	648,637
<i>Total liabilities and equity</i>	976,730	648,637

Selected key financial information relating to MSESE:

Statement of Financial Position (<i>in €'000,000</i>)	31 Dec 2025	31 Dec 2024
<i>Net income</i>	233	189
<i>Total assets</i>	72,563	63,433
<i>Total liabilities and equity capital</i>	72,563	63,433

The Issuers' principal activities:

Morgan Stanley, a financial holding company, is a global financial services firm that, through its subsidiaries and affiliates, advises, originates, trades, manages and distributes capital for, governments, institutions and individuals. Morgan Stanley maintains significant market positions in each of its business segments – Institutional Securities, Wealth Management and Investment Management.

The principal activity of the MSI plc Group is the provision of financial services to corporations, governments and financial institutions. MSI plc operates globally. It operates branches in the Dubai International Financial Centre, the Abu Dhabi Global Market, South Korea, the Qatar Financial Centre and Switzerland.

MSBV's principal activity is the issuance of financial instruments and the hedging of obligations arising pursuant to such issuances.

MSFL's principal activity is the issuance of securities.

MSFII's principal activity is the issuance of securities.

MSESE's principal activity is the operation of banking activities and the provision of financial services through the business units Institutional Equities Division, Fixed Income Division, Investment Banking Division and Real Assets to a client base mainly in the European Economic Area consisting of corporations, governments, and financial institutions. MSESE operates branch offices in France, Italy, the Netherlands, Sweden, Spain, and Poland.

The Group:

MSI plc is wholly and directly owned by Morgan Stanley Investments UK and is ultimately controlled by Morgan Stanley.

MSBV is ultimately controlled by Morgan Stanley.

MSFL has no subsidiaries. It is a wholly-owned finance subsidiary of Morgan Stanley.

MSFII has no subsidiaries. It is a wholly-owned finance subsidiary of Morgan Stanley.

Morgan Stanley Bank, N.A. is the sole shareholder of MSESE. MSESE is the sole shareholder of Morgan Stanley Bank AG.

**SIX Exchange
Regulation Ltd.:**

This Offering Circular has been approved on 25 June 2026 as an offering circular by SIX Exchange Regulation Ltd in its capacity as the Swiss review body on the date mentioned.

The key information relating to the Program Securities and specific terms and conditions of the Program Securities as well as information regarding the public offer and admission to trading of the Program Securities are set out in the Pricing Supplement in relation to the applicable Program Securities which supplements the information comprised in this Offering Circular.

The Pricing Supplement must be published and filed with the Swiss review body as soon as possible after the final information is available; in the case of an admission to trading, this shall be by no later than the time that the Program Securities in question are admitted to trading, published and filed with the Swiss review body.

Risks

The following is a summary only and must be read in conjunction with the section entitled "*Risk Factors*" in the Registration Document dated 14 November 2025 (as supplemented) which is incorporated by reference into this Offering Circular.

**Key Risks Specific to
the Issuers and the
Guarantor:**

The following key risks affect Morgan Stanley and, since Morgan Stanley is the ultimate holding company of MSI plc, MSBV, MSFL, MSFII and MSESE, also impact MSI plc, MSBV, MSFL, MSFII and MSESE:

Market Risk: Morgan Stanley's results of operations may be materially affected by market fluctuations and by global financial market and economic conditions and

other factors. Holding large and concentrated positions may expose Morgan Stanley to losses. These factors may result in losses for a position or portfolio.

Credit Risk: Morgan Stanley is exposed to the risk that third-parties that are indebted to it will not perform their obligations, as well as that a default by a large financial institution could adversely affect financial markets. Such factors give rise to the risk of loss arising when a borrower, counterparty or issuer does not meet its financial obligations to Morgan Stanley.

Operational Risk: Morgan Stanley is subject to the risk of loss, or of damage to its reputation, resulting from inadequate or failed processes or systems, from human factors (e.g. inappropriate or unlawful conduct) or from external events (e.g. cyber attacks or third party vulnerabilities) that may manifest as, for example, loss of information, business disruption, theft and fraud, legal, regulatory and compliance risks, or damage to physical assets. Morgan Stanley may incur operational risk events across the full scope of its business activities, including revenue-generating activities and support and control groups (e.g. information technology and trade processing). A cyber-attack, information or security breach or a technology failure of Morgan Stanley or a third party could adversely affect Morgan Stanley's ability to conduct its business or manage its exposure to risk, or result in disclosure or misuse of personal, confidential or proprietary information and otherwise adversely impact its results of operations, liquidity and financial condition, as well as cause reputational harm.

Liquidity Risk: Liquidity is essential to Morgan Stanley's businesses and Morgan Stanley relies on external sources to finance a significant portion of its operations. Morgan Stanley's borrowing costs and access to the debt capital markets depend on its credit ratings. Morgan Stanley is a holding company, has no business operations and depends on dividends, distributions, loans and other payments from its subsidiaries to fund dividend payments and to fund all payments on its obligations, including debt obligations. Further, Morgan Stanley's liquidity and financial condition have in the past been, and could in the future be, adversely affected by U.S. and international markets and economic conditions. As a result of the foregoing, there is a risk that Morgan Stanley will be unable to finance its operations due to a loss of access to the capital markets or difficulty in liquidating its assets. Additionally, liquidity risk encompasses Morgan Stanley's ability (or perceived ability) to meet its financial obligations without experiencing significant business disruption or reputational damage that may threaten its viability as a going concern, as well as the associated funding risks triggered by the market or idiosyncratic stress events that may negatively affect its liquidity or may impact its ability to raise new funding.

Legal, Regulatory and Compliance Risk: Morgan Stanley is subject to the risk of legal or regulatory sanctions; material financial loss including fines, penalties, judgments, damages and/or settlements, limitations on its business or loss to reputation it may suffer as a result of its failure to comply with laws, regulations, rules, related self-regulatory organization standards and codes of conduct applicable to its business activities. Morgan Stanley is also subject to contractual and commercial risk, such as the risk that a counterparty's performance obligations will be unenforceable. Additionally, Morgan Stanley is subject to anti-money laundering, terrorist financing and anti-corruption rules and regulations.

Risk Management: Morgan Stanley's risk management strategies, models and processes may not be fully effective in mitigating its risk exposures in all market environments or against all types of risk, which could result in unexpected losses.

Competitive Environment: Morgan Stanley faces strong competition from financial services firms and others, which could lead to pricing pressures that could materially adversely affect its revenues and profitability. Automated trading markets and the introduction and application of new technologies may adversely affect Morgan Stanley's business and may increase competition. Morgan Stanley's ability to retain

and attract qualified employees is critical to the success of its business and the failure to do so may materially adversely affect its performance.

Other Risks: Morgan Stanley is subject to numerous political, economic, legal, compliance, tax, operational, franchise and other risks as a result of its international operations that could adversely impact its businesses in many ways, including risks of possible nationalization, expropriation, price controls, capital controls, exchange controls, increased taxes, levies and tariffs, cybersecurity, data transfer, and outsourcing restrictions, regulatory scrutiny regarding the use of new technologies, prohibitions on certain types of foreign and capital market activities, limitations on cross-border listings and other restrictive governmental actions, or political and governmental instability, including tensions between the U.S. and its significant trading partners, such as China, as well as the outbreak or escalation of hostilities or terrorist activity around the world, and the potential associated impacts on global and local economies and its operations.

Climate related risks could result in increased costs and risks and adversely affect our operations, businesses and clients.

Morgan Stanley may be unable to fully capture the expected value from acquisitions, divestitures, joint ventures, partnerships, minority stakes or strategic alliances, and certain acquisitions may subject our business to new or increased risk.

Risk Relating to the Exercise of Resolution Measures Powers: The application of regulatory requirements and strategies in the U.S. or other jurisdictions to facilitate the orderly resolution of large financial institutions may pose a greater risk of loss for Morgan Stanley's security holders, and subject Morgan Stanley to other restrictions.

All material assets of MSBV are obligations of (or securities issued by) one or more Morgan Stanley Group companies. If any of these Morgan Stanley Group companies incurs losses with respect to any of its activities (irrespective of whether those activities relate to MSBV or not) the ability of such company to fulfil its obligations to MSBV could be impaired, thereby exposing holders of securities issued by MSBV to a risk of loss.

MSFL has no independent operations beyond the issuance and administration of its securities and is expected to have no independent assets available for distributions to holders of MSFL Program Securities if they make claims in respect of the Program Securities in a bankruptcy, resolution or similar proceeding. Accordingly, any recoveries by such holders will be limited to those available under the related Guarantee by Morgan Stanley and that Guarantee will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of Morgan Stanley present and future, but, in the event of insolvency, only to the extent permitted by laws affecting creditors' rights. Holders will have recourse only to a single claim against Morgan Stanley and its assets under the Guarantee. Holders of Program Securities issued by MSFL should accordingly assume that in any such proceedings they would not have any priority over and should be treated *pari passu* with the claims of other unsecured, unsubordinated creditors of Morgan Stanley, including holders of Morgan Stanley issued securities.

The existence of substantial inter-relationships (including the provision of funding, capital, services and logistical support to or by MSI plc, as well as common or shared business or operational platforms or systems, including employees) between MSI plc and other Morgan Stanley Group companies exposes MSI plc to the risk that, factors which could affect the business and condition of Morgan Stanley or other companies in the Morgan Stanley Group may also affect the business and condition of MSI plc. Further, Notes issued by MSI plc will not be guaranteed by Morgan Stanley. The application of regulatory requirements and strategies in the United Kingdom to facilitate the orderly resolution of large financial institutions may pose a greater risk of loss for the holders of securities issued by MSI plc.

MSFII has no independent operations beyond the issuance and administration of its securities and is expected to have no independent assets available for distributions to holders of MSFII Program Securities if they make claims in respect of the Program Securities in a bankruptcy, resolution or similar proceeding. Accordingly, any recoveries by such holders will be limited to those available under the related Guarantee by Morgan Stanley and that Guarantee will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of Morgan Stanley present and future, but, in the event of insolvency, only to the extent permitted by laws affecting creditors' rights. Holders will have recourse only to a single claim against Morgan Stanley and its assets under the Guarantee. Holders of Program Securities issued by MSFII should accordingly assume that in any such proceedings they would not have any priority over and should be treated *pari passu* with the claims of other unsecured, unsubordinated creditors of Morgan Stanley, including holders of Morgan Stanley issued securities.

MSESE is subject to European regulatory requirements and strategies to facilitate the orderly resolution of large financial institutions (as transposed into German law). These provisions may severely affect the rights of the holders of Program Securities issued by MSESE in the event that the conditions for resolution of MSESE are met. This may result in the loss of their entire investment and could, before the conditions for resolution are met (and resolution is initiated), adversely affect the market price of the relevant Program Securities.

PROGRAM SECURITIES

Type: MSI plc, MSBV, MSFL and MSESE may offer from time to time Program Securities in the form of Notes, Warrants and Certificates. Morgan Stanley may offer from time to time Program Securities in the form of Notes and Certificates only. MSFL may offer from time to time Program Securities in the form of Cash Settled Exchangeable Notes. MSFII may offer from time to time Registered Notes governed by English Law only.

Listing: Applications have been made for Program Securities (other than Series B Notes which will not be listed) to be admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market; and to be admitted to the Official List of the Luxembourg Stock Exchange and trading on its Euro MTF Market. Program Securities may also be unlisted or listed on another exchange, all as specified in the applicable Pricing Supplement.

No registration: The Program Securities, any interest therein and any Guarantee in respect thereof, and the securities to be delivered on exercise or redemption of the Program Securities (if any), 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 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), *unless* they are sold in reliance on Rule 144A under the Securities Act, in addition to Regulation S, as further described herein. See "*Program Securities in Global Form*". Hedging transactions involving any "equity securities" of "domestic issuers" (as such terms are defined in the Securities Act and regulations thereunder) may only be conducted in accordance with the Securities Act. The Program Securities are subject to transfer restrictions. See "*Subscription and Sale*" and "*Transfer Restrictions*".

Structural subordination; Morgan Stanley's access to assets held by subsidiaries may be restricted: The securities issued by Morgan Stanley, including the guarantees of the MSBV, MSFL and MSFII Program Securities, are Morgan Stanley's unsecured senior obligations, but Morgan Stanley's assets consist primarily of equity in, and receivables from, its subsidiaries. As a result, Morgan Stanley's ability (i) to make payments on its Notes and Certificates, (ii) to make payments with respect to its guarantee of Program Securities issued by MSBV, MSFL and MSFII and (iii) to pay dividends on its preferred stock and common stock, in each case depends upon its receipt of dividends, loan payments and other funds from its subsidiaries. In addition, the direct creditors of any subsidiary will have a prior claim on the subsidiary's assets, if any, and Morgan Stanley's rights and the rights of its creditors, including your rights as an owner of Morgan Stanley's Notes and Certificates or your rights under its guarantees of MSBV, MSFL and MSFII Program Securities, will be subject to that prior claim, except to the extent that any claims Morgan Stanley may have as a creditor of that subsidiary are paid. This subordination of parent company creditors to prior claims of creditors of subsidiaries over the subsidiaries' assets is referred to as structural subordination.

In addition, various statutes and regulations restrict some of Morgan Stanley's subsidiaries from paying dividends or making loans or advances to Morgan Stanley. These restrictions could prevent those subsidiaries from paying the cash to Morgan Stanley that it needs in order to pay you. These restrictions include:

- the net capital requirements under the Exchange Act, and the rules of some exchanges and other regulatory bodies, which apply to some of Morgan Stanley's principal subsidiaries, such as Morgan Stanley & Co. LLC, MSI plc and MSESE, and
- banking regulations, which apply to Morgan Stanley Bank, N.A., a national bank, Morgan Stanley Private Bank, National Association (formerly Morgan Stanley Trust FSB), a national bank, and other bank subsidiaries of Morgan Stanley.

Total loss-absorbing capacity of New York Law Notes: Morgan Stanley intends that the New York Law Notes will, when issued, constitute "loss-absorbing capacity" within the meaning of the final rules issued by the Board of Governors of the Federal Reserve System and, accordingly, will have only those provisions described in this Offering Circular that will permit compliance thereof at such time of issuance. In this respect, Morgan Stanley is a parent holding company and has no operations and depends on dividends, distributions and other payments from its subsidiaries to fund its debt obligations (including New York Law Notes). Under a support agreement that Morgan Stanley has entered with its material subsidiaries, upon the occurrence of a resolution scenario, including a single-point-of-entry resolution strategy as contemplated in its resolution plan, Morgan Stanley would be obligated to contribute or loan on a subordinated basis all of its material assets, other than shares in its subsidiaries and certain intercompany payables, to provide capital and liquidity, as applicable, to its material subsidiaries. That obligation will be secured, in accordance with an amended and restated secured support agreement, on a senior basis by Morgan Stanley's assets (other than shares in its subsidiaries). As a result, claims of Morgan Stanley's material subsidiaries against its assets (other than shares in its subsidiaries) will be effectively senior to its unsecured obligations, including New York Notes which would be at risk of absorbing Morgan Stanley's and its subsidiaries' losses.

Status of the MSI plc Program Securities; relationship with Morgan Stanley securities: The Program Securities issued by MSI plc are its unsecured obligations and holders of these Program Securities are direct creditors of MSI plc.

Status of the MSBV Program Securities; relationship with Morgan Stanley securities: The Program Securities issued by MSBV are its unsecured obligations and holders of these Program Securities are direct creditors of MSBV, as well as direct creditors of Morgan Stanley under the related guarantee. The Morgan Stanley guarantee will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of Morgan Stanley, present and future, but, in the event of insolvency, only to the extent permitted by laws affecting creditors' rights.

Status of the MSFL Program Securities; relationship with Morgan Stanley securities: The Program Securities issued by MSFL are its unsecured obligations and holders of these Program Securities are direct creditors of MSFL, as well as direct creditors of Morgan Stanley under the related guarantee. As a finance subsidiary, MSFL has no independent operations beyond the issuance and administration of its securities and is expected to have no independent assets available for distributions to holders of MSFL Program Securities if they make claims in respect of the securities in a bankruptcy, resolution or similar proceeding. Accordingly, any recoveries by such holders will be limited to those available under the related guarantee by Morgan Stanley and that guarantee will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of Morgan Stanley, present and future, but, in the event of insolvency, only to the extent permitted by laws affecting creditors' rights. Holders of Program Securities issued by MSFL should accordingly assume that in any such proceedings they would not have any priority over and should be treated *pari passu* with the claims of other unsecured, unsubordinated creditors of Morgan Stanley, including holders of Morgan Stanley-issued securities.

Status of the MSFII Notes; relationship with Morgan Stanley securities: The Notes issued by MSFII are its unsecured obligations and holders of these Notes are direct creditors of MSFII, as well as direct creditors of Morgan Stanley under the related guarantee. MSFII has no independent operations beyond the issuance and administration of its securities and is expected to have no independent assets available for distributions to holders of MSFII Notes if they make claims in respect of the securities in a bankruptcy, resolution or similar proceeding. Accordingly, any recoveries by such holders will be limited to those available under the related guarantee by Morgan Stanley and that guarantee will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of Morgan Stanley, present and future, but, in the event of insolvency, only to the extent permitted by laws affecting creditors' rights. Holders of Notes issued by MSFII should accordingly assume that in any such

proceedings they would not have any priority over and should be treated *pari passu* with the claims of other unsecured, unsubordinated creditors of Morgan Stanley, including holders of Morgan Stanley-issued securities.

Status of the MSESE Program Securities; relationship with Morgan Stanley securities: The Program Securities issued by MSESE are its senior unsecured obligations and holders of these Program Securities are direct creditors of MSESE.

Guarantee: Payment of all amounts due in respect of Program Securities issued by MSBV will, unless specified otherwise in the applicable Pricing Supplement, be guaranteed by Morgan Stanley. Payment of all amounts in respect of Program Securities issued by MSFL will be guaranteed by Morgan Stanley. Payment of all amounts due in respect of Program Securities issued by MSFII will be guaranteed by Morgan Stanley. Payment of all amounts due in respect of Program Securities issued by MSI plc and MSESE will not be guaranteed by Morgan Stanley, or by any other guarantor.

Distribution: Each Issuer is offering Program Securities on a continuing basis through the Distribution Agents, who have agreed to use reasonable efforts to solicit offers to purchase the same. Each Issuer may also sell Program Securities to the Distribution Agents as principal for their own accounts at prices agreed upon at the time of sale. The Distribution Agents may resell Program Securities purchased as principal. Each Issuer or the Distribution Agents may reject any offer to purchase Program Securities.

Form: Each Issuer may issue Program Securities in registered form. Program Securities in registered form may be in either global registered form or individual registered form. MSBV, MSI plc and MSESE may also issue Finnish Notes or Swedish Notes or Finnish Securities or Swedish Securities and MSBV or MSI plc may also issue Norwegian Notes or Norwegian Securities or Danish Notes or Danish Securities in each case in dematerialised form.

U.S. withholding requirement: In order to avoid certain U.S. withholding taxes on interest payments by Morgan Stanley, MSFL or MSFII on a Program Security, a non-U.S. beneficial owner is required to comply with certain tax identification and certification rules, generally by furnishing the appropriate IRS Form W-8BEN or W-8BEN-E certifying (i) that it is not a U.S. person, (ii) in the case of an entity, that it is exempt from FATCA withholding, and (iii) in the case of certain Program Securities, that it is eligible for a certain exemption under an applicable tax treaty as described below under "*United States Federal Taxation*". U.S. withholding may also apply with respect to certain Program Securities issued by any Issuer that are linked to U.S. equities or certain indices. U.S. backup withholding may apply to payments generally unless an appropriate IRS Form W-8 or W-9, as applicable, is furnished or an exemption is otherwise established. Unless specified otherwise in an applicable Pricing Supplement, none of the Issuers or any intermediary will be required to pay additional amounts with respect to any amount withheld.

Denomination of Notes: Notes may be denominated or payable in any currency, be issued at any price and have any maturity, in each case subject to all applicable consents being obtained and compliance with applicable legal and regulatory requirements.

Redemption of Notes: Notes may be redeemed at par or at such other redemption amount (detailed in a formula or otherwise) or (other than Cash Settled Exchangeable Notes) by delivery of securities of an issuer not affiliated with Morgan Stanley, as specified in the applicable Pricing Supplement.

Early redemption: Early redemption or termination will be permitted for taxation reasons, or in certain circumstances following the occurrence of an Administrator/Benchmark Event or relevant adjustment events applicable to the Program Securities, but will otherwise be permitted only to the extent specified in the applicable Pricing Supplement and the relevant Belgian Supplemental Conditions (Notes) or Belgian Supplemental Conditions (Securities) (as applicable) as being applicable in respect of a series of Program Securities in the applicable Pricing Supplement or as may be required in the event of a default by the Issuer. 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. In the event of default by the Issuer, the investor would have an unsecured claim against the Issuer or, if applicable, the Guarantor.

Interest on Notes: Notes may be interest bearing or non-interest bearing. Interest (if any) may be payable at a fixed rate or a floating rate, or a rate which varies during the lifetime of the relevant Series.

Exchange Right: Cash Settled Exchangeable Notes may be redeemed at their cash amount following the exercise by each Noteholder of their exchange right in accordance with the provisions set out in "Terms and Conditions of the Cash Exchangeable Notes" and as specified in the applicable Pricing Supplement.

Exercise of Warrants and Certificates: Upon exercise, Warrants and Certificates may entitle the holder to receive from the relevant Issuer a Cash Settlement Amount, or may entitle the holder to receive delivery of or to deliver an amount of securities (each as specified or calculated in accordance with the applicable Pricing Supplement), and may be American, European or Bermudan Style Securities, as specified in the applicable Pricing Supplement.

Governing law: Notes may be governed by New York law or English law, as specified in the applicable Pricing Supplement. Warrants and Certificates will be governed by English law.

Use of proceeds:

The net proceeds of each issue of Notes will be used by the relevant Issuer either (i) for general corporate purposes and/or, in connection with hedging its obligations under the Notes, or (ii) for any other particular identified use of proceeds, all as stated in the applicable Pricing Supplement.

In respect of each issue of Notes by MSBV, at least 95% of the proceeds will be invested (*uitzetten*) within the group of which it forms part. MSBV will not issue Sustainable Bonds under this Offering Circular.

MSFL intends to lend the net proceeds from its issuances of the Notes to Morgan Stanley. Morgan Stanley intends to use the proceeds from such loans (i) for general corporate purposes, or (ii) if the Notes constitute Sustainable Bonds, to finance or refinance, in whole or in part, Eligible Projects.

If the Notes constitute Sustainable Bonds, an amount equal to the gross proceeds raised by way of Sustainable Bonds issued pursuant to the Morgan Stanley Sustainable Issuance Framework will be allocated to the financing or refinancing, in whole or in part, of Eligible Projects, that Morgan Stanley or any of its wholly owned subsidiaries, considers consistent with the eligibility criteria in the Morgan Stanley Sustainable Issuance Framework. Under this Offering Circular, Sustainable Bonds may only be issued by Morgan Stanley or by MSFL.

If the applicable Pricing Supplement specifies that the Notes are "Green Bonds", an amount equal to the gross proceeds raised will be allocated to Green Eligible Projects.

If the applicable Pricing Supplement specifies that the Notes are "Social Bonds", an amount equal to the gross proceeds raised will be allocated to Social Eligible Projects.

If the applicable Pricing Supplement specifies that the Notes are "Sustainability Bonds", an amount equal to the gross proceeds raised will be allocated to Green Eligible Projects and Social Eligible Projects.

All as defined in the "Use of Proceeds" section of this Offering Circular.

Debt or derivative securities: Program Securities may not be ordinary debt securities and the return and/or interest and/or principal may be linked to the performance of, amongst other things, one or more of an index or formula, changes in the prices of securities, funds, exchange-traded notes, commodities or futures contracts, movements in currency exchange rates or benchmark rates and to the credit of one or more entities not affiliated with the Issuers (such items are referred to in this Offering Circular in relation to Notes as the "**Relevant Underlying**" and in relation to Certificates and Warrants, as the "**Relevant Factor**"). The return on such Program Securities may be influenced by unpredictable factors, including the value of the underlying or factor which may in turn be linked to the creditworthiness of an underlying entity, market prices of underlying, market volatility, interest rates, currency exchange rates, inflation, the length of time until maturity and other economic, financial, environmental, legal, regulatory, social and political influences which may not be within the Issuers' control. Where Program Securities are linked to emerging market countries or currencies, the impact of the factors outlined previously are magnified. **These factors may cause a partial or total loss of an investor's investment in Program Securities and may involve the investor receiving a return that they might not have anticipated when purchasing Program Securities.**

Credit risk: An investment in the Program Securities bears the risk that the relevant Issuer is not able to fulfil its obligations in respect of such Program Securities.

No rights in the underlying: Investment in Program Securities may carry similar risks to a direct investment in the Relevant Underlying or Relevant Factor; however investors will not have legal or beneficial ownership in such underlying.

Illiquid secondary market: Investment in Program Securities may be illiquid and investors should be prepared to hold Program Securities to maturity or expiration as there may be no secondary market therefor.

Conflicts of interest: Investors should be aware of potential conflicts of interest with the Determination Agent. For further information, see "*Conflicts of Interest*" beginning on page 74.

Stamp duty and tax generally: There may be stamp duty implications for investors in the Warrants or Certificates. Investors should seek professional tax advice in relation to the tax implications to them of an investment in Program Securities.

Consult professional advisors: Prospective investors should consult with their own professional advisors if they consider it necessary before purchasing any Program Securities.

Where to obtain documents: Certain documents relating to the Program Securities will be available at The Bank of New York Mellon, One Canada Square, London E14 5AL and also at the principal executive offices of Morgan Stanley and MSFL and the registered offices of MSIP, MSFII, MSBV and MSESE.

Description of the Program Securities that may be publicly offered in Switzerland:

General: Where they are offered to the public in Switzerland, the Program Securities comprise the following categories as defined in the SSPA Swiss Derivatives Map 2026 issued by the Swiss Structured Products Association (the "SSPA") (the "**SSPA Swiss Derivatives Map**") (see: <https://sspa.ch/en>) depending on the features of the relevant Program Securities.

The key information relating to the Program Securities and specific terms and conditions of the Program Securities as well as information regarding the public offer and admission to trading of the Program Securities are set out in the Pricing Supplement in relation to the applicable Program Securities, which supplements the information comprised in this Offering Circular.

Capital Protection Products (SSPA Category 11): Capital Protection Products provide for a specific minimal redemption amount. The level of the minimal redemption amount representing the level of capital protection indicates the percentage of the nominal or par value of the Capital Protection Product that the investor will be entitled to receive on the Maturity Date. The minimum redemption amount will be specified in the applicable Pricing Supplement. The applicable Pricing Supplement may specify that the minimum redemption amount is less than 100 per cent. of the nominal or par value of the Program Securities (partial capital protection). Capital protection therefore does not mean that the investor is entitled to an amount on redemption equal to the full nominal or par value of the Program Securities. The potential loss is limited by the minimum redemption amount, subject to the credit risk of the Issuer and, if applicable, the Guarantor.

The product category Capital Protection Products includes the following product types:

- Capital Protection Note with Participation (SSPA Category 1100)
- Barrier Capital Protection Note with Barrier (SSPA Category 1130)
- Capital Protection Note with Twin Win (SSPA Category 1135)
- Capital Protection Note with Coupon (SSPA Category 1140)

Yield Enhancement Products (SSPA Category 12): Yield Enhancement Products provide for a redemption amount that is limited to a maximum amount (a cap) and may provide for (fixed or variable) periodic coupon payments during the term.

Yield Enhancement Products that are linked to a basket of Relevant Underlyings may offer a larger discount or 5 coupon than Yield Enhancement Products linked to a single Relevant Underlying.

The product category Yield Enhancement Products includes the following product types:

- Discount Certificate (SSPA Category 1200)
- Barrier Discount Certificate (SSPA Category 1210)
- Reverse Convertible (SSPA Category 1220)
- Barrier Reverse Convertible (SSPA Category 1230)
- Reverse Convertible with Conditional Coupon (SSPA Category 1255)
- Barrier Reverse Convertible with Conditional Coupon (SSPA Category 1260)

Participation Products (SSPA Category 13): Participation Products generally track the performance of the Relevant Underlying(s) and enable investors to participate in the performance of the Relevant Underlying(s). Depending on the structure of the Participation Product, investors participate proportionately or disproportionately in the performance of the Relevant Underlying(s). The return an investor may receive by investing in a Participation Product is theoretically unlimited, (unless there is a cap) but there is the risk of a total loss (unless there is partial capital protection).

The product category Participation Products includes the following product types:

- Tracker Certificate (SSPA Category 1300)
- Outperformance Certificate (SSPA Category 1310)
- Bonus Certificate (SSPA Category 1320)
- Bonus Outperformance Certificate (SSPA Category 1330)
- Twin Win Certificate (SSPA Category 1340)

Investment Products with Additional Credit Risk (SSPA Category 14): Investment Products with Additional Credit Risk have the relevant features that are described in respect of Capital Protection Products, Yield Enhancement Products or Participation Products, depending on the type of product. In addition, the performance of Investment Products with Additional Credit Risk will be affected by the occurrence of a defined credit event in respect of a reference entity or reference obligation, as specified in the applicable Pricing Supplement. If a credit event occurs in respect of a reference entity or obligation during the term of the Investment Products with Additional Credit Risk, they will be redeemed at a value which may be significantly lower than their initial value and may be as low as zero, in which case, investors will bear a partial or total loss.

If no credit event occurs, Investment Products with Additional Credit Risk work in the same manner as a Capital Protection Product, Yield Enhancement Product 6 or Participation Product, as the case may be, as described above.

The product category Investment Products with Additional Credit Risk includes the following product types:

- Credit Linked Notes (SSPA Category 1400)
- Certificates with Conditional Capital Protection and Additional Credit Risk (SSPA Category 1410)
- Yield Enhancement Certificate with Additional Credit Risk (SSPA Category 1420)
- Participation Certificate with Additional Credit Risk (SSPA Category 1430)

Leverage Products (SSPA Category 20): Leverage Products are subject to a leverage effect both in the direction of profits and losses (i.e. changes in the value of the Relevant Underlying(s) have a disproportionate effect on the value of Leveraged Products compared to a direct investment in the Relevant Underlying(s)). The leverage effect permits investors to use less capital compared to investing directly in the Relevant Underlying(s).

The product category Leverage Products includes the following product types:

- Warrant (SSPA Category 2100)

- Spread Warrant (SSPA Category 2110)
- Warrant with Knock-Out (SSPA Category 2200)
- Mini-Future (SSPA Category 2210)
- Constant Leverage Certificate (SSPA Category 2300)

RISK FACTORS RELATING TO THE PROGRAM SECURITIES

Prospective investors should read the entire Offering Circular (and where appropriate, any applicable Pricing Supplement). Words and expressions defined elsewhere in this Offering Circular have the same meanings in this section.

Prospective investors should consider the section entitled "Risk Factors" at pages 1 to 21 in the Registration Document dated 14 November 2025 (as supplemented from time to time), in respect of Morgan Stanley, MSI plc, MSBV, MSFL and MSESE referred to in the section entitled "Incorporation by Reference" in this Offering Circular and the factors described below and consult with their own professional advisors if they consider it necessary. Prospective investors should note that the risks described below are not the only risks the Issuers and/or the Guarantor face. Each of the Issuers and the Guarantor believe that such factors represent the principal risks inherent in investing in Program Securities issued under the Program but the inability of an Issuer and/or the Guarantor, if applicable, to pay interest, principal or other amounts on or in connection with any Program Securities may occur for other reasons, which may not be considered significant risks by such Issuer based on information currently available to it or which it may not currently be able to anticipate.

This section describes generally the most significant risks of investing in Program Securities linked to securities, indices or funds, to futures contracts, to commodity prices, to currency prices, to benchmark rates, to the credit of one or more entities not affiliated with the Issuers or to other assets. Each investor should carefully consider whether the Program Securities, as described herein and in the applicable Pricing Supplement, are suited to its particular circumstances before deciding to purchase any Program Securities.

Risk Factors relating to the Issuers and Guarantor

Credit risk

Holders of Program Securities issued by Morgan Stanley, MSI plc or MSESE bear the credit risk of the relevant Issuer, that is the risk that the relevant Issuer is not able to meet its obligations under such Program Securities, irrespective of how any principal, interest or other payments under such Program Securities are to be calculated. Holders of Program Securities issued by MSBV, MSFL or MSFII bear the credit risk of the relevant Issuer and/or the Guarantor, that is the risk that the relevant Issuer and/or the Guarantor is not able to meet its obligations under such Program Securities, irrespective of how any principal, interest or other payments under such Program Securities are to be calculated. If the Issuer and/or the Guarantor is not able to meet its obligations under the Program Securities, then that would have a significant negative impact on the investor's return on the Program Securities and an investor may lose up to its entire investment.

The Issuer or the Guarantor may be substituted without the consent of the holders of Program Securities and substitution may result in adverse U.S. federal income tax consequences to investors

The Issuer or the Guarantor (as applicable) may, without the consent of the holders of Program Securities and provided certain conditions are satisfied, agree (i) to substitute Morgan Stanley (in the case of MSBV Program Securities, MSFL Program Securities, MSI plc Program Securities, MSFII Program Securities and MSESE Program Securities only) or a subsidiary of Morgan Stanley in place of the Issuer, or (ii) if "Supplementary Provisions for Belgian Notes" or "Supplementary Provisions for Belgian Securities (as applicable)" is specified as not applicable in the applicable Pricing Supplement, substitute a non-Morgan Stanley Group entity in place of the Issuer or the Guarantor (if applicable) (provided that such non-Morgan Stanley Group entity is of at least the equivalent creditworthiness to the Issuer or Guarantor, as applicable, and provided further, in the case of Notes, that Condition 43.2 (*Substitution of Issuer or Guarantor with non-Morgan Stanley Group entities*) is specified as applicable in the relevant Pricing Supplement). Any such substitution may result in a reduction in the value of the Program Securities. Additionally, if the Issuer substitutes an entity in place of the Issuer, the tax consequences (including the withholding tax consequences) of holding the Program Securities may change. Except as provided in "Description of the New York Law Notes – Payment of Additional Amounts" or Condition 30.1 (*Additional Amounts*) of the Terms and Conditions of the English Law Notes or Condition 12.1 (*Additional Amounts*) of the Terms and Conditions of the Cash Settled Exchangeable Notes, as applicable, if withholding is required on the Program Securities, no additional amounts will be required to be paid. A substitution of the Issuer may result in a deemed taxable exchange of the Program Securities for U.S. federal income tax purposes, in which event gain or loss may be required to be recognized (and in the case of Program Securities treated as debt for U.S. federal income tax purposes, the Program Securities may be subject to different interest accrual requirements after the substitution, depending on the facts at the time of substitution). Investors should consult their tax advisors regarding the U.S. tax consequences of any substitution.

As a finance subsidiary, MSFL has no independent operations and is expected to have no independent assets

The principal risks with respect to Morgan Stanley will also represent the principal risks with respect to MSFL, either as an individual entity or as part of the Morgan Stanley Group. MSFL has no independent operations beyond the issuance and administration of its securities and is expected to have no independent assets available for distributions to holders of MSFL securities if they make claims in respect of the securities in a bankruptcy, resolution or similar proceeding. Accordingly, any recoveries by such holders will be limited to those available under the related guarantee by Morgan Stanley and that guarantee will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of Morgan Stanley present and future, but, in the event of insolvency, only to the extent permitted by laws affecting creditors' rights. Holders will have recourse only to a single claim against Morgan Stanley and its assets under the guarantee. Holders of securities issued by MSFL should accordingly assume that in any such proceedings they would not have any priority over and should be treated *pari passu* with the claims of other unsecured, unsubordinated creditors of Morgan Stanley, including holders of Morgan Stanley-issued securities.

MSFII has no independent operations and is expected to have no independent assets

The principal risks with respect to Morgan Stanley will also represent the principal risks with respect to MSFII, either as an individual entity or as part of the Morgan Stanley Group.

MSFII has no independent operations beyond the issuance and administration of its securities and is expected to have no independent assets available for distributions to holders of MSFII securities if they make claims in respect of the securities in a bankruptcy, resolution or similar proceeding. Accordingly, any recoveries by such holders will be limited to those available under the related guarantee by Morgan Stanley and that guarantee will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of Morgan Stanley present and future, but, in the event of insolvency, only to the extent permitted by laws affecting creditors' rights. Holders will have recourse only to a single claim against Morgan Stanley and its assets under the guarantee. Holders of MSFII securities should accordingly assume that in any such proceedings they would not have any priority over and should be treated *pari passu* with the claims of other unsecured, unsubordinated creditors of Morgan Stanley, including holders of Morgan Stanley-issued securities.

Risks in relation to the exercise of potential resolution powers under UK law

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 UK banks and investment firms (such as MSI plc) to HM Treasury, the Bank of England, the Prudential Regulation Authority and the United Kingdom Financial Conduct Authority ("**FCA**") (each a "**relevant UK Regulatory Authority**") in circumstances where the relevant UK bank or investment firm (a "**relevant financial institution**") is failing or is likely to fail. The Banking Act implemented the provisions of Directive 2014/59/EU (the "**Bank Recovery and Resolution Directive**" or "**BRRD**").

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 and its parent, 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 UK) 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 UK 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 UK 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).

The powers granted to the relevant UK Regulatory Authority include (but are not limited to) a "bail-in" power.

The "bail-in" power gives the relevant UK 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 UK) which is failing or likely to fail, to cancel all or a portion of certain of its unsecured liabilities and/or to convert certain of its liabilities 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 UK) 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 UK 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 UK 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) eligible senior claims.

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 UK Regulatory Authority would consider in deciding whether to exercise such power with respect to MSI plc and its securities or other liabilities. Moreover, as the relevant UK 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.

As well as a "bail-in" power, the powers of the relevant UK 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 UK 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 Banking Act provides that HM Treasury must, in making regulations about compensation arrangements in the case of the exercise of a bail-in power, have regard to the "no creditor worse off" principle, and HM Treasury has made regulations governing compensation arrangements upon the exercise of a bail-in power. Notwithstanding the foregoing, the exercise by the relevant UK Regulatory Authority of any of the above powers under the Banking Act (including especially 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 UK 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.

Risks in relation to the exercise of potential resolution powers under German/EU Law

MSESE is subject to the European Union recovery and resolution framework as set out in Regulation (EU) No 806/2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a single resolution mechanism ("SSM") and a single resolution fund (the "SRM Regulation") and Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended (the "Bank Recovery and Resolution Directive" or "BRRD", and as amended by Directive (EU) 2019/879, "BRRD II"). BRRD was transposed into national German law by the German Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz*, "SAG"). In November 2020 the Risk Reduction Act (*Risikoreduzierungs-gesetz*) has been adopted to implement BRRD II in Germany, which led to, *inter alia*, amendments to the SAG.

BRRD (as transposed into national law) and the SRM Regulation give wide powers in respect of German banks and investment firms (such as MSESE) to the Single Resolution Board, the European Central Bank ("ECB") and the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, "BaFin"), as applicable, (each a "relevant Regulatory Authority") in circumstances where the relevant German bank or investment firm (a "relevant financial institution") is likely to fail.

These powers include, but are not limited to 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 MSESE), to another entity; (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 and its parent, in order to enable any transferee or successor of the relevant financial institution to operate effectively.

By reason of its group relationship with certain other Morgan Stanley Group companies (including companies incorporated outside of Germany) which are banks, investment firms or third-country institutions, MSESE is a banking group company (*gruppenangehöriges Unternehmen*) within the meaning of the SAG. Accordingly, the relevant Regulatory Authority can exercise substantially similar special resolution powers in respect of MSESE in its capacity as a banking group company where the BaFin 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 MSESE 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 Regulatory Authority may recognise the application of some of those measures to MSESE (irrespective of whether at that time MSESE is failing or likely to fail).

The powers granted to the relevant Regulatory Authority include (but are not limited to) a "bail-in" power.

The "bail-in" power gives the relevant Regulatory Authority the power, in relation to a relevant financial institution or a banking group company in respect of a bank, investment firm or third-country institution (whether or not incorporated in Germany) which is failing or likely to fail, of (a) cancellation of all or a portion of certain of its unsecured liabilities, (b) permanent reduction of claims for payment of principal, interest or other amounts under the Notes, including to zero, (c) conversion of certain of its liabilities into another security of the surviving entity, if any. Such power could be utilised in relation to MSESE were it to be failing or likely to fail, or were a bank, investment firm or third-country institution (whether or not incorporated in Germany) in respect of which MSESE is a banking group company to be failing or likely to fail. Were such power to be utilised in relation to MSESE, it could be utilised in relation to securities issued by MSESE.

The SRM and the provisions of the SAG, respectively, require the relevant 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 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) eligible senior claims. Generally, no creditor should incur a greater loss than it would have incurred if the institution had been wound up under regular insolvency proceedings (so called "no creditor worse-off" principle).

Although the exercise of the bail-in power under the SRM Regulation, the SAG and other applicable rules and regulations is subject to certain pre-conditions, there remains uncertainty regarding the specific factors (including, but not limited to, factors outside the control of MSESE or not directly related to MSESE) which the relevant Regulatory Authority would consider in deciding whether to exercise such power with respect to MSESE and its securities or other liabilities. Moreover, as the relevant Regulatory Authority may have considerable discretion in relation to how and when it may exercise such power, holders of securities issued by MSESE 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 MSESE and securities issued by MSESE.

The holders of securities are bound by any resolution measure taken by the relevant Regulatory Authority. Holders would have no claim or any other right against the MSESE, arising out of any resolution measure against MSESE, to make payments under the Notes. This would occur if MSESE becomes, or is deemed by the competent authority to have become, failing or likely to fail (in particular if its continued existence is at risk (*Bestandsgefährdung*)) and certain other conditions are met (as set forth in the SRM Regulation, the SAG and other applicable rules and regulations).

As well as a "bail-in" power, the powers of the relevant Regulatory Authority 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" (*(Brückeninstitut)* 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 (*(Vermögensverwaltungsgesellschaft)*) 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).

In addition, the SAG gives the relevant 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 SAG provides that BaFin must, in making regulations about compensation arrangements in the case of the exercise of a bail-in power, have regard to the "no creditor worse off" principle, and BaFin has made regulations governing compensation arrangements upon the exercise of a bail-in power. Notwithstanding the foregoing, the exercise by the relevant Regulatory Authority of any of the above powers under the SRM and the provisions of the SAG respectively (including especially the bail-in power) could lead to the holders of securities issued by MSESE losing some or all of their investment. Moreover, trading behaviour in relation to the securities issued by MSESE, 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 SRM Regulation, the SAG or other applicable laws and regulations by the relevant Regulatory Authority or the manner in which its powers under these laws are exercised will not materially adversely affect the rights of holders of securities issued by MSESE, the market value of an investment in such securities and/or MSESE's ability to satisfy its obligations under such securities.

U.S. Special Resolution Regime

In the event that MSFL, MSBV, MSI plc, MSFII, MSESE or Morgan Stanley becomes subject to any proceedings under the Federal Deposit Insurance Act or Title II of the Dodd Frank Wall Street Reform and Consumer Protection Act (together the "**U.S. Special Resolution Regime**"), the relevant regulators have various tools to deal with the entity. The U.S. requirements for the orderly resolution of MSFL, MSBV, MSI plc, MSFII, MSESE or Morgan Stanley could require MSFL, MSBV, MSI plc, MSFII, MSESE or Morgan Stanley to reorganise its business. This may involve the transfer of Program Securities issued or guaranteed by MSFL, MSBV, MSI plc, MSFII, MSESE or Morgan Stanley to another entity or vary the default provisions of such Program Securities. Prospective investors should therefore consider the relevant risk factors contained in the Registration Document and the Morgan Stanley Annual Report on Form 10-K for the year ended 31 December 2025 for further information on the U.S. Special Resolution Regime. In particular and in respect of any Program Securities which are Warrants (and the Securities Agency Agreement under which such Warrants are to be issued), such Warrants may be subject to specific provisions of the U.S. Special Resolution Regime which may involve the transfer of the obligations of the issuer and guarantor in respect of Warrants, the Securities Agency Agreement and the Guarantee under the terms of such U.S. Special Resolution Regime. Notwithstanding that such Warrants and the Securities Agency Agreement are governed by English law, Warrantholders in purchasing the Warrants should

be aware that such transfer pursuant to the U.S. Special Resolution Regime may take effect as if the Warrants of the Securities Agency Agreement were governed by the laws of the United States or a state of the United States.

Furthermore, in the event that MSFL, MSBV, MSI plc, MSESE or Morgan Stanley or any of their respective affiliates becomes subject to a U.S. Special Resolution Regime, Warrantholders should be aware that the rights of the Warrantholders under the terms and conditions of the Warrants and under the Securities Agency Agreement (including in respect of an event of default) may be overridden by and only be exercised to the extent that such rights could be exercised under the U.S. Special Resolution Regime as if the Warrants and Securities Agency Agreement were governed by the laws of the United States or any state of the United States.

Recent U.S. Outbound Investment Restrictions

On 28 October 2024, the U.S. Department of the Treasury issued final regulations ("**OIR Final Rule**") implementing Executive Order 14105, "Addressing United States Investments in Certain National Security Technologies and Products in Countries of Concern" ("**OIR Executive Order**"). The OIR Final Rule became effective on 2 January 2025 and prohibits or requires notification for certain transactions between U.S. Persons and certain non-US Persons that have a qualifying nexus to certain countries of concern as set out in the OIR Executive Order and deal in specified technologies. The OIR Final Rule is currently being reviewed by the President Donald J. Trump administration and the set of industries and technologies covered by the OIR Final Rule may be further expanded. The U.S. Department of the Treasury has published responses to Frequently Asked Questions related to the OIR Executive Order on its website at <https://home.treasury.gov/policy-issues/international/outbound-investment-program/frequently-asked-questions>.

The OIR Executive Order applies to the Morgan Stanley Group. The Issuers believe that the OIR Executive Order does not presently restrict its ability to issue the relevant Program Securities or comply with its obligations in relation to the relevant Program Securities. In the event of any amendments to the OIR Final Rule, the OIR Executive Order, revised guidance from the U.S. Department of the Treasury, or the issuance of additional U.S. legislation, this view may be revised. The Issuers will monitor the developments with respect to the OIR Final Rule and will publish further announcements to inform investors if their obligations under the Program Securities become restricted pursuant to the OIR Final Rule.

The Chinese Military Industrial Complex Company Sanctions Program

The President of the United States issued Executive Order 13959 on 12 November 2020 and amended it by Executive Order 13974 of 13 January 2021; Executive Order 14032 of 3 June 2021 then revoked Executive Order 13974 and further amended Executive Order 13959 (collectively, the "**CMIC Executive Orders**"). The CMIC Executive Orders created what is currently known as the Chinese Military Industrial Complex Company sanctions program, which is primarily administered by the U.S. Department of the Treasury's Office of Foreign Assets Control ("**OFAC**"). OFAC has published certain General Licenses and responses to Frequently Asked Questions related to the Executive Orders on its website at <https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/chinese-military-companies-sanctions>.

The CMIC Executive Orders apply to the Morgan Stanley Group. The Issuers believe that the CMIC Executive Orders and relevant guidance from OFAC do not presently restrict their ability to issue the Program Securities or comply with their obligations in relation to the Program Securities. In the event of any amendments to the CMIC Executive Orders, revised guidance from OFAC, or the issuance of additional economic sanctions by the U.S. government, this view may be revised. The Issuers will monitor the developments with respect to the CMIC Executive Orders and will publish further announcements to inform investors if their obligations under the Program Securities become restricted pursuant to the CMIC Executive Orders.

Conflicts of interest

The Issuer, the Guarantor and their affiliates may act in a number of capacities in connection with the Program Securities, including, without limitation, as Determination Agent or Calculation Agent, and need not take into account the specific interests of any individual holder of such Program Securities. Such a party may also enter into business dealings relating to the Program Securities or the Relevant Underlying or any asset to which the Program Securities or Relevant Underlying are exposed, from which such party may derive revenues and profits in addition to any fees stated in the various documents, without any duty to account therefor, or act in a way that is adverse to the interests of the holders of the Program Securities generally.

For further information, see "*Conflicts of Interest*" beginning on page 74.

Risk Factors relating to the Program Securities

Program Securities linked to one or more securities, indices, funds, futures contracts, exchange-traded notes, commodities, currencies, benchmark rates and/or underlying credits.

The Issuers may issue (i) Notes with principal and/or interest determined by reference to a single security, index, futures contract, exchange traded fund ("**ETF**") or other funds, to baskets of securities, indices, futures contracts, ETFs or other funds, to currency prices, exchange-traded notes, commodity prices, benchmark rates, to the credit of one or more entities not affiliated with the Issuers, or other assets or instruments (each, a "**Relevant Underlying**") and (ii) Warrants and Certificates with a return determined by reference to an index or formula, to changes in the prices of securities, indices, ETFs, funds, futures contracts or commodities, to movements in currency exchange rates or benchmark rates, to the credit of one or more entities not affiliated with the Issuers, or other factors (each a "**Relevant Factor**"). In addition, the Issuers may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- (a) they may lose all or a substantial portion of their principal or investment, depending on the performance of each Relevant Underlying or Relevant Factor, as applicable;
- (b) the market price of such Program Securities may be very volatile;
- (c) Warrants and Certificates, unless specified in the relevant Pricing Supplement, do not pay interest and investors in Notes may receive no interest;
- (d) payment or payment of principal or interest, if applicable, may occur at a different time or in a different currency than expected;
- (e) a Relevant Underlying or Relevant Factor, as applicable may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices, or prices of futures contracts;
- (f) if a Relevant Underlying is applied to Notes or a Relevant Factor is applied to Warrants and Certificates in conjunction with a multiplier greater than one or such Relevant Underlying or Relevant Factor contains some other leverage factor, the effect of changes in the value of the Relevant Underlying on principal or interest payable on such Notes or Relevant Factor, on such Warrants or Certificates, is likely to be magnified; and
- (g) the timing of changes in a Relevant Underlying or Relevant Factor, as applicable may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the value of the Relevant Underlying or Relevant Factor, the greater the effect on yield.

The Program Securities are not ordinary debt securities

The terms of certain Notes and of the Warrants and Certificates differ from those of ordinary debt securities because the Notes may not pay interest, the Warrants and Certificates do not pay interest and, at maturity or upon redemption, exercise or cancellation (as applicable), depending on the performance of the Relevant Underlying or Relevant Factor, as applicable, may return less than the amount invested or nothing, or may return assets or securities of an issuer that is not affiliated with the Issuer, the value of which is less than the amount invested. Prospective investors who consider purchasing the Program Securities should reach an investment decision only after carefully considering the suitability of the Program Securities in light of their particular circumstances. The price of the Program Securities may fall in value as rapidly as it may rise, and investors in the Program Securities may potentially lose all of their investment. Investors in Warrants or Certificates will sustain a total loss of their investment if the Warrants or Certificates expire out of the money.

Issuer call option risk

The Issuer may have the right to call for the termination of the Program Securities at any time or at the time as specified in the relevant Pricing Supplement. Following the exercise by the Issuer of such Issuer call option, the investors will be entitled to receive a pre-determined amount which may be less than the amount that the investors would have been entitled to receive under the terms of the Program Securities if such option had not been exercised.

In addition, investors in such Program Securities will no longer be able to realise his or her expectation for a gain in the value of such Program Securities and, if applicable, will no longer participate in the performance of the Relevant Underlying or Relevant Factor, as applicable.

An optional termination feature of the Program Securities is likely to limit their market value. During any period when the Issuer may elect to terminate the Program Securities, the market value of those Program Securities generally will not rise substantially above the price at which they can be terminated.

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

The determination to terminate the Program Securities shall be made by the Issuer at its discretion (unless Condition 26.6 (*Redemption at the Non-Discretionary Option of the Issuer*) or Condition 26.7 (*Model-based Redemption*), in the case of Notes, or Condition 7.2 (*Issuer Call Option – Non-discretionary Call Option*) or Condition 7.3 (*Model-based Redemption*), in the case of Warrants or Certificates apply), taking into account a number of factors, including the current level of the reference asset and the likelihood that such levels will be maintained, or will increase or decrease, in the future. In making such determination, the Issuer will consider whether the expected performance of the reference asset could imply that a higher amount could be payable in the future under the Program Securities than the Optional Redemption Amount (Call) (in the case of Notes (other than Cash Settled Exchangeable Notes)) or the Optional Settlement Amount (in the case of Warrants or Certificates). As a result, it is likely that the Issuer will exercise the call option at a time in which the termination of the Program Securities is least favourable for the investors. The Issuer shall make such determination without taking into account the interest of the investors. Any non-discretionary exercise of the call option shall be determined by reference to a proprietary valuation model of Morgan Stanley which, similarly, shall not take into account the interest of the investors. Accordingly, the call option whether or not discretionary can limit the possibility for investors to realise in full the expected returns.

Issuer Model-based Redemption risk

In accordance with Condition 26.7 (*Model-based Redemption*), in the case of the Notes (other than Cash Settled Exchangeable Notes), or Condition 7.3 (*Model-based Redemption*), in the case of the Warrants or Certificates, if Model-based Redemption is specified in the relevant Pricing Supplement as being applicable, the Issuer must redeem the relevant Program Securities (other than Cash Settled Exchangeable Notes) in whole on any Model-based Redemption Date (Call) at the relevant Model-based Redemption Amount (Call) if the output of a proprietary valuation model indicates, on a Model-based Redemption Determination Date (Call), that redeeming the Program Securities at the relevant Model-based Redemption Date (Call) is economically more rational for the Issuer than not so redeeming the Program Securities. The valuation model is a Morgan Stanley Group proprietary valuation model. It takes into account market data as relevant for the definition of the amount payable by the Issuer under the terms of the Program Securities, in particular (i) reference market levels and volatilities for the relevant underlying assets, including forward looking predictions of their curves; (ii) valuations of the correlation of the underlying assets; (iii) any relevant currency exchange rate and (iv) the Issuer's (and the Guarantor's, if applicable) credit spreads at the Trade Date. The output of such valuation model is not public and therefore it may be difficult for investors to anticipate whether or not the Program Securities will be redeemed at the relevant Model-based Redemption Date (Call).

Following the redemption of the Program Securities in accordance with Condition 26.7 (*Model-based Redemption*), in the case of the Notes (other than Cash Settled Exchangeable Notes), or Condition 7.3 (*Model-based Redemption*), in the case of the Warrants or Certificates, the investors will be entitled to receive a pre-determined amount which may be less than the amount that the investors would have been entitled to receive under the terms of the Program Securities if such Model-based Redemption had not taken place. In any case, such amount shall be not less than Par, unless otherwise specified in the relevant Pricing Supplement.

It is likely that the Program Securities will be redeemed based on a Model-based Redemption condition at a time in which the termination of the Program Securities is least favourable for the investors. Any such determination shall be made without taking into account the interests of the investors. The occurrence of a Model-based Redemption therefore can limit the possibility for investors to realise in full the returns expected from the Program Securities if they had continued until their scheduled Maturity Date.

The Determination Agent maintains discretion, which shall be exercised in good faith, in the interpretation of the outputs of the Valuation Model and on the date on and time at which such outputs are observed, provided that such date and time shall be no earlier than three (3) Business Days before and no later than a Model-based Redemption Determination Cut-off Date (Call), and therefore with respect to the final decision to redeem the Program Securities (other than Cash Settled Exchangeable Notes).

If the Program Securities (other than Cash Settled Exchangeable Notes) are early redeemed following a Model-based Redemption, investors will no longer be able to participate in the performance of the reference asset.

If the Program Securities (other than Cash Settled Exchangeable Notes) are early redeemed following a Model-based Redemption, investors generally might not be able to reinvest the redemption amount of the Program Securities in the same market environment as was available at the time in which they invested in the Program Securities and they might be unable to reinvest at a comparable rate of return. Investors should consider reinvestment risk in light of other investments available at the time of their investment decision.

Program Securities issued by MSBV, MSFL and MSFII will not have the benefit of any cross-default or cross-acceleration with other indebtedness of MSBV, MSFL, MSFII or Morgan Stanley; A Morgan Stanley covenant default or bankruptcy, insolvency or reorganization event does not constitute an Event of Default with respect to MSBV, MSFL or MSFII Program Securities

Unless otherwise stated in the applicable Pricing Supplement, the Program Securities issued by MSBV, MSFL and MSFII will not have the benefit of any cross-default or cross-acceleration with other indebtedness of MSBV, MSFL, MSFII or Morgan Stanley (as applicable). In addition, a covenant default by Morgan Stanley, as guarantor, or an event of bankruptcy, insolvency or reorganization of Morgan Stanley, as guarantor, does not constitute an event of default with respect to any Program Securities issued by MSBV, MSFL or MSFII. Holders of the Program Securities should be aware that they will not have the right to request the Issuer to redeem the Program Securities following a default by MSBV, MSFL, MSFII or Morgan Stanley (as applicable) under its other indebtedness or following such covenant default or event of bankruptcy or insolvency or reorganisation of Morgan Stanley, as Guarantor.

The value of the Program Securities (other than Cash Settled Exchangeable Notes) linked to the Relevant Underlying or Relevant Factor, as applicable may be influenced by unpredictable factors

The value of the Program Securities may be influenced by several factors beyond the Issuer's, and/or its Affiliates' and, where applicable, the Guarantor's control including:

- i. *Valuation of the Relevant Underlying or Relevant Factor.* The market price or value of a Program Security at any time is expected to be affected primarily by changes in the price or level of the Relevant Underlying or Relevant Factor to which the Program Securities are linked. It is impossible to predict how the price or level of the Relevant Underlying or Relevant Factor will vary over time. The historical performance value (if any) of the Relevant Underlying or Relevant Factor does not indicate the future performance of the Relevant Underlying or Relevant Factor. Factors which may have an effect on the value of the Relevant Underlying or Relevant Factor include the rate of return of the Relevant Underlying or Relevant Factor and, where relevant, the financial position and prospects of the issuer of the Relevant Underlying or Relevant Factor, the specified entity or index with respect to credit linked notes ("**Credit Linked Notes**") or credit linked warrants or certificates ("**Credit Linked Securities**" and, together, "**Credit Linked Program Securities**"), or the market price or value of the applicable underlying security, index, ETF, fund, futures contract or basket of securities, indices, ETFs, funds or futures contracts. In addition, the level of the Relevant Underlying or Relevant Factor may depend on a number of inter-related factors, including global, national and regional economic, financial, geopolitical, political, regulatory and judicial events and their effect on the capital markets generally and relevant stock exchanges. Potential investors should also note that whilst the market value of the Program Securities is linked to the Relevant Underlying or Relevant Factor and will be influenced (positively or negatively) by the Relevant Underlying or Relevant Factor, any change may not be comparable and may be disproportionate. It is possible that while the Relevant Underlying or Relevant Factor is increasing in value, the value of the Program Securities may fall. Further, the Conditions of the Program Securities will allow the Determination Agent to make adjustments or take any other appropriate action if circumstances occur where the Program Securities or any exchanges or price sources are affected by market disruption, adjustment events or circumstances affecting normal activities;
- ii. *Volatility.* The term "**volatility**" refers to the actual and anticipated frequency and magnitude of changes of the market price with respect to a Relevant Underlying or Relevant Factor. Volatility is affected by a number

of factors such as macroeconomic factors (i.e. those economic factors which have broad economic effects), speculative trading and supply and demand in the options, futures and other derivatives markets. Volatility of a Relevant Underlying or Relevant Factor will move up and down over time (sometimes more sharply than at other times) and different Relevant Underlyings or Relevant Factors will most likely have separate volatilities at any particular time;

- iii. *Dividend Rates and other Distributions.* The value of certain Equity and Proprietary Index-Linked Notes, Fund-Linked Notes and Futures Contract-Linked Notes and of the Warrants and Certificates could, in certain circumstances, be affected by fluctuations in the actual or anticipated rates of dividend (if any) or other distributions on a Relevant Underlying or Relevant Factor;
- iv. *Interest Rates.* Investments in the Notes may involve interest rate risk. The interest rate level may fluctuate on a daily basis and cause the value of the Notes to change on a daily basis. The interest rate risk is a result of the uncertainty with respect to future changes of the market interest rate level. In general, the effects of this risk increase as the market interest rates increase;
- v. *Remaining Term.* Generally, the effect of pricing factors over the term of the Program Securities will decrease as the maturity date approaches. However, this reduction in the effect of pricing factors will not necessarily develop consistently up until the maturity date, but may undergo temporary acceleration and/or deceleration. Even if the price of the Relevant Underlying or Relevant Factor rises or falls there may a reduction or increase, as the case may be, in the value of the Program Securities due to the other value determining factors. Given that the term of the Program Securities is limited, investors cannot rely on the price of the Relevant Underlying or Relevant Factor or the value of the Program Securities recovering again prior to maturity;
- vi. *Creditworthiness.* Any prospective investor who purchases the Program Securities is relying upon the creditworthiness of the Issuer and/or the Guarantor, if applicable, and has no rights against any other person. If the Issuer and/ or the Guarantor, if applicable, becomes insolvent, investors may suffer potential loss of their entire investment irrespective of any favourable development of the other value determining factors, such as a Relevant Underlying or Relevant Factor; and
- vii. *Exchange Rates.* Even where payments in respect of the Program Securities are not expressly linked to a rate or rates of exchange between currencies, the value of the Program Securities could, in certain circumstances, be affected by such factors as fluctuations in the rates of exchange between any currency in which any payment in respect of the Program Securities is to be made and any currency in which a Relevant Underlying or Relevant Factor is traded, appreciation or depreciation of any such currencies and any existing or future or governmental or other restrictions on the exchangeability of such currencies. There can be no assurance that rates of exchange between any relevant currencies which are current rates at the date of issue of the Program Securities will be representative of the relevant rates of exchange used in computing the value of the Program Securities at any time thereafter. Where Notes are described as being "quantoed", the value of the Relevant Underlying will be converted from one currency (the "**Relevant Underlying Currency**") into a new currency (the "**Settlement Currency**") on the date and in the manner specified in, or implied by, the Conditions using a fixed exchange rate. The cost to the Issuer of maintaining such a fixing between the Relevant Underlying Currency and the Settlement Currency will have an implication on the value of the Notes. The implication will vary during the term of the Notes. No assurance can be given as to whether or not, taking into account relative exchange rate and interest rate fluctuations between the Relevant Underlying Currency and the Settlement Currency, a quanto feature in a Note would at any time enhance the return on the Note over a level of a similar security issued without such a quanto feature, and a quanto feature may worsen the return.

Some or all of the above factors will influence the price investors will receive if an investor sells its Program Securities prior to maturity, which is usually referred to as "secondary market practice". For example, investors may have to sell certain Program Securities at a substantial discount from the principal amount or investment amount if the market price or value of the applicable Relevant Underlying or Relevant Factor is at, below, or not sufficiently above the initial market price or value or if market interest rates rise. The secondary market price may be lower than the market value of the issued Program Securities as at the Issue Date to take into account, amongst other things, amounts paid to distributors and other intermediaries relating to the issue and sale of the Program Securities and amounts relating to the hedging of the Issuer's obligations. As a result of all of these factors, any investor that sells the Program Securities before the stated expiration or maturity date, may receive an amount in the secondary market which may be less than the then intrinsic market value of the Program Securities and which may also be less than the amount the investor would have received had the investor held the Program Securities through to maturity.

Risks and possible U.S. tax reporting where the Program Securities are linked to an "actively managed" basket of Relevant Underlyings

Program Securities may be linked to a basket of Relevant Underlyings which is "actively managed", where a third party allocator (the "**Allocator**") is solely responsible for determining from time to time the Relevant Underlyings comprising the basket. An "actively managed" basket follows a notional strategy and is rules-based and the value of such basket may go down as well as up, depending on the performance of Relevant Underlyings comprising such basket. There can be no assurance as to the future performance of any such basket, and the value of such basket on any day may not reflect either its past performance or its future performance. The strategy that an "actively managed" basket has been developed to reflect may not be successful in achieving the investment objectives of any potential investor. Any past performance of an "actively managed" basket (actual or simulated) is not an indication of its future performance.

The success or failure of an "actively managed" basket or any Relevant Underlying comprising such basket to achieve any investment or hedging objective or any particular performance is solely affected by the abilities of, and determinations made by, the relevant Allocator and certain key individuals employed by the relevant Allocator. There can be no assurance that the relevant Allocator will be successful in its decision or the rebalancing of an "actively managed" basket or generating positive performance, and any such decision or rebalancing by the relevant Allocator may cause such basket to perform in a worse manner than if such decision or rebalancing had not been made. Furthermore, the loss of one of more such key individuals at the relevant Allocator may have a material adverse impact on the performance and value of the relevant "actively managed" basket. Any of the foregoing may have a negative impact on the value of, and return under, the Program Securities linked to an "actively managed" basket.

Under Notice 2015-74 issued by the IRS, certain transactions that reference a basket of underlying assets were identified as "transactions of interest" subject to reporting requirements pursuant to the "reportable transactions" rules set forth in Section 6011 of the Code. Proposed Treasury regulations issued in 2024 would, if finalised as drafted, identify substantively the same transactions as reportable "listed transactions". Very generally, the IRS notice addressed, and the proposed regulations would apply to, an instrument that makes payments based on the performance of a basket of referenced assets (such as securities, commodities or foreign currency) and the investor or its designee has the discretion to change the assets that comprise the basket, or change the trading algorithm that determines the assets. The IRS notice and the proposed regulations are not intended to apply where the investor is a non-U.S. person whose income or gain from the investment is not effectively connected with the investor's U.S. trade or business. However, the relevant Issuer is not expected to be able to reliably associate investments in the Program Securities linked to an "actively managed" basket with valid documentation from an investor (such as an IRS Form W-8BEN or W-8BEN-E) that would establish the investor's non-U.S. status for U.S. tax purposes. Therefore, although the circumstances that require disclosure pursuant to the proposed regulations are not always clear, if the proposed regulations are finalised as drafted, an Issuer that issues Program Securities linked to an "actively managed" basket may be required to report the issuance to the IRS. Once the proposed regulations are finalised, reporting may be required even with respect to certain Program Securities issued prior to the date of finalisation.

Moreover, changes to an "actively managed" basket of Relevant Underlyings may result in a taxable deemed disposition of certain Program Securities. The IRS has indicated it may, under certain circumstances, seek to treat certain contracts that reference a basket of underlying assets, where the underlying assets are changed during the term of the contract, as having had a taxable deemed disposition under Section 1001 of the Code. It is thus possible that the IRS may seek to assert that certain Program Securities linked to an "actively managed" basket of Relevant Underlyings are subject to a taxable deemed distribution, in which case holders may be subject to adverse tax consequences.

Notes where denominations involve integral multiples

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive

Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination.

Certain considerations regarding the use of the Program Securities as hedging instruments

Any person intending to use the Program Securities as a hedge instrument should recognise the "correlation risk" of doing this. Correlation risk is the potential differences in exposure for a potential investor that may arise from the ownership of more than one financial instrument. The Program Securities may not hedge exactly a Relevant Underlying, Relevant Factor or portfolio of which a Relevant Underlying or Relevant Factor forms a part. In addition, it may not be possible to liquidate the Program Securities at a level which directly reflects the price of the Relevant Underlying, Relevant Factor or portfolio of which the Relevant Underlying or Relevant Factor forms a part. Potential investors should not rely on the ability to conclude transactions during the term of the Program Securities to offset or limit the relevant risks. This depends on the market situation and the specific Relevant Underlying or Relevant Factor conditions. It is possible that such transactions will only be concluded at an unfavourable market price, resulting in a corresponding loss for the Noteholder or the Securityholder.

Effect on the Program Securities of hedging transactions by the Issuer

The Issuer may use a portion of the total proceeds from the sale of the Program Securities for transactions to hedge the risks of the Issuer relating to the Program Securities, including by trading in instruments related to the Relevant Underlying(s). In such case, the Issuer or any of its Affiliates may conclude transactions that correspond to the obligations of the Issuer under the Program Securities. As a rule, such transactions are concluded prior to or on the Issue Date, but it is also possible to conclude such transactions after issue of the Program Securities. On or before a valuation date the Issuer or any of its Affiliates may take the steps necessary for closing out any hedging transactions. As a result, these entities may be winding or adjusting hedge positions during the term of the Program Securities, and the hedging strategy may involve greater and more frequent dynamic adjustments to the hedge as a valuation date approaches. It cannot, however, be ruled out that the price of a Relevant Underlying or Relevant Factor will be influenced by such transactions. Entering into or closing out these hedging transactions may influence the probability of occurrence or non-occurrence of determining events in the case of Program Securities with a value based on the occurrence of a certain event in relation to a Relevant Underlying or Relevant Factor. Also, as noted above, these hedging activities could affect the price, rate, level or other value of the Relevant Underlying(s). In addition, the Issuer and/or its Affiliates may also trade financial instruments related to the Relevant Underlying(s) as part of their general broker-dealer and other businesses. Accordingly, the hedging activities of the Issuer and its affiliates could have a significant negative (or positive) impact on the investor's return on the Program Securities.

Financial Transaction Tax Risk

If "Implementation of Financial Transaction Tax" is specified in the applicable Pricing Supplement to be applicable to a Series, then if, on or after the Trade Date, 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 tax 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 that it (directly or through an Affiliate) 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) in relation to its obligations under such Series or its related hedge positions ("**Additional Tax**"), the Issuer may adjust the Conditions of such Series to reduce the amount otherwise payable under such Series to holders of such Program Securities in order to pass on to the holders of such Program Securities the full amount of such Additional Tax imposed on the Issuer.

The Regulation S/Rule 144A Securities will not be listed on any U.S. securities exchange and secondary trading may be limited; transfer restrictions apply.

The Regulation S/Rule 144A Securities will not be listed on any U.S. securities exchange. Therefore, there may be little or no secondary market for the Regulation S/Rule 144A Securities. The Distribution Agents may, but are not obligated to, make a market in the Regulation S/Rule 144A Securities and, if one or both of the Distribution Agents chooses to make a market, may cease doing so at any time. When a Distribution Agent does make a market, it will generally do so for transactions of routine secondary market size at prices based on its estimate of the current value of the Regulation S/Rule 144A Securities, taking into account its bid/offer spread, the relevant Issuer's credit spreads, market volatility, the notional size of the proposed sale, the cost of unwinding any related

hedging positions, the time remaining to maturity and the likelihood that it will be able to resell the Regulation S/Rule 144A Securities. Even if there is a secondary market, it may not provide enough liquidity to allow you to trade or sell the Regulation S/Rule 144A Securities easily. Since other broker-dealers may not participate significantly in the secondary market for the Regulation S/Rule 144A Securities, the price at which you may be able to trade your Regulation S/Rule 144A Securities is likely to depend on the price, if any, at which a Distribution Agent is willing to transact. If, at any time, the Distribution Agents were to cease making a market in the Regulation S/Rule 144A Securities, it is likely that there would be no secondary market for the Regulation S/Rule 144A Securities. Accordingly, you should be willing to hold your Regulation S/Rule 144A Securities to maturity. Transfers of the Regulation S/Rule 144A Securities are subject to the requirements of Regulation S or Rule 144A under the Securities Act, as applicable.

Secondary trading of the Program Securities may be limited

Potential investors should be willing to hold the Program Securities until maturity. The nature and extent of any secondary market in the Program Securities cannot be predicted and there may be little or no secondary market in the Program Securities. As a consequence any person intending to hold the Program Securities should consider liquidity in the Program Securities as a risk. Where the Program Securities are listed or quoted on an exchange or quotation system, this does not imply greater or lesser liquidity than if equivalent Program Securities were not so listed or quoted and the Issuer cannot guarantee that the listing or quotation will be permanently maintained. Where the Program Securities are not listed or quoted, it becomes more difficult to purchase and sell such Program Securities and there may also be a lack of transparency with regard to pricing information.

Further, although an Issuer may apply to have certain issuances of Program Securities admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market, admitted to listing on the Luxembourg Stock Exchange and to trading on the Luxembourg Stock exchange's Euro MTF market, or admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system, approval for any listing is subject to meeting the relevant listing requirements. Even if there is a secondary market, it may not provide enough liquidity to allow the investor to sell or trade the Program Securities easily. MSI plc and other affiliates of Morgan Stanley may from time to time, make a market in the Program Securities, but they are not required to do so. If at any time MSI plc and other affiliates of the Issuers were to cease making a market in the Program Securities, it is likely that there would be little or no secondary market for the Program Securities. This may impact the ability of the investor of such Program Securities to sell the Program Securities at any time.

Investors have no shareholder rights

As an owner of Program Securities, investors should be aware that they will not have voting rights or rights to receive dividends, interest or other distributions, as applicable, or any other rights with respect to any underlying security, ETF, other fund, index or futures contract. An investment in the Program Securities is not the same as an investment in the Relevant Underlying. A holder should be aware that the amount(s) it receives in respect of its Program Securities linked to a Relevant Underlying may be less than a direct investment in the Relevant Underlying.

Modification and waiver

The Conditions of the English Law Notes, the Conditions of the Cash Settled Exchangeable Notes and the Conditions of the Warrants and Certificates contain provisions for calling meetings of Noteholders and Securityholders (as applicable) to consider matters affecting their interests generally, or to pass resolutions in writing or through the use of electronic consents. These provisions permit defined majorities to bind all holders of the relevant Program Securities, including holders who did not attend and vote at the relevant meeting or, as the case may be, did not sign the written resolution or give their consent electronically and including those holders who voted in a manner contrary to the majority.

The Conditions of the New York Law Notes contain provisions for Noteholder votes to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not vote and Noteholders who voted in a manner contrary to the majority.

Holders of the Program Securities should be aware that if they are not part of the defined majority, including if such holder did not attend the relevant meeting, they will be bound by the decision of the defined majority on matters which may negatively affect the interests of such holder.

Restricted secondary trading if the electronic trading system is unavailable

Trading in the Program Securities may be conducted via one or more electronic trading systems so that "buy" and "sell" prices can be quoted for exchange and off exchange trading. If an electronic trading system used by the Issuer and/or its Affiliates were to become partially or completely unavailable, such a development would have a corresponding effect on the ability of investors to trade the Program Securities.

Settlement risk

If (with respect to any Program Securities (other than Cash Settled Exchangeable Notes) that are physically settled) prior to the delivery of any specified asset(s), the Determination Agent for the Notes determines that a settlement disruption event (as defined, (in respect of the English Law Notes) in Condition 29.3 (*Settlement Disruption of Physical Settlement*) and in Condition 20.1(c) (*Settlement Disruption*) (in respect of the Warrants and Certificates), a "**Settlement Disruption Event**") is subsisting, then the Issuer may determine (a) to satisfy its obligations to deliver such specified asset(s) by payment of a disrupted cash settlement price or (b) that the obligation to deliver such asset(s) shall be postponed to the first following business day on which no Settlement Disruption Event is subsisting, subject to a cut-off date. If a Settlement Disruption Event is still subsisting at such cut-off date, the Issuer may determine to satisfy its obligations to deliver the relevant specified asset(s) by payment of a disrupted cash settlement price, that delivery will be made by any other commercially reasonable manner, or if that is not possible, that delivery will be postponed until such time as delivery can be effected as originally intended or by any other commercially reasonable manner. Prospective investors should note that any such determination may affect the value of the Program Securities and/or may delay settlement in respect of the Program Securities.

Prospective investors should also note that (with respect to any Program Securities (other than Cash Settled Exchangeable Notes) that are physically settled) if the Determination Agent determines that the Issuer has not or is unable to deliver any specified asset(s) due to a delivery disruption event (as defined, (in respect of the English law Notes) in Condition 29.4 (*Delivery Disruption of Physical Settlement*) and in Condition 20.2 (*Delivery Disruption*) (in respect of the Warrants and Certificates)), then the relevant Issuer may satisfy its obligations to deliver such specified asset(s) by payment of a disrupted cash settlement price.

Prospective investors should note that any disrupted cash settlement price will be an amount the Determination Agent considers is appropriate in the circumstances by way of compensation for the non-delivery of the relevant specified asset(s), in the case of the English Law Notes, or determines in its reasonable discretion which seeks to preserve for the relevant holders the economic equivalent of the delivery of the relevant specified asset(s), in the case of the Warrants and Certificates, and that any such determination may adversely affect the value of the Program Securities.

Risks relating to regulatory reform

It is possible that government regulation of various types of financial instruments, including the Program Securities and the Relevant Underlyings, may affect the ability of an Issuer to offer or sell such Program Securities in the United States or to, or for the account or benefit of, U.S. persons. In addition, regulatory reform could ultimately affect the performance of the Relevant Underlyings and hence the performance of the Program Securities. In particular, some legislative and regulatory proposals, such as those in the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**"), will, upon implementation, impose limits on the maximum position that could be held by a single trader in certain Relevant Underlyings and may subject certain Relevant Underlyings (and therefore any Program Securities linked to those Relevant Underlyings) to new forms of regulation that could create barriers to some types of investment activity, including investments via the Program Securities. Other provisions may require certain of the Notes to be cleared and traded on an exchange, expand entity registration requirements and impose business conduct requirements on persons active in the swaps market. While certain provisions of the Dodd-Frank Act have already come into effect or are the subject of final rules that by their terms will come into effect at specified dates in the future, other provisions must be implemented through future rulemaking. While any such regulatory or legislative activity may not necessarily have a direct or indirect, immediate effect upon an Issuer or the Program Securities, it is possible that, upon implementation of these measures or any future measures, such regulatory reform could potentially limit or completely restrict the ability of an Issuer to offer Program Securities, increase the costs of offering the Program Securities or make them less effective, which could then affect the performance of the Program Securities.

Withholding or deduction of tax on payments under CMU Notes issued by MSFL

Payments on CMU Notes issued by MSFL may be subject to United States withholding tax in the same manner as securities issued by a United States corporation.

For so long as a Tranche of CMU Notes issued by MSFL is represented by a Global Registered Note and lodged with a sub-custodian for or registered with the CMU, the CMU Lodging and Paying Agent will obtain from the CMU a list of person(s) shown in the records of the CMU for whose account(s) interest(s) in such CMU Notes are credited on the date falling 15 calendar days prior to a payment date of principal or interest of the CMU Notes ("**Record Date List**").

Each holder of such CMU Note or an interest therein, by acceptance of such CMU Note or such interest in such CMU Note, will be deemed to have agreed to provide the CMU Lodging and Paying Agent and the Withholding Tax Administration Agent with the Holder Tax Identification Information and Holder FATCA Information. In addition, each holder of a CMU Note will be required or deemed to understand and acknowledge that the CMU Lodging and Paying Agent has the right, under the CMU Note Conditions, to withhold interest payable with respect to such CMU Note (without any corresponding gross-up) with respect to any beneficial owner of an interest in such CMU Note that fails to comply with the foregoing requirements, at the highest rate applicable to such payment regardless of any exemption from, or reduction in, such withholding otherwise available under relevant laws. Neither MSFL nor the Guarantor shall have any obligation to pay any additional amounts to compensate any Noteholder for such withholding or deduction.

Payments for CMU Notes issued by MSFL

Investors should note that, in respect of CMU Notes issued by MSFL, for so long as a Tranche of CMU Notes is represented by a Global Registered Note and lodged with a sub-custodian for or registered with the CMU, payments will be made to the person(s) shown on the Record Date List rather than based on the records of the CMU on the Clearing System Business Day immediately prior to that date for payment. For these purposes, a notification from the CMU shall be conclusive evidence of the records of the CMU (save in the case of manifest error). None of MSFL, the Guarantor, any Agent or any other person shall have any obligation to verify or confirm whether there is any change to such list of person(s) shown in the records of the CMU following that date falling 15 calendar days prior to the Relevant Payment Date.

Risk of non-receipt of payments for late transferees

Potential investors should be aware that, in respect of CMU Notes issued by MSFL, for so long as a Tranche of CMU Notes is represented by a Global Registered Note and lodged with a sub-custodian for or registered with the CMU, any transferee acquiring such CMU Notes issued by MSFL after the date falling 15 calendar days prior to the payment date of principal or interest of the CMU Notes may not receive the relevant payment due on such date, as payments are made based on the Record Date List on 15 calendar days prior to such payment date. Late transferees may not be recognized to receive their principal or interest payment on the due date, thereby facing a risk of non-receipt of payment. Investors should be conscious of this timing restriction to prevent potential loss of expected redemption or interest payments.

Potential U.S. Withholding Tax under FATCA and on U.S. Dividend Equivalent Amounts

As discussed in "*United States Federal Taxation*" below, sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended, (of the "**Code**") and any regulations thereunder or official guidance in connection therewith, an agreement entered into with the IRS pursuant to such sections of the Code, an intergovernmental agreement (an "**IGA**") between the United States and another jurisdiction in furtherance of such sections of the Code, or any non-U.S. laws or rules implementing an IGA (collectively referred to as "**FATCA**") may impose a withholding tax of 30 per cent. on payments made on the Program Securities (including payments made by financial intermediaries to non-U.S. persons), unless various U.S. information reporting and due diligence requirements have been satisfied.

Furthermore, Section 871(m) of the Code and the regulations thereunder require withholding (under current law up to 30 per cent. depending on whether an income tax treaty applies) on payments or deemed payments made to non-U.S. persons on certain financial instruments to the extent that such payments are treated, for U.S. federal income tax purposes, as being U.S.-source dividend equivalent amounts.

If withholding is so required, none of the Issuers nor any intermediary will be required to pay any additional amounts with respect to the amounts so withheld. Either of the foregoing rules may affect the amounts paid to an investor on the Program Securities.

U.S. Federal Withholding Tax on Interest and Other Coupons

Payments to non-U.S. persons in respect of a Note issued by Morgan Stanley, MSFL or MSFII that are treated as interest for U.S. tax purposes may be subject to U.S. withholding tax of 30 per cent. if the beneficial owner of the Notes does not meet the criteria for being exempt from this withholding tax. These criteria include the requirement that the non-U.S. beneficial owner (or a financial institution holding the Notes on behalf of the beneficial owner) comply with certain tax identification and certification rules, generally by furnishing the appropriate IRS Form W-8BEN or W-8BEN-E on which the beneficial owner certifies under penalties of perjury that it is not a United States person. Other U.S. withholding taxes may apply in respect of a Note as described below under "*United States Federal Taxation*".

In addition, in the case of certain coupon-paying Notes, a non-U.S. investor may be required to establish an exemption under the "other income" provision of a Qualifying Treaty (as defined below) in order to receive payments from Morgan Stanley, MSFL or MSFII without U.S. withholding tax of 30 per cent. An income tax treaty between a non-U.S. jurisdiction and the United States is a "**Qualifying Treaty**" if it provides for a 0 per cent. rate of tax on "other income" earned by a resident of the non-U.S. jurisdiction from sources within the United States. Because most income tax treaties contain complex eligibility rules and limitations, a non-U.S. investor should consult its tax advisor about its eligibility for this exemption.

If withholding is so required, and unless specified otherwise in an applicable Pricing Supplement, none of Morgan Stanley, MSFL, MSFII or any intermediary will be required to pay any additional amounts with respect to the amounts so withheld.

See "*United States Federal Taxation*" for further discussion regarding the potential U.S. withholding taxes that could apply to payments with respect to the Notes.

Because MSFII is a Disregarded Entity for U.S. Federal Income Tax Purposes, Payments it Makes Could be Subject to U.S. Withholding Tax

For U.S. federal income tax purposes, MSFII is disregarded as an entity separate from Morgan Stanley. Therefore, a Note issued by MSFII will be treated as if it were issued by Morgan Stanley solely for U.S. federal income tax purposes. Consequently, even though MSFII was not organized under U.S. law, payments of interest or certain coupons made in respect of a Note issued by MSFII will be treated as U.S.-source income, and could be subject to U.S. federal withholding tax unless an applicable exemption from withholding is established, as discussed under "*United States Federal Taxation*".

Total loss-absorbing capacity of New York Law Notes

Morgan Stanley intends that the New York Law Notes will, when issued, constitute "loss-absorbing capacity" within the meaning of the final rules issued by the Board of Governors of the Federal Reserve System and, accordingly, will have only those provisions described in this Offering Circular that will permit compliance thereof at such time of issuance. In this respect, Morgan Stanley is a parent holding company and has no operations and depends on dividends, distributions and other payments from its subsidiaries to fund its debt obligations (including New York Law Notes). Under a support agreement that Morgan Stanley has entered with its material subsidiaries, upon the occurrence of a resolution scenario, including a single-point-of-entry resolution strategy as contemplated in its resolution plan, Morgan Stanley would be obligated to contribute or loan on a subordinated basis all of its material assets, other than shares in its subsidiaries and certain intercompany payables, to provide capital and liquidity, as applicable, to its material subsidiaries. That obligation will be secured, in accordance with an amended and restated secured support agreement, on a senior basis by Morgan Stanley's assets (other than shares in its subsidiaries). As a result, claims of Morgan Stanley's material subsidiaries against its assets (other than shares in its subsidiaries) will be effectively senior to its unsecured obligations, including New York Notes which would be at risk of absorbing Morgan Stanley's and its subsidiaries' losses.

The Program Securities may be redeemed or terminated (as applicable) prior to maturity

Unless in the case of any particular Tranche of Notes or series of Securities the applicable Pricing Supplement specifies otherwise, in the event that the relevant Issuer or the Guarantor (if applicable) would be obliged to increase the amounts payable in respect of any Program Securities 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, or in certain circumstances following the occurrence of an Administrator/Benchmark Event or relevant adjustment events applicable to the Program Securities, the relevant Issuer may redeem or settle (as applicable) all outstanding Program Securities in accordance with, if "Supplementary Provisions for Belgian Notes" or "Supplementary Provisions for Belgian Securities" is specified as not applicable in the applicable Pricing Supplement, the Conditions, at the redemption or settlement price (as applicable) specified in the applicable Pricing Supplement, or, if "Supplementary Provisions for Belgian Notes" or "Supplementary Provisions for Belgian Securities" is specified as applicable in the applicable Pricing Supplement, the Belgian Supplemental Conditions (Notes) or the Belgian Supplemental Conditions (Securities) respectively, at the redemption or settlement amounts specified in the risk factor "*The Program Securities may be redeemed or settled prior to maturity (where the Supplementary Provisions for Belgian Notes or the Supplementary Provisions for Belgian Securities apply)*" below.

In addition, if in the case of any particular Tranche of Notes the applicable Pricing Supplement specifies that the Notes are redeemable at the relevant Issuer's option in certain other circumstances the relevant Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances 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.

In addition, an optional redemption feature or optional termination feature in any particular Tranche of Notes or series of Securities is likely to limit their market value. During any period when the relevant Issuer may elect to redeem or terminate Program Securities, the market value of those Program Securities generally will not rise substantially above the price at which they can be redeemed or settled. This also may be true prior to any redemption or settlement period.

In the case of certain Program Securities, if such Program Securities are redeemed or terminated early for any reason, the amount payable by the Issuer may be less than the amount that would have been paid had the Program Securities been redeemed or settled at maturity or the expiration date.

In addition, in the circumstance of an event of default by the relevant Issuer and acceleration of the Program Securities, the investor would have an unsecured claim against the Issuer or, if applicable, the Guarantor for the amount due on the early redemption or early termination of the Program Securities.

The Program Securities may be redeemed or settled prior to maturity (where the Supplementary Provisions for Belgian Notes or the Supplementary Provisions for Belgian Securities apply)

If "Supplementary Provisions for Belgian Notes" or "Supplementary Provisions for Belgian Securities" (as applicable) is specified as applicable in the applicable Pricing Supplement and any outstanding Program Securities may be redeemed or settled by the Issuer following the occurrence of certain events that significantly alter the economics of the relevant Program Securities that existed on the relevant Trade Date, the amount payable by the Issuer will depend on whether such event is an event that definitively prevents the performance of the Issuer's or the Determination Agent's obligations under the Program Securities and for which the Issuer or the Determination Agent is not accountable (a "**Force Majeure Event**").

If the relevant event is a Force Majeure Event, the Issuer will (if and to the extent permitted by applicable law and regulation) pay an amount on the relevant early redemption date which will be equal to the fair market value of the Program Securities.

If the relevant event is not a Force Majeure Event, then:

- (a) if Minimum Redemption Amount or Minimum Settlement Amount (as applicable) is specified as not applicable in the relevant Issue Terms, the Issuer will pay an amount on the relevant early redemption or settlement date which will be equal to the fair market value of the Program Securities (plus a *pro-rata* reimbursement of the costs of the Issuer paid by the original Noteholder or Securityholder as part of the Issue Price of the Program Securities, as adjusted to take into account the time remaining until maturity or the expiration date); or
- (b) if Minimum Redemption Amount or Early Settlement Amount is specified as applicable in the relevant Issue Terms, the Issuer will pay an amount on the Maturity Date or the Expiration Date (as applicable) of the Program Securities equal to the minimum level of the final redemption amount or cash settlement amount payable on the Maturity Date or the Expiration Date respectively, plus the sum of the value of

the derivative component of such Program Security, plus a sum representing the reimbursement of costs initially charged to investors by the Issuer for issuing the Program Security (as adjusted to take into account the time remaining to maturity), compounded at a rate of interest for comparable debt instruments issued by the Issuer (or, in the case of any Program Securities guaranteed by the Guarantor, the Guarantor) for the remaining term of the Program Securities. However, the holder of a Program Security may instead choose to receive payment prior to the Maturity Date or the Expiration Date by electing to receive an amount equal to the fair market value of the Program Securities (plus a *pro-rata* reimbursement of the costs of the Issuer paid by the original Noteholder or Securityholder as part of the Issue Price of the Program Securities, as adjusted to take into account the time remaining until maturity) on the relevant early redemption date or early settlement date (as applicable).

The Issuer's obligations under the Program Securities shall be satisfied in full upon payment of such amounts.

The amount payable by the Issuer in the circumstances set out above may be less than the amount that would have been paid had the Program Securities been redeemed at maturity or exercised on the Expiration Date (as applicable).

Prospective investors should review the Conditions as amended by the Belgian Supplemental Conditions (Notes) or the Belgian Supplemental Conditions (Securities) (as applicable) to ascertain how such provisions apply to the Program Securities and what may constitute an early redemption event or an early settlement event or a force majeure event.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that the relevant Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The relevant Issuer's ability to convert the interest rate will affect the secondary market and the market value of the Notes since the relevant Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the relevant Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the relevant Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Notes issued at a substantial discount or premium

The market values of securities 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.

Program Securities linked to the credit of one or more specified entities entail significant risks not associated with similar investments in conventional debt securities

Risks in relation to Credit Linked Notes where Supplementary Provisions for Credit Linked Notes applies

For Credit Linked Notes where "Supplementary Provisions for Credit Linked Notes" is specified as applicable in the applicable Pricing Supplement see the credit linked risk factors under the Annex to the Terms and Conditions of the English Law Notes entitled "*Terms and Conditions of the English Law Notes: Supplementary Provisions for Credit Linked Notes*".

Risks in relation to other Credit Linked Program Securities

Because the payment of principal and, where applicable, interest, on Credit Linked Program Securities is contingent on the credit of one or more specified entities and such specified entities' satisfaction of their present and future financial obligations, investors will take credit risk with respect to such specified entities in addition to credit risk with respect to the relevant Issuer and/or the Guarantor, if applicable. If one or more of such specified entities becomes bankrupt or subject to other insolvency procedures or fails to make payments on, repudiates or restructures any of the debt or other obligations described in the applicable Pricing Supplement, a credit event may occur.

If a credit event occurs, the maturity or termination (as applicable) of the Credit Linked Program Securities will be accelerated. Upon acceleration of the Credit Linked Program Securities, the investor will receive the deliverable

obligations, or a cash amount calculated by reference to the value of certain obligations, each as described in the applicable Pricing Supplement instead of the principal amount of the Credit Linked Program Securities and, in the case of Credit Linked Notes, interest payments on the Credit Linked Notes will cease if so provided in the applicable Pricing Supplement. The market value of those deliverable obligations following a credit event will probably be significantly less than the principal amount of the Credit Linked Program Securities. Such obligations may even be worthless. Thus, if a credit event occurs, the investor may lose all of its investment in the Credit Linked Program Securities.

Several factors, many of which are beyond the relevant Issuer's and, where applicable, the Guarantor's control will influence the value of the Credit Linked Program Securities and the possibility of early acceleration, including: (i) the creditworthiness of the specified entity or entities underlying the Credit Linked Program Securities, (ii) the creditworthiness of the relevant Issuer and/or the Guarantor, if applicable, and (iii) economic, financial and political events that affect the markets in which such specified entity or entities and the relevant Issuer and, where applicable, the Guarantor do business and the markets for the debt or other obligations of such specified entity or entities and of the relevant Issuer and, where applicable, the Guarantor.

An Issuer may amend the terms and conditions of the Program Securities, the Guarantee and the applicable Deeds of Covenant without Noteholder or Securityholder consent if, in its reasonable opinion, such amendments are not materially prejudicial to Noteholders or Securityholders.

Condition 36.2 (*Modification*) of the terms and conditions of the English Law Notes, Condition 18.2 (*Modification*) of the terms and conditions of the Cash Settled Exchangeable Notes and Condition 33.3 (*Modification*) of the terms and conditions of the Warrants and Certificates allows an Issuer to amend the terms and conditions of the Program Securities, the Guarantee, the Deeds of Covenant, the Issue and Paying Agency Agreement, the SEB Issuing and Paying Agent Agreement, the MSESE SEB Issuing and Paying Agent Agreement, the Euroclear Agreement and the Securities Agency Agreement, as applicable, without the consent of the holders if, in that Issuer's opinion, the amendment is: to correct a manifest error or to effect a modification which is of a formal, minor or technical nature; to cure any ambiguity or correct or supplement any defective provisions; to correct an error or omission such that, in the absence of such correction, the relevant terms proposed to be corrected would not otherwise represent the intended terms on which the relevant Program Securities were sold and have since traded; or not materially prejudicial to the holders. When considering if a modification is materially prejudicial to a holder, the Issuer need not have regard to any particular circumstances of any such holder. Prospective investors should be aware that an Issuer is not required to consult with any other party, including the Noteholders or the Securityholders, prior to making such amendment. An Issuer is entitled to exercise its discretion in making these determinations and Noteholders and Securityholders will be bound by any such amendments made pursuant to the terms and conditions of the Program Securities, notwithstanding that the Noteholders' or Securityholders' consent may not be required for such amendments.

United Kingdom stamp duty and stamp duty reserve tax

Potential purchasers of Warrants or Certificates should note that each Warrant or Certificate may constitute an instrument which is subject to United Kingdom stamp duty on issue by reference to the amount of the consideration given for the Warrants or Certificates so represented. If stamp duty is payable on the Warrants or Certificates, interest will be payable (in addition to the stamp duty) in respect of the period from 30 days after the date of execution of the Warrants or Certificates to the date of payment. Penalties may also be payable if the Warrants or Certificates are not stamped within 30 days of the date of execution of the Warrants or Certificates. If a Warrant or Certificate is subject to United Kingdom stamp duty, it would be inadmissible in evidence in an English court unless duly stamped. Potential purchasers should note that UK stamp duty reserve tax may become payable upon the issue of the Warrants or Certificates depending on the nature of the underlying securities and the precise terms of the Warrants or Certificates. Furthermore, potential purchasers should also note that UK stamp duty or stamp duty reserve tax may be payable on the transfer and / or exercise of the Warrants or Certificates depending on the nature of the Relevant Factor and the precise terms of the Warrants or Certificates.

Holders must exercise Warrants and Certificates or risk loss of investment

Where the terms and conditions of the Warrants and Certificates provide that the Warrants and Certificates must be exercised in order for the purchasers of the Warrants and Certificates to receive their settlement amount in respect of such Warrants and Certificates, and the applicable Pricing Supplement specifies "Deemed Exercise" to be not applicable, you must exercise your rights to receive payment in accordance with the terms and conditions of the Warrants and Certificates and the requirements of relevant clearing system or the relevant Agent, as applicable; otherwise you may lose your initial investment.

Risks relating to the occurrence of a Regulatory Event

Noteholders of Notes issued by MSBV should note that if Condition 32 (*Illegality and Regulatory Event*) of the "Terms and Conditions of the English Law Notes" below is specified as being applicable in the relevant Pricing Supplement, the Issuer shall have the right to redeem the Notes early (at the amount specified in the relevant Pricing Supplement) if the Issuer has determined that a Regulatory Event has occurred.

Noteholders should note in this regard the circumstances in which a Regulatory Event may be deemed by the Issuer to have occurred pursuant to the definition of "Regulatory Event" under Condition 2.1 (*Definitions*) of the "Terms and Conditions of the English Law Notes" below. There can be no assurance that a Regulatory Event will not occur and Noteholders should be aware that, should a Regulatory Event occur, it may lead to an early redemption of the Notes.

Risks relating to Green Bonds, Social Bonds and Sustainability Bonds

The applicable Pricing Supplement relating to any specific Series of Notes may provide that the Issuer will issue Green Bonds, Social Bonds and Sustainability Bonds (see section "Use of Proceeds" of this Offering Circular). While each Issuer of such bonds has the intention and procedures in place to allocate an amount equal to the gross proceeds of the Green Bonds, Social Bonds and Sustainability Bonds in accordance with the rules set out by the Morgan Stanley Sustainable Issuance Framework, such gross proceeds may not be capable of being fully allocated to Eligible Projects (as defined in section "Use of Proceeds" of this Offering Circular and specified in the applicable Pricing Supplement) during the life of the Green Bonds, Social Bonds and Sustainability Bonds. Any such event or failure will not constitute an Event of Default under the Notes or a default of the Issuer for any purpose. Depending on the level of non-allocated gross proceeds, the external verifier (the "**External Verifier**") may reduce the level of assurance given as regards the effective allocation of the gross proceeds towards Eligible Projects. If the Second Party Opinion is withdrawn or the External Verifier reduces the level of assurance given, it is possible that Green Bonds, Social Bonds and/or Sustainability Bonds may no longer satisfy investors' original investment criteria or objectives. Furthermore, the market value of Green Bonds, Social Bonds and/or Sustainability Bonds may also be affected and investors could lose part of their initial investment in the event of sale before the Maturity Date.

Regulation (EU) No. 2020/852 on the establishment of a framework to facilitate sustainable investment, as amended, supplemented or completed (the "**EU Taxonomy Regulation**"), establishes a single EU-wide classification system, or "taxonomy", which provides companies and investors with a common language for determining which economic activities can be considered environmentally sustainable and technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to one of the 6 environmental objectives of the EU Taxonomy Regulation without that economic activity causing significant harm to any of the other environmental objectives. The eligibility criteria that a green project must meet to qualify for the Eligible Portfolio as an Eligible Project, as defined in the Morgan Stanley Sustainable Issuance Framework, differs from the notion of eligible activity as defined in the EU Taxonomy Regulation. The eligibility of a green project as an Eligible Project does not prejudice the alignment of such project with the eligible activities defined by the EU Taxonomy Regulation and consequently its alignment with the EU Taxonomy Regulation. For the avoidance of doubt, the Issuers do not undertake to align the Green Bonds issued pursuant to the Morgan Stanley Sustainable Issuance Framework with the EU Taxonomy Regulation. As a result, the Green Bonds may not meet present or future legislative, regulatory or market standards or expectations for "green" projects, which could affect the perception and valuation of the Green Bonds by investors and the market.

Any Green Bonds will not be compliant with Regulation (EU) 2023/2631 (the "**EuGB Regulation**") and are only intended to comply with the requirements and processes in the Morgan Stanley Sustainable Issuance Framework. It is not clear if the establishment under the EuGB Regulation of the "European Green Bond" or "EuGB" label and the optional disclosures regime for bonds issued as "environmentally sustainable" could have an impact on investor demand for, and pricing of, green use of proceeds bonds that do not comply with the requirements of the "EuGB" label or the optional disclosures regime, such as the Green Bonds. It could result in reduced liquidity or lower demand or could otherwise affect the market price of any Green Bonds that do not comply with those standards proposed under the EuGB Regulation.

Finally, perception by investors of the suitability of the Sustainable Bonds as "green", "social" or "sustainability" bonds could be negatively affected by controversies involving the environmental or sustainability impact of any Eligible Projects or of the Issuers business or industry, evolving standards or market consensus as to what constitutes a "green", "social" or "sustainability" bond or the desirability of investing in "green", "social" or "sustainability" bonds. The trading prices of the Sustainable Bonds may be also negatively affected to the extent

investors are required or choose to sell their holdings due to deterioration in the perception by the investors or the market in general as to the suitability of these Sustainable Bonds as "green", "social" or "sustainability" bonds.

Risks relating to the provision of notices

Pursuant to the Conditions, the Issuer, the Determination Agent or the Calculation Agent, as applicable, in certain circumstances have obligations to provide Noteholders with notice of the occurrence of particular events with respect to the Notes including, without limitation, (i) notice of the occurrence of an event which the Issuer has determined shall lead to the early redemption of the Notes, or (ii) notice of a determination by the Determination Agent that certain adjustments are to be made to the terms of the Notes following the occurrence of a particular event in respect of which the Issuer has determined that the Notes shall continue. Holders of the Program Securities should be aware that, notwithstanding any such obligation to provide notice, in accordance with Condition 38 (Notices) of the "Terms and Conditions of the English Law Notes" and Condition 18.2 (Notices) of the "Terms and Conditions of the Cash Settled Exchangeable Notes" below, any failure by the Issuer, the Calculation Agent, the Determination Agent or any other party to provide Noteholders with any notice due to be given to Noteholders in accordance with the Conditions shall not of itself affect the validity of the determination, adjustment, event or any other occurrence to which such notice relates.

Risk Factors relating to currencies and exchange rates

Currency exchange conversions may affect payments on some Warrants and Certificates

The applicable Pricing Supplement may provide for (i) payments on a non-U.S. Dollar denominated Warrant or Certificate to be made in U.S. Dollars or (ii) payments in respect of Warrants or Certificates to be made in a currency other than U.S. Dollars. In these cases, Morgan Stanley & Co. International plc, in its capacity as Exchange Rate Agent (the "**Exchange Rate Agent**"), or such other exchange rate agent identified in the applicable Pricing Supplement, will convert the applicable currency into U.S. Dollars or U.S. Dollars into the applicable currency. The investor will bear the costs of the conversion through deductions from those payments.

Emerging markets currencies

Where the Program Securities are denominated in an emerging market currency or linked to one or more emerging market currencies, such emerging market currencies can be significantly more volatile than currencies of more developed markets. Emerging markets currencies are highly exposed to the risk of a currency crisis happening in the future and this could trigger the need for the Determination Agent (Morgan Stanley & Co. International plc or other specified entity) to make adjustments to the terms and conditions of the Program Securities. Such adjustments may have an adverse effect on the value or return of the Program Securities.

Exchange rates and exchange controls may affect the value or return of the Program Securities

General Exchange Rate and Exchange Control Risks. An investment in a Program Security denominated in, or the payment of which is linked to the value of, currencies other than the investor's home currency entails significant risks. These risks include the possibility of significant changes in rates of exchange between its home currency and the other relevant currencies and the possibility of the imposition or modification of exchange controls by the relevant governmental authorities. These risks generally depend on economic and political events over which the Issuers have no control. Such risks may impact the payments due under the Program Securities and therefore the value or return of the Program Securities.

Exchange Rates Will Affect the Investor's Investment. In recent years, rates of exchange between some currencies have been highly volatile and this volatility may continue in the future. Fluctuations in any particular exchange rate that have occurred in the past are not necessarily indicative, however, of fluctuations that may occur during the term of any Program Security. Depreciation against the investor's home currency or the currency in which a Program Security is payable would result in a decrease in the effective yield of the Program Security (in the case of a Note) below its coupon rate and could result in an overall loss to an investor on the basis of the investor's home currency. In addition, depending on the specific terms of a Currency-Linked Note or Warrant or Certificate, changes in exchange rates relating to any of the relevant currencies could result in a decrease in its effective yield and in the investor's loss of all or a substantial portion of the value of that Program Security.

Neither the Issuers nor the Guarantor Has Any Control Over Exchange Rates. Currency exchange rates can either float or be fixed. Exchange rates of most economically developed nations are permitted to fluctuate in value relative to each other. However, from time to time governments may use a variety of techniques, such as intervention by a country's central bank, the imposition of regulatory controls or taxes, or changes in interest rate

to influence the exchange rates of their currencies. Governments may also issue a new currency to replace an existing currency or alter the exchange rate or relative exchange characteristics by a devaluation or revaluation of a currency. These governmental actions could 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.

As a consequence, these government actions could adversely affect yields or payouts in the investor's home currency for (i) Program Securities denominated or payable in currencies other than U.S. Dollars and (ii) Currency-Linked Notes or Currency Program Securities.

Subject to the Terms and Conditions of the relevant Program Securities, the Issuers will not make any adjustment or change in the terms of the Program Securities 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. Therefore the investor will bear those risks, which may adversely impact the return on and value of the Program Securities.

Some Currencies May Become Unavailable. Governments have imposed from time to time, and may in the future impose, exchange controls that could also affect the availability of a Specified Currency (as defined herein). Even if there are no actual exchange controls, it is possible that the applicable currency for any security would not be available when payments on that security are due. Prospective investors in Currency-Linked Notes or Currency Program Securities should be aware that the Determination Agent may determine that a Currency Disruption Event has occurred or exists on a relevant date of valuation, and any consequential determination of the Settlement Rate by the Determination Agent in accordance with the Currency Disruption Fallbacks may have an adverse effect on the return on and value of the Program Securities.

Alternative Payment Method Used If Payment Currency Becomes Unavailable. If a payment currency is unavailable in respect of New York Law Notes, English Law Notes or Cash Settled Exchangeable Notes, Morgan Stanley would make required payments in U.S. Dollars on the basis of the Market Exchange Rate (as defined below under "*Description of the New York Law Notes — General*" or Condition 2.1 (*Definitions*) of the Terms and Conditions of the English Law Notes or Condition 2.1 (*Definitions*) of the Terms and Conditions of the Cash Settled Exchangeable Notes, as applicable). However, if the applicable currency for any such Note is not available because the euro has been substituted for that currency, the relevant Issuer would make the payments in euro. Some Notes may specify a different form of payment if a non U.S. payment currency is unavailable to the relevant Issuer.

Currency Exchange Information may be provided in the Pricing Supplement. The applicable Pricing Supplement or offering circular supplement, where relevant, may include information with respect to any relevant exchange controls and any relevant historic exchange rate information for any Program Security. An investor in Currency-Linked Notes or Currency Program Securities should not assume that any historic information concerning currency exchange rates will be representative of the range of, or trends in, fluctuations in currency exchange rates that may occur in the future. Future fluctuations in currency exchange rates, the range of such fluctuation or trends in such fluctuations may adversely impact the return on and value of the Program Securities.

Exchange rates may affect the value of a judgment

The English Law Notes, the Cash Settled Exchangeable Notes and the Warrants and Certificates 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 Program Security is denominated, it may decline to do so in its discretion. If judgment were granted in a currency other than that in which a Program Security is denominated, the investor will bear the relevant currency risk.

The New York Law Notes will be governed by the laws of the State of New York. If a New York court were to enter a judgment in an action on any securities denominated in a foreign currency, such court would either enter a judgment in U.S. Dollars based on the prevailing rate of exchange between the foreign currency and U.S. Dollars on the date such judgment is entered or enter judgment in the foreign currency and convert the judgment or decree into U.S. Dollars at the prevailing rate of exchange on the date such judgment or decree is entered.

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

Risk Factors relating to the Relevant Underlying

Program Securities linked to a single emerging market security, a single emerging market ETF or other fund, or a basket of securities or a basket of indices composed, in part or in whole, of emerging market securities or a basket of ETFs or other funds composed, in part or in whole, of emerging market ETFs or funds or futures contracts linked to any of the foregoing

Fluctuations in the trading prices of the underlying emerging market equity will affect the value of Equity and Proprietary Index-Linked Notes, Fund-Linked Notes or Futures Contract-Linked Notes where the underlying asset is such a share or comprised of any such shares and of Warrant and Certificates linked to emerging market securities, futures contracts and/or ETFs or other funds. Changes may result over time from the interaction of many factors directly or indirectly affecting economic and political conditions in the related countries or member nations, 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 member nations (if any), and other countries important to international trade and finance. Government intervention could materially and adversely affect the value of such Program Securities. 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 such Program Securities 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. Emerging markets stocks may be more volatile than the stocks in more developed markets.

Risk Factors relating to Program Securities linked to securities (including ChiNext Shares and STAR Shares) listed on PRC Stock Exchanges

The Program Securities may be linked to Shares which are eligible to be traded through the China Connect Service. The Issuer or its affiliates or others (each a "**Hedge Provider**") may obtain exposure to the Shares through the Qualified Foreign Institutional Investor ("**QFII**") regime.

A Hedge Provider may obtain exposure to the Shares through the China Connect Service. The China Connect Service is a securities trading and clearing programme under which the Stock Exchange of Hong Kong Limited provides order-routing and related services for certain securities and ETFs traded on the Shanghai Stock Exchange and/or Shenzhen Stock Exchange (as the case may be), and the China Securities Depository and Clearing Company Limited and Hong Kong Securities Clearing Company Limited providing clearing, settlement, depository and related services in relation to such securities. Unlike an Investment through the QFII regime, a Hedge Provider need not be approved as a QFII. Nonetheless, trading through the China Connect Service is expected to be subject to a number of restrictions including pre-trade checking requirements, shareholding limits and aggregate and daily Renminbi quotas that apply to the market in general. The China Connect Service may also be disrupted or terminated. In addition, the China Connect Service is in its initial stages and accordingly further developments are likely. There are also further regulatory uncertainties that apply in each case, including the taxes to which trades are subject.

Investors should also note that any investments in Program Securities linked to Shares traded through the China Connect Service and/or QFII regime involves a high investment risk. In particular, profitability and other financial requirements for listing of shares on the ChiNext Board of the Shenzhen Stock Exchange (the "**ChiNext Board**") and the STAR Board of the Shanghai Stock Exchange (the "**STAR Board**") are less stringent than the Main Board of the Shenzhen Stock Exchange and the Shanghai Stock Exchange, respectively. Companies listed on the ChiNext Board or the STAR Board may include enterprises in the innovation and technology sector as well as other start-up and/or growth enterprises with a smaller operating scale and share capital. Stock prices may also be more susceptible to manipulation due to fewer circulating shares. Accordingly, the ChiNext Shares and/or STAR Shares may be very volatile and illiquid. It may be more common and easier for companies listed on the ChiNext Board or the STAR Board to be delisted. The ChiNext Shares and/or STAR Shares may become very illiquid after

delisting. Any of these factors could affect the value of Program Securities linked to ChiNext Shares and/or STAR Shares. In addition, current information on such companies may be limited and may not be widely available.

In light of the above, investments in Program Securities linked to ChiNext Shares and/or STAR Shares through the China Connect Service and/or QFII regime may involve a more significant risk of loss compared to investments in Program Securities linked to other PRC underlying assets.

There are also further regulatory uncertainties that apply, including the taxes to which trades are subject. The above factors may affect Program Securities with one or more PRC underlying assets.

Program Securities linked to ADRs

An investment in Program Securities linked to American Depositary Receipts ("ADRs") entails significant risks in addition to those associated with Equity and Proprietary Index-Linked Notes and Equity and Proprietary Index-Linked Securities and with investments in a conventional debt security. There are important differences between the rights of holders of ADRs and the rights of holders of the equity issuer represented by such ADRs. An ADR is a security that represents capital stock of the relevant underlying equity issuer. The relevant deposit agreement for the ADR sets forth the rights and responsibilities of the depositary (being the issuer of the ADR), the underlying equity issuer and holders of the ADRs which may be different from the rights of holders of the underlying equities. The legal owner of the underlying equities is the custodian bank which at the same time is the issuing agent of the ADR. Depending on the jurisdiction under which the ADRs have been issued and the jurisdiction to which the custodian agreement is subject, it is possible that the corresponding jurisdiction would not recognise the purchaser of the ADR as the actual beneficial owner of the underlying equities. Particularly in the event that the custodian bank becomes insolvent or that enforcement measures are taken against the custodian bank, it is possible that an order restricting free disposition could be issued with respect to the underlying equities or that such shares are realised within the framework of an enforcement measure against the custodian bank. If this is the case, the holder of the ADR loses their rights under the underlying equities and the relevant Program Securities would become worthless. Adjustment to the terms and conditions or replacement of the underlying equities following certain corporate events in relation to the underlying equities may materially and adversely affect the value of the Program Securities linked to ADRs.

Risks relating to Program Securities linked to Shares

Factors affecting the performance of Shares may adversely affect the value of Program Securities linked to Shares

The performance of Shares is dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments, political factors and company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy. These factors are not within the relevant Issuer, Morgan Stanley or any of Morgan Stanley's affiliates' control and may result in a decline in the value of the Program Securities.

Holders have no claim against the Share Issuer(s) or recourse to the Shares

Program Securities linked to Shares do not represent a claim against or an investment in any Share Issuer(s) and investors will not have any right of recourse under such Program Securities to any such company or the Shares. Program Securities linked to Shares are not in any way sponsored, endorsed or promoted by any Share Issuer(s) and such companies have no obligation to take into account the consequences of their actions for any holders. Accordingly, the Share Issuer(s) may take any actions in respect of such Share without regard to the interests of the investors in such Program Securities, and any of these actions could adversely affect the market value of Program Securities linked to Shares.

Determinations made by the Issuer and the Determination Agent in respect of Potential Adjustment Events, Merger Events, Tender Offers, Delisting, Nationalisations, Insolvencies and Additional Disruption Events may have an adverse effect on the value of Program Securities linked to Shares

Upon the determination by the Determination Agent, in its reasonable discretion, that a Potential Adjustment Event, Merger Event, Tender Offer, Delisting, Nationalisation, Insolvency or Additional Disruption Event has occurred in relation to an underlying Share or Share Company, the Issuer (in the case of a Merger Event, Tender Offer, Delisting, Nationalisation, Insolvency or an Additional Disruption Event) will, in its reasonable discretion, determine whether the relevant Program Securities shall continue or shall be redeemed early, any of which determinations may have an adverse effect on the value of such Program Securities and, in the case of a Potential Adjustment Event, the Determination Agent may, in its reasonable discretion, make certain determinations to

account for the occurrence of the relevant event, including to make adjustments to the terms of the Program Securities. In particular, in the event that the Program Securities are early settled/redeemed, the amount payable to holders may be significantly less than the investor's initial investment, and may be as low as zero. If the Issuer determines that the relevant Program Securities shall be redeemed early, the Issuer shall provide notice of such early redemption to holders a prescribed number of days prior to the date fixed for redemption.

If the Issuer determines that the relevant Program Securities shall continue following the occurrence of such an event, the Determination Agent may, in its reasonable discretion, make certain determinations to account for the occurrence of the relevant event, including to make adjustments to the terms of the Program Securities.

Potential Adjustment Events include (a) a sub-division, consolidation or re-classification of the Shares, (b) a distribution, issue or dividend to existing holders of the Shares, (c) an extraordinary dividend, (d) a call of the Shares that are not fully paid, (e) a repurchase by the Share Issuer, or one of its subsidiaries, of the Shares, (f) a separation of rights from the Shares or (g) any event having a dilutive or concentrative effect on the value of the Shares. Additional Disruption Events can include, if "Supplementary Provisions for Belgian Notes" or "Supplementary Provisions for Belgian Securities" (as applicable) is specified as not applicable in the applicable Pricing Supplement, (1) a change in applicable law since the Trade Date that makes it illegal to hold, acquire or dispose of the Shares or more expensive for the relevant Issuer to hedge its obligations under the relevant Program Securities, (2) Increased Cost of Hedging and (3) Hedging Disruption, or if "Supplementary Provisions for Belgian Notes" or "Supplementary Provisions for Belgian Securities" (as applicable) is specified as applicable in the applicable Pricing Supplement, (1) a change in applicable law since the Trade Date that makes it illegal to hold, acquire or dispose of the Shares, (2) an insolvency filing by or on behalf of any issuer of the relevant Share(s).

General Risks relating to regulatory actions, such as sanctions

Governmental regulatory actions, including, without limitation, sanctions-related actions by the U.S. or a foreign government, could prohibit or otherwise restrict persons from holding Program Securities or the Relevant Underlying(s), or engaging in transactions in them, and any such action could adversely affect the value of the Relevant Underlying(s). These regulatory actions could result in restrictions on Program Securities and could result in the loss of a significant portion or all of your initial investment in Program Securities, including if you are forced to divest the Program Securities due to the government mandates, especially if such divestment must be made at a time when the value of Program Securities has declined.

General Risks relating to Notes linked to preference shares

The Issuers may issue Notes with principal determined by reference to the changes in the value of preference shares ("**Preference Shares**"), which may fluctuate up or down depending on the performance of the relevant underlying asset(s) or basis of reference to which Preference Shares are linked (the "**Preference Share Underlying**") as set out in the terms and conditions of the Preference Shares (the "**Terms of the Preference Shares**"). If, as a result of the performance of the Preference Share Underlying, the performance of the Preference Shares is negative the value of the Preference Share-Linked Notes will be adversely affected. Purchasers of Preference Share-Linked Notes risk losing all or a part of their investment if the value of the Preference Shares falls.

An investment in Preference Share-Linked Notes will entail significant risks not associated with a conventional debt or equity security. Purchasers of Preference Share-Linked Notes should conduct their own investigations and, in deciding whether or not to purchase the Preference Share-Linked Notes, prospective purchasers should form their own views of the merits of an investment related to the Preference Shares based upon such investigations and not in reliance on any information given in this document.

As set out below, Preference Share-Linked Notes will be subject to early redemption if an Extraordinary Event or, if applicable, an Additional Disruption Event occurs or if an Early Redemption Event occurs. In these circumstances the Issuer may redeem the Notes at the Early Redemption Amount or the Early Share Redemption Note Amount, as applicable. The Early Redemption Amount or Early Preference Share Redemption Note Amount may be less (and in certain circumstances, significantly less) than investors' initial investment.

Exposure to the Preference Share Underlying

The Preference Share Underlying may be a specified index or basket of indices, a specified equity or basket of equities, a specified currency or basket of currencies, a specified fund share or unit or basket of fund shares or units or such other underlying instruments, bases of reference or factors as may be determined by the issuer of the

relevant Preference Shares (the "**Preference Share Issuer**") and specified in the terms and conditions of the relevant series of Preference Shares. ***Consequently potential investors should also consider the risk factors set out on pages 15-66 in respect of the risks involved in investing in Notes (in this case the Preference Shares) linked to certain Relevant Underlying(s).***

The Terms of the Preference Shares provide that the Preference Shares will be redeemable on their final redemption date (or otherwise in accordance with the Terms of the Preference Shares). On redemption, the Preference Shares will carry preferred rights to receive an amount calculated by reference to the Preference Share Underlying.

Investors should review the Terms of the Preference Shares and consult with their own professional advisors if they consider it necessary.

Credit and Fraud Risk of Preference Share Issuer

Preference Share-Linked Notes are linked to the performance of the relevant Preference Shares. Investors bear the risk of an investment in the Preference Share Issuer. The value of the Preference Share-Linked Notes is dependent on the value of the Preference Shares, which will depend in part on the creditworthiness of the Preference Share Issuer, which may vary over the term of the Preference Share-Linked Notes. The Preference Share Issuer is not an operating company. Its sole business activity is the issue of redeemable preference shares. The Preference Share Issuer does not have any trading assets and does not generate any significant net income. As its funds are limited any misappropriation of funds or other fraudulent action by the Preference Share Issuer or a person acting on its behalf would have a significant adverse effect on the value of the Preference Shares and will adversely affect the value of the Preference Share-Linked Notes.

Determination of Extraordinary Events and Additional Disruption Events

The Determination Agent may determine the occurrence of a Merger Event, Tender Offer, Insolvency or Additional Disruption Event in relation to the Preference Share-Linked Notes. Upon such determination, the relevant Issuer may, at its option redeem the Preference Share-Linked Notes in whole at the Early Redemption Amount which may be less than the amount invested in the Preference Share-Linked Notes. Noteholders will not benefit from any appreciation of the Preference Shares that may occur following such redemption.

No ownership rights

An investment in Preference Share-Linked Notes is not the same as an investment in the Preference Shares and does not confer any legal or beneficial interest in the Preference Shares or any Preference Share Underlying or any voting rights, right to receive dividends or other rights that a holder of the Preference Shares or any Preference Share Underlying may have. The Preference Share-Linked Notes are unsubordinated and unsecured obligations of the relevant Issuer.

Hedging activities of the Issuer and affiliates

The relevant Issuer or its affiliates may carry out hedging activities related to the Preference Share-Linked Notes, including purchasing the Preference Shares and/or the Preference Share Underlying, but will not be obliged to do so. Certain of the Issuer's affiliates may also purchase and sell the Preference Shares and/or purchase and sell the Preference Share Underlying on a regular basis as part of their securities businesses. Any of these activities could potentially affect the value of the Preference Share Underlying and, accordingly, the value of the Preference Shares and the Preference Share-Linked Notes.

Program Securities linked to commodities

Commodity markets are influenced by, among other things, changing supply and demand relationships, weather, governmental, agricultural, commercial and trade programs and policies designed to influence commodity prices, world political and economic events, changes in interest rates and factors affecting the exchange(s) or quotation system(s) on which any such commodities may be traded.

Where a Program Security linked to a commodity references a futures contract, this reference should be taken as if the futures contract had the specified commodity as the underlying commodity. Investments in futures and options contracts involve additional risks including, without limitation, leverage (margin is usually a percentage of the face value of the contract and exposure can be nearly unlimited).

A holder of a futures position may find such positions become illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits". Under such daily limits during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent a holder from promptly liquidating unfavourable positions and subject it to substantial losses. Futures contract prices in various commodities occasionally have exceeded the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent the liquidation of unfavourable positions and subject an investor in a Program Security linked to such contract prices to substantial losses.

Commodity future prices reflect the expectations of the market players as to the future value of the commodity and may not be consistent with the current prices of the relevant commodity.

Risks related to CNY Program Securities

Renminbi is not a freely convertible currency at present.

The PRC government continues to regulate conversion between Renminbi and foreign currencies. The People's Bank of China ("PBOC") has established Renminbi clearing and settlement systems for certain locations pursuant to settlement agreements relating to the clearing of Renminbi business between PBOC and certain clearing banks. However, the current size of Renminbi and Renminbi denominated financial assets outside the PRC remains limited, and its growth is subject to many constraints which are directly affected by PRC laws and regulations on foreign exchange and may adversely affect the liquidity of CNY Program Securities.

There is no assurance that the PRC government will continue to gradually liberalise control over cross-border remittance of Renminbi in the future or that new regulations in the PRC will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. In the event that funds cannot be repatriated outside the PRC in Renminbi, this may affect the overall availability of Renminbi outside the PRC and the ability of the Issuer to source Renminbi to finance its obligations under the CNY Program Securities.

The limited availability of Renminbi outside the PRC may affect the liquidity of the CNY Program Securities and the Issuer's ability to source Renminbi on satisfactory terms to make payments in respect of the CNY Program Securities.

Investment in CNY Program Securities is subject to exchange rate risks

The value of Renminbi against the Hong Kong Dollar and other foreign currencies fluctuates and is affected by developments in or affecting the PRC, PBOC currency exchange policy, international political and economic conditions and many other factors. All payments with respect to the CNY Program Securities will be made in CNY, except in the case of CNY Inconvertibility, CNY Non-Transferability or CNY Illiquidity (as defined in Condition 25 (*CNY Disruption Events*) of the Terms and Conditions of the English Law Notes (in respect of English Law Notes) and Condition 23 (*CNY Disruption Events*) of the Terms and Conditions of the Warrants and Certificates (in respect of Warrants and Certificates)), in which case all payments and settlement in CNY will be made in accordance with the provisions of Condition 25 (*CNY Disruption Events*) of the Terms and Conditions of the English Law Notes (in respect of English Law Notes) and Condition 23 (*CNY Disruption Events*) of the Terms and Conditions of the Warrants and Certificates (in respect of Warrants and Certificates). As a result, the value of CNY payments may vary with the prevailing exchange rates in the marketplace. If the value of CNY depreciates against the relevant currency, the value of the investment in relevant currency will have declined. In the case of CNY Inconvertibility, CNY Non-Transferability or CNY Illiquidity (as defined in Condition 25 (*CNY Disruption Events*) (in respect of the English Law Notes) and Condition 23 (*CNY Disruption Events*) (in respect of Warrants and Certificates)), such a decline may be very substantial.

Payments for the CNY Program Securities will only be made to investors in the manner specified in the CNY Program Securities

All payments to investors in respect of the Program Securities will be made solely (i) for so long as the CNY Program Securities are represented by a Registered Global Instrument held with the common depositary for Clearstream Banking société anonyme and Euroclear Bank S.A./N.V. or any alternative clearing system by transfer to a CNY bank account maintained outside the PRC, or (ii) for so long as the CNY Program Securities

are in definitive form, by transfer to a CNY bank account maintained outside the PRC, in each case in accordance with prevailing rules and regulations. The Issuer cannot be required to make payment by any other means (including in any other currency or by transfer to a bank account in the PRC). In addition, there can be no assurance that access to Renminbi for the purposes of making payments under the CNY Program Securities or generally may remain or will not become restricted. If it becomes impossible to convert Renminbi from/to another freely convertible currency, or transfer Renminbi between accounts in the relevant offshore CNY center(s), or the general Renminbi exchange market in the relevant offshore CNY center(s) becomes illiquid, any payment of Renminbi under the CNY Program Securities may be delayed or all payments and settlement will be made in accordance with the Disruption Fallbacks described in Condition 25 (*CNY Disruption Events*) (in respect of the English Law Notes) or Condition 23 (*CNY Disruption Events*) (in respect of Warrants and Certificates).

Effect of the liquidity of the Relevant Underlying or Relevant Factor on Program Security pricing

An Issuer's and/or its Affiliates' hedging costs tend to be higher the less liquidity the Relevant Underlying or Relevant Factor has or the greater the difference between the "buy" and "sell" prices for the Relevant Underlying, Relevant Factor or derivatives contracts referenced to the Relevant Underlying or Relevant Factor. When quoting prices for the Program Securities, the Issuer and/or its Affiliates will factor in such hedging costs and will pass them on to the Noteholders and Securityholders by incorporating them into the "buy" and "sell" prices. Thus, Noteholders and Securityholders selling their Program Securities on an exchange or on the over-the-counter market may be doing so at a price that is substantially lower than the actual value of the Program Securities at the time of sale.

Fluctuations in value of a component of the Relevant Underlying

Fluctuations in the value of any one component of the Relevant Underlying may, where applicable, be offset or intensified by fluctuations in the value of other components, which could adversely affect the value of the Program Securities, the return on the Program Securities and the price at which the holder of such Program Securities can sell such Program Securities.

Historical value of the Relevant Underlying

The historical value (if any) of the Relevant Underlying or the components of the Relevant Underlying does not indicate their future performance. Holders of the Program Securities should be aware that the Relevant Underlying or the components of the Relevant Underlying may perform differently than they have historically, which could adversely affect the value of the Program Securities, the return on the Program Securities and the price at which the holder of such Program Securities can sell such Program Securities.

Exchange rate risk on the components

Where the value of the components is determined in a different currency to the value of the Relevant Underlying, investors may be exposed to exchange rate risk. 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 in connection with the components of the Relevant Underlying, the investor will bear those risks, which may adversely impact the return on and value of the Program Securities.

Risks relating to Program Securities linked to an index or indices

The Issuers may issue Notes with principal and/or interest, or Warrants and Certificates whose return is, determined by reference to an index or indices.

Factors affecting the performance of indices may adversely affect the value of such Program Securities

Indices are comprised of a synthetic portfolio of shares, bonds, currency exchange rates, commodities, property or other assets, and as such, the performance of an index is dependent upon the performance of components of such index, which may include interest rates, currency developments, political factors, market factors such as the general trends in capital markets or broad based indices and (in the case of shares) company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy, as well as governmental regulatory actions, including, but not limited to, sanctions-related actions by the U.S. or foreign governments. If an index does not perform as expected, this will materially and adversely affect the value of Program Securities that reference indices.

Returns on such Program Securities do not reflect a direct investment in underlying shares or other assets comprising the index

The return payable on Program Securities that reference indices may not reflect the return a potential investor would realise if it actually owned the relevant assets comprising the components of the index or owned a different form of interest in the relevant index. For example, if the components of the indices are shares, holders will not receive any dividends paid or distributions made on those shares and will not participate in the return on those dividends or distributions unless the relevant index takes such dividends into account for purposes of calculating the relevant level. Similarly, holders will not have any voting rights in the underlying shares or any other assets which may comprise the components of the relevant index. Accordingly, holders of Program Securities that reference indices as Relevant Underlying may receive a lower payment upon redemption/settlement of such Program Securities than such holder would have received if it had invested in the components of the index directly or other comparable instruments linked to the index.

A change in the composition or discontinuance of an index could adversely affect the market value of the Program Securities

The sponsor of any index can add, delete or substitute the components of such index or make other methodological changes that could change the level of one or more components. The changing of components of any index may affect the level of such index as a newly added component may perform significantly worse or better than the component it replaces, which in turn may affect the payments made by the relevant Issuer to the holders of Program Securities that reference indices. The sponsor of any such index may also alter, discontinue or suspend calculation or dissemination of such index. Except where an index is a proprietary index, the sponsor of an index will have no involvement in the offer and sale of the Program Securities that reference that index and will have no obligation to any holder of such Program Securities. Accordingly, the sponsor of an index may take any actions in respect of such index without regard to the interests of the holder of the Program Securities, and any of these actions could adversely affect the market value of Program Securities that reference indices.

Exposure to Index Modification, Index Cancellation, Index Disruption, Administrator/ Benchmark Event and correction of index levels

The Determination Agent may in its reasonable discretion make certain determinations and adjustments, to replace the original Relevant Underlying with another and/or to cause early redemption/settlement of the Program Securities, any of which may be adverse to holders in connection with Index Modification, Index Cancellation, Index Disruption and Administrator/Benchmark Event. The Determination Agent may determine that the consequence of any such event is to make adjustments to the amounts payable by the Issuer under the Program Securities, to make adjustments to the other terms and conditions of the Program Securities, or to replace such index with another or to cause early redemption/settlement of the Program Securities. The Determination Agent may (subject to the terms and conditions of the relevant Program Securities) also amend the relevant index level due to corrections in the level reported by the index sponsor. The consequences of such amendments could adversely affect the market value of Program Securities that reference indices.

Specific risks associated with Decrement Indices

Where the Relevant Underlying is an index with a decrement feature, it is an equity index and the return on such index will be calculated by reinvesting dividends by its components and by periodically subtracting a pre-defined dividend (also known as a "**Synthetic Dividend**"), which applies a constant markdown to the index level. The amount of such Synthetic Dividend may be expressed as a percentage of the prevailing index level or as a fixed number of index points (a fixed deduction amount that does not change with the index level).

A decrement index (after deduction of the predetermined Synthetic Dividend) will underperform the corresponding total return index (i.e. where realised dividends have been reinvested and without any deduction of a Synthetic Dividend). A decrement feature may also act as a drain on the performance of the Index, and the index level will not reflect the aggregate performance of the underlying total return index but a lesser amount. As a result, the return on the Program Securities may be lower than the return on an investment linked to a "total return" index.

A decrement index (after the deduction of the pre-determined Synthetic Dividend) may perform differently in comparison to the corresponding price return index (i.e. where the realised dividends are not reinvested, and without deduction to a Synthetic Dividend). If the Synthetic Dividend is larger than the relevant realised level of dividends, the decrement index will underperform the corresponding price return index. As a result, the return on

the Program Securities may be lower than the return on an investment linked to a traditional price return index. If the Synthetic Dividend is smaller than the relevant realised level of dividends, the decrement index will outperform an otherwise equivalent price return index.

Where a decrement index tracks the performance of a single component security, such decrement index (after deduction of the pre-determined Synthetic Dividend) will underperform a direct investment in such component security (i.e. because such direct investment would benefit from dividends paid by the component security without any deduction of a Synthetic Dividend).

In respect of decrement indices where the synthetic dividend is expressed as a number of index points (a fixed deduction amount that does not change with the index level), the Synthetic Dividend yield (defined as the ratio of the fixed index point decrement to the relevant decrement index level) will increase in a negative market scenario as this is a fixed amount and not a percentage of the index level. As such, a decrement index is likely to underperform a corresponding price return index when the index is decreasing and such underperformance will accelerate as the level of the decrement index decreases. Further, since the amount of decrement expressed in index points will not vary with the level of the decrement index, such index level may become negative. This could adversely affect the value of and return on the Program Securities, which could result in a Securityholder suffering some or all of its initial investment in the Program Securities.

Program Securities linked to property indices

The Issuers may issue Notes with principal and/or interest, or Warrants and Certificates whose return is, determined by reference to a residential or commercial property index or indices ("**Property Indices**"). Property Indices may only be a reference guide to a certain property market and may not be representative of the relevant property market as a whole. The relevant Property Index may only measure the capital growth component of property only and may not include any income return component. A Property Index may be based on valuation data only and, as such, a Property Index may not necessarily reflect actual market prices and may rely on the ability of the index provider to gather property valuations and conduct continuous, close monitoring of such property valuations.

Property markets are illiquid and complex. The impact of price fluctuations in the property market may not immediately be reflected in the relevant Property Index (if at all). Properties may only be valued on an annual basis for the purposes of calculating the relevant Property Index and, as such, the level at which the Property Index stands may not be representative of actual market prices or transactions in the relevant property market. The provider of a Property Index may reserve the right to change the constituents of the relevant Property Index and the methodology used in its calculation. The publication of the Property Index may be delayed and/or subject to correction. Any of the foregoing may affect the return of the Program Securities.

Program Securities linked to proprietary indices

The Issuers may issue Notes with principal and/or interest, or Warrants and Certificates whose return is, determined by reference to a "proprietary index", where Morgan Stanley or a Morgan Stanley affiliate is the owner and sponsor such an index.

A proprietary index is a notional, rules-based index comprising its component(s) and the level of such index may go down as well as up, depending on the performance of the components and their effect on the strategy that the proprietary index has been developed to reflect. There can be no assurance as to the future performance of any such index, and the index level on any day may not reflect either its past performance or its future performance. The strategy that any such index has been developed to reflect may not be successful in achieving the investment objectives of any potential investor, and other strategies using the components and alternative indices and benchmarks may perform better than such index. Any past performance of a proprietary index (actual or simulated) is not an indication of its future performance.

Prospective investors in any Program Securities linked to a proprietary index should be familiar with investments in the global financial and commodity markets, financial instruments and indices generally.

An investor in Program Securities linked to a proprietary index will have no rights in respect of the proprietary index or any components of such proprietary index

The investment exposure provided by any proprietary index is notional or synthetic. Investors in Program Securities will (1) have no legal or beneficial ownership interest in any proprietary index or any component comprising a proprietary index (or components thereof) and therefore have no recourse to any such component;

(2) have no right to take delivery of any such component; (3) have no rights generally with respect to any such component (where in relation to voting or otherwise); and (4) have no right to receive dividends, distributions or other payments with respect to any such component.

A proprietary index may have a limited operating history and may perform in unanticipated ways

A proprietary index may be a relatively new strategy. Where limited historical performance data exists with respect to the components referenced by such index and/or the index itself, any investment in respect of which returns are linked to the performance of such an index or its components may involve greater risk than an investment linked to returns generated by an investment strategy with a proven track record. While a longer history of actual performance could provide more reliable information on which to assess the validity of a strategy that a proprietary index is intended to reflect and on which to base an investment decision, the fact that such an index and/or the relevant components are relatively new would not allow this. There can be no guarantee or assurance that a proprietary index or its components will operate in a manner consistent with the data available.

Where Morgan Stanley or an affiliate of Morgan Stanley is the sponsor of the proprietary index, the sponsor hedging activity may affect the level of such index

By executing products linked to a proprietary index where Morgan Stanley or a Morgan Stanley affiliate is the sponsor of such index, Morgan Stanley and/or its affiliates will have an exposure to such index and its components. Morgan Stanley will take risk positions to hedge this exposure in its sole discretion and in a principal capacity. Investors in any Program Securities linked to such an index will not have any rights in respect of any Morgan Stanley hedge positions, including without limitation, any shares, futures, options, commodities or currencies. Morgan Stanley may execute its hedging activity by trading in the components of any index at any time and this may have an adverse impact on the performance of a Proprietary Index. Morgan Stanley's hedging activity, and hence the size of such impact, may be linked to the amount of new and outstanding products (including any Program Securities) linked to the relevant index at the relevant time.

Additionally, Morgan Stanley may generate revenues if it executes its hedging activity at different levels from those used to determine the value of a proprietary index. Such hedging activity could generate significant returns to Morgan Stanley that will not be passed on to investors in Program Securities linked to any such proprietary index.

Where a proprietary index is "actively managed", the actions of the relevant index allocator may adversely affect the performance and level of such index

Program Securities may be linked an "actively managed" proprietary index, where a third party "index allocator" is solely responsible for determining from time to time the selected constituents of such proprietary index. The success or failure of an "actively managed" proprietary index or any constituent of such index to achieve any investment or hedging objective or any particular performance is solely affected by the abilities of, and determinations made by, the relevant index allocator and certain key individuals employed by the relevant index allocator. There can be no assurance that the relevant index allocator will be successful in its decision or the rebalancing of an "actively managed" proprietary index or generating positive returns, and any such decision or rebalancing by the index allocator may cause such index to perform in a worse manner than if such decision or rebalancing had not been made. Furthermore, the loss of one of more such key individuals at the relevant index allocator may have a material adverse impact on the performance and level of the relevant "actively managed" proprietary index. Any of the foregoing may have a negative impact on the value of, and return under, the Program Securities linked to an "actively managed" proprietary index.

Risk associated with estimating the price of the Relevant Underlying or Relevant Factor if its domestic market is closed while secondary trading in the Program Securities is open

If the Relevant Underlying or Relevant Factor is traded on its domestic market during the opening hours for secondary trading in the Program Securities by the Issuers or their Affiliates or any stock exchange on which the Program Securities are listed, the price of the Relevant Underlying or Relevant Factor is incorporated into the price calculation for the Program Securities. In certain cases, however, the price of the Relevant Underlying or Relevant Factor may need to be estimated if the Program Securities are traded at a time when the market for the Relevant Underlying or Relevant Factor is closed. In general, this problem could apply to the Program Securities irrespective of the time at which they are traded because the Issuers and/or their Affiliates currently offer off exchange trading in the Program Securities at times when the Relevant Underlying or Relevant Factor is not traded on the local markets or stock exchanges. This problem applies in particular to a Relevant Underlying or Relevant

Factor that is traded in time zones different from European time zones. The same problem arises if the Program Securities are traded on days on which the domestic market for the Relevant Underlying or Relevant Factor is closed because of a public holiday. If the Issuers and/or any of their Affiliates estimates the price of the Relevant Underlying or Relevant Factor when the domestic market is closed, its estimate may prove to be accurate, too high or too low within just a few hours of the domestic market re-opening for trade in the Relevant Underlying or Relevant Factor. Correspondingly, the prices used by the Issuers and/or any of their Affiliates for the Program Securities prior to the opening of business on the domestic market may subsequently prove to be too high or too low. Holders of the Program Securities should be aware that where the estimated price of the Relevant Underlying is too low, the secondary trading price of the Program Securities may be less than if the price of the Relevant Underlying had not been estimated.

Market Disruption Event, Disrupted Day, Adjustments and Early Redemption or termination of Program Securities

The Determination Agent may determine that a Market Disruption Event or a failure to open of an Exchange or Related Exchange has occurred or exists on a relevant date of valuation, and any consequential postponement of such date of valuation may have an adverse effect on the value of the Program Securities.

In addition the Determination Agent may make adjustments to the Program Securities to account for relevant adjustments or events in relation to the Relevant Underlying or Relevant Factor including, but not limited to, determining a successor to the Relevant Underlying or Relevant Factor or its sponsor (in the case of an Index), or determining a successor or substitute futures contract (in the case of a Futures Contract). In addition, in certain circumstances, the relevant Issuer may redeem or terminate the Program Securities early following any such event. In this case, in relation to each Note, the relevant Issuer will pay an amount, if any, determined as provided in the Conditions.

Prospective investors should review the Conditions to ascertain whether and how such provisions apply to the Program Securities and what constitutes a Market Disruption Event or relevant adjustment event.

In making these determinations and adjustments, the Determination Agent is entitled to exercise substantial discretion and may be subject to conflicts of interest. The Determination Agent is not required but has the discretion to make adjustments (or to early redeem the Program Securities) with respect to each and every corporate action.

Program Securities linked to the performance of funds

The Issuers may issue Program Securities where the redemption amount or, if applicable, the interest amount in relation to Fund-Linked Notes or the return, in relation to Fund-Linked Securities (together with the Fund-Linked Notes, "**Fund-Linked Program Securities**") is linked to the performance of a unit, share or other interest in a fund (each, a "**Fund Interest**") or a basket of Fund Interests. Such funds may include mutual funds or any other types of fund in any jurisdiction, or any combination of the foregoing. Investments offering direct or indirect exposure to the performance of funds are generally considered to be particularly risky and may bear similar risks, including but not limited to, market risks in relation to a direct investment in funds.

Prospective investors should note that payments on redemption or termination of Fund-Linked Program Securities at maturity, expiration, early redemption or early termination may be postponed, in accordance with the Conditions, up to any specified long stop date. If the specified long stop date is reached, for the purposes of determining the Redemption Amount or any other such payment or settlement amounts, as applicable, the affected fund interests may be deemed to have a zero value. Prospective investors should also be aware that if one or more events occurs in relation to the Fund or any Fund Service Provider, including insolvency of the Fund or Fund Service Provider, then where "Fund Event Unscheduled Redemption" or "Fund Event Unscheduled Termination" (as applicable) is specified in the applicable Pricing Supplement, the relevant Issuer may, in its reasonable discretion, determine whether the Fund-Linked Program Securities will continue or whether they will be redeemed or terminated on a date other than the scheduled Maturity Date or Expiration Date (as applicable). If the relevant Issuer determines that the Fund-Linked Program Securities will continue, this may result in the substitution of the affected Fund Interest with other Fund Interests with similar characteristics or adjustments to the Conditions of the Program Securities to account for the occurrence of the relevant event. These actions may have an adverse effect on the return and risk profile of the relevant Fund-Linked Program Securities, and consequently, the value of such Fund-Linked Program Securities and if the Fund-Linked Program Securities are redeemed or terminated early the amount investors receive may be considerably less than their original investment and may even be zero.

Neither the Issuer nor the Determination Agent has any obligation to monitor and/or determine if a Fund Event has occurred at any time or to take any action in respect thereof. In certain circumstances, it may be the case that if action were taken by the Issuer or the Determination Agent at a different time or at all, amounts due to holders or the terms of any other adjustment made to the Program Securities would have resulted in a higher return to investors.

The risks associated with investing in Fund-Linked Program Securities are similar to the risks attached to a direct investment in the underlying fund or funds. There are substantial risks in directly or indirectly investing in funds including, without limitation, the risks set out below. Prospective investors should note that references to funds below can refer both to the funds referenced in any Fund-Linked Program Securities and also to any funds in which any of those funds invests its assets from time to time:

Investments risks that prospective investors should be aware of include the following:

- i. different types of funds are subject to differing levels of regulatory supervision.
- ii. funds may have varying restrictions on leverage. Leverage presents the potential for a higher rate of return but also increases the volatility of the fund and increases the risk of a total loss of the amount invested.
- iii. funds may have differing investment restrictions and some funds may invest in assets which are illiquid or difficult to transfer. This may have an effect on the realisation of such assets and in turn, the value and performance of the fund. In addition, a fund's assets or investments may be concentrated in a few markets, countries, industries, commodities, sectors of an economy or issuers. If so, adverse movements in a particular market, country, industry, commodity, economy or industry or in the value of the securities of a particular issuer could have a severely negative effect on the value of such a fund. In addition, a fund may use a single advisor or employ a single strategy, which could mean a lack of diversification and higher risk.
- iv. substantial redemptions by holders of Fund Interests in a fund within a short period of time could require the fund's investment manager(s) and/or advisor(s) to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of the fund's assets.
- v. the performance of a fund will be heavily dependent on the performance of investments selected by its advisors or investment managers and the skill and expertise of such fund service providers in making successful and profitable investment decisions. Such skill and expertise may be concentrated in a number of the advisor's or investment manager's key personnel. Should these key personnel leave or become no longer associated with the fund's advisor or investment manager, the value or profitability of the fund's investments may be adversely affected as a result.

Program Securities linked to the performance of futures contracts

The Issuers may issue Notes, Warrants or Certificates, where the redemption amount or, if applicable, the interest amount is linked to the performance of a futures contract (a "**Futures Contract**") or a basket of Futures Contracts (respectively "**Single Futures Contract Notes**", "**Futures Contract Basket Notes**" (and together with Single Futures Contract Notes, "**Futures Contract-Linked Notes**"), "**Single Futures Contract Securities**" and "**Futures Contract Basket Securities**" (and together with Single Futures Contract Securities, "**Futures Contract-Linked Securities**")). The underlying of such Futures Contracts may include equity indices (including equity indices giving exposure to dividends paid by the constituent companies or the volatility of those constituent companies), single stocks, foreign exchange rates, bonds, cryptocurrencies or other types of underlying asset(s), contracts or property. It is important that an investor in Program Securities linked to the performance of futures contracts understands the contract specification of the relevant Futures Contract(s), including the applicable underlying(s) and term for which exposure is given.

The risks associated with investing in Futures Contract-Linked Notes or Futures Contract Linked-Securities are similar to the risks attached to a direct investment in the relevant futures contract(s). There are substantial risks in directly or indirectly investing in futures contracts including, without limitation, the risks set out below.

Investment risks that prospective investors should be aware of include the following:

- (a) The value of the Futures Contract(s) underlying the Program Securities may vary over time and may increase or decrease by reference to a variety of factors which include the factors affecting any underlying of the Futures Contract(s) such as:

- the expectations of performance and the actual performance in relation to the underlying of the Futures Contract or the constituent assets of any index or indices underlying the Futures Contract from time to time;
- in the case of an index underlying the Futures Contract, any changes in the constituents of that index;
- market interest and yield rates;
- economic, political, structural supply and demand and macro-economic factors;
- changes in applicable law and regulation; and
- in the case of Program Securities linked to dividend Futures Contracts (the value of which typically tracks dividends paid by the constituent companies of the underlying equity index during a specified time period), the dividend policy of the relevant constituent companies of the related underlying index and the terms as to which dividends are relevant realised dividends (which often exclude special or extraordinary dividends). Investors should be aware that such constituent companies may pay reduced relevant dividends or no such dividends in respect of the relevant contract period or dividends that may bear no relation to dividends paid during a prior contract period.

In addition, the value of Future Contract(s) also depends on factors relating to the relevant Futures Contract itself, such as the time remaining to the final settlement date or expiration date (as the case may be), and the liquidity of such Futures Contract(s), the contract specification (including, without limitation, where the underlying of such Future Contract is cryptocurrency(ies), how the Future Contract deals with a hard-fork in respect of a cryptocurrency) and the terms of the relevant underlying(s).

Prior to purchasing Futures Contract-Linked Notes or Futures Contract Linked-Securities, prospective investors should ensure they are familiar with investments in global capital markets and with derivatives generally, and carefully consider such factors, as the value of the Futures Contract(s) will affect the return on the Program Securities.

- (b) The Program Securities give rise to obligations of the Issuer and will not give rise to any obligations or rights in respect of the Futures Contract(s) or any underlying(s) of the Futures Contract(s). The return on investment may have been higher if made in the Futures Contract(s) or underlying(s) of the Futures Contract(s) rather than by purchasing the Program Securities.
- (c) The performance of a similar futures contract or its underlying(s) over a prior contract period will not necessarily be indicative of the performance of the relevant Futures Contract(s) to which the Program Securities relate.

Risk Factors relating to cryptocurrency linked ETF-Linked and Futures Contracts-Linked Notes and Securities

The Issuers may issue Program Securities linked to the performance of either (1) an ETF or basket of ETFs or (2) a Futures Contract or a basket of Futures Contracts, where the relevant ETF(s) or Futures Contract(s) (as the case may be) are linked to cryptocurrencies (such Program Securities, "**Crypto-Linked Program Securities**").

A cryptocurrency is a digital asset whose origin is derived from a blockchain, including digital currencies. Bitcoin and Ethereum are among the most widely used cryptocurrencies.

Bitcoin is a decentralised, non-regulated virtual currency, and a worldwide payment system without a central bank or any other central (state) authority. The Bitcoin currency network was released as an open-source software in 2009 to secure payment transactions via the internet from user to user over a peer-to-peer network without any intermediaries. Transactions will be documented in a publicly managed account book labelled "blockchain".

Ethereum is a cryptocurrency based on an open-source, blockchain-based, decentralised software platform (also called Ethereum).

- (i) *Cryptocurrencies are a relatively new technological innovation with a limited operating history*

Cryptocurrencies have a relatively limited history of existence and operations compared to traditional commodities. There is a limited established performance record for the price of cryptocurrencies and, in turn, a limited basis for evaluating an investment in them. Although past performance is not necessarily indicative of future results, if cryptocurrencies had a more established history, such history might (or might not) provide investors with more information on which to evaluate an investment in the Crypto-Linked Securities.

(ii) *The price of cryptocurrencies is highly volatile and subject to fluctuations due to a number of factors*

The value of both cryptocurrency linked ETF(s) and cryptocurrency linked Futures Contract(s) (each being a "**Crypto Linked Underlying**") are linked to the value of the underlying cryptocurrency and therefore fluctuations in the price of such cryptocurrency could adversely affect the value of any such ETF or Futures Contract. The price of cryptocurrencies is highly volatile, and subject to a number of factors, which individually or together could impact their price, including (without limitation):

- (a) an increase in the global supply or a decrease in the global demand of the relevant cryptocurrency;
- (b) market conditions of, and overall sentiment towards, the digital assets and blockchain technology industry;
- (c) trading activity on digital assets exchanges, which, in many cases, are largely unregulated or may be subject to manipulation;
- (d) forks in the Bitcoin or relevant cryptocurrency network;
- (e) investors' expectations with respect to interest rates, the rates of inflation of fiat currencies or the relevant cryptocurrency and digital asset exchange rates;
- (f) consumer preferences and perceptions of the relevant cryptocurrency specifically and digital assets generally;
- (g) negative events including business failures and bankruptcies, publicity and social media coverage relating to the relevant cryptocurrency and blockchain technology industry;
- (h) fiat currency withdrawal and deposit policies on digital asset exchanges;
- (i) monetary policies of governments, legislation or regulations, trade restrictions and regulatory measures or enforcement actions, if any, that restrict the use of cryptocurrencies as a form of payment or the purchase of cryptocurrencies;
- (j) global or regional political, economic or financial conditions, events and situations, such as the Covid-19 outbreak;
- (k) financial strength of market participants;
- (l) availability of funding and cost of capital; and
- (m) interruptions in service from or closures or failures of major digital asset exchanges or their banking partners, or outages or system failures affecting a cryptocurrency network.

Due to the extremely high volatility of cryptocurrencies, the value of Crypto Linked Underlying(s) may change significantly on a frequent basis, and even multiple times within the same trading day. In addition, there is no assurance that cryptocurrencies will maintain their value in the long, intermediate or short term. A decline in the price of the relevant cryptocurrency may negatively impact the value of the Crypto Linked Underlying(s), which may adversely affect, the value of the Crypto-Linked Securities.

Holders of the Crypto-Linked Securities should be able to actively monitor and manage the performance of cryptocurrencies in order to manage the performance of the Crypto-Linked Securities that they hold. Holders who are not able to do so or who do not have sufficient time to do so may not be able to react quickly enough in the event of an unfavourable performance, which could result in them losing all or a significant portion of their investment.

(iii) *The trading price of cryptocurrencies has experienced extreme volatility in recent periods*

The trading prices of many digital assets, including cryptocurrencies, have experienced extreme volatility in recent periods and may continue to do so. Digital asset prices, including cryptocurrencies, continued to experience significant and sudden changes throughout 2021 followed by steep decreases in the fourth quarter of 2021, and throughout 2022. In particular, digital asset prices experienced extreme volatility from November 2022 when FTX Trading Ltd. ("FTX"), a digital asset trading platform, halted customer withdrawals and subsequently filed for insolvency. The price of cryptocurrencies, along with other digital assets, has continued to fluctuate to date.

Extreme volatility in the future, including further declines in the trading prices of cryptocurrencies, could have a material adverse effect on the value of Crypto Linked Underlyings. Furthermore, a lack of regulatory clarity may reduce confidence in the digital asset economy and may result in greater volatility (and potential depreciation) in the price of cryptocurrencies. Each of the foregoing may adversely affect the value of the Crypto-Linked Securities.

- (iv) *Cryptocurrencies may have concentrated ownership and large sales or distributions could have an adverse effect their market price*

The largest cryptocurrency wallets are believed to hold, in aggregate, a significant percentage of certain cryptocurrencies in circulation. As a result of this concentration of ownership, large sales or distributions by such holders could have an adverse effect on the price of cryptocurrencies and, therefore, the performance of Crypto Linked Underlying(s), this in turn may adversely affect the value of Crypto-Linked Securities.

- (v) *The price of cryptocurrencies may be adversely affected by their fundamental investment characteristics and the underlying blockchain technology*

The fundamental investment characteristics of cryptocurrencies and their underlying technology such may negatively impact its price, including (without limitation):

- (a) digital asset networks are dependent upon the internet. A disruption of the internet or a cryptocurrency network would affect the ability to transfer such cryptocurrency and consequently its price;
- (b) a cryptocurrency network's protocol may be informally managed by a group of core developers that propose amendments to the network's source code. To the extent that a significant majority of users and miners adopt amendments to the cryptocurrency network, the network will be subject to new protocols that may adversely affect the price of such cryptocurrency;
- (c) the cryptography underlying a cryptocurrency could prove to be flawed or ineffective, or developments in mathematics and/or technology, including advances in digital computing, algebraic geometry and quantum computing, could result in such cryptography becoming ineffective. The functionality of a cryptocurrency network may be negatively affected such that it is no longer attractive to users, thereby dampening demand for the cryptocurrency and reducing its price;
- (d) a cryptocurrency network may face significant scaling challenges and may periodically be upgraded with various features designed to increase the speed and throughput of cryptocurrency transactions. These attempts to increase the volume of transactions may not be effective, and such upgrades may fail, resulting in potentially irreparable damage to the cryptocurrency network and to the price of the cryptocurrency; and
- (e) the market price of cryptocurrencies is not based on any kind of claim or physical asset, and depends on the expectation of being usable in future transactions and continued interest from investors, which may be affected by the development of cryptocurrency capabilities and blockchain technology generally.

A decline in the price of cryptocurrencies as a result of any of the above factors may impact the value of Crypto Linked Underlying(s), which may adversely affect a holders return under Crypto-Linked Securities.

- (vi) *Competition from the emergence or growth of other digital assets or methods of investing in digital assets could have a negative impact on the price of competing cryptocurrencies*

Competition from the emergence or growth of alternative digital assets and smart contracts platforms could have a negative impact on the demand for, and price of, existing cryptocurrencies and thereby adversely affect the value of Crypto Linked Underlying(s), which may adversely affect the value of Crypto-Linked Securities.

In addition, central banks in various countries have introduced digital forms of legal tender ("CBDCs"). Whether or not they incorporate blockchain or similar technology, CBDCs, as legal tender in the issuing jurisdiction, could have an advantage in competing with, or replacing, cryptocurrencies as a medium of exchange or store of value. As a result of this increased competition, the demand for cryptocurrencies could decrease which could adversely affect their market price and, therefore, the value of Crypto Linked Underlying(s), which in turn may adversely affect the value of Crypto-Linked Securities.

- (vii) *If the profit margins of a cryptocurrency's mining operations are not sufficiently high, this could negatively impact the price of such cryptocurrency*

Over the past decade, cryptocurrency mining operations have evolved from individual users mining with computer processors, graphics processing units and first-generation application specific integrated circuit machines to "professionalised" mining operations using proprietary hardware or sophisticated machines. If the profit margins of cryptocurrency mining operations are not sufficiently high, including due to an increase in electricity costs or a decline in the market price of such cryptocurrency, or if cryptocurrency mining operations are unable to arrange alternative sources of financing (e.g., if lenders refuse to make loans to such miners), such cryptocurrency miners may be more likely to immediately sell their cryptocurrency holding, resulting in an increase in liquid supply of cryptocurrency. This may lead to a decline in the market price of cryptocurrencies, which in turn could negatively impact the value of Crypto Linked Underlying(s). This may adversely affect the value of Crypto-Linked Securities, which may result in a reduced return for holders under Crypto-Linked Securities.

- (viii) *If a malicious actor or botnet obtains control of over a cryptocurrency network through its processing power, influence over core developers or otherwise, such actor or botnet could manipulate the cryptocurrency blockchain*

If a malicious actor or botnet (a volunteer or hacked collection of computers controlled by networked software coordinating the actions of the computers) obtains a majority of the processing power dedicated to mining on a cryptocurrency network, it may be able to alter the relevant blockchain on which transactions in such cryptocurrency rely by constructing fraudulent blocks or preventing certain transactions from completing in a timely manner, or at all. For example, in August 2020, the Ethereum Classic Network was the target of attacks by an unknown actor or actors that gained more than 50% of the processing power of the Ethereum Classic network that allowed the attacker or attackers to reverse previously recorded transactions in excess of \$5.0 million and \$1.0 million.

Attacks on cryptocurrency networks could negatively impact the market price of cryptocurrencies and, in turn, the value of Crypto Linked Underlying(s). This may adversely affect the value of Crypto-Linked Securities.

The regulation and reform of "benchmarks" may adversely affect the value of and return on Program Securities 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 (as amended) (the "**EU Benchmark Regulation**") was published in the Official Journal of the EU on 29 June 2016 and most provisions have applied, subject to certain transitional provisions, since 1 January 2018. The EU Benchmark Regulation has been amended several times, most recently by Regulation (EU) 2025/914 which applied as of 1 January, 2026. Whilst the core obligations of the amended regime remain broadly aligned to the former regime (and the UK Benchmarks Regulation (as defined below)), one of the key changes to the regime is that only benchmarks perceived to have the greatest economic relevance for the EU market (based on quantitative or qualitative criteria) will be in mandatory scope of the core provisions of the new regime. Such benchmarks will be those defined as critical (such as EURIBOR, STIBOR, WIBOR and NIBOR) or significant (determined based on quantitative or qualitative criteria), EU Climate Transition Benchmarks, EU Paris-aligned Benchmarks and certain commodity benchmarks each of which will remain in scope of the mandatory application of the core provisions of the revised EU Benchmark Regulation. An exemption will apply for certain FX benchmarks. Other benchmarks have fallen out of mandatory EU Benchmarks Regulation scope (other than certain limited provisions including in relation to statutory replacement of a benchmark, connected with cessation and/or non-representativeness). EU administrators of benchmarks that do not exceed the quantitative thresholds for significance may however request voluntary application of the rules (opt-in) subject to certain conditions, including an EUR 20 billion eligibility threshold.

Following the end of the Brexit transitional period at 11.00 p.m. (London time) on 31 December 2020 the EU Benchmark Regulation in its then current form was saved into UK domestic law subject to a number of modifications and subsequent amendments (the "**UK Benchmark Regulation**" and, together with the EU

Benchmark Regulation, the "**Benchmark Regulations**"). Like the EU Benchmark Regulation, among other things it (i) requires UK benchmark administrators to be authorised or registered (or, if non-UK based, benefit from equivalence, recognition or endorsement) and to comply with extensive requirements in relation to the administration of benchmarks and (subject to certain transitional provisions) (ii) prohibits the use by UK supervised entities of benchmarks of administrators that are not authorised by the UK Financial Conduct Authority (the "**FCA**") or registered on the FCA register (or, if non-UK based, do not benefit from equivalence, recognition or endorsement).

The scope of the UK Benchmark Regulation is wide and, in addition to so-called "critical benchmark" indices, such as WMR Closing Spot Rate and ICE Swap Rate® applies to many interest rates, foreign exchange rates and indices (including equity, commodity and "proprietary" indices or strategies) where used to determine the amount payable under or the value or performance of certain financial instruments traded on a trading venue (UK regulated market, UK multilateral trading facility ("**MTF**") or UK organised trading facility ("**OTF**")) or via a systematic internaliser, certain financial contracts and certain investment funds. The requirements of the UK Benchmark Regulation are intended to take into account the systemic significance, perceived risk profile and certain other relevant characteristics of different types of benchmarks.

The Benchmark Regulations could have a material impact on any Program Securities linked to or referencing a "benchmark" in scope of a Benchmark Regulation. For example:

- a rate or index which is a "benchmark" in scope of a Benchmark Regulation may not be used in certain ways by a supervised entity if (subject to applicable transitional provisions) its administrator does not obtain or maintain authorisation or registration (or, if a non-EU or non-UK (as the case may be) entity, its administrator/the benchmark does not satisfy the "equivalence" conditions, and is not "recognised" or endorsed 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 and the benchmark is not endorsed, then the Program Securities may be redeemed prior to maturity; and
- the methodology or other terms of an in-scope "benchmark" could be changed in order to comply with the requirements of the relevant Benchmark 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 Program Securities) could lead to adjustments to the terms of the Program Securities as the Determination Agent deems necessary or appropriate.

Investors should note that benchmarks that fell out of scope of the revised EU Benchmarks Regulation regime (which have not been opted-in) are no longer regulated in the same way from 1 January 2026. This means that previously mandatory requirements, for example, regulating governance, conflicts of interest, oversight functions, input data requirements, methodology and transparency of the methodology, requirements for contributors and in relation to input data, have fallen away. Among other things, there is a risk that this could mean that the methodology of such benchmarks may become less robust, resilient or transparent (potentially being capable of being materially amended without consultation). This may reduce or increase or affect the volatility of the level of such benchmarks, or if the methodology is materially amended, trigger the applicable fallbacks that are contained in Conditions 7.18 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) to 7.20 (*General Fallback Arrangements*) and/or Conditions 21.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*) to 21.11 (*General Fallback Arrangements*) of the terms and conditions of the English law Notes, or Conditions 18.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*) to 18.11 (*General Fallback Arrangements*) of the terms and conditions of the Warrants and Certificates (as applicable) having the consequences and risks described below.

Investors should also note that under the EU Benchmark Regulation the transitional provisions applicable to third-country benchmarks expired on 31 December 2025, although (in summary) if ESMA received an application for recognition or endorsement of a third country administrator providing an EU Paris-aligned Benchmark, an EU Climate Transition Benchmark, or an in-scope commodity benchmark by such date, the benchmark concerned can be used in any in-scope existing and new financial instruments and financial contracts, unless and until the administrator's application is refused. In the case of a significant third country benchmark, such benchmark can be used by in scope supervised entities in existing and new financial instruments unless and until a public notice has been issued by ESMA in respect of such benchmark under the EU Benchmarks Regulation. This means that, in the same way that EU administrators require authorisation or registration, third country administrators will need to benefit from recognition, endorsement or equivalence for supervised entities to add a new reference to an EU

Paris-aligned, EU Climate Transition or in-scope commodity benchmarks in any in-scope instruments. Third country administrators of in-scope significant benchmarks will also need to benefit from recognition, endorsement or equivalence, to avoid publication of a public notice meaning that supervised entities cannot add new references to such significant benchmarks in any in-scope instrument and triggering certain restrictions in relation to ongoing use of such benchmarks in existing in-scope instruments.

The UK Benchmark Regulation is also expected to be repealed and reformed in the near future. HM Treasury launched a consultation on a new regime for benchmarks and benchmark administrators in December 2025 (the proposed Specified Authorised Benchmarks Regime ("SABR")). It is likely that SABR will replace the UK Benchmark Regulation in due course and that the scope of the UK regime will be significantly reduced to cover only systemically important benchmarks. However, these proposals are still at consultation stage and it remains to be seen what the final rules will be and the impact any such changes may have on the Program Securities.

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 Program Securities linked to or referencing a "benchmark" and the Determination Agent may be entitled to make corresponding adjustments to the conditions of the Program Securities.

Reform of EURIBOR and Other Interest Rate Index and Equity, Commodity and Foreign Exchange Rate Index "Benchmarks"

The Euro Interbank Offered Rate ("EURIBOR") and other indices which are deemed "benchmarks" have been the subject of national, international and other regulatory guidance and reform aimed at enhancing the governance, accountability, quality, integrity and transparency of benchmark design, determination and methodologies and supporting the transition to robust benchmarks. Many reforms have now reached their planned conclusion (including the transition away from London interbank offered rates ("LIBOR"), and "benchmarks" remain subject to ongoing monitoring. 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 Program Securities linked to a "benchmark".

Swap Rates may be materially amended or discontinued

Publication of many IBOR-based swap rates (such as the USD LIBOR ICE Swap Rate, the GBP LIBOR ICE Swap Rate and the JPY LIBOR Tokyo Swap Rate) have ceased and been replaced with new swap rates based on risk free rates, such as USD SOFR ICE Swap Rate, and GBP SONIA ICE Swap Rate. Whilst there is also a EUR-€STR Swap Rate, EURIBOR is still used as the floating leg in the calculation of the EUR EURIBOR Swap Rate and other IBORs that are still in existence may still be used in other swap rates (collectively, the "Swap Rates", and each a "Swap Rate") and these may be used as CMS Reference Rates, Underlying CMS Reference Rates, other Relevant Rates Benchmarks or other Relevant Underlying Rates Benchmarks, in respect of the Program Securities (as applicable). Consequently, if EURIBOR and/or other relevant "IBORs" are discontinued, it may not be possible to calculate the relevant Swap Rate(s), and the Swap Rate may be discontinued. The occurrence of these events may trigger the applicable fallbacks that are contained in Conditions 7.18 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) to 7.20 (*General Fallback Arrangements*) and/or Conditions 21.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*) to 21.11 (*General Fallback Arrangements*) of the terms and conditions of the English law Notes, or Conditions 18.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*) to 18.11 (*General Fallback Arrangements*) of the terms and conditions of the Warrants and Certificates (as applicable) having the consequences and risks described below.

EURIBOR, CMS Reference Rates, SOFR, SONIA, €STR, SARON, TONA and other benchmark rate discontinuance or prohibition on use may lead to adjustments to the terms of the Program Securities or an early redemption or termination of the Program Securities

Fallback arrangements under (1) English Law Notes (A) where (i) the Relevant Rates Benchmark is other than SOFR or a CMS Reference Rate, and (ii) the provisions of Condition 7.18 (Relevant Rates Benchmark Discontinuance or Prohibition on Use) are applicable or (B) where (i) the Relevant Underlying Rates Benchmark is other than SOFR or a CMS Underlying Reference Rate, and (ii) the provisions of Condition 21.9 (Relevant

Underlying Rates Benchmark Discontinuance or Prohibition on Use) are applicable; or (2) Warrants or Certificates where (i) the Relevant Underlying Rates Benchmark is other than SOFR or a CMS Underlying Reference Rate, and (ii) the provisions of Condition 18.9 (Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use) are applicable

Where any variable by reference to which interest (in the case of Notes only) or amounts payable on redemption or settlement is payable under the Program Securities is an index, benchmark, rate or price source which is specified in the Conditions as a "Relevant Rates Benchmark" or "Relevant Underlying Rates Benchmark", the administrator or sponsor (or the Relevant Rates Benchmark or Relevant Underlying Rate Benchmark, as the case may be) 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 or Relevant Underlying Rate Benchmark (as applicable) in certain ways and potentially to 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, and if the applicable Pricing Supplement specifies that the provisions of Condition 7.18 or Condition 21.9 of the terms and conditions of the English law Notes, or Condition 18.9 of the terms and conditions of the Warrants and Certificates (each such Condition headed *Relevant Rates Benchmark Discontinuance or Prohibition on Use*) are applicable, then an "Administrator/Benchmark Event" will occur.

In order to address the risk of an Administrator/Benchmark Event occurring and the risk of discontinuance of reference rates, the Conditions include certain fallback provisions. These provisions apply to "Relevant Rates Benchmarks" and "Relevant Underlying Rates Benchmarks" (which will include EURIBOR, SONIA, €STR, SARON and TONA and other similar interbank rates). Unless otherwise specified in the applicable Pricing Supplement, where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest or other applicable 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 or Relevant Underlying Rates Benchmarks (as applicable) announces that the administrator has ceased or will cease permanently or indefinitely to provide such Relevant Rates Benchmark or Relevant Underlying Rates Benchmarks, as the case may be, and there is no successor administrator that will continue to provide the Relevant Rates Benchmark or Relevant Underlying Rates Benchmarks or (ii) unless otherwise specified in the applicable Pricing Supplement, an Administrator/Benchmark Event occurs in relation to such Relevant Rates Benchmark or Relevant Underlying Rates Benchmarks, as the case may be.

Following the occurrence of any of these events the Determination Agent may replace the Relevant Rates Benchmark or Relevant Underlying Rates Benchmarks with any "Alternative Pre-nominated Reference Rate" which has been specified in the applicable Pricing Supplement or if no Alternative Pre-nominated Reference Rate is specified in the applicable Pricing Supplement, 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**"). If an Alternative Rate is used then the Determination Agent may also make other adjustments to the Notes, including to the new Alternative 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. 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 or Relevant Underlying Rates Benchmarks, as the case may be, by an Alternative Rate and the making of other adjustments to the relevant Program Securities and other determinations, decisions or elections that may be made under the terms of such Program Securities in connection with the replacement of a Relevant Rates Benchmark or Relevant Underlying Rates Benchmarks (as applicable) could adversely affect the value of the relevant Program Securities, the return on such Program Securities and the price at which the holder can sell such Program Securities. Any early redemption or termination of the relevant Program Securities will result in the holder losing any future return on such Program Securities and may result in the holder incurring a loss on its investment in the relevant Program Securities.

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 Program Securities that reference a Relevant Rates Benchmark or Relevant Underlying Rates Benchmarks (other than SOFR for the purposes of this risk factor) 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 or Relevant Underlying Rates Benchmark which it replaces, the Alternative Rate will not be the economic equivalent of the Relevant Rates Benchmark or Relevant Underlying 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 or Relevant Underlying 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 or Relevant Underlying Rates Benchmark which it replaces, (each of which means that the replacement of the Relevant Rates Benchmark or Relevant Underlying Rates Benchmark, as the case may be, by the Alternative Rate could adversely affect the value of the relevant Program Securities, the return on such Program Securities and the price at which the holder can sell such Program Securities), (ii) any failure of the Alternative Rate to gain market acceptance could adversely affect the relevant Program Securities, (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 Program Securities 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 holder's interests in doing so.

Fallback arrangements under (a) English Law Notes (b) Warrants or Certificates and (c) New York Law Notes where the Relevant Rates Benchmark, Relevant Underlying Rates Benchmark or the Base Rate (as applicable) is SOFR: If SOFR is discontinued, any Program Securities referencing SOFR will bear interest or otherwise pay amounts determined by reference to a different base rate, which could adversely affect the value of the relevant Program Securities, the return on such Program Securities and the price at which the holder can sell such Program Securities; there is no guarantee that any Benchmark Replacement will be a comparable substitute for SOFR.

If the Issuer or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of SOFR (in the case of Program Securities referencing SOFR) or the Base Rate (with the applicable Index Maturity) (as applicable), then the relevant rate under the Program Securities will no longer be determined by reference to SOFR, but instead will be determined by reference to a different base rate, which 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.

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, (ii) ISDA or (iii) in certain circumstances, the Issuer or its designee. In addition, the terms of the relevant Program Securities expressly authorize the Issuer or its designee to make Benchmark Replacement Conforming Changes with respect to, among other things, changes to the definition of "interest period" or "reference period" (as applicable), timing and frequency of determining rates and making payments of interest and/or principal, and other administrative matters. The determination of a Benchmark Replacement, the calculation of amounts payable under the Program Securities 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 relevant Program Securities in connection with a Benchmark Transition Event could adversely affect the value of such Program Securities, the return on such Program Securities and the price at which the holder can sell such Program Securities.

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

Potential investors in any Program Securities that reference SOFR should be aware that (i) the composition and characteristics of the Benchmark Replacement will not be the same as those of SOFR, the Benchmark Replacement will not be the economic equivalent of SOFR, there can be no assurance that the Benchmark Replacement will perform in the same way as SOFR would have at any time and there is no guarantee that the Benchmark Replacement will be a comparable substitute for SOFR (each of which means that a Benchmark Transition Event could adversely affect the value of the relevant Program Securities, the return on such Program Securities and the price at which the holder can sell such Program Securities), (ii) any failure of the Benchmark Replacement to gain market acceptance could adversely affect the relevant Program Securities, (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 Program Securities 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 holder's interests in doing so.

See also "Risk Factors relating to the Program Securities—Reform of EURIBOR and Other Interest Rate Index and Equity, Commodity and Foreign Exchange Rate Index "Benchmarks" and "—EURIBOR, SONIA, €STR, SARON, TONA and other interest rate benchmark discontinuance or prohibition on use may lead to adjustments to the terms of the Program Securities or an early redemption or termination of the Program Securities" above.

Fallback arrangements under English Law Notes, or Warrants or Certificates, where the Relevant Rates Benchmark is a CMS Reference Rate or where the Relevant Underlying Rates Benchmark is a CMS Underlying Reference Rate (as applicable): If the CMS Reference Rate or CMS Underlying Reference Rate is discontinued, any Program Securities referencing that CMS Reference Rate or CMS Underlying Reference Rate (as applicable) will bear interest (in the case of Notes only) or otherwise pay amounts, determined by reference to a different base rate, which could adversely affect the value of the relevant Program Securities, the return on the Program Securities and the price at which the holder can sell such Program Securities; there is no guarantee that any Benchmark Replacement will be a comparable substitute for the current CMS Reference Rate or CMS Underlying Reference Rate (as applicable)

If the applicable Pricing Supplement specifies that the provisions of (a) Condition 7.18 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) of the terms and conditions of the English law Notes or (b) Condition 21.9 of the terms and conditions of the English law Notes or Condition 18.9 of the terms and conditions of the Warrants and Certificates (each such Condition headed "*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*") are applicable to the relevant Program Securities and an Index Cessation Event and its related Index Cessation Effective Date (as each term is defined in Condition 7.19 (*CMS Reference Rate - Effect of Index Cessation Event*) of the terms and conditions of the English law Notes, Condition 21.10 of the terms and conditions of the English law Notes and Condition 18.10 of the terms and conditions of the Warrants and Certificates (each such Condition headed "*CMS Underlying Reference Rate - Effect of Index Cessation Event*") have occurred with respect to the applicable tenor of the CMS Reference Rate or CMS Underlying Reference Rate (as applicable), then the relevant rate on the Notes will no longer be determined by reference to the CMS Reference Rate. Instead the rate will be determined by reference to a different base rate, which will be a different benchmark than the initial or then current CMS Reference Rate or CMS Underlying Reference Rate (as applicable), which is referred to as a "Benchmark Replacement," plus any adjustment spread (which may be positive, negative or zero), all as further described in Condition 7.19 (*CMS Reference Rate - Effect of Index Cessation Event*) of the terms and conditions of the English law Notes, Condition 21.10 of the terms and conditions of the English law Notes and Condition 18.10 of the terms and conditions of the Warrants and Certificates (each such Condition headed "*CMS Underlying Reference Rate - Effect of Index Cessation Event*"), as applicable). In such a case, in the first instance, the rate will be determined based on any alternative reference rate, index or benchmark that is specified for such purpose in the applicable Pricing Supplement (an "**Alternative Pre-nominated Reference Rate**"). In the absence of an Alternative Pre-nominated Reference Rate, the rate will be determined based on (1) the alternate rate that has been selected or recommended by the relevant governmental body or agency with jurisdiction over the then current CMS Reference Rate for the applicable index maturity, or (2) if no such rate of interest has been selected or recommended by such a governmental body or agency, the alternate rate of interest that has been selected by the Determination Agent as the replacement for the then-current CMS Reference Rate for the applicable index maturity giving due consideration to any industry-accepted rate of interest as a replacement for the then-current CMS Reference Rate or CMS Underlying Reference Rate (as applicable) denominated in the Index Currency at such time, including any alternate rate recommended by the International Swaps and Derivatives Association, Inc. or any successor thereto. There can be no assurance that an alternative rate to the CMS Reference Rate or CMS Underlying Reference Rate (as applicable) will be selected or recommended by a governmental body or agency with the consequence that the replacement rate will be selected by the Determination Agent.

In addition, the relevant terms of the Program Securities expressly authorise the Determination Agent or its designee to make Benchmark Replacement Conforming Changes with respect to, among other things, changes to the definition of "interest period" or "reference period" (as applicable), timing and frequency of determining rates and making payments of interest and/or principal, and other administrative matters. The determination of a Benchmark Replacement, the calculation of amounts payable under the Program Securities by reference to a Benchmark Replacement (including the determination by the Determination Agent of any "adjustment spread" that will be added or subtracted from the Benchmark Replacement), any implementation of Benchmark Replacement Conforming Changes and any other determinations, decisions, selections or elections that may be made under the terms of the relevant Program Securities in connection with a Benchmark Transition Event could adversely affect the value of such Program Securities, the return on such Program Securities and the price at which the holder can sell such Program Securities.

Potential investors in any Program Securities that reference one or more CMS Reference Rates or CMS Underlying Reference Rates (as applicable) should be aware that (i) the composition and characteristics of the Benchmark Replacement will not be the same as those of the initial or then current CMS Reference Rate, the Benchmark Replacement will not be the economic equivalent of the initial or then current CMS Reference Rate or CMS Underlying Reference Rate (as applicable), there can be no assurance that the Benchmark Replacement will perform in the same way as such initial or then current CMS Reference Rate or CMS Underlying Reference Rate would have at any time and there is no guarantee that the Benchmark Replacement will be a comparable substitute for such initial or then current CMS Reference Rate or CMS Underlying Reference Rate (each of which means that an Index Cessation Event could adversely affect the value of the relevant Program Securities, the return on such Program Securities and the price at which the holder can sell such Program Securities), (ii) any failure of the Benchmark Replacement to gain market acceptance could adversely affect the relevant Program Securities, (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 Program Securities 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 holder's interests in doing so. If the implementation of any Benchmark Replacement or Benchmark Replacement Conforming Changes results in a calculation of the CMS Reference Rate or CMS Underlying Reference Rate (as applicable) that is not consistent with market practice as determined by the Determination Agent, the Issuer may, in its reasonable discretion, redeem or terminate the Program Securities as of any later date.

Any determination, decision, selection or election described above that may be made by the Issuer, the Determination Agent or their respective designees will be made in such person's sole discretion.

See also the risk factors entitled "*Risk Factors—Reform of EURIBOR and Other Interest Rate Index and Equity, Commodity and Foreign Exchange Rate Index "Benchmarks"*" above.

Fallback arrangements - general

The application of any of these fallbacks may adversely affect the value of the holder's investment in the relevant Program Securities.

If (a) none of the fallbacks described above in "*Fallback arrangements under (1) English Law Notes where (A) (i) the Relevant Rates Benchmark is other than SOFR or a CMS Reference Rate, (ii) the provisions of Condition 7.18 (Relevant Rates Benchmark Discontinuance or Prohibition on Use) are applicable*" or (B) where (i) the Relevant Underlying Rates Benchmark is other than SOFR or a CMS Underlying Reference Rate, and (ii) the provisions of Condition 21.9 (Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use) are applicable; or (2) Warrants or Certificates where (i) the Relevant Underlying Rates Benchmark is other than SOFR or a CMS Underlying Reference Rate, and (ii) the provisions of Condition 18.9 (Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use) are applicable, "*Fallback arrangements under (a) English Law Notes (b) Warrants or Certificates and (c) New York Law Notes where the Relevant Rates Benchmark, Relevant Underlying Rates Benchmark or the Base Rate (as applicable) is SOFR: If SOFR is discontinued, any Program Securities referencing SOFR will bear interest or otherwise pay amounts determined by reference to a different base rate, which could adversely affect the value of the relevant Program Securities, the return on such Program Securities and the price at which the holder can sell such Program Securities; there is no guarantee that any Benchmark Replacement will be a comparable substitute for SOFR*" or "*Fallback arrangements under English Law Notes, or Warrants or Certificates, where the Relevant Rates Benchmark is a CMS Reference Rate or where the Relevant Underlying Rates Benchmark is a CMS Underlying Reference Rate (as applicable): If the CMS Reference Rate or CMS Underlying Reference Rate is discontinued, any Program Securities referencing that CMS Reference Rate or CMS Underlying Reference Rate (as applicable) will bear interest (in the case of Notes only) or otherwise pay amounts, determined by reference to a different base rate, which could adversely affect the value of the relevant Program Securities, the return on the Program Securities and the price at which the holder can sell such Program Securities; there is no guarantee that any Benchmark Replacement will be a comparable substitute for the current CMS Reference Rate or CMS Underlying Reference Rate (as applicable)*" applies; and (b) EURIBOR, SONIA, €STR, SARON or TONA has been permanently discontinued, the Determination Agent will use, as a substitute for EURIBOR, SONIA, €STR, SARON or TONA (as the case may be), and for each future Interest Determination Date or Underlying Rate Determination Date (as applicable), 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 Program Securities, including to the new rate and to the Margin or Spread, which are consistent with accepted

market practice for the use of such alternative rate for instruments such as the Program Securities. 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 instruments such as the Program Securities, as well as other adjustments to the Program Securities, including to the new rate and to the Margin or Spread, that is consistent with accepted market practice.

Unless otherwise specified in the applicable Pricing Supplement, where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest or the Underlying Rate (as applicable) 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 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 relevant Program Securities in connection with the replacement of EURIBOR, SONIA, €STR, SARON or TONA could adversely affect the value of the such Program Securities, the return on such Program Securities and the price at which the holder can sell such Program Securities.

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

Potential investors in any Program Securities that reference 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, Relevant Underlying Rates Benchmark or Base Rate (as applicable) which it replaces, the alternative rate will not be the economic equivalent of the Relevant Rates Benchmark, Relevant Underlying Rates Benchmark or Base Rate (as applicable) that it replaces, there can be no assurance that the alternative rate will perform in the same way as the Relevant Rates Benchmark, Relevant Underlying Rates Benchmark or Base Rate (as applicable) 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, Relevant Underlying Rates Benchmark or Base Rate (as applicable) which it replaces, (each of which means that the replacement of the Relevant Rates Benchmark, Relevant Underlying Rates Benchmark or Base Rate (as applicable) by the alternative rate could adversely affect the value of the relevant Program Securities, the return on such Program Securities and the price at which the holder can sell such Program Securities), (ii) any failure of the alternative rate to gain market acceptance could adversely affect such Program Securities, (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 Program Securities 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 holder's interests in doing so.

ISDA Determination and Fallbacks

In the case where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest or the Underlying Rate (as applicable) 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 relevant Program Securities, in each case that are consistent with accepted market practice for the use of such replacement or modified Floating Rate for instruments such as the Program Securities. The making of such adjustments to the relevant Program Securities and other determinations could adversely affect the value of such Program Securities, the return on such Program Securities and the price at which the holder can sell such Program Securities.

Furthermore, if, at any time, the relevant ISDA Rate is specified as being the 10-year constant maturity French treasury rate (commonly referred to as CNO TEC10) published by the Bank of France and it ceases to represent the actual yield to maturity of a notional *Obligation assimilable du Trésor* ("OAT") with a maturity of exactly 10 years, the ISDA Rate will not be calculated in accordance with the standard ISDA Determination. Instead, for the purposes of the Conditions and in respect of the relevant Interest Period, the ISDA Rate shall be deemed to be the yield to maturity of a notional OAT with a maturity of exactly 10 years, as determined by the Determination

Agent. Such determination may differ from the results that would be obtained under an ISDA Determination or from determinations made in the market under similar circumstances.

Specific risks relating to Program Securities referencing SOFR, SONIA, €STR, SARON or TONA

The following sets out a number of additional risks specific to Program Securities 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 SOFR or SONIA cannot be predicted based on historical performance.

The publication of €STR began on 2 October 2019 and publication of SOFR began on 3 April 2018, and these RFRs therefore have limited histories. The publication of SONIA on the basis of its present methodology began on 24 April 2018. The publication of SARON began on 25 August 2009. In addition, the future performance of RFRs cannot be predicted based on the limited historical performance. The level of an RFR during the term of the Program Securities 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. The future performance of an RFR is impossible to predict and therefore no future performance of an RFR or the Program Securities 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 Program Securities. Changes in the levels of the relevant RFR referenced by the Program Securities will affect the return on the Program Securities and the trading price of such Program Securities, 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 Program Securities will be positive.

The composition and characteristics of an RFR are not the same as those of historic LIBOR and there is no guarantee that an RFR is a comparable substitute for historic 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 historic 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 historic 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 historic LIBOR was an unsecured rate. Second, each of SOFR and SARON is an overnight rate, while historic LIBOR represented 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 overnight rates unlike historic LIBOR which represented interbank funding over different maturities.

Whilst term versions of some RFRs have developed (for example, term SOFR and term SONIA rates), these are separate rates to the overnight RFRs and are not typically used in instruments such as the Program Securities which use the daily compounded RFR or the specified ISDA Rate (see "*The rate under the Program Securities is based on a daily compounded RFR, which is relatively new in the marketplace; different conventions exist for calculation of amounts of interest and/or principal under RFR-linked Program Securities*" below).

As a result, there can be no assurance that an RFR will perform in the same way as historic 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 3 April 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 Program Securities 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 instruments such as the Program Securities may not be very liquid. Market terms for instruments linked to an RFR (such as the Program Securities) may evolve over time and, as a result, trading prices of the Program Securities may be lower than those of later-issued instruments that are linked to the same RFR. Similarly, if an RFR does not prove to be widely used in instruments similar to the Program Securities, the trading price of the Program Securities may be lower than that of instruments linked to rates that are more widely used. Investors in the Program Securities may not be able to sell such Program Securities at all or may not be able to sell such Program Securities 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 Program Securities 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 holders' 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 Swiss Exchange 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 relevant rate under the relevant Program Securities will apply). The administrator has no obligation to consider holders' 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 relevant Program Securities, the value of such Program Securities and the price at which the holder can sell such Program Securities.

The rate under the Program Securities is based on a daily compounded RFR, which is relatively new in the marketplace; different conventions exist for calculation of amounts of interest and/or principal under RFR-linked Program Securities

For each Interest Period or Reference Period (as applicable) for Program Securities linked to an RFR, the relevant rate under the Program Securities is based on a daily compounded RFR calculated using the specific formula specified in the applicable Conditions and the applicable Pricing Supplement, or the specified ISDA Rate not the RFR published on or in respect of a particular date during each such Interest Period or Reference Period (as applicable), or an average of the relevant RFRs during such period. For this and other reasons, the relevant rate under the Program Securities during any Interest Period or Reference Period (as applicable) will not be the same as the interest or other rate on other investments linked to the same RFR that use an alternative basis to determine the applicable rate. Further, unless in the case of an ISDA Rate "Daily Floored Rate" is specified as applicable in the relevant Pricing Supplement and the Daily Floored Rate is zero or above, if the relevant RFR in respect of a particular date during an Interest Period or Reference Period (as applicable) 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 relevant amount payable under the Program Securities on the payment date for in respect of the relevant period.

Limited market precedent exists for securities that use SOFR and certain other RFRs as the interest or other rate and, in addition, for each RFR, different market conventions exist for calculating interest and other amounts on instruments such as the Program Securities. Accordingly, the specific formula for the daily compounded RFR used in the relevant Program Securities may not be widely adopted by other market participants, if at all. If the market adopts a different convention for calculating interest and/or any other amount payable, that would likely adversely affect the market value of such Program Securities.

The amount of interest payable under the Notes 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 Program Securities. They also may hedge the Issuer's obligations under such Program Securities.

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, 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 Program Securities. Any of these activities may affect the market value of such Program Securities. In addition, the issuer's subsidiaries may hedge the Issuer's obligations under the Program Securities 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 Program Securities 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 Program Securities that reference a risk-free rate issued under this Offering Circular and this may adversely affect the value of the Program Securities.

Potential investors in the Program Securities 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 Program Securities.

Where "Payment Delay" applies, in determining the compounded RFR for the final Interest Period or Reference Period (as applicable), 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, redemption date or Expiration date, as applicable, will be the level of the relevant RFR in respect of such Rate Cut-off Date.

Where "Payment Delay" applies, for the final Interest Period or Reference 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, redemption date or Expiration Date, as applicable, will be the level of the relevant RFR in respect of such Rate Cut-Off Date, holders 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 amount payable with respect to such Interest Period or Reference Period (as applicable), which could adversely impact the amount payable with respect to the relevant period.

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

Administrator/Benchmark Events

Where the Relevant Underlying or otherwise any variable by reference to which interest, principal or other amounts payable under the Program Securities is a "Relevant Benchmark" for the purposes of the relevant Conditions, the administrator or sponsor (or the Relevant Benchmark) may be required to be authorised, registered, recognised, endorsed or otherwise included in an official register or, in the case of a benchmark in scope of the amended EU Benchmark Regulation, not be the object of a public notice of non-compliance with such regulation, in order for the Issuer, the Determination Agent or the Calculation Agent to be permitted to use the Relevant Benchmark in certain ways and potentially to perform their respective obligations under the Program Securities. If the Determination Agent determines that such a requirement applies to the administrator or sponsor (or the Relevant 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, Relevant Underlying Rates Benchmark or Base Rate (as applicable) is SOFR.

In the case where the Program Securities reference a Relevant Equity Index Benchmark, a Relevant Commodity Benchmark that is a Commodity Index or a Relevant Property Index Benchmark, these fallbacks may include one or more of the Determination Agent replacing the Relevant Equity Index Benchmark, the Relevant Commodity Benchmark or the Relevant Property Index Benchmark with any "Alternative Pre-nominated Index" which has been specified in the applicable Pricing Supplement, making adjustments to the amounts payable by the Issuer under the Program Securities, adjusting the other terms and conditions of the Program Securities or the Issuer redeeming the Program Securities.

In the case where the Program Securities reference a Relevant Commodity Benchmark (other than a Commodity Index) the fallbacks may include the Determination Agent making a determination of the Relevant Underlying Value by reference to a fallback reference price, postponing the Pricing Date, determining the Relevant Underlying Value on the basis of quotations provided to the Determination Agent by each of the Reference Dealers, the Determination Agent otherwise determining, in its reasonable discretion, the Relevant Underlying Value (or a method for determining the Relevant Underlying Value), taking into consideration the latest available quotation for the relevant Commodity Reference Price and any other information that it deems relevant, or the Issuer redeeming the Program Securities.

In the case where the Program Securities reference a Relevant FX Benchmark the fallbacks may include the Determination Agent making a determination of the Settlement Rate or using a fallback reference price to determine the Settlement Rate, or the Issuer redeeming the Program Securities.

In the case where Program Securities reference a Relevant Rates Benchmark, Relevant Underlying Rates Benchmark or Base Rate (as applicable), the fallbacks summarised in the risk factor entitled "*EURIBOR, SONIA, €STR, SARON, TONA and other benchmark rate discontinuance or prohibition on use may lead to adjustments to the terms of the Program Securities or an early redemption or termination of the Program Securities*" above will apply. Holders of the Program Securities should be aware that such adjustments to the terms of the Program Securities or early redemption or termination of the Program Securities may adversely impact the return on and value of the Program Securities.

Risk Factors relating to Cash Settled Exchangeable Notes

The Company to which the Shares relate will not have involvement in the offering of the Cash Settled Exchangeable Notes and will not have participated in the preparation of the Terms and Conditions of the Cash Settled Exchangeable Notes

The Company will not have participated in the preparation of the applicable Pricing Supplement or in establishing the terms of the Cash Settled Exchangeable Notes, and none of the Issuer or the Guarantor will make any investigation or enquiry in connection with such offering with respect to any information concerning the Company contained in the applicable Pricing Supplement or in the documents from which such information was extracted. Neither the Issuer nor the Guarantor controls the Company and neither is responsible for any disclosure made by the Company. Consequently, there can be no assurance that all events occurring prior to the relevant issue date (including events that would affect the adequacy, accuracy or completeness of the publicly available information described in this paragraph or in the applicable Pricing Supplement) that would affect the trading price of the relevant Share(s) will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning the Company could affect the trading price of the Shares and therefore the trading price of the Cash Settled Exchangeable Notes or amounts payable thereunder. Investors should make their own independent investigation of the merits of investing in the Cash Settled Exchangeable Notes and the Company.

Investors will have no rights against the Company as the issuer of the Shares

Investors will have no rights against the Company as the issuer of the Shares, even though the amount investors receive at maturity, if any, will depend on the volume weighted average price of the Shares during certain times (subject to earlier redemption or extraordinary events in relation to the Company). By investing in the Cash Settled Exchangeable Notes investors will not thereby acquire any Shares and investors will not receive any dividends or other distributions, if any, with respect to the Shares. The Company as issuer of the Shares is not in any way involved in this offering and has no obligations relating to the Cash Settled Exchangeable Notes or to the holders of the Cash Settled Exchangeable Notes.

Cash Settled Exchangeable Notes may be redeemed prior to their Final Maturity Date If "Early Redemption" is specified as applicable in the applicable Pricing Supplement, upon the occurrence of any of (i) a Nationalisation,

a Delisting or a Change in Law (each as defined in the Terms and Conditions of the Cash Settled Exchangeable Notes) or if (ii) option contracts in respect of the Shares are traded on an exchange and certain events occur as a result of which such option contracts are settled in accordance with the rules and procedures of such exchange, for example following the occurrence of a significant corporate action by the Company, the Issuer shall or, following the occurrence of a Change in Law, the Issuer may elect to, redeem the Cash Settled Exchangeable Notes prior to their scheduled maturity.

In such case, the Early Redemption Amount payable shall be an amount equal to the then fair value of the Cash Settled Exchangeable Notes determined by the Calculation Agent in good faith taking into account, *inter alia*, the Share Price on the relevant date, the settlement amount(s) in respect of any termination of any relevant hedge transaction(s), the yield to maturity of any senior unsecured notes of, or guaranteed by, the Issuer with a similar final maturity date to the Cash Settled Exchangeable Notes, the credit spreads of the Issuer and/or the Guarantor and any other market parameter(s) the Calculation Agent deems in good faith to be relevant for the valuation of the Cash Settled Exchangeable Notes on the relevant date. In certain circumstances, such amount may be less than the original purchase price paid by investors for the Cash Settled Exchangeable Notes and, as a result, investors may suffer a loss on their investment in the Cash Settled Exchangeable Notes.

If specified in the applicable Pricing Supplement, the Issuer may also elect to redeem the Cash Settled Exchangeable Notes prior to their scheduled maturity if (i) its performance (or, if applicable, the Guarantor's performance of its obligation under the Guarantee) shall have become or will be unlawful in whole or in part as a result of compliance in good faith by the Issuer (or, if applicable, the Guarantor) with any applicable law or (ii) for tax reasons, in accordance with the Terms and Conditions of the Cash Settled Exchangeable Notes. In such case, the Cash Settled Exchangeable Notes will be redeemed at their principal amount. In such circumstances, an investor may not be able to reinvest the redemption proceeds at an effective interest rate comparable to the rate on the Cash Settled Exchangeable Notes and may only be able to do so at a significantly lower rate. In addition, an investor who purchased the Cash Settled Exchangeable Notes at a price above their principal amount may receive less than the price paid, resulting in a loss of some or all of their investment.

Potential investors should consider reinvestment risk in light of other investments available at that time.

Upon the occurrence of an Extraordinary Event, the amount payable on the Final Maturity Date will not reflect, and the Noteholders will not participate in, any appreciation in the price of the Share(s)

If "Extraordinary Event Payment Feature" is specified as applicable in the applicable Pricing Supplement, upon the occurrence of an Extraordinary Event the Extraordinary Event Amount payable by the Issuer at maturity will not be based on the performance of the relevant Share(s). Accordingly, such amount will not reflect, and the Noteholders will not participate in, any appreciation in the price of the relevant Share(s). The Extraordinary Event Amount is determined by reference to the performance of the relevant Share(s), and that determination is likely to be made at a time when the price of the relevant Share(s) has significantly depreciated. In addition, there is no minimum Extraordinary Event Amount. Accordingly, such amount may be substantially less than the amount you would have received in the absence of an Extraordinary Event, and may be as low as zero.

There are risks attached to the exercise of the Exchange Right

Cash Settled Exchangeable Notes that may be redeemed at the option of the Noteholder during certain times at the Cash Amount bear additional risks. The value of the Cash Amount (as defined in the Terms and Conditions of the Cash Settled Exchangeable Notes) will vary depending on the performance during certain specified periods of the underlying Shares, over which the Issuer has no control, and therefore the Cash Amount may be less than and possibly substantially less than the value of the Cash Settled Exchangeable Notes when they were initially purchased or when the Exchange Rights were exercised.

There is a limited period during which the Noteholders may exercise Exchange Rights

A Noteholder will have the right to require their Cash Settled Exchangeable Notes to be redeemed by the Issuer in accordance with the Terms and Conditions of the Cash Settled Exchangeable Notes. Upon the due exercise of such right, the Issuer will procure that the exchanging Noteholder receives a Cash Amount, which amount will be based on the volume weighted average price of the Shares during a specified period following the relevant Exchange Date. The Exchange Right may only be exercised by a Noteholder during limited periods and subject to the satisfaction of the requirements set out in Exchangeable Note Condition 6 (*Exchange of the Exchangeable Notes*) or the Terms and Conditions of the Cash Settled Exchangeable Notes. If the Exchange Rights are not exercised by Noteholders during an applicable Exchange Period and/or the requirements of Exchangeable Note

Condition 6 (*Exchange of the Exchangeable Notes*) of the Terms and Conditions of the Cash Settled Exchangeable Notes are not satisfied, the Cash Settled Exchangeable Notes will be redeemed at their principal amount on the Final Maturity Date (unless previously redeemed by the Issuer under the Terms and Conditions of the Cash Settled Exchangeable Notes and subject to the occurrence of an Extraordinary Event).

Noteholders have limited anti-dilution protection

The Exchange Price at which the Cash Settled Exchangeable Notes will be exchanged for a Cash Amount will be adjusted if there is a payment of a dividend which affects such Shares, but only in the circumstances and to the extent provided under the Terms and Conditions of the Cash Settled Exchangeable Notes.

There is no requirement that there should be an adjustment for every other corporate or other event that may affect the value of the Shares. Events in respect of which no adjustment is made may adversely affect the value of the Shares and, therefore, adversely affect the value of the Cash Settled Exchangeable Notes.

Where "Relevant Options Exchange Determination" is specified in the applicable Pricing Supplement and to the extent specified as applicable in respect of any series of Cash Settled Exchangeable Notes, as long as there are option contracts in respect of the Shares traded on an exchange and there is an adjustment made by the operator of such exchange to the options contracts, there will be an adjustment of the Exchange Price and/or the Shares (as applicable) to reflect the adjustments made by the exchange operator following a corporate action, other than an Ordinary Cash Dividend, Nationalisation, Delisting or a Change in Law.

Where "Calculation Agent Determination" is specified in the applicable Pricing Supplement, regardless of whether there are option contracts in respect of the Shares traded on an exchange, the Calculation Agent (acting in good faith and in a commercially reasonable manner) will determine which adjustment(s), if any, should be made to the Exchange Price and/or the Shares following a corporate action, other than an Ordinary Cash Dividend, Nationalisation, Delisting or a Change in Law.

To the extent that an adjustment (or no adjustment as the case may be) is made to the Exchange Price upon the occurrence of any corporate action in accordance with the Terms and Conditions of the relevant series of Cash Settled Exchangeable Notes, either where "Relevant Options Exchange Determination" or "Calculation Agent Determination" is specified as applicable, such adjustment (or lack of adjustment as the case may be) may have a material adverse impact on the price or value of the Cash Settled Exchangeable Notes and may materially adversely impact the level of any applicable Cash Amount payable.

Noteholders bear the risk of fluctuation in the price of the Shares

The market price of the Cash Settled Exchangeable Notes is expected to be affected by fluctuations in the market price of the Shares and it is impossible to predict whether the price of the Shares will rise or fall. The share price of listed companies can be highly volatile and their shares may have limited liquidity at certain times. In addition, equity market conditions may affect the price and market liquidity of Shares regardless of the performance of the Company. Equity market conditions are affected by many factors, such as interest and price levels on the capital markets, currency developments, the political factors and company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy, changes in investor sentiment towards particular market sectors and the demand for and supply of capital. Trading in the Shares by other investors, such as large purchases or sales of the Shares, may also affect the Share Price. Accordingly, the market price of Shares (and therefore, the Cash Amount receivable on any exercise of the Exchange Rights) may not reflect the underlying value of the Company's investments. The Company's results and prospects from time to time may be below the expectations of market analysts and investors. Any decline in the market price of the underlying Shares at any time may accordingly have an adverse effect on the market price of the Cash Settled Exchangeable Notes and may have a corresponding negative impact on any Cash Amount payable in respect of the Cash Settled Exchangeable Notes. These factors are not within the Issuer's or the Guarantor's control and may result in a decline in the value of the Cash Settled Exchangeable Notes.

In addition, for the purposes of calculating the Cash Amount payable on any exercise of Exchange Rights, the Exchange Date by reference to which the relevant Cash Amount is calculated will be the trading day immediately following the last day of the Exchange Period in which the Exchange Right was exercised. If so, Noteholders will be exposed to any decline in the market price of the Shares between the Exchange Notice Delivery Date and the Exchange Date, which decline may have a corresponding negative impact on the Cash Amount payable in respect of such Cash Settled Exchangeable Notes.

Noteholders will not receive physical Shares and will have no shareholder rights

Noteholders upon exercise of their Exchange Rights will not receive any Shares and will not have any voting rights, nor any right to receive dividends or other distributions or any other rights with respect to such Shares. Neither the Issuer nor the Guarantor is required under the Terms and Conditions of the Cash Settled Exchangeable Notes to deliver any Shares at any point.

The Cash Settled Exchangeable Notes do not represent a claim against or an investment in the Company and investors will not have any right of recourse under the Cash Settled Exchangeable Notes to the Company or the Shares. The Cash Settled Exchangeable Notes are not in any way sponsored, endorsed or promoted by the Company and the Company has no obligation to take into account the consequences of its actions for any Noteholders. Accordingly, the Company may take any actions in respect of such Shares without regard to the interests of the investors in the Cash Settled Exchangeable Notes, and any of these actions could adversely affect the market value of the Cash Settled Exchangeable Notes and may adversely impact the value of any Cash Amount payable in respect of the Cash Settled Exchangeable Notes.

Cash Settled Exchangeable Notes are not short-term trading instruments and investors may not be able to sell Cash Settled Exchangeable Notes if an active trading market for the Cash Settled Exchangeable Notes does not develop

The Cash Settled Exchangeable Notes are not intended to be short-term trading instruments, and investors should be prepared to hold their Cash Settled Exchangeable Notes until the Final Maturity Date.

The Cash Settled Exchangeable Notes are not registered under the Securities Act, will not be listed on any U.S. securities exchange and are subject to the resale and transfer restrictions discussed below and elsewhere in the Terms and Conditions of any series of Cash Settled Exchangeable Notes. The secondary market in relation to the Cash Settled Exchangeable Notes, if any, may not be liquid and may not continue for the term of the Cash Settled Exchangeable Notes. If the secondary market for the Cash Settled Exchangeable Notes is limited, there may be few buyers should investors choose to sell Cash Settled Exchangeable Notes prior to maturity and this may reduce the price investors receive. Because neither the Issuer nor the Guarantor expect that other broker-dealers will participate in the secondary market for the Cash Settled Exchangeable Notes, the price at which investors may be able to trade Cash Settled Exchangeable Notes is likely to depend on the price, if any, at which the dealer and/or any sole bookrunner is willing to transact, if at all. If, at any time, the dealer and/or any sole bookrunner were not to make a market in the Cash Settled Exchangeable Notes it is likely that there would be no secondary market for the Cash Settled Exchangeable Notes. Accordingly, investors should be willing to hold their Cash Settled Exchangeable Notes to maturity.

Transfers of the Cash Settled Exchangeable Notes are subject to the requirements of Regulation S or, in the case of Regulation S/Rule 144A Exchangeable Notes, Regulation S or Rule 144A under the Securities Act, as applicable. The Cash Settled Exchangeable Notes 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 may not be offered, sold, pledged, assigned, delivered or otherwise transferred, exercised or redeemed at any time, directly or indirectly, except in accordance with (i) Regulation S to a person that is not a "U.S. person" in an "offshore transaction" in compliance with Regulation S, and (ii) in the case of Regulation S/Rule 144A Exchangeable Notes, Rule 144A to a person that it, and any person acting on its behalf, reasonably believes is a QIB (as defined in Rule 144A under the Securities Act) purchasing for its own account or for the account of one or more QIBs, in accordance with any applicable securities laws of any state of the United States. The Issuer shall have the right to refuse to honour the transfer of any Regulation S Exchangeable Notes to a person who is a U.S. person (as defined in Regulation S) or is in the United States. The Issuer shall have the right to refuse to honour the transfer of any Regulation S/Rule 144A Exchangeable Note to a person that is not a QIB. Investors are required to notify any purchaser of Cash Settled Exchangeable Notes of the resale and transfer restrictions on the Cash Settled Exchangeable Notes.

Additional Tranches of Cash Settled Exchangeable Notes may not be fungible with previously issued Tranches for U.S. federal income tax purposes

MSFL may issue additional Cash Settled Exchangeable Notes that form part of an existing Series of Cash Settled Exchangeable Notes. If the original or additional Cash Settled Exchangeable Notes are issued pursuant to Rule 144A, U.S. investors would be required to accrue income for U.S. federal income tax purposes based on a "projected payment schedule," which may be different for each Tranche. However, if the Tranches are issued under the same CUSIP, ISIN or other identifying number, U.S. purchasers of Cash Settled Exchangeable Notes after the date of the further issue will not be able to differentiate between them. This may affect the trading price

(if any) of the Cash Settled Exchangeable Notes for the entire Series.

Risk factors relating to conflicts of interest in respect of Cash Settled Exchangeable Notes

See "*CONFLICTS OF INTEREST – 5. Conflicts of interest in respect of Cash Settled Exchangeable Notes*"

DISCLAIMERS

The Issuers and the Distribution Agents disclaim any responsibility to advise prospective purchasers of any matters arising under the laws of the country in which such prospective investors reside that may affect the purchase of, or holding of, or the receipt of payments on the Program Securities. These persons should consult their own legal and financial advisors concerning these matters.

1. *General Disclaimers*

1.1 *Issuers' credit ratings may not reflect all risks*

One or more independent credit rating agencies may assign credit ratings to the Issuers. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Program Securities. A credit rating is not a recommendation to buy, sell or hold Program Securities and may be revised or withdrawn by the rating agency at any time.

1.2 *Change of law*

The Conditions of the Program Securities are based on English law or New York law (as applicable) in effect as at the date of this Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to English law, New York law or administrative practice in England or the State of New York after the date of this Offering Circular.

1.3 *Independent review and advice*

Investors should consult their financial and legal advisors as to any specific risks entailed by an investment in Program Securities that are denominated or payable in, or the payment of which is linked to the value of, a currency other than the currency of the country in which such investor resides or in which such investor conducts its business, which is referred to as their home currency. Such Program Securities are not appropriate investments for investors who are not sophisticated in foreign currency transactions.

Each prospective investor must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Program Securities is (i) fully consistent with its (or if it is acquiring the Program Securities in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition, (ii) complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it (whether acquiring the Program Securities as principal or in a fiduciary capacity) and (iii) is a fit, proper and suitable investment for it (or if it is acquiring the Program Securities in a fiduciary capacity, for the beneficiary), notwithstanding the clear and substantial risks inherent in investing in or holding the Program Securities. Each Issuer disclaims any responsibility to advise prospective investors of any matters arising under the law of the country in which such prospective investors reside that may affect the purchase of, or holding of, or the receipt of payments or deliveries on the Program Securities.

1.4 *Selling Agent remuneration*

Each Issuer may enter into distribution agreements with various financial institutions and other intermediaries as determined by the applicable Issuer (each, a "**Selling Agent**"). Each Selling Agent will agree, subject to the satisfaction of certain conditions, to subscribe for the Program Securities at a price equivalent to or below the Issue Price. Any difference between the price at which the Selling Agent subscribes the Program Securities and the price at which the Selling Agent sells the Program Securities to investors will be a remuneration of the Selling Agent. In addition, a periodic fee may also be payable to the Selling Agents in respect of all outstanding Program Securities up to and including the maturity date at a rate determined by the applicable Issuer and which may vary from time to time. Any remuneration received by the Selling Agent including any periodic payments may influence the Selling Agent's recommendation of the Program Securities to potential investors and may also increase the purchase price to be paid by the investor. Each Selling Agent will agree to comply with the selling restrictions set out in the document as amended and supplemented by the additional selling restrictions set out in the relevant distribution agreements.

1.5 *Program Securities in Global Form*

Reliance on Euroclear, Clearstream, Luxembourg and DTC. Because the Registered Global Instruments (as defined below) may be held by or on behalf of Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and/or any other clearing system as may be specified in the applicable Pricing Supplement (such system or systems hereinafter referred to as the "**Relevant Clearing System**"), investors will have to rely on their procedures for transfer, payment and communication with the relevant Issuer.

Program Securities issued in registered form which are sold pursuant to Regulation S under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") will be represented by interests in a permanent global registered instrument (each a "**Regulation S Registered Global Instrument**"). Such Regulation S Registered Global Instruments will be registered in the name of a nominee for, and deposited with a common depository on behalf of, Euroclear and Clearstream, Luxembourg.

Morgan Stanley, MSFII and MSESE will only offer and sell Regulation S Securities. MSIP, MSFL and MSBV may also issue Regulation S/Rule 144A Securities. All Regulation S/Rule 144A Securities issued by MSFL and MSIP will be offered and sold only to QIBs and/or non-U.S. persons in offshore transactions. All Regulation S/Rule 144A Securities offered and sold by MSBV will be offered and sold only to QIB/QPs and/or to a person that is not a U.S. person in an offshore transaction. Regulation S/Rule 144A Securities issued by MSIP, MSFL and MSBV in reliance on Rule 144A will be represented by (i) one or more global registered securities (each a "**Regulation S/Rule 144A Registered Global Instrument**") and together with any Regulation S Registered Global Instruments, the ("**Registered Global Instruments**"). Such Regulation S/Rule 144A Registered Global Instrument will be deposited with a custodian for, and registered in the name of, Cede & Co. as nominee for, DTC or a common depository acting on behalf of Euroclear or Clearstream, Luxembourg and/or any other relevant clearing system.

Interests in the Registered Global Instruments will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream, Luxembourg or DTC and its direct and indirect participants, including depositories for Euroclear and Clearstream, Luxembourg, as the case may be. Individual Registered Securities evidencing holdings of Program Securities will only be available in certain limited circumstances.

While the Program Securities are represented by one or more Registered Global Instruments, the Issuer will discharge its payment obligations under the Program Securities by making payments through the Relevant Clearing System for distribution to their account holders. A holder of an interest in a Registered Global Instrument must rely on the procedures of the Relevant Clearing System to receive payments under the relevant Program Securities. Neither the relevant Issuer nor the Guarantor has responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Registered Global Instruments.

Holders of beneficial interests in the Registered Global Instruments will not have a direct right to vote in respect of the relevant Program Securities. Instead, such holders will be permitted to act only to the extent that they are enabled by the Relevant Clearing System to appoint appropriate proxies.

1.6 *Legal investment considerations may restrict certain investments*

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisors to determine whether and to what extent (i) Program Securities are legal investments for it, (ii) Program Securities can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Program Securities. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Program Securities under any applicable risk based capital or similar rules.

1.7 *Discretionary determinations*

The Issuer and the Determination Agent have certain discretions under the terms of the Program Securities following events or circumstances occurring in relation to a Relevant Underlying or Relevant Factor, including to defer valuations, make adjustments to the terms and conditions of such Program

Securities and/or to redeem or cancel such Program Securities other than on the originally designated date of redemption or cancellation. Such discretion is necessary as such events and circumstances may not be foreseen at the Trade Date of the relevant Program Securities but impact the economic or other terms of the Program Securities. For example, it may not be reasonably practicable or appropriate for certain valuations to be carried out in relation to the Program Securities without the exercise of the discretion. Furthermore, such events and circumstances may not be reflected in the pricing of the Program Securities and/or any arrangements entered into by the Issuer and/or any of its Affiliates to hedge obligations under Program Securities and, accordingly, without such discretion to adjust the terms of the Program Securities the Issuer may not have been able to issue the Program Securities on the terms applicable on the Issue Date or at all.

2. *Disclaimers linked with the Relevant Underlying*

2.1 *No affiliation with underlying companies*

The underlying share issuer for any single security or basket security, ETF or other fund or any Fund Advisor, the publisher of an underlying index, the sponsor of a futures contract, or any specified entity or index with respect to Credit Linked Program Securities, will not be an affiliate of Morgan Stanley, MSI plc, MSBV, MSFL, MSFII or MSESE unless otherwise specified in the applicable Pricing Supplement. Morgan Stanley or its subsidiaries may presently or from time to time engage in business with any underlying company, fund or any specified entity, including entering into loans with, or making equity investments in, the underlying company, fund or specified entity, or its affiliates or subsidiaries or providing investment advisory services to the underlying company, fund or specified entity, including merger and acquisition advisory services. Moreover, no Issuer has the ability to control or predict the actions of the underlying company, fund, index publisher, futures contract sponsor or specified entity, including any actions, or reconstitution of index components, of the type that would require the Determination Agent to adjust the payout to the investor at maturity. No underlying company, fund or Fund Advisor, index publisher, futures contract sponsor or specified entity, for any issuance of Program Securities is involved in the offering of the Program Securities in any way or has any obligation to consider the investor's interest as an owner of the Program Securities in taking any corporate actions that might affect the value of the Program Securities. None of the money an investor pays for the Program Securities will go to the underlying company, fund or Fund Advisor or specified entity, for such Program Securities.

2.2 *Provision of information*

None of the Issuers or any of their Affiliates makes any representation as to the issuer for any single security or basket security, fund or Fund Service Provider, the publisher of an underlying index, the sponsor of any futures contract, or any specified entity or index with respect to Credit Linked Program Securities. Any of such persons may have acquired, or during the term of the Program Securities may acquire, non-public information with respect to any such issuer, publisher, sponsor or specified entity, their respective affiliates or any guarantors that is or may be material in the context of the Program Securities. The issue of Program Securities will not create any obligation on the part of any such persons to disclose to the Noteholders and Securityholders or any other party such information (whether or not confidential).

2.3 *Disclosure*

None of the issuer of any single security or basket security, an ETF, other fund or underlying asset, any Fund Service Provider, the publisher of an underlying index (including, without limitation, Morgan Stanley or any of its affiliates where such Morgan Stanley entity is the sponsor of any proprietary index), the sponsor of any futures contract, nor any specified entity or index with respect to Credit Linked Program Securities has participated in the preparation of this document or in establishing the Conditions of the Program Securities and none of the Issuers nor any of their Affiliates will make any investigation or enquiry in connection with such offering with respect to any information concerning any such issuer, ETF, other fund, underlying asset, Fund Service Provider, publisher, sponsor or specified entity contained in this document or in the documents from which such information was extracted. Consequently, there can be no assurance that all events occurring prior to the issue date (including events that would affect the accuracy or completeness of any publicly available information described in this document) that would affect the trading price and/or level of the Relevant Underlying or Relevant Factor will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure

to disclose material future events concerning such an issuer, ETF, other fund, underlying asset, Fund Service Provider, publisher, sponsor or specified entity could affect the trading price and/or level of the Relevant Underlying or Relevant Factor and therefore the trading price of the Program Securities.

2.4 *Program Securities are not sold or promoted by an index or the sponsor of such index*

Except where an index is a proprietary index, Program Securities linked to an index are not sponsored, endorsed, sold, or promoted by such index or the sponsor of such index. The sponsor of an index makes no representation whatsoever, whether express or implied, either as to the results to be obtained from the use of such index or the levels at which such index stands at any particular time on any particular date. Neither an index nor sponsor of such index shall be liable (whether in negligence or otherwise) to any person for any error in such index. A sponsor of an index is under no obligation to advise any person of any error in such index. A sponsor of an index does not make any representation whatsoever, whether express or implied, as to the advisability of investing or assuming any risk in connection with the Program Securities linked to such index.

2.5 *The relevant Issuer, Morgan Stanley or any of Morgan Stanley's affiliates are not liable for the actions or omissions of the sponsor of an index, any information concerning an index, the performance of such index or use thereof in connection with the Program Securities*

The relevant Issuer, Morgan Stanley or any of Morgan Stanley's affiliates are not liable to the holders of Program Securities for any act or failure to act by a sponsor of an index in connection with the calculation, adjustment, or maintenance of such index. Although the Determination Agent, as applicable, will obtain information concerning an index from publicly available sources it believes reliable, it will not independently verify this information. Accordingly, no representation, warranty, or undertaking (express or implied) is made and no responsibility is accepted by the relevant Issuer, Morgan Stanley or any of Morgan Stanley's affiliates, or the Determination Agent as to the accuracy, completeness, and timeliness of information concerning such index. In addition, the relevant Issuer, Morgan Stanley or any of Morgan Stanley's affiliates, or the Determination Agent makes no representation whatsoever, whether express or implied, as to the performance of any index which is linked to the Program Securities, any data included in, or omitted from, such index, or the use of such index in connection with such Program Securities.

3. *Representations and acknowledgments by Noteholders and Securityholders*

3.1 *Representations and acknowledgments by Noteholders and Securityholders.*

Each Noteholder and Securityholder shall be deemed to represent and acknowledge to the relevant Issuer on acquiring any Program Security that:

- (a) none of the Issuers, any of their Affiliates nor any of their agents is acting as a fiduciary for it or provides investment, tax, accounting, legal or other advice in respect of the Program Securities and that such holder and its advisors are not relying on any communication (written or oral and including, without limitation, opinions of third party advisors) of the Issuers or any of their Affiliates as (a) legal, regulatory, tax, business, investment, financial, accounting or other advice, (b) a recommendation to invest in any Program Securities or (c) an assurance or guarantee as to the expected results of an investment in the Program Securities (it being understood that information and explanations related to the terms and conditions of the Program Securities shall not be considered to be any such advice, recommendation, assurance or guarantee and should be independently confirmed by the recipient and its advisors prior to making any such investment);
- (b) such Program Security holder (a) has consulted with its own legal, regulatory, tax, business, investments, financial and accounting advisors to the extent that it has deemed necessary, and has made its own investment, hedging, and trading decisions based upon its own judgment and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the Issuers or any of their Affiliates or any of their agents and (b) is acquiring Program Securities with an understanding of the terms, conditions and risks thereof and it is capable of and willing to assume those risks; and
- (c) the Issuers and/or any of their Affiliates may have banking or other commercial relationships with issuers of any securities to which the Program Securities relate and may engage in

proprietary trading in any equity securities, indices or other property to which the Program Securities relate or options, futures, derivatives or other instruments relating thereto (including such trading as the Issuers and/or any of their Affiliates deem appropriate in their reasonable discretion to hedge the market risk on the Program Securities and other transactions between the Issuers and/or any of their Affiliates and any third parties), and that such trading (a) may affect the price or level thereof and consequently the amounts payable under the Program Securities and (b) may be effected at any time.

3.2 *Representations and acknowledgments by Noteholders and Securityholders in respect of Program Securities linked to Shares which are eligible to be traded through the China Connect Service.*

Each Noteholder and Securityholder shall be deemed to represent, acknowledge and undertake to the relevant Issuer on acquiring any Program Security that:

- (a) without prejudice to the generality of any applicable law, the Noteholder or Securityholder (as applicable) expressly consents to the disclosure by the Issuer or its Affiliates to the relevant authorities in the jurisdiction of the incorporation or organisation of the issuer of the relevant shares (a "**Relevant Jurisdiction**"), the jurisdiction in which the Exchange is located (the "**Local Jurisdiction**"), a jurisdiction in which the SEHK is located (a "**CCS Jurisdiction**") or any jurisdiction of tax residence of the issuer of the Shares (a "**Tax Residence Jurisdiction**"), information relating to these Program Securities, including the name of the Noteholder or Securityholder (as applicable) in order for the Issuer or any of its Affiliates to comply with laws and regulations of the Relevant Jurisdiction, the Local Jurisdiction, the CCS Jurisdiction or Tax Residence Jurisdiction that are applicable to the Issuer or its Affiliate in connection with their dealings in the underlying;
- (b) the Noteholder or Securityholder (as applicable) represents that, (A) in the case of an individual, either (x) it is not a person who is a citizen of or resident or domiciled in the PRC, or (y) it is a citizen of the PRC who is a resident of or is domiciled in a jurisdiction outside the PRC, or (B) in the case of an entity, either (x) it is not incorporated or registered under the laws of PRC or (y) it will purchase and hold the Program Securities pursuant to any program approved by, or approval of or registration with, any competent PRC regulator, or in such other manner as may be permitted in accordance with the laws and regulations of the PRC; and
- (c) the Noteholder or Securityholder (as applicable) will use funds lawfully owned by it and located outside PRC to purchase the Program Securities unless it will purchase the Program Securities pursuant to any program approved by, or approval of or registration with, any competent PRC regulator.

3.3 *Representations and acknowledgments by Noteholders and Securityholders in respect of Program Securities in respect of which "QFII" is specified by the name of the Exchange in the applicable Pricing Supplement*

Each Noteholder and Securityholder shall be deemed to represent, acknowledge and undertake to the relevant Issuer on acquiring any Program Security that:

- (a) it understands that Morgan Stanley & Co. International plc or its Affiliates may be requested from time to time to report or otherwise disclose to applicable regulatory authorities, including without limitation the China Securities Regulatory Commission (CSRC) and other regulatory bodies in the PRC, details of the relevant Program Securities and any other information (including, without limitation, the beneficial owner of the relevant Program Securities) as may be required by law or under any applicable rules or regulations of such regulatory authorities, including without limitation, any *ad hoc* or periodic reporting obligations (each a "**Regulatory Request**" within the meaning of the terms and conditions of the relevant Program Securities), and the Noteholder or Securityholder (as applicable) consents to any such disclosure;
- (b) the beneficial owner of the Program Securities is not (1) a PRC Citizen resident in the PRC (excluding Hong Kong, Macau and Taiwan), (2) a PRC Citizen resident outside the PRC who is not a permanent resident of another country or permanent resident of Hong Kong, Macau or Taiwan, unless otherwise permitted by the laws, administrative regulations and rules of the PRC, or (3) a Legal Person Registered in the PRC (as defined below) (except a Legal Person

Registered in the PRC whose purchase of the Program Securities has been conducted pursuant to (i) a program approved by any competent PRC regulator; or (ii) any approval of a registration with any competent PRC regulator, or in such other manner as may be permitted in accordance with the laws and regulations of the PRC), (each a **"Domestic Investor"**);

- (c) in the case where the beneficial owner of the Program Securities is a trustee for a trust, interests in the trust are not majority-owned by, and the management decision over the trust is not controlled by, one or more Domestic Investor(s). For the avoidance of doubt, in the case only where a trust's investments are being managed on a discretionary basis by an investment manager, such investment manager shall not be deemed to control such entity for the purposes of this representation by reason only of it being able to control the decision-making in relation to the entity's financial, investment and/or operating policies, provided that the foregoing representation does not apply to trusts or companies organized as investment schemes for public offering;
- (d) to the best of its knowledge, all amounts paid or to be paid by the beneficial owner of the Program Securities under the Program Securities did not and will not involve moneys financed by or sourced from any Domestic Investor in contravention of the laws and regulations of the PRC; and
- (e) the beneficial owner of the Program Securities is investing in such Program Securities as principal and not as agent of any person or entity.

Where:

"Legal Person Registered in the PRC" means an entity incorporated or organized in the PRC (excluding Hong Kong, Macau and Taiwan).

"PRC" means, for the purpose of the Offering Circular, People's Republic of China (excluding Hong Kong, Macau and Taiwan).

"PRC Citizen" means any person holding a resident identification card of the PRC (excluding Hong Kong, Macau and Taiwan).

"trust" includes a trust fund or any similar arrangement where the legal title to the trust assets are held by a trustee or legal representative but the beneficial interests in the trust assets are held by beneficiaries; and **"trustee"** shall be construed accordingly.

4. ***Important notice relating to Green Bonds, Social Bonds and/or Sustainability Bonds***

Prior to making any investment in Green Bonds, Social Bonds and/or Sustainability Bonds, prospective investors should have regard to the information set out in the *"Use of Proceeds"* section of this Offering Circular and in the *"Use Of Proceeds, Estimated Net Proceeds And Total Expenses"* item of the relevant Pricing Supplement and must determine for themselves the relevance of such information together with any other investigation such investor deems necessary. In particular, the use of an amount equal to such proceeds for any Eligible Projects may not satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Eligible Projects.

No representation is made as to the suitability of any issuance of Green Bonds, Social Bonds and/or Sustainability Bonds to fulfill environmental and sustainability criteria required by prospective investors nor as to the satisfaction by the Eligible Projects to any requisite criteria determined under the EU Taxonomy Regulation. Each potential purchaser should determine for itself the relevance of the information contained or referred to in the Morgan Stanley Sustainable Issuance Framework and the applicable Pricing Supplement regarding the use of proceeds and its purchase should be based upon such investigation as it deems necessary.

The Second Party Opinion in respect of the Morgan Stanley Sustainable Issuance Framework or any opinion or external assurance of any third party (whether or not solicited by the Issuer) which may be

made available in connection with the issue of any Sustainable Bonds and in particular with any Eligible Projects to fulfil any environmental, sustainability, social and/or other criteria may not be suitable for Noteholders' purposes. Currently, the providers of such opinions and external assurance are not subject to any specific regulatory or other regime or oversight. Any such opinion or external assurance is only current as of the date that opinion or external assurance was initially issued. The Issuer does not guarantee that the information presented in any such opinion or external assurance is complete, accurate, or up to date. In addition, any such provider, to the extent engaged by the Issuer or one of its affiliates, will receive compensation from the Issuer or its affiliates in connection with the issuance of any such opinion or external assurance, which could give rise to a potential conflict of interest for such provider.

Furthermore, investors are advised that as of the issue date and at any time until the maturity of the relevant Green Bonds, Social Bonds and/or Sustainability Bonds, they may not have, despite the annual report set up by the Issuer (see the section "*Use of Proceeds*" of this Offering Circular), a comprehensive knowledge of all the Eligible Projects that would have been financed or refinanced by the gross proceeds of the issue. Moreover, the number or the type of Eligible Projects for a given issue may vary significantly, and it is possible that for practical and/or confidentiality reasons, the list of Eligible Projects may not be exhaustively mentioned in the annual report and that the Issuer may only provide a summary of the Eligible Projects.

In the event that any such Sustainable Bonds are listed or admitted to trading on any dedicated "green", "environmental", "social", "sustainable" or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Any such listing or admission to trading may not be obtained in respect of any such Sustainable Bonds or, if obtained, any such listing or admission to trading may not be maintained during the life of the Sustainable Bonds.

Payment of principal and interest on any Sustainable Bond will be made from Morgan Stanley's general funds and will not be directly linked to the performance of any Eligible Project.

Finally, prior to an investment in Green Bonds, Social Bonds and/or Sustainability Bonds, potential investors must (i) read, (ii) form their own opinion on the relevance or reliability, for any purpose whatsoever, and (iii) conduct any other analysis they deem necessary, in relation to the Second Party Opinion on the Morgan Stanley Sustainable Issuance Framework or any opinion or external assurance that may be provided in the context of the issue of the Green Bonds, Social Bonds and/or Sustainability Bonds and in particular on the fact that an Eligible Project meets environmental, social, sustainable development and/or other criteria.

For the avoidance of doubt, neither the Morgan Stanley Sustainable Issuance Framework, Second Party Opinion, nor any such other opinion or external assurance is, or shall be deemed to be, incorporated in and/or form part of this Offering Circular.

CONFLICTS OF INTEREST

1. ***Potential conflicts of interest between the investor and the Determination Agent***

Potential conflicts of interest may exist between the investor and the Determination Agent, which may be an affiliate of the Issuer and the Guarantor, if applicable. Certain determinations made by the Determination Agent may require it to exercise discretion and make subjective judgments. As Determination Agent for Program Securities linked to a single security, index, futures contract, ETF or other fund or a basket of securities, indices, futures contracts, ETFs or other funds, Credit Linked Program Securities, or Program Securities linked to commodities or other underlying instruments, assets or obligations, Morgan Stanley & Co. International plc (unless otherwise specified) will determine the payout to the investor at maturity, redemption, exercise or cancellation (as applicable). Morgan Stanley & Co. International plc and other affiliates may also carry out hedging activities related to any Program Securities linked to a single security, index, futures contract, ETF or other fund or a basket of securities, indices, futures contracts, ETFs, other funds, Credit Linked Program Securities, or Program Securities linked to commodities or to other instruments, assets or obligations including trading in the underlying securities, indices, futures contracts, ETFs or commodities as well as in other instruments related to the underlying securities, indices, futures contracts, ETFs or commodities. Morgan Stanley & Co. International plc and some of Morgan Stanley's other subsidiaries may also trade the applicable underlying securities, indices, futures contracts or commodities and other financial instruments related to the underlying securities, indices, futures contracts or commodities on a regular basis as part of their general broker dealer and other businesses. Any of these activities could influence the Determination Agent's potentially subjective determination of adjustments made to any Program Securities linked to a single security, index, futures contract, ETF or other fund or a basket of securities, indices, futures contracts, ETFs or other funds, Credit Linked Program Securities, or Program Securities linked to commodities or other underlying instruments, assets or obligations and any such trading activity could potentially affect the price of the underlying securities, indices, futures contracts, ETFs, other funds, commodities or other underlying instruments, assets or obligations and, accordingly, could affect the investor's payout on any Program Securities.

2. ***Actions taken by the Determination Agent may affect the Relevant Underlying or Relevant Factor***

The Determination Agent may make such adjustments as it considers appropriate as a consequence of certain corporate actions affecting the Relevant Underlying or Relevant Factor. In making these adjustments the Determination Agent is entitled to exercise substantial discretion and may be subject to conflicts of interest, including the conflicts of interest highlighted above, in exercising this discretion. The Determination Agent is not required but has the discretion to make adjustments with respect to each and every corporate action. These potentially subjective determinations may adversely affect the amount payable to the investor.

3. ***Where Morgan Stanley or an affiliate of Morgan Stanley is the sponsor or calculation agent in respect of a proprietary index, Morgan Stanley has the authority to make determinations that could materially affect such an index and create conflicts of interest***

Where Morgan Stanley or an affiliate of Morgan Stanley is the sponsor of the proprietary index and/or, if applicable, the calculation agent of such an index, Morgan Stanley does not generally exercise any discretion in relation to the operation of the index. Morgan Stanley owes no fiduciary duties in respect of such index. Morgan Stanley may, however, exercise discretion in certain limited situations including, but not limited to, those situations described in any description of the relevant index. Determinations made by Morgan Stanley as the sponsor and, if applicable, calculation agent of such a proprietary index could adversely affect the level of such index and the exercise by Morgan Stanley of its discretion could present it with a conflict of interest. Subject as provided in the Index Rules in respect of a Proprietary Index, in making those determinations, the sponsor and/or the calculation agent, as applicable, of such index will not be required to, and will not, take the interests of any investor of any product that references such index into account or consider the effect its determinations will have on the value of such a product. All determinations made by relevant sponsor and/or the calculation agent shall be (including, without limitation, any Program Securities) conclusive for all purposes and will bind all holders of any products linked to such an index. The index sponsor and/or the calculation agent shall not have any liability for such determinations.

4. *Potential Conflicts of Interest in respect of Preference Shares*

The calculation agent in respect of the Preference Shares (the "**Preference Share Calculation Agent**") is a member of the Morgan Stanley Group. As a result, potential conflicts of interest may arise in acting in its capacity as Preference Share Calculation Agent and other capacities in which it acts under the Preference Share-Linked Notes. Subject to any relevant regulatory obligations, the Preference Share Calculation Agent owes no duty or responsibility to any Noteholder to avoid any conflict or to act in the interests of any Noteholder. The Preference Share Issuer may also rely on members of Morgan Stanley (including the Preference Share Calculation Agent) or other service providers to perform its operational requirements. In the event any relevant Morgan Stanley entities or other service providers fail to perform any obligations, this may adversely affect the value of the Preference Shares and potentially the amounts payable under the Preference Share-Linked Notes. In addition to providing calculation agency services to the Preference Share Issuer, Morgan Stanley or any of its affiliates may perform further or alternative roles relating to the Preference Share Issuer and any series of the Preference Shares including, but not limited to, for example, being involved in arrangements relating to any of the underlying reference assets (for example as a calculation agent). Further, Morgan Stanley or any of its affiliates may contract with the Preference Share Issuer and/or enter into transactions, including hedging transactions, which relate to the Preference Share Issuer or the Preference Shares and as a result Morgan Stanley may face a conflict between its obligations as Preference Share Calculation Agent and its and/or its affiliates' interests in other capacities.

5. *Conflicts of interest in respect of Cash Settled Exchangeable Notes*

The Issuer and/or the Guarantor and/or their Affiliates may engage in business with or involving the Company without regard to investors' interests

The Issuer and/or the Guarantor and/or their Affiliates may presently or from time to time engage in business with the Company without regard to investors' interests, including extending loans to, or making equity investments in, the Company or providing advisory services to the Company, such as merger and acquisition advisory services. In the course of ordinary business, the Issuer and/or the Guarantor and/or their Affiliates may acquire non-public information about the Company. None of the Issuer, the Guarantor or any of their Affiliates undertakes to disclose any such information to investors.

The amount investors receive on the Final Maturity Date may be reduced because the anti-dilution adjustments the Calculation Agent is required to make do not cover every corporate event that could affect the common stock of the Company

The amount investors receive on redemption of the Cash Settled Exchangeable Notes will be subject to adjustment for a number of events arising from share splits and combinations, share dividends or other distributions, a number of other actions of the Company that modify its capital structure and a number of other transactions involving the Company, as well as for the liquidation, dissolution or winding up of the Company. However, the Calculation Agent is not required to make an adjustment for every corporate event that can affect the Company. For example, the Calculation Agent is not required to make any adjustments if the Company or anyone else makes a partial tender offer or a partial exchange offer for that Company. If an event occurs that does not require the Calculation Agent to make an adjustment, the value of the Cash Settled Exchangeable Notes may be materially and adversely affected. In addition, all determinations and calculations concerning any such adjustment will be made by the Calculation Agent. Investors should refer to Exchangeable Note Condition 7 (Adjustment of Exchange Price and the Shares) and Exchangeable Note Condition 14 (Events of Default) of the Terms and Conditions of the Cash Settled Exchangeable Notes. The amount investors receive on redemption of the Cash Settled Exchangeable Notes may not be adjusted for other events that may adversely affect the price of the Shares, such as offerings of common stock for cash or in connection with acquisitions. Because of the relationship of the amount investors receive on the Final Maturity Date to the price of the Shares, these other events may reduce the amount investors receive on the redemption of the Cash Settled Exchangeable Notes.

Additionally, the market price of the Cash Settled Exchangeable Notes may be materially and adversely affected.

The value of and redemption amount payable on the Cash Settled Exchangeable Notes may be affected by purchases and sales of the Shares or related derivative instruments by the Issuer and/or the Guarantor and/or their Affiliates, including hedge transactions

The Issuer and/or the Guarantor and/or their affiliates may from time to time buy or sell Shares or derivative instruments relating to the Shares for their own accounts in connection with their normal business practices, including, but not limited to, hedge transactions. These transactions could adversely affect the volume weighted average price of the Shares and thus, the market value of, and return on, and redemption amount payable on the Cash Settled Exchangeable Notes.

The Issuer and/or the Guarantor and/or their Affiliates' hedging activity could result in a conflict of interest

In anticipation of the sale of the Cash Settled Exchangeable Notes, the Issuer and the Guarantor expect one or more of their Affiliates to enter into hedge transactions. This hedging activity will likely involve trading in the Shares or in instruments, such as options, swaps or futures, based upon the Shares. This hedging activity may present a conflict between investors' interest in the Cash Settled Exchangeable Notes and the interests Affiliates have in executing, maintaining and adjusting their hedge transactions because it could affect the price at which Affiliates may be willing to purchase investors' Cash Settled Exchangeable Notes in the secondary market. Since hedging the obligations under the Cash Settled Exchangeable Notes involves risk and may be influenced by a number of factors, it is possible that Affiliates may profit from the hedging activity, even if the market value of the Cash Settled Exchangeable Notes declines. Additionally, due to the inclusion of commissions and projected profit from hedging in the offering price of the Cash Settled Exchangeable Notes, the Cash Settled Exchangeable Notes may trade at prices below their initial issue price.

The Calculation Agent, which is an affiliate of each of the Issuer and the Guarantor, will make discretionary determinations and calculations with respect to the Cash Settled Exchangeable Notes

If certain events occur, such as market disruption events or other events affecting the Company, its Shares or its listed options, the Calculation Agent will be required to make certain determinations that could significantly and adversely affect investors' payment on redemption of the Cash Settled Exchangeable Notes and potentially lead to early redemption of the Cash Settled Exchangeable Notes. These determinations may, in turn, depend on the Calculation Agent's determination as to whether the relevant event has materially interfered with the Issuer's or the Guarantor's ability or the ability of a relevant affiliate to maintain or unwind any hedge transactions. Because these determinations by the Calculation Agent may affect the amount payable on the Cash Settled Exchangeable Notes, the Calculation Agent may have a conflict of interest if it needs to make any such decision and the Calculation Agent's interests as an affiliate of the Issuer and Guarantor could be adverse to investors' interests as a holder of the Cash Settled Exchangeable Notes.

Affiliates of the Issuer and/or the Guarantor may publish research that could affect the market value of the Cash Settled Exchangeable Notes

Affiliates of the Issuer and/or the Guarantor may publish research reports or otherwise express opinions or provide recommendations from time to time regarding the issuer of the Shares or other matters that may influence the price of the Shares and, therefore, the value of the Cash Settled Exchangeable Notes. Any research, opinion or recommendation expressed by any Affiliate of the Issuer and/or the Guarantor may not be consistent with purchasing, holding or selling the Cash Settled Exchangeable Notes. Any of these activities may affect the market value of and redemption amount payable on the Cash Settled Exchangeable Notes. Investors should make their own independent investigation into the merits of investing in the Cash Settled Exchangeable Notes and the Company.

WHERE THE INVESTOR CAN FIND MORE INFORMATION ABOUT MORGAN STANLEY

Morgan Stanley files annual, quarterly and current reports, proxy statements and other information with the United States Securities and Exchange Commission (the "SEC"). Investors may read and copy any document that Morgan Stanley files with the SEC at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at +1-800-SEC-0330 for information on the public reference room. The SEC maintains an internet site that contains annual, quarterly and current reports, proxy and information statements and other information that issuers (including Morgan Stanley) file electronically with the SEC. Morgan Stanley's electronic SEC filings are available to the public at the SEC's internet site www.sec.gov. Morgan Stanley also makes available, through its Investor Relations webpage, a link to the SEC's internet site. You can access Morgan Stanley's Investor Relations webpage at www.morganstanley.com/about-us-ir. The information contained on Morgan Stanley's website shall not form part of this Offering Circular, unless such information has been expressly incorporated herein.

INCORPORATION BY REFERENCE

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

Document filed	Information incorporated by reference	Page
1. Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V., Morgan Stanley Finance LLC and Morgan Stanley Europe SE dated 14 November 2025 https://sp.morganstanley.com/download/prospectus/afe6f6cc-6b47-44a2-ac92-dfc8ad86d2d1/	(1) Risk Factors (excluding the Risk Factor headed " <i>As a finance subsidiary, MSFL has no independent operations and is expected to have no independent assets.</i> ")	1-21
	(2) Description of Morgan Stanley	36-57
	(3) Description of Morgan Stanley & Co. International plc	58-63
	(4) Description of Morgan Stanley B.V.	64-67
	(5) Description of Morgan Stanley Finance LLC	68-70
	(6) Description of Morgan Stanley Europe SE	71-75
	(7) Subsidiaries of Morgan Stanley as of 2 October 2025	76
	(8) Index of Defined Terms	77
2. Second Supplement dated 26 February 2026 to the Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V., Morgan Stanley Finance LLC and Morgan Stanley Europe SE dated 14 November 2025 https://sp.morganstanley.com/download/prospectus/3c7d91bf-44ce-43c4-8074-1488163ea207	(1) Part B – Amendments to the " <i>Risk Factors</i> " Section	7-10
	(2) Part C – Amendments to the " <i>Description of Morgan Stanley</i> " Section – paragraphs 1 to 7, 9 to 10 and 12 to 14	11-14
	(3) Part D – Amendment to the " <i>Description of Morgan Stanley & Co. International plc</i> " Section – paragraph 1	15
	(4) Part F – Amendment to the " <i>Subsidiaries of Morgan Stanley as of 2 October 2025</i> " Section	17
3. Third Supplement dated 30 April 2026 to the Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V., Morgan Stanley Finance LLC and Morgan Stanley Europe SE dated 14 November 2025 https://sp.morganstanley.com/download/prospectus/4a8c10a5-f07e-46c2-aa13-5276653be459/	(1) Part C – Amendments to the " <i>Description of Morgan Stanley & Co. International plc</i> " Section	8-9
	(2) Part D – Amendments to the " <i>Description of Morgan Stanley B.V.</i> " Section	10-11
	(3) Part E – Amendments to the " <i>Description of Morgan Stanley Europe SE</i> " Section	12-14

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4.	Fourth Supplement dated 21 May 2026 to the Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V., Morgan Stanley Finance LLC and Morgan Stanley Europe SE dated 14 November 2025	(1)	Part C – Amendments to the "Description of Morgan Stanley" Section	8
		(2)	Part D – Amendments to the "Description of Morgan Stanley & Co. International plc" Section	9
	https://sp.morganstanley.com/download/prospectus/fl1ede2c1-e5b9-4f90-aa19-17dc2fd77201/	(3)	Part E – Amendments to the "Description of Morgan Stanley Finance LLC" Section	10
		(4)	Part F – Amendments to the "Description of Morgan Stanley Europe SE" Section	11
Morgan Stanley				
1.	Morgan Stanley 2026 Proxy Statement	(1)	Overview of Voting Items	6-14
		(2)	Corporate Governance Matters	15-53
	https://sp.morganstanley.com/download/prospectus/3ad60c8c-e65e-488c-8c2a-e407fcb52308	(3)	Audit Matters	54-58
		(4)	Compensation Matters	59-109
		(5)	Ownership of Our Stock	110-113
		(6)	Shareholder Proposal	114-118
		(7)	Information About the Annual Meeting	119-123
2.	Morgan Stanley April 2026 Form 8-K	(1)	Results of Operations and Financial Condition	3 ¹ (Item 2.02)
	https://sp.morganstanley.com/download/prospectus/b9b07214-6f15-44ea-8d60-2a78ce7b455a/	(2)	Press release of Morgan Stanley, dated 15 April 2026, containing financial information for the quarter ended 31 March 2026.	5-13 (Item 99.1)
		(3)	Financial Data Supplement of Morgan Stanley for the quarter ended 31 March 2026.	14-35 (Item 99.2)
3.	Quarterly Report on Form 10-Q for the quarterly period ended 31 March 2026	(1)	Management's Discussion and Analysis of Financial Condition and Results of Operations	4 -28
	https://sp.morganstanley.com/download/prospectus/f6a87d68-07b0-4113-ae75-66f98b11381d	(2)	Quantitative and Qualitative Disclosures about Risk	29 - 37
		(3)	Report of Independent Registered Public Accounting Firm	38
		(4)	Consolidated Financial Statements and Notes	39 - 74

¹ As portions of the Morgan Stanley April 2026 Form 8-K are unpaginated, the references to page numbers in relation to the Morgan Stanley April 2026 Form 8-K are in reference to the PDF page numbering.

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	(i)	Consolidated Income Statement (Unaudited)	39
	(ii)	Consolidated Comprehensive Income Statement (Unaudited)	39
	(iii)	Consolidated Balance Sheet (Unaudited as at 31 March 2026)	40
	(iv)	Consolidated Statement of Changes in Total Equity (Unaudited)	41
	(v)	Consolidated Cash Flow Statement (Unaudited)	42
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2. The terms and conditions set out on pages 94 to 157 of the base prospectus for notes, series A and B dated 22 June 2007 relating to the Program under the heading "*Terms and Conditions of the English Law Notes*" (the "**2007 English Law Note Conditions**").
3. The terms and conditions set out on pages 52 to 115 of the base prospectus for notes, series A and B dated 19 June 2008 relating to the Program under the heading "*Terms and Conditions of the English Law Notes*" (the "**2008 English Law Note Conditions**").
4. The terms and conditions set out on pages 51 to 109 of the base prospectus for notes, series A and B dated 17 June 2009 relating to the Program under the heading "*Terms and Conditions of the English Law Notes*" (the "**2009 English Law Note Conditions**").
5. The terms and conditions set out on pages 66 to 130 of the base prospectus for notes, series A and B, warrants and certificates dated 15 June 2010 relating to the Program under the heading "*Terms and Conditions of the English Law Notes*" (the "**2010 English Law Note Conditions**").
6. The terms and conditions set out on pages 72 to 157 of the base prospectus for notes, series A and B, warrants and certificates dated 10 June 2011 relating to the Program under the heading "*Terms and Conditions of the English Law Notes*" (the "**2011 English Law Note Conditions**").
7. The terms and conditions set out on pages 73 to 160 of the base prospectus for notes, series A and B, warrants and certificates dated 7 June 2012 relating to the Program under the heading "*Terms and Conditions of the English Law Notes*" (the "**2012 English Law Note Conditions**").
8. The terms and conditions set out on pages 77 to 168 of the offering circular for notes, warrants and certificates dated 27 June 2013 relating to the Program under the heading "*Terms and Conditions of the English Law Notes*" (the "**2013 English Law Note Conditions**").
9. The terms and conditions set out on pages 76 to 170 of the offering circular for notes, warrants and certificates dated 18 August 2014 relating to the Program under the heading "*Terms and Conditions of the English Law Notes*" (the "**2014 English Law Note Conditions**").
10. The terms and conditions set out on pages 79 to 178 of the offering circular for notes, warrants and certificates dated 17 August 2015 relating to the Program under the heading "*Terms and Conditions of the English Law Notes*" (the "**2015 English Law Note Conditions**").
11. The terms and conditions set out on pages 79 to 181 of the offering circular for notes, warrants and certificates dated 16 August 2016 relating to the Program under the heading "*Terms and Conditions of the English Law Notes*" (the "**2016 English Law Note Conditions**").
12. The terms and conditions set out on pages 82 to 185 of the offering circular for notes, warrants and certificates dated 30 June 2017 relating to the Program under the heading "*Terms and Conditions of the English Law Notes*" (the "**2017 English Law Note Conditions**").
13. The terms and conditions set out on pages 84 to 187 of the offering circular for notes, warrants and certificates dated 29 June 2018 relating to the Program under the heading "*Terms and Conditions of the English Law Notes*" (the "**2018 English Law Note Conditions**").
14. The terms and conditions set out on pages 96 to 240 of the offering circular for notes, warrants and certificates dated 28 June 2019 relating to the Program under the heading "*Terms and Conditions of the English Law Notes*" (the "**2019 English Law Note Conditions**").
15. The terms and conditions set out on pages 112 to 266 of the offering circular for notes, warrants and certificates dated 26 June 2020 relating to the Program under the heading "*Terms and Conditions of the English Law Notes*" (the "**2020 English Law Note Conditions**").
16. The terms and conditions set out on pages 120 to 293 of the offering circular for notes, warrants and certificates dated 25 June 2021 relating to the Program under the heading "*Terms and Conditions of the English Law Notes*" (the "**2021 English Law Note Conditions**").

17. The terms and conditions set out on pages 120 to 299 of the offering circular for notes, warrants and certificates dated 24 June 2022 relating to the Program under the heading "*Terms and Conditions of the English Law Notes*" (the "**2022 English Law Note Conditions**").
18. The terms and conditions set out on pages 128 to 360 of the offering circular for notes, warrants and certificates dated 26 June 2023 relating to the Program under the heading "*Terms and Conditions of the English Law Notes*" (the "**2023 English Law Note Conditions**").
19. The terms and conditions set out on pages 125 to 355 of the offering circular for notes, warrants and certificates dated 26 June 2024 relating to the Program under the heading "*Terms and Conditions of the English Law Notes*" (the "**2024 English Law Note Conditions**").
20. The terms and conditions set out on pages 132 to 357 of the offering circular for notes, warrants and certificates dated 26 June 2025 relating to the Program under the heading "*Terms and Conditions of the English Law Notes*" (the "**2025 English Law Note Conditions**").
21. The terms and conditions set out on pages 49 to 94 of the base prospectus in respect of the warrants and certificates dated 12 July 2006 relating to the Program under the heading "*Terms and Conditions of the Securities*" (the "**2006 Securities Conditions**").
22. The terms and conditions set out on pages 63 to 109 of the base prospectus in respect of the warrants and certificates dated 22 June 2007 relating to the Program under the heading "*Terms and Conditions of the Securities*" (the "**2007 Securities Conditions**").
23. The terms and conditions set out on pages 28 to 71 of the base prospectus in respect of the warrants and certificates dated 19 June 2008 relating to the Program under the heading "*Terms and Conditions of the Securities*" (the "**2008 Securities Conditions**").
24. The terms and conditions set out on pages 29 to 72 of the base prospectus in respect of the warrants and certificates dated 17 June 2009 relating to the Program under the heading "*Terms and Conditions of the Securities*" (the "**2009 Securities Conditions**").
25. The terms and conditions set out on pages 172 to 217 of the base prospectus for notes, series A and B, warrants and certificates dated 15 June 2010 relating to the Program under the heading "*Terms and Conditions of the Warrants and Certificates*" (the "**2010 Warrants and Certificates Conditions**").
26. The terms and conditions set out on pages 209 to 280 of the base prospectus for notes, series A and B, warrants and certificates dated 10 June 2011 relating to the Program under the heading "*Terms and Conditions of the Warrants and Certificates*" (the "**2011 Warrants and Certificates Conditions**").
27. The terms and conditions set out on pages 211 to 285 of the base prospectus for notes, series A and B, warrants and certificates dated 7 June 2012 relating to the Program under the heading "*Terms and Conditions of the Warrants and Certificates*" (the "**2012 Warrants and Certificates Conditions**").
28. The terms and conditions set out on pages 217 to 297 of the offering circular for notes, warrants and certificates dated 27 June 2013 relating to the Program under the heading "*Terms and Conditions of the Warrants and Certificates*" (the "**2013 Warrants and Certificates Conditions**").
29. The terms and conditions set out on pages 217 to 302 of the offering circular for notes, warrants and certificates dated 18 August 2014 relating to the Program under the heading "*Terms and Conditions of the Warrants and Certificates*" (the "**2014 Warrants and Certificates Conditions**").
30. The terms and conditions set out on pages 229 to 317 of the offering circular for notes, warrants and certificates dated 17 August 2015 relating to the Program under the heading "*Terms and Conditions of the Warrants and Certificates*" (the "**2015 Warrants and Certificates Conditions**").
31. The terms and conditions set out on pages 232 to 325 of the offering circular for notes, warrants and certificates dated 16 August 2016 relating to the Program under the heading "*Terms and Conditions of the Warrants and Certificates*" (the "**2016 Warrants and Certificates Conditions**").

32. The terms and conditions set out on pages 239 to 333 of the offering circular for notes, warrants and certificates dated 30 June 2017 relating to the Program under the heading "*Terms and Conditions of the Warrants and Certificates*" (the "**2017 Warrants and Certificates Conditions**").
33. The terms and conditions set out on pages 242 to 334 of the offering circular for notes, warrants and certificates dated 29 June 2018 relating to the Program under the heading "*Terms and Conditions of the Warrants and Certificates*" (the "**2018 Warrants and Certificates Conditions**").
34. The terms and conditions set out on pages 303 to 433 of the offering circular for notes, warrants and certificates dated 28 June 2019 relating to the Program under the heading "*Terms and Conditions of the Warrants and Certificates*" (the "**2019 Warrants and Certificates Conditions**").
35. The terms and conditions set out on pages 333 to 469 of the offering circular for notes, warrants and certificates dated 26 June 2020 relating to the Program under the heading "*Terms and Conditions of the Warrants and Certificates*" (the "**2020 Warrants and Certificates Conditions**").
36. The terms and conditions set out on pages 368 to 503 of the offering circular for notes, warrants and certificates dated 25 June 2021 relating to the Program under the heading "*Terms and Conditions of the Warrants and Certificates*" (the "**2021 Warrants and Certificates Conditions**").
37. The terms and conditions set out on pages 379 to 516 of the offering circular for notes, warrants and certificates dated 24 June 2022 relating to the Program under the heading "*Terms and Conditions of the Warrants and Certificates*" (the "**2022 Warrants and Certificates Conditions**").
38. The terms and conditions set out on pages 556 to 747 of the offering circular for notes, warrants and certificates dated 26 June 2023 relating to the Program under the heading "*Terms and Conditions of the Warrants and Certificates*" (the "**2023 Warrants and Certificates Conditions**").
39. The terms and conditions set out on pages 721 to 903 of the offering circular for notes, warrants and certificates dated 26 June 2024 relating to the Program under the heading "*Terms and Conditions of the Warrants and Certificates*" (the "**2024 Warrants and Certificates Conditions**").
40. The terms and conditions set out on pages 759 to 926 of the offering circular for notes, warrants and certificates dated 26 June 2025 relating to the Program under the heading "*Terms and Conditions of the Warrants and Certificates*" (the "**2025 Warrants and Certificates Conditions**").

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

The information about Morgan Stanley, MSI plc, MSBV, MSFL, MSFII and MSESE incorporated by reference in this Offering Circular (the "**Incorporated Information**") is considered to be part of this Offering Circular. Following the publication of this Offering Circular a supplement may be prepared by the Issuer. 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 Offering Circular or in a document which is incorporated by reference in this Offering Circular. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Offering Circular.

Any information or documents incorporated by reference into the documents listed above do not form part of this Offering Circular. Where only certain portions of the documents listed above have been incorporated by reference in this Offering Circular, such portions of these documents which are not so incorporated are either not relevant to the investor or are covered elsewhere in this Offering Circular or in the Registration Document dated 14 November 2025 (as supplemented).

The non-incorporated parts of the documents listed above are as follows:

	Document filed		Information not incorporated by reference	Page
1.	Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V., Morgan Stanley Finance LLC and Morgan Stanley Europe SE dated 14 November 2025	(1)	Information Incorporated by Reference	22-34
		(2)	Availability of the Documents	35
2.	Second Supplement dated 26 February 2026 to the Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V., Morgan Stanley Finance LLC and Morgan Stanley Europe SE dated 14 November 2025	(1)	Part A – Incorporation by Reference	5-6
		(2)	Part C – Amendments to the "Description of Morgan Stanley" Section – paragraphs 8 and 11	12-13
		(3)	Part D – Amendments to the "Description of Morgan Stanley & Co. International plc" Section – paragraph 2	15
		(4)	Part E – Amendments to the "Description of Morgan Stanley Europe SE" Section	16
3.	Third Supplement dated 30 April 2026 to the Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V., Morgan Stanley Finance LLC and Morgan Stanley Europe SE dated 14 November 2025	(1)	Part A – Incorporation by Reference	5-6
		(2)	Part B – Amendments to the "Information Incorporated by Reference" Section	7
4.	Fourth Supplement dated 21 May 2026 to the Registration Document of Morgan Stanley, Morgan Stanley & Co. International plc, Morgan Stanley B.V., Morgan Stanley Finance LLC and Morgan Stanley Europe SE dated 14 November 2025	(1)	Part A – Incorporation by Reference	5-6
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Morgan Stanley				
1.	Morgan Stanley 2026 Proxy Statement		Notice of 2026 Annual Meeting of Shareholders	4
2.	Quarterly Report on Form 10-Q for the quarterly period ended 31 March 2026	(1)	Available Information	3
		(2)	Risk factors	77
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3.	Annual Report on Form 10-K for the year ended 31 December 2025	(1)	Risk Factors	13-24
		(2)	Disclosure Regarding Foreign Jurisdictions that Prevent Inspections	154

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International plc**

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1.	Report and Financial Statements for the year ended 31 December 2025	Directors' Report	1-10
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Morgan Stanley Finance II Ltd			
1.	Report and financial statements for the year ended 31 December 2025	(1) Director's Report	1-8
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2.	Report and financial statements for the year ended 31 December 2024	(1) Director's Report	1-8
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The Issuers will, at their registered offices and at the specified offices of the Paying Agents and Registrar, make available during normal business hours and free of charge (including at the offices of the Paying Agents), upon oral or written request, a copy of this Offering Circular (or any document incorporated by reference in this Offering Circular and any future filings or financial statements published by such Issuer). Written or oral requests for inspection of such documents should be directed to the specified office of any Paying Agent.

Copies of all of the documents incorporated by reference into this Offering Circular will be available on the Luxembourg Stock Exchange website (www.luxse.com).

KEY FEATURES OF THE NEW YORK LAW NOTES

The following summary describes the key features of the New York Law Notes that Morgan Stanley is offering under the Program in general terms only. Investors should read the summary together with the more detailed information that is contained in this Offering Circular and in the applicable Pricing Supplement

Issuer:	Morgan Stanley.
Distribution Agents:	Morgan Stanley & Co. International plc, which may act in whole or in part through an affiliate thereof, and Morgan Stanley & Co. LLC.
Trustee:	The Bank of New York Mellon.
Principal Paying Agent:	The Bank of New York Mellon.
General Terms of the Notes:	(i) Pricing Supplement will be produced in relation to each Tranche of Notes issued by Morgan Stanley (each, a "Pricing Supplement"). (ii) The Notes will bear interest at either a fixed rate or a floating rate, which, in either case, may be zero, or at a rate which varies during the lifetime of the relevant Notes, which will be specified in the applicable Pricing Supplement. (iii) The Notes will mature on the date specified in the applicable Pricing Supplement. (iv) The Notes may be either callable by Morgan Stanley or puttable by the holder of the Notes (the "Noteholder"). (v) The Notes may be optionally or mandatorily exchangeable for securities of an issuer that is not affiliated with Morgan Stanley, for a basket or index of those securities or for the cash value of those securities ("Exchangeable Notes"). (vi) Payments of principal, interest and/or supplemental amounts on the Notes may be linked to single securities, a single index, baskets of securities or indices ("Equity-and Proprietary Index Linked Notes"), to commodity prices ("Commodity-Linked Notes"), to currency prices ("Currency-Linked Notes"), to one or more inflation indices ("Inflation-Linked Notes"), to one or more property indices ("Property-Linked Notes"), to interests in a fund or basket of funds ("Fund-Linked Notes"), to single futures contracts or baskets of futures contracts ("Futures Contract-Linked Notes"), to one or more underlying securities ("Bond-Linked Notes"), to one or more exchange-traded notes ("ETN-Linked Notes"), or to the credit of one or more specified entities not affiliated with Morgan Stanley ("Credit Linked Notes"). (vii) Morgan Stanley may from time to time, without the consent of Noteholders, create and issue additional Notes having the same terms as Notes previously issued so that they may be combined with the earlier issuance. (viii) All of the New York Law Notes issued under the Program will constitute a single series for purposes of certain votes required under the Indenture. (ix) Morgan Stanley may issue Amortising Notes (as defined herein) that pay a level amount in respect of both interest and principal amortised over the life of the Notes.

Form of Notes:	Morgan Stanley may issue Notes in registered form (the "Registered Notes"), which may be in global registered form or individual registered form. Registered Notes will be in the form of either global registered notes or, individual note certificates, in each case as specified in the applicable Pricing Supplement. Each global registered note will be registered in the name of a common depositary for Euroclear, Clearstream, Luxembourg and/or any other relevant clearing system as may be specified in the applicable Pricing Supplement (such system or systems hereinafter referred to as the "Relevant Clearing System") and the relevant global registered note will be deposited on or about the issue date with the common depositary or a custodian for the nominee.
Specified Currency:	Notes may be denominated or payable in any currency, as set out in the applicable Pricing Supplement, subject to all applicable consents being obtained and compliance with all applicable legal and regulatory requirements.
Status:	Notes will be direct and general obligations of Morgan Stanley. Morgan Stanley intends that the Notes will, when issued, constitute "loss-absorbing capacity" within the meaning of the final rules issued by the Board of Governors of the Federal Reserve System and, accordingly, will have only those provisions described in this Offering Circular that will permit compliance thereof at such time of issuance. In this respect, Morgan Stanley is a parent holding company and has no operations and depends on dividends, distributions and other payments from its subsidiaries to fund its debt obligations (including Notes). Under a support agreement that Morgan Stanley has entered with its material subsidiaries, upon the occurrence of a resolution scenario, including a single-point-of-entry resolution strategy as contemplated in its resolution plan, Morgan Stanley would be obligated to contribute or loan on a subordinated basis all of its material assets, other than shares in its subsidiaries and certain intercompany payables, to provide capital and liquidity, as applicable, to its material subsidiaries. That obligation will be secured, in accordance with an amended and restated secured support agreement, on a senior basis by Morgan Stanley's assets (other than shares in its subsidiaries). As a result, claims of Morgan Stanley's material subsidiaries against its assets (other than shares in its subsidiaries) will be effectively senior to its unsecured obligations, including Notes which would be at risk of absorbing Morgan Stanley's and its subsidiaries' losses.
Issue Price:	Notes may be issued at any price as specified in the applicable Pricing Supplement.
Maturities:	Notes will have maturities as specified in the applicable Pricing Supplement, subject to compliance with all applicable legal and regulatory requirements. Where Notes have a maturity of less than one year and either (a) the issue proceeds are received by Morgan Stanley in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by Morgan Stanley in the United Kingdom, such Notes must: (i) 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 (ii) be issued

in other circumstances which do not constitute a contravention of section 19 of the Financial Services and Markets Act 2000 ("FSMA") by Morgan Stanley.

Redemption:

Notes may be redeemed at par or at such other redemption amount (detailed in a formula or otherwise) or by the delivery of securities of an issuer that is not affiliated with Morgan Stanley, as may be specified in the applicable Pricing Supplement.

Early Redemption:

Early redemption will be permitted for taxation reasons as described in "*Description of the New York Law Notes—Tax Redemption*", in certain circumstances if an Administrator/Benchmark Event or relevant adjustment events applicable to the Notes has occurred, or if an event of default has occurred in accordance with Condition 31 (*Events of Default*) in each case, of "*Terms and Conditions of the English Law Notes*" but will otherwise be permitted only to the extent specified in the applicable Pricing Supplement.

Denominations:

Notes will be issued in such denominations as may be specified in the applicable Pricing Supplement, subject to compliance with all applicable legal and regulatory requirements.

Taxation:

Payments in respect of the Notes will be made without withholding or deduction for, or on account of, any present or future Taxes (as defined herein) imposed or levied by or on behalf of the United States or any respective political subdivision thereof or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of those Taxes is required by law. In the case of payments by Morgan Stanley in respect of a Note, a beneficial owner of a Note that is not a U.S. person (or a financial institution holding a Note on behalf of the beneficial owner that is not a U.S. person) is required under current applicable law to furnish the appropriate IRS Form W-8BEN or W-8BEN-E on which a beneficial owner certifies under penalties of perjury that it is not a U.S. person and, for certain types of Notes, that it is eligible for the benefits of a Qualifying Treaty (as defined under "*United States Federal Taxation*"). Other U.S. withholding taxes may apply in respect of a Note as described below under "*United States Federal Taxation*". U.S. investors may be required to furnish an IRS Form W-9 to avoid backup withholding. In the event that withholding or deduction of Taxes imposed or levied by or on behalf of the United States or any respective political subdivision thereof or any authority or agency therein or thereof having power to tax is required by law on payments in respect of the Notes, Morgan Stanley will (only if specified in the applicable Pricing Supplement and subject to customary exceptions) pay those Additional Amounts (as defined herein) as will result in the Noteholders who are U.S. Aliens receiving those amounts as they would have received in respect of the Notes had no withholding or deduction been required.

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 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, 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 plans, account's or plan's investment therein.

Use of Proceeds:

The net proceeds from the sale of Notes offered by this Offering Circular will be used by Morgan Stanley for general corporate purposes, in connection with hedging its obligations under the Notes, or both.

Listing:	The applicable Pricing Supplement will specify whether an issue of Series A Notes will be: (i) admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market; (ii) admitted to the Official List of the Luxembourg Stock Exchange and to trading on the Luxembourg Stock Exchange's Euro MTF market; (iii) admitted to listing and trading on the SIX Swiss Exchange; or (iv) admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system, as Morgan Stanley and any Distribution Agent may agree. The Series B Notes will not be admitted to listing, trading, and/or quotation by any listing authority, stock exchange and/or quotation system.
Clearing Systems:	Euroclear, Clearstream, Luxembourg, and/or any other clearing system as may be specified in the applicable Pricing Supplement.
Governing Law:	The Notes will be governed by the laws of the State of New York.
Selling Restrictions:	The Notes may not be offered, sold or delivered 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). 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>Transfer Restrictions</i>".

KEY FEATURES OF THE ENGLISH LAW NOTES (EXCLUDING CMU NOTES)

The following summary describes the key features of the English Law Notes (excluding CMU Notes) that each Issuer is offering under the Program in general terms only. Investors should read the summary together with the more detailed information that is contained in this Offering Circular and in the applicable Pricing Supplement.

Issuers:	Morgan Stanley, MSI plc, MSBV, MSFL, MSFII, MSESE and any Additional Issuer.
Guarantor:	In the case of Notes issued by MSBV or an Additional Issuer, unless specified otherwise in the applicable Pricing Supplement or, in the case of an Additional Issuer, the accession agreement pursuant to which such Additional Issuer accedes to the Program, Morgan Stanley. In the case of Notes issued by MSFL, Morgan Stanley. In the case of Notes issued by MSFII, Morgan Stanley.
Distribution Agents:	Morgan Stanley & Co. International plc, which may act in whole or in part through an affiliate thereof, and Morgan Stanley & Co. LLC.
Fiscal Agent:	The Bank of New York Mellon.
Registrar and Transfer Agent:	The Bank of New York Mellon S.A./N.V., Luxembourg Branch.
Euroclear Registrar:	Computershare Investor Services (Guernsey) Limited.
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.
Form of Notes:	Morgan Stanley, MSI plc, MSBV, MSFL, MSFII and MSESE may issue Notes in registered form ("Registered Notes"). In addition MSBV, MSI plc and MSESE may issue Notes designated as "Finnish Notes" or "Swedish Notes" and MSBV and MSI plc may issue Notes designated as "Norwegian Notes" or "Danish Notes" in each case in dematerialised and uncertificated book-entry form with a Nordic central securities depository ("Nordic Notes"). MSBV, MSI plc and MSESE may also issue Notes in uncertificated registered form in accordance with the Uncertificated Securities Regulations 2001 (as amended, modified or re-enacted) and such other regulations made under sections 783, 784(3), 785 and 788 of the UK Companies Act 2006 as are applicable to the Euroclear Registrar ("Uncertificated Notes"). (i) <i>Registered Notes</i> Registered Notes will be in the form of either individual note certificates or global registered notes, in each case as specified in the relevant Pricing Supplement. 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 (as defined below), registered in the name of a nominee of a common depository for the Relevant Clearing System and the relevant global note certificate will be deposited on or about the issue date with the common depository; or (b) in the case of Registered Notes which are to be held under the new safekeeping structure ("New Safekeeping Structure" or "NSS"), registered in the name of a nominee of a common safekeeper for the Relevant Clearing System and the relevant global note certificate will be deposited on or about the issue date with the common safekeeper for the Relevant Clearing System.

(ii) *Uncertificated Notes*

Uncertificated Notes will be held in uncertificated form in accordance with the Uncertificated Securities Regulations 2001, including any modification or re-enactment thereof for the time being in force (the "**Regulations**"). The Uncertificated Registered Notes are participating securities for the purposes of the Regulations. Title to the Uncertificated Notes is recorded on the relevant Operator register of eligible debt securities (as defined in the Regulations) and the relevant "Operator" (as such term is used in the Regulations) in Euroclear UK & International Limited or any additional or alternative operator from time to time approved by the Issuer and the Euroclear Registrar and in accordance with the Regulations. Notes in definitive registered form will not be issued (either upon issue or in exchange for Uncertificated Notes).

The Euroclear Registrar will make all payments in respect of Uncertificated Notes.

Terms and Conditions:

A Pricing Supplement will be prepared in respect of each Tranche of Notes (each, a "**Pricing Supplement**"). The terms and conditions applicable to each Tranche will be those set out herein under the heading "*Terms and Conditions of the English Law Notes*", as supplemented, modified or replaced, in each case, by the applicable Pricing Supplement. The applicable Pricing Supplement will also specify, if "Supplementary Provisions for Belgian Notes" is specified as applicable in the applicable Pricing Supplement, which provisions set out in the Annex to the Terms and Conditions of the English Law Notes entitled "*Annex to the Terms and Conditions of the English Law Notes: Supplementary Provisions for Belgian Notes*" (the "**Belgian Supplemental Conditions (Notes)**") are applicable in respect of a particular series of Notes.

If an Additional Issuer accedes to the Program, a supplement to the Offering Circular containing a full description of the Additional Issuer shall be prepared. The terms and conditions applicable to each Tranche issued by an Additional Issuer will be those set out in the relevant supplemental Offering Circular, as supplemented, modified or replaced by the applicable Pricing Supplement.

Any Issuer may issue Notes that are Equity and Proprietary Index-Linked Notes, Commodity-Linked Notes, Currency-Linked Notes, Inflation-Linked Notes, Bond-Linked Notes, ETN-Linked Notes, Credit Linked Notes, Property-Linked Notes, Fund-Linked Notes, Rate-Linked Notes and Futures Contract-Linked Notes and / or any combination thereof (each as defined in Condition 10 (*Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Property-Linked, Fund-Linked, Futures-Contract Linked, Credit Linked, Bond-Linked, ETN-Linked and Rate-Linked Notes*) of "*Terms and Conditions of the English Law Notes*").

Specified Currency:

Notes may be denominated or payable in any currency as set out in the applicable Pricing Supplement, subject to all applicable consents being obtained and compliance with all applicable legal and regulatory requirements.

Status:

Notes will be direct and general obligations of the relevant Issuer.

Guarantee:

The payment of all amounts due in respect of (i) Notes issued by MSBV, unless specified otherwise in the applicable Pricing Supplement, (ii) MSFL or MSFIL, or (iii) an Additional Issuer, unless specified otherwise in the accession agreement pursuant to which such Additional Issuer

accedes to the Program, will be unconditionally and irrevocably guaranteed by Morgan Stanley pursuant to a guarantee dated as of 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time). Payment of amounts due in respect of MSI plc Notes and MSESE Notes are not guaranteed by Morgan Stanley.

Issue Price:

Notes may be issued at any price, as specified in the applicable Pricing Supplement, subject to compliance with all applicable legal and regulatory requirements.

Maturities:

Notes will have maturities as specified in the applicable Pricing Supplement, 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 relevant Issuer in the United Kingdom or (ii) the activity of issuing the Notes is carried on from an establishment maintained by the relevant 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 relevant Issuer.

Redemption:

Notes may be redeemed at par or at such other redemption amount (detailed in a formula or otherwise) or by delivery of securities of an issuer that is not affiliated with Morgan Stanley, as may be specified in the applicable Pricing Supplement, subject to the Supplementary Provisions for Belgian Notes, where Belgian Supplemental Conditions (Notes) is specified as being applicable in respect of a Series of Notes in the applicable Pricing Supplement.

Early Redemption:

Early redemption will be permitted: (i) for taxation reasons as mentioned in Condition 26 (*Redemption and Purchase*) of "*Terms and Conditions of the English Law Notes*" hereof, and (ii) following the occurrence of an Event of Default, if the requisite number of Noteholders declare the Notes to be due and payable following the occurrence of such Event of Default in accordance with Condition 31 (*Events of Default*) of "*Terms and Conditions of the English Law Notes*" hereof, but will otherwise be permitted only to the extent specified in the applicable Pricing Supplement.

Interest:

Notes may be interest bearing or non-interest bearing. Interest (if any) may be payable at a fixed rate, which may be zero, or floating rate, or at a rate which varies during the lifetime of the relevant Series.

Denominations:

Notes will be issued in such denominations as may be specified in the applicable Pricing Supplement, subject to compliance with all applicable legal and regulatory requirements.

Taxation:

Payments made by the Issuer, or if applicable, the Guarantor, 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**") imposed or levied by or on behalf of the United States or (i) the United Kingdom, in the case of payment by MSI plc in respect of Notes issued by MSI plc, (ii) the Netherlands, in the case of payments by MSBV in respect of Notes issued by MSBV, or (iii) Germany, in the case of payments by MSESE in respect of Notes issued by MSESE, or any representative political subdivision thereof or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of those Taxes is required by law. In the case of payments by Morgan Stanley, MSFL or MSFII in respect of a Note, a beneficial owner of a Note that is not a U.S. person (or a financial institution holding a Note on behalf of the beneficial owner that is not a U.S. person) is required under current applicable law to furnish the appropriate IRS Form W-8BEN or W-8BEN-E on which a beneficial owner certifies under penalties of perjury that it is not a U.S. person and, for certain types of Notes, that it is eligible for the benefits of a Qualifying Treaty (as defined under "*United States Federal Taxation*"). Other U.S. withholding taxes may apply in respect of a Note issued by any Issuer as described below under "*United States Federal Taxation*". In the event that any Issuer or the Guarantor determines that withholding or deduction of taxes is required by the United States, or any representative political subdivision thereof or any authority or agency therein having power to tax, on any payment on any Notes, such Issuer or Guarantor will (only if specified in the applicable Pricing Supplement and subject to customary exceptions) pay those Additional Amounts (as defined herein) as will result in those Noteholders who are U.S. Aliens (as defined herein) receiving such amounts as they would have received in respect of the Notes had no withholding or deduction been required.

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 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, 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.

Use of Proceeds:

The net proceeds of each issue of Notes will be used by the relevant Issuer either (i) for general corporate purposes and/or, in connection with hedging its obligations under the Notes, or (ii) for any other particular identified use of proceeds, all as stated in the applicable Pricing Supplement.

In respect of each issue of Notes by MSBV, at least 95% of the proceeds will be invested (*uitzetten*) within the group of which it forms part. MSBV will not issue Sustainable Bonds under this Offering Circular.

MSFL intends to lend the net proceeds from its issuances of the Notes to Morgan Stanley. Morgan Stanley intends to use the proceeds from such loans (i) for general corporate purposes, or (ii) if the Notes constitute Sustainable Bonds, to finance or refinance, in whole or in part, Eligible Projects.

If the Notes constitute Sustainable Bonds, an amount equal to the gross proceeds raised by way of Sustainable Bonds issued pursuant to the Morgan Stanley Sustainable Issuance Framework will be allocated to the financing or refinancing, in whole or in part, of Eligible Projects, that

Morgan Stanley or any of its wholly owned subsidiaries, considers consistent with the eligibility criteria in the Morgan Stanley Sustainable Issuance Framework. Under this Offering Circular, Sustainable Bonds may only be issued by Morgan Stanley or by MSFL.

If the applicable Pricing Supplement specifies that the Notes are "Green Bonds", an amount equal to the gross proceeds raised will be allocated to Green Eligible Projects.

If the applicable Pricing Supplement specifies that the Notes are "Social Bonds", an amount equal to the gross proceeds raised will be allocated to Social Eligible Projects.

If the applicable Pricing Supplement specifies that the Notes are "Sustainability Bonds", an amount equal to the gross proceeds raised will be allocated to Green Eligible Projects and Social Eligible Projects

Listing:

The applicable Pricing Supplement will specify whether an issue of Series A Notes will be:

- (i) admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market;
- (ii) admitted to the Official List of the Luxembourg Stock Exchange and to trading on the Luxembourg Stock Exchange's Euro MTF market;
- (iii) admitted to listing and trading on SIX Swiss Exchange;
- (iv) admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system; or
- (v) unlisted,

as the relevant Issuer and any Distribution Agent may agree.

The Series B Notes will not be admitted to listing, trading, and/or quotation by any listing authority, stock exchange and/or quotation system.

Clearing Systems:

Euroclear, Clearstream, Luxembourg, and/or any other clearing system as may be specified in the applicable Pricing Supplement.

Governing Law:

The Notes and any non-contractual obligations arising out of or in connection with them shall be governed by English law.

Enforcement of Notes in Global Form:

In the case of:

- (i) English Law Notes issued by Morgan Stanley in global form, individual holders' rights will be governed by a deed of covenant entered into by Morgan Stanley dated 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time, the "**Morgan Stanley Deed of Covenant**");
- (ii) Notes issued by MSI plc in (i) global form and (ii) dematerialised form, individual holders' rights will be governed by a deed of covenant entered into by MSI plc dated 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time, the "**MSI plc Deed of Covenant**");
- (iii) Notes issued by MSBV in (i) global form, and (ii) dematerialised form, individual holders' rights will be governed by a deed of

covenant entered into by MSBV dated 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time, the "**MSBV Deed of Covenant**");

- (iv) English Law Notes issued by MSFL in global form, individual holders' rights will be governed by a deed of covenant entered into by MSFL dated 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time, the "**MSFL Deed of Covenant**");
- (v) English Law Notes issued by MSFII in global form, individual holders' rights will be governed by a deed of covenant entered into by MSFII dated 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time, the "**MSFII Deed of Covenant**"); and
- (vi) English Law Notes issued by MSESE in global form, individual holders' rights will be governed by a deed of covenant entered into by MSESE dated 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time, the "**MSESE Deed of Covenant**"),

copies of which, in each case, will be available for inspection at the specified office of the Fiscal Agent.

In the case of Notes issued by an Additional Issuer in global form, individual holders' rights will be governed by a deed of covenant to be executed by such Additional Issuer on or around the date on which such Additional Issuer accedes to the Program, a copy of which will be available for inspection at the specified office of the Fiscal Agent.

Selling Restrictions:

The Notes may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Program Securities are being offered and sold only (1) outside the United States to non-U.S. Persons in "offshore transactions" in compliance with Regulation S, and (2) if specified in the applicable Pricing Supplement, in addition to Program Securities being offered in compliance with Regulation S, to QIBs (or, in the case of Program Securities issued by MSBV, QIB/QPs), in compliance with Rule 144A under the Securities Act. As used in this Section, the terms "United States" and "U.S. Person" have the respective meanings given to those terms in Regulation S. 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 "*Subscription and Sale*" and "*Transfer Restrictions*".

KEY FEATURES OF THE CASH SETTLED EXCHANGEABLE NOTES

The following summary describes the key features of the Cash Settled Exchangeable Notes that MSFL is offering under the Program in general terms only. Investors should read the summary together with the more detailed information that is contained in this Offering Circular and in the applicable Pricing Supplement.

Issuer:	Morgan Stanley Finance LLC.
Guarantor:	Morgan Stanley.
Distribution Agents:	Morgan Stanley & Co. International plc, which may act in whole or in part through an affiliate thereof, and Morgan Stanley & Co. LLC.
Fiscal Agent:	The Bank of New York Mellon.
Registrar and Transfer Agent:	The Bank of New York Mellon S.A./N.V., Luxembourg Branch.
Exchange Agent:	The Bank of New York Mellon.
Issuance in Series:	Cash Settled Exchangeable 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 Cash Settled Exchangeable 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 (if any) may be different in respect of different Tranches and each Series may comprise Cash Settled Exchangeable Notes of different denominations. The Cash Settled Exchangeable Notes of each Tranche will all be subject to identical terms in all respects save that a Tranche may comprise Cash Settled Exchangeable Notes of different denominations.
Form of Cash Settled Exchangeable Notes:	Cash Settled Exchangeable Notes will be issued by MSFL in registered form ("Registered Notes"). Registered Notes will be in the form of either individual note certificates or global registered notes, in each case as specified in the relevant Pricing Supplement. 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 (as defined below), registered in the name of a nominee of a common depositary for the 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 ("New Safekeeping Structure" or "NSS"), registered in the name of a nominee of a common safekeeper for the Relevant Clearing System and the relevant global note certificate will be deposited on or about the issue date with the common safekeeper for the Relevant Clearing System.
Terms and Conditions:	A Pricing Supplement will be prepared in respect of each Tranche of Cash Settled Exchangeable Notes (each, a " Pricing Supplement "). The terms and conditions applicable to each Tranche will be those set out herein under the heading " <i>Terms and Conditions of the Cash Settled Exchangeable Notes</i> ", as supplemented, modified or replaced, in each case, by the applicable Pricing Supplement.
Specified Currency:	Cash Settled Exchangeable Notes may be denominated or payable in any currency as set out in the applicable Pricing Supplement, subject to all applicable consents being obtained and compliance with all applicable legal and regulatory requirements.

Status:	Cash Settled Exchangeable Notes will be direct and general obligations of the Issuer.
Guarantee:	The payment of all amounts due in respect of Cash Settled Exchangeable Notes issued by MSFL will be unconditionally and irrevocably guaranteed by Morgan Stanley pursuant to a guarantee dated as of 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time).
Issue Price:	Cash Settled Exchangeable Notes may be issued at any price, as specified in the applicable Pricing Supplement, subject to compliance with all applicable legal and regulatory requirements.
Maturities:	Cash Settled Exchangeable Notes will have maturities as specified in the applicable Pricing Supplement, subject to compliance with all applicable legal and regulatory requirements. Where Cash Settled Exchangeable 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 Cash Settled Exchangeable Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, such Cash Settled Exchangeable 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.
Exchange Right:	Each Noteholder has the right exercisable at any time during the Exchange Period (subject, if applicable, to any Exchange Condition having been satisfied as specified in the applicable Pricing Supplement) to require the Exchangeable Note(s) held by it to be redeemed in accordance with the provisions of Exchangeable Note Condition 6.2 (<i>Procedure for Exercise of Exchange Rights</i>) of "Terms and Conditions of the Cash Settled Exchangeable Notes" hereof. Upon the due exercise of such right, the Issuer will procure that the exchanging Noteholder receives a Cash Amount, which amount will be based on the volume weighted average price of the Shares during a specified period following the relevant Exchange Date.
Adjustment of the Exchange Price and Share:	The Exchange Price at which the Cash Settled Exchangeable Notes will be exchanged for a Cash Amount will be adjusted if there is a payment of a dividend which affects such Shares, but only in the situations and only to the extent provided under the "Terms and Conditions of the Cash Settled Exchangeable Notes". To the extent specified as applicable in respect of any series of Cash Settled Exchangeable Notes: (i) Where "Relevant Options Exchange Determination" is specified in the applicable Pricing Supplement and (A) as long as there are option contracts in respect of the Shares traded on a Relevant Options Exchange and/or under the Relevant Options Exchange Corporate Actions Procedures and there is an adjustment made by the Relevant Options Exchange to such options contracts, the Calculation Agent shall adjust (i) the Exchange Price, in

circumstances where the exercise price of options contract in respect of the Share are adjusted by the Relevant Options Exchange and/or (ii) the Share, in circumstances where any securities or package of securities are being substituted for the Shares as the securities underlying options contracts in respect of the Shares, as applicable, in each case, to reflect the adjustments effected by the Relevant Options Exchange following a corporate action, other than an Ordinary Cash Dividend, Nationalisation, Delisting or a Change in Law or (B) if option contracts in respect of the Shares are not traded on a Relevant Options Exchange but are traded on an Alternative Options Exchange, the Calculation Agent will adjust the Exchange Price and/or the Share to reflect any adjustment effected in respect of any options contracts by such alternative options exchange following a corporate action, other than an Ordinary Cash Dividend, Delisting or Nationalisation or a Change in Law; or (C) if no option contracts in respect of the Shares are traded on a Relevant Options Exchange or an Alternative Options Exchange, the Calculation Agent will determine which adjustment, if any, should be made to the Exchange Price and/or the Share following a corporate action, other than an Ordinary Cash Dividend, Delisting or Nationalisation or a Change in Law; or

- (ii) Where "Calculation Agent Determination" is specified in the applicable Pricing Supplement and regardless of whether there are option contracts in respect of the Shares traded on a Relevant Options Exchange or Alternative Options Exchanges or there are no options contracts, the Calculation Agent (acting in good faith and in a commercially reasonable manner) will determine which adjustment, if any, should be made to the Exchange Price and/or the Share following a corporate action, other than an Ordinary Cash Dividend, Delisting or Nationalisation or a Change in Law.

Redemption:

Cash Settled Exchangeable Notes will be redeemed at not less than par (save in the circumstances set out in "Early Redemption" below).

Early Redemption:

If "Early Redemption" is specified as applicable in the applicable Pricing Supplement, early redemption will be permitted: (i) if options contracts in respect of the Shares are traded on the Related Exchange, and any event occurs as a result of which all such relevant options contracts are settled as mentioned in Exchangeable Note Condition 10.2 (*Settlement of options contracts*) of "Terms and Conditions of the Cash Settled Exchangeable Notes" hereof and (ii) following the occurrence of Nationalisation, a Delisting and/or a Change in Law as mentioned in Exchangeable Note Condition 9 (*Nationalisation, Change in Law and/or Delisting*) and Exchangeable Note Condition 10.3 (*Nationalisation, Delisting and/or Change in Law*) of "Terms and Conditions of the Cash Settled Exchangeable Notes" hereof. The Cash Settled Exchangeable Notes may also be redeemed early (i) if specified as applicable in the applicable Pricing Supplement, for taxation reasons as mentioned in Exchangeable Note Condition 10.4 (*Tax Redemption*) of "Terms and Conditions of the Cash Settled Exchangeable Notes" hereof, (ii) following the occurrence of an Event of Default, if the requisite number of Noteholders declare the Cash Settled Exchangeable Notes to be due and payable following the occurrence of such Event of Default in accordance with Exchangeable Note Condition 14 (*Events of Default*) of "Terms and Conditions of the Cash Settled Exchangeable Notes" hereof, and (iii) if specified as applicable in the applicable Pricing Supplement, if the Issuer determines that its performance or, if applicable, the Guarantor's performance of its obligation under the Guarantee, shall have become or will be unlawful in

whole or in part as a result of compliance in good faith by the Issuer, or, if applicable, the Guarantor, with any "applicable law" as mentioned in Exchangeable Note Condition 15 (*Illegality*) of "*Terms and Conditions of the Cash Settled Exchangeable Notes*" hereof, but will otherwise be permitted only to the extent specified in the applicable Pricing Supplement.

Extraordinary Event Payment Feature:

If the "Extraordinary Event Payment Feature" is specified as applicable in the applicable Pricing Supplement, upon the occurrence of an Extraordinary Event, the Issuer shall (i) pay on the Extraordinary Event Amount Payment Date, in respect of each Specified Denomination of the Exchangeable Notes an amount in cash equal to the Extraordinary Event Amount; (ii) notwithstanding Condition 10.1 (*Final Redemption*), pay on the Final Maturity Date in respect of each Specified Denomination of the Exchangeable Notes an amount in cash equal to the principal amount of the Exchangeable Notes (and, for the avoidance of doubt, no Noteholder will be entitled to any Cash Amount); and (iii) continue to pay interest (if any) on the Exchangeable Notes on each Interest Payment Date up to (and including) the Final Maturity Date.

Interest:

Cash Settled Exchangeable Notes may be interest bearing or non-interest bearing. Interest (if any) may be payable at a fixed rate.

Denominations:

Cash Settled Exchangeable Notes will be issued in such denominations as may be specified in the applicable Pricing Supplement, subject to compliance with all applicable legal and regulatory requirements.

Taxation:

Payments made by the Issuer, or if applicable, the Guarantor, in respect of any Cash Settled Exchangeable Notes will be made without withholding or deduction for, or on account of, any present or future tax, assessment or governmental charge ("**Taxes**") imposed or levied by or on behalf of the United States or any representative political subdivision thereof or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of those Taxes is required by law. In the case of payments by MSFL or the Guarantor in respect of a Cash Settled Exchangeable Note, a beneficial owner of a Cash Settled Exchangeable Note that is not a U.S. person (or a financial institution holding a Cash Settled Exchangeable Note on behalf of the beneficial owner that is not a U.S. person) is required under current applicable law to furnish the appropriate IRS Form W-8BEN or W-8BEN-E on which a beneficial owner certifies under penalties of perjury that it is not a U.S. person. Other U.S. withholding taxes may apply in respect of a Cash Settled Exchangeable Note as described below under "*United States Federal Taxation*". In the event that MSFL or the Guarantor determines that withholding or deduction of taxes is required by the United States, or any representative political subdivision thereof or any authority or agency therein having power to tax, on any payment on any Cash Settled Exchangeable Notes, no Additional Amounts (as defined herein) will be payable with respect to such withholding unless specified otherwise in the applicable Pricing Supplement.

Benefit Plan Investors:

The Cash Settled Exchangeable Notes may not be acquired or held by, or acquired 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, 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.

Use of Proceeds:	The net proceeds of each issue of Cash Settled Exchangeable Notes will be used by the Issuer either (i) for general corporate purposes and/or, in connection with hedging its obligations under the Cash Settled Exchangeable Notes, or (ii) for any other particular identified use of proceeds, all as stated in the applicable Pricing Supplement. MSFL intends to lend the net proceeds from its issuances of the Cash Settled Exchangeable Notes to Morgan Stanley. Morgan Stanley intends to use the proceeds from such loans for general corporate purposes.
Listing:	The applicable Pricing Supplement will specify whether an issue of Cash Settled Exchangeable Notes will be: (i) admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market; (ii) admitted to the Official List of the Luxembourg Stock Exchange and to trading on the Luxembourg Stock Exchange's Euro MTF market; or (iii) unlisted, as the Issuer and any Distribution Agent may agree.
Clearing Systems:	Euroclear, Clearstream, Luxembourg, and/or any other clearing system as may be specified in the applicable Pricing Supplement.
Governing Law:	The Cash Settled Exchangeable Notes and any non-contractual obligations arising out of or in connection with them shall be governed by English law.
Enforcement of Cash Settled Exchangeable Notes in Global Form:	In respect of Cash Settled Exchangeable Notes issued by MSFL in global form, individual holders' rights will be governed by a deed of covenant entered into by MSFL dated on or about 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time, the "MSFL Deed of Covenant"), copies of which, in each case, will be available for inspection at the specified office of the Fiscal Agent.
Selling Restrictions:	The Cash Settled Exchangeable Notes may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Program Securities are being offered and sold only (1) outside the United States to non-U.S. Persons in "offshore transactions" in compliance with Regulation S, and (2) if specified in the applicable Pricing Supplement, in addition to Program Securities being offered in compliance with Regulation S, to QIBs, in compliance with Rule 144A under the Securities Act. As used in this Section, the terms "United States" and "U.S. Person" have the respective meanings given to those terms in Regulation S. For a description of certain restrictions on offers, sales and deliveries of the Cash Settled Exchangeable 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>Transfer Restrictions</i>".

KEY FEATURES OF THE ENGLISH LAW NOTES (CMU NOTES)

The following summary describes the key features of the CMU Notes that each Issuer is offering under the Program in general terms only. Investors should read the summary together with the more detailed information that is contained in this Offering Circular and in the applicable Pricing Supplement.

Issuers:	Morgan Stanley & Co. International Plc. and Morgan Stanley Finance LLC
Guarantor:	In the case of CMU Notes issued by MSI plc, not applicable. In the case of CMU Notes issued by MSFL, Morgan Stanley.
Distribution Agents:	Morgan Stanley & Co. International plc, which may act in whole or in part through an affiliate thereof, and Morgan Stanley & Co. LLC.
CMU Lodging and Paying Agent:	The Bank of New York Mellon, Hong Kong Branch.
Fiscal Agent:	The Bank of New York Mellon, Hong Kong Branch.
Registrar:	The Bank of New York Mellon, Hong Kong Branch.
Transfer Agent:	The Bank of New York Mellon, Hong Kong Branch.
Withholding Tax Administration Agent:	The Bank of New York Mellon (as Withholding Tax Administration Agent under the MSFL CMU Agency Agreement (as defined below)).
Form of CMU Notes:	Each Tranche of CMU Notes will be issued in registered form represented by a Global Registered Note and deposited with a sub-custodian for the CMU. For the description of the book-entry system of the CMU, please refer to the section entitled "Book-Entry Clearing System" of this Offering Circular.
Terms of CMU Notes	The terms and conditions applicable to each Tranche of CMU Notes will be those set out under the heading " <i>Terms and Conditions of the English Law Notes</i> " of the Offering Circular, as supplemented and/or modified by the terms and conditions set out herein under the heading "CMU Note Conditions" and by the terms of the Pricing Supplement specific to each issue of CMU Notes.
Transfer of CMU Notes:	Transfers of CMU Notes may be effected only through the CMU. Title will pass upon registration of the transfer in the books of the CMU and in accordance with the local laws, regulations and/or rules governing the CMU.
Clearing Systems:	The CMU.
Taxation:	See "Taxation – Hong Kong Tax Considerations" and " <i>United States Federal Taxation</i> " ² of this Offering Circular below.

² The discussion under "United States Federal Taxation" is relevant only if the Relevant Underlying has a U.S. equity component.

KEY FEATURES OF THE WARRANTS AND CERTIFICATES

The following summary describes the key features of the Warrants and Certificates that each Issuer is offering under the Program in general terms only. Investors should read the summary together with the more detailed information that is contained in this Offering Circular and in the applicable Pricing Supplement.

Issuers:	MSI plc, MSBV, MSFL, MSESE and any Additional Issuer in respect of Warrants and Certificates. Morgan Stanley in respect of Certificates only.
Guarantor:	In the case of Warrants and Certificates issued by MSBV or an Additional Issuer, unless specified otherwise in the applicable Pricing Supplement or, in the case of an Additional Issuer, the accession agreement pursuant to which such Additional Issuer accedes to the Program, Morgan Stanley. In the case of Warrants and Certificates issued by MSFL, Morgan Stanley.
Distribution Agents:	MSI plc, which may act in whole or in part through an affiliate thereof, and Morgan Stanley & Co. LLC.
Principal Securities Agent:	The Bank of New York Mellon.
Securities Registrar:	The Bank of New York Mellon S.A./N.V., Luxembourg Branch
Securities Transfer Agent:	The Bank of New York Mellon S.A./N.V., Luxembourg Branch
Issuance in Series:	Warrants and Certificates 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.
Terms and Conditions:	A Pricing Supplement (a "Pricing Supplement") will be prepared in respect of each Tranche of Warrants and Certificates. The terms and conditions applicable to each Tranche issued by Morgan Stanley, MSI plc, MSBV, MSFL or MSESE will be those set out herein under the heading "<i>Terms and Conditions of the Warrants and Certificates</i>" as supplemented, modified or replaced by the applicable Pricing Supplement. The applicable Pricing Supplement will also specify, if "Supplementary Provisions for Belgian Securities" is specified as applicable in the applicable Pricing Supplement, which provisions set out in the Annex to the Terms and Conditions of the Warrants and Certificates entitled "<i>Annex to the Terms and Conditions of the Warrants and Certificates: Supplementary Provisions for Belgian Securities</i>" ("Belgian Supplemental Provisions (Securities)") are applicable in respect of a particular series of Securities. If an Additional Issuer accedes to the Program, a supplement to the Offering Circular containing a full description of the Additional Issuer shall be prepared. The terms and conditions applicable to each Tranche issued by an Additional Issuer will be those set out in the relevant supplemental Offering Circular, as supplemented, modified or replaced by the applicable Pricing Supplement. Morgan Stanley may issue Certificates, and MSI plc, MSBV, MSFL, MSESE and any Additional Issuer may issue Warrants and Certificates, that are Equity and Proprietary Index-Linked Securities, Currency-Linked Securities, Credit Linked Securities, Commodity-Linked Securities, Bond-Linked Securities, Inflation-Linked Securities, Property-Linked Securities, Futures Contract-Linked Securities, Rate-Linked Securities and Fund-Linked Securities (each as defined in Condition 2 (<i>Interpretation</i>) of "<i>Terms and Conditions of the Warrants and Certificates</i>").

Form of Warrants and Certificates:	Morgan Stanley may issue Certificates, and MSI plc, MSBV, MSFL and MSESE may issue Warrants and Certificates, in registered form (" Registered Warrants " and " Registered Certificates " together, the " Registered Securities "). Registered Warrants and Registered Certificates may be in global registered form or individual registered form. MSBV, MSI plc and MSESE may also issue Warrants and Certificates designated as "Finnish Warrants" or "Finnish Certificates" or "Swedish Warrants" or "Swedish Certificates" and MSBV and MSI plc may issue Warrants and Certificates designated as "Norwegian Warrants" or "Norwegian Certificates" or "Danish Warrants" or "Danish Certificates" in each case in dematerialised and uncertificated book-entry form with a Nordic central securities depositary (" Nordic Securities ").
Style of Warrants and Certificates:	Warrants and Certificates may be exercisable on any day during a specified exercise period (" American Style Securities "), on a specified expiration date (" European Style Securities ") or on specified dates during a specified exercise period (" Bermudan Style Securities "), as specified in the applicable Pricing Supplement. If so specified in the applicable Pricing Supplement, Warrants and Certificates may be deemed exercised on the expiration date thereof.
Settlement of Warrants and Certificates:	Upon exercise, Warrants and Certificates may entitle the Securityholder to receive from the relevant Issuer a Cash Settlement amount (as specified or calculated in accordance with the applicable Pricing Supplement) (" Cash Settlement Securities "), or may entitle the Securityholder to receive delivery of or to deliver an amount of securities (as specified or calculated in accordance with the relevant Supplement) (" Physical Settlement Securities "), as specified in the applicable Pricing Supplement and the Belgian Supplemental Conditions (Securities) as being applicable in respect of a series of Securities in the applicable Pricing Supplement.
Minimum Exercise Number:	Warrants and Certificates are exercisable in the minimum number (or, if so specified, integral multiples thereof) specified in the applicable Pricing Supplement.
Status:	The Warrants and Certificates will be direct and general obligations of the relevant Issuer.
Guarantee:	The payment of all amounts due in respect of Warrants and Certificates issued by (i) MSBV, unless specified otherwise in the applicable Pricing Supplement, (ii) MSFL or (iii) an Additional Issuer, unless specified otherwise in the accession agreement pursuant to which such Additional Issuer accedes to the Program, will be unconditionally and irrevocably guaranteed by Morgan Stanley pursuant to a guarantee dated as of 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time). Payment of amounts due in respect of Certificates issued by MSI plc and MSESE is not guaranteed by Morgan Stanley.
Taxation:	The Securityholders shall be liable for any applicable taxes, duties and other charges due in relation to, <i>inter alia</i> , the issue, transfer, transmission and/or settlement of the Warrants and Certificates. In the case of Cash Settlement Securities, the relevant Issuer shall be entitled to withhold or deduct from any amounts otherwise payable to the Securityholders such amount as is necessary for the payment of such taxes, duties and other charges. In the case of Physical Settlement Securities, the relevant Issuer's obligation to deliver an amount of securities shall be subject to payment by the relevant Securityholders, or shall be reduced by such amount to take account, of an amount in respect of such taxes, duties and other charges.

Benefit Plan Investors:	The Warrants and Certificates may not be acquired or held by, or acquired 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, 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.
Listing:	The applicable Pricing Supplement will specify whether an issue of Warrants or Certificates will be: (i) admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market; (ii) admitted to the Official List of the Luxembourg Stock Exchange and to trading on the Luxembourg Stock Exchange's Euro MTF market; (iii) admitted to listing and trading on SIX Swiss Exchange; (iv) admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system; or (v) unlisted, as the relevant Issuer and any Distribution Agent may agree.
Clearing Systems:	Euroclear, Clearstream, Luxembourg and/or any other clearing systems as may be specified in the applicable Pricing Supplement.
Governing Law:	The Warrants and Certificates and any non-contractual obligations arising out of or in connection with them shall be governed by English law.
Enforcement of Warrants and Certificates in Global Form:	In the case of Certificates issued by Morgan Stanley in global form, individual holders' rights will be governed by a deed of covenant entered into by Morgan Stanley dated 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time, the "Morgan Stanley Deed of Covenant"). In the case of Warrants and Certificates issued by: (i) MSI plc in (a) global form, and (b) dematerialised form, individual holders' rights will be governed by a deed of covenant entered into by MSI plc dated 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time, the "MSI plc Deed of Covenant"); (ii) MSBV in (a) global form, and (b) dematerialised form, individual holders' rights will be governed by a deed of covenant entered into by MSBV dated 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time, the "MSBV Deed of Covenant"); (iii) MSFL in global form, individual holders' rights will be governed by a deed of covenant entered into by MSFL dated 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time, the "MSFL Deed of Covenant"); (iv) MSESE in global form, individual holders' rights will be governed by a deed of covenant entered into by MSESE dated

25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time, the "**MSESE Deed of Covenant**"),

copies of which, in each case, will be available for inspection at the specified office of the Principal Securities Agent.

In the case of Warrants and Certificates issued by an Additional Issuer in global form, individual holders' rights will be governed by a deed of covenant to be executed by such Additional Issuer on or around the date on which such Additional Issuer accedes to the Program, a copy of which will be available for inspection at the specified office of the Principal Securities Agent.

Selling Restrictions:

The Warrants and Certificates may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Warrants and Certificates are being offered and sold only (1) outside the United States to non-U.S. Persons in "offshore transactions" in compliance with Regulation S, and (2) if specified in the applicable Pricing Supplement, in addition to Program Securities being offered in compliance with Regulation S, to QIBs (or, in the case of Program Securities issued by MSBV, QIB/QPs) in compliance with Rule 144A under the Securities Act. As used in this Section, the terms "United States" and "U.S. Person" have the respective meanings given to those terms in Regulation S. For a description of certain restrictions on offers, sales and deliveries of the Warrants and Certificates and on the distribution of offering material in the United States and in certain other countries, see "*Subscription and Sale*" and "*Transfer Restrictions*".

DESCRIPTION OF THE NEW YORK LAW NOTES

The particular terms of any Notes offered herein will be set forth in the applicable Pricing Supplement (which will, in the case of Notes that are to be admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market, when appropriate, be comprised in a supplement to the Offering Circular). **The terms and conditions set forth in this "Description of the New York Law Notes" will apply to each New York Law Note as specified in the applicable Pricing Supplement and in that Note. The Notes will be offered on a continuing basis.**

If any Note is not to be denominated in U.S. Dollars, the applicable Pricing Supplement will specify the currency or currencies in which the principal, premium, if any, interest, if any, and supplemental amounts, if any, with respect to that Note are to be paid, along with any other terms relating to the non U.S. Dollar denomination, including for certain issuances historical exchange rates for each relevant foreign currency as against the U.S. Dollar and any exchange controls affecting any relevant foreign currency. See "*— Interest and Principal Payments*".

General

Notes governed by New York law will be issued under a senior debt Indenture dated as of 15 November 2000 between Morgan Stanley and The Bank of New York Mellon as Trustee (the "**Trustee**") (as supplemented from time to time, the "**Indenture**"). The Notes issued under the Indenture will constitute a single series under that Indenture.

The following summaries of certain provisions of the Indenture and the Notes, and the summaries of additional provisions of the Indenture described under the heading "*— Indenture*" do not purport to be complete, and those summaries are subject to the detailed provisions of the Indenture. The Notes offered by this Offering Circular and the accompanying Pricing Supplement are sometimes referred to herein as the "**Offered Notes**".

The Indenture does not limit the amount of additional indebtedness that Morgan Stanley or any of its subsidiaries may incur, nor does it include a negative pledge provision that would require Morgan Stanley to secure the Notes if it were to secure other senior indebtedness. The Indenture allows Morgan Stanley to "reopen" a previous issue of Notes and issue additional Notes of that issue. The Notes will be direct and general obligations of Morgan Stanley. Most of the assets of Morgan Stanley are owned by its subsidiaries. Therefore, Morgan Stanley's rights and the rights of its creditors, including holders of Notes, to participate in the assets of any subsidiary upon that subsidiary's liquidation or recapitalisation will be subject to the prior claims of that subsidiary's creditors, except to the extent that Morgan Stanley may itself be a creditor with recognised claims against the subsidiary. In addition, dividends, loans and advances from certain subsidiaries to Morgan Stanley are restricted by legal requirements, including (in the case of Morgan Stanley & Co. LLC ("**MS & Co.**")) net capital requirements under the U.S. Securities Exchange Act of 1934, as amended, and under rules of certain exchanges and other regulatory bodies and (in the case of Morgan Stanley Bank, N.A., an indirect wholly owned subsidiary of Morgan Stanley, and other bank subsidiaries) by banking regulations.

The Indenture provides that Notes may be issued from time to time in one or more series and may be denominated and payable in currencies other than U.S. Dollars.

The applicable Pricing Supplement (which will, in the case of Notes that are to be admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market, when appropriate, be comprised in a supplement to the Offering Circular) will contain, where applicable, the following terms of, and information relating to, any Offered Notes:

- (i) the currency in which the Offered Notes are denominated and/or in which principal, and any premium, interest and/or supplemental amounts, will or may be payable (the "**Specified Currency**"), along with any other terms relating to the non U.S. Dollar denomination, including, if applicable, exchange rates for the Specified Currency as against the U.S. Dollar at selected times during previous years, and any exchange controls affecting that Specified Currency;
- (ii) the stated maturity date and any terms related to any extension of the maturity date;
- (iii) whether the Offered Notes are Notes bearing interest at a fixed rate ("**Fixed Rate Notes**"), Notes bearing interest at a floating rate ("**Floating Rate Notes**"), Notes with original issue discount and/or Amortising Notes;

- (iv) whether Morgan Stanley will pay Additional Amounts to the Noteholders who are U.S. Aliens;
- (v) for Fixed Rate Notes, the rate per year at which the Notes will bear interest, if any, or the method of calculating that rate and the dates on which interest will be payable;
- (vi) for Floating Rate Notes, the Base Rate, the Index Maturity, the Index Currency, the Spread, the Spread Multiplier, the Initial Interest Rate, the Interest Reset Periods, the Interest Reset Date, the Interest Payment Dates, the Maximum Interest Rate, the Minimum Interest Rate, the Interest Determination Date, the Benchmark Trigger Provisions, the Relevant Rates Benchmark, and the Alternative Pre-nominated Reference Rate (each as defined below) and any other terms relating to the particular method of calculating the interest rate for the Notes;
- (vii) if the Offered Notes are Amortising Notes, the amortisation schedule;
- (viii) whether the Offered Notes may be redeemed, in whole or in part, at the option of Morgan Stanley or repaid at the option of the investor, prior to the stated maturity date, and the terms of any redemption or repayment;
- (ix) whether the Offered Notes are Currency-Linked Notes, Futures Contract-Linked Notes, Bond-Linked Notes, ETN-Linked Notes, Credit Linked Notes and/or Notes linked to commodity prices, securities of entities not affiliated with Morgan Stanley, baskets of those securities or indices;
- (x) the terms on which holders of the Offered Notes may convert or exchange them into or for stock or other securities of entities not affiliated with Morgan Stanley (as well as, in the case of Series B Notes, for securities of an entity that is affiliated with Morgan Stanley), or for the cash value of these securities or for any other property, any specific terms relating to the adjustment of the conversion or exchange feature and the period during which the holders may effect the conversion or exchange;
- (xi) whether the Offered Notes will be issued in individually certificated registered form or in global registered form;
- (xii) whether the Offered Notes will be admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market, admitted to listing on the Official List of the Luxembourg Stock Exchange to trading on the Luxembourg Stock Exchange's Euro MTF market, or admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system;
- (xiii) the place or places for payment of the principal of and any premium, interest and/or supplemental amounts on the Offered Notes;
- (xiv) any repayment, redemption, prepayment or sinking fund provisions;
- (xv) information as to the methods for determining the amount of principal, interest and/or supplemental amounts payable on any date and/or the currencies, securities, futures contracts or baskets of securities, futures contracts, commodities or indices to which the amount payable on that date is linked;
- (xvi) any applicable, material U.S. federal income tax consequences other than those set forth herein;
- (xvii) if applicable, any United Kingdom withholding tax consequences; and
- (xviii) any other specific terms of the Offered Notes, including any additional events of default or covenants, and any terms required by or advisable under applicable laws or regulations.

Holders may present the Notes for exchange or transfer, in the manner, at the places and subject to the restrictions described under the caption "*Subscription and Sale*" and "*Transfer Restrictions*" in the Notes and in the applicable Pricing Supplement. These services will be provided without charge except for any tax or other governmental charge payable in connection with these services and subject to any limitations provided in the Indenture.

The Notes will be Fixed Rate Notes or Floating Rate Notes or may pay interest at a rate which varies or may pay no interest. The Notes, including Notes bearing no interest or interest at a rate that at the time of issuance is below the prevailing market rate, may be sold at a discount below their stated principal amount.

The Notes will be issued in such denominations as set forth in the applicable Pricing Supplement.

As used herein, the following terms have the meanings set forth below:

"Amortising Note" means a Fixed Rate Note (as defined below) that pays a level amount in respect of both interest and principal amortised over the life of the Note;

"Business Day" means any day, other than a Saturday or Sunday that, for Notes denominated in:

- (i) a Specified Currency other than euro, is neither a legal holiday nor a day on which banking institutions are authorised or required by law or regulation to close in the principal financial centre of the country of the Specified Currency and in each (if any) Additional Business Centre (and if the Additional Business Centre is specified in the applicable Pricing Supplement to be or to include TARGET, then a Business Day shall also be a TARGET Settlement Day); and
- (ii) 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;

"Euro", "euro", "€" and "EUR" are to the lawful single currency of the member states of the European Union that have adopted and continue to retain a common single currency through monetary union in accordance with European Union treaty law (as amended from time to time);

"Interest Payment Date" means for any Note a date on which, under the terms of that Note, regularly scheduled interest is payable;

"Interest Payment Period" means for any Note, the period specified as such in the applicable Pricing Supplement;

"Interest Payment Period End-Date" means for any Note, the date specified as such in the applicable Pricing Supplement;

"Japanese Yen" and "¥" are to the lawful currency of Japan;

"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;

"Market Exchange Rate" means the noon U.S. Dollar buying rate in The City of New York for cable transfers of a Specified Currency published by the Federal Reserve Bank of New York;

"Original Issue Discount Note" means any Note that provides for an amount less than the principal amount thereof to be due and payable upon a declaration of acceleration of the maturity thereof pursuant to the relevant Indenture;

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

"Relevant Screen Page" means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the applicable Pricing Supplement, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

"Renminbi", "RMB" and "CNY" are to the lawful currency of the People's Republic of China ("**PRC**") which, for the purpose of these Conditions, shall exclude the Hong Kong Special Administrative Region of the People's Republic of China, the Macau Special Administrative Region of the People's Republic of China and Taiwan;

"Sterling" and "£" are to the lawful currency of the United Kingdom;

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

"TARGET Settlement Day" means any day on which T2 is open for the settlement of payments in euro; and

"U.S. Dollars", "U.S.\$" and "\$" are to the lawful currency of the United States of America.

Form and Title

The Notes will be issued in registered form, without coupons attached. For a more complete description of the form of Notes and of the consequences of holding an interest in a global registered form, see "*Form of Notes*" below.

The investor may transfer the Notes and present them for payment and exchange in the manner set forth below.

Status

The Notes constitute direct and general obligations of Morgan Stanley which rank *pari passu* among themselves.

Interest and Principal Payments

Global Registered Notes. The Principal Paying Agent or any other paying agent will pay the principal, premium, if any, interest and/or supplemental amounts, if any, on the global registered note through the common depositary therefor to the Relevant Clearing System with respect to that portion of any global registered note held for its account.

At maturity, redemption or repayment or on an Interest Payment Date, the Relevant Clearing System will credit the principal, premium, if any, interest and/or supplemental amounts, if any, received to the respective accounts of the beneficial owners of the global registered note who are recorded on the book of the clearing systems at the close of business on the Clearing System Business Day before the due date of such payment ("**Clearing System Business Day**" means a day on which each clearing system for this the global registered note is being held is open for business). Payment of principal, premium, if any, interest and/or supplemental amounts, if any, made on any global registered note will be made to the Relevant Clearing System in immediately available funds, subject to any applicable laws and regulations.

Individually Certificated Registered Notes. The Principal Paying Agent or any other paying agent will pay principal, premium, if any, interest and/or supplemental amounts, if any, on an individually certificated registered note at maturity, upon redemption or repayment only if such note is presented. U.S. Dollar payments of interest, other than interest due at maturity or on any date of redemption or repayment, will be made by U.S. Dollar check mailed to the holder's address, as it appears in the note register on the record date. A holder of U.S.\$10,000,000 or more in aggregate principal amount of Notes having the same Interest Payment Date will be entitled to receive payments of interest, other than interest due at maturity or on any date of redemption or repayment, by wire transfer of immediately available funds if appropriate wire transfer instructions have been received by the Principal Paying Agent in writing not less than 15 calendar days prior to the applicable Interest Payment Date. If an individually certificated registered note is denominated in a currency other than U.S. Dollars, payments of interest thereon will be made by wire transfer of immediately available funds to an account maintained by the holder of such note with a bank located outside the United States, and in the case the denominated currency is euro, in a country for which the euro is the lawful currency, if appropriate wire transfer instructions have been received by the Principal Paying Agent in writing on or prior to the fifth business day after the applicable record date. If such wire transfer instructions are not so received, such interest payments will be made by check payable in such currency mailed to the holder's address, as it appears in the note register on the record date.

Unavailability of Currency. The relevant Specified Currency may not be available to Morgan Stanley for making payments of principal of, and premium, interest and/or supplemental amounts, if any, on any Note. This could occur due to the imposition of exchange controls or other circumstances beyond the control of Morgan Stanley 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. If the Specified Currency is unavailable, Morgan Stanley may satisfy its obligations to Noteholders by making those payments on the date of payment in U.S. Dollars on the basis of the Market Exchange Rate on the date of the payment or of the most recent practicable date, or if that rate of exchange is not then available or is not published for that particular payment currency, the Market Exchange Rate will be 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 Morgan Stanley and the Noteholders. The Exchange Rate Agent will be Morgan Stanley & Co. International plc, an affiliate of Morgan Stanley, unless otherwise noted in the applicable Pricing Supplement. If the Exchange Rate Agent is not an affiliate of Morgan Stanley, it may be one of the dealers providing quotations.

For the avoidance of doubt, any payment made in U.S. Dollars on the basis of the Market Exchange Rate where the required payment is in an unavailable Specified Currency will not constitute an Event of Default under the Indenture.

These 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, we may at our option (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, subject to and in accordance with the terms described in Redenomination below. 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 under the Indenture.

Unclaimed Payments. If Morgan Stanley has made, and the Trustee or the Principal Paying Agent or any other paying agent has held, any payment of the principal of, or any premium, interest and/or supplemental amounts on, any Notes that remains unclaimed at the end of two years after that payment has become due and payable (whether at maturity or upon call for redemption or otherwise):

- (i) the Trustee or such paying agent will notify the holders of such Notes that moneys will be repaid to Morgan Stanley, and any person claiming such moneys will thereafter look only to Morgan Stanley for payment thereof; and
- (ii) those moneys will be so repaid to Morgan Stanley.

Upon that repayment all liability of the Trustee or such paying agent with respect to those moneys will thereupon cease, without, however, limiting in any way any obligation that Morgan Stanley may have to pay the principal of, or any premium, interest and/or supplemental amounts on, the Notes as the same will become due.

Original Issue Par Notes. Certain Notes may be Original Issue Par Notes. Unless otherwise specified in the applicable Pricing Supplement, if the principal of any Note that is considered to be issued with original issue discount is declared to be due and payable immediately as described under "*Events of Default*" below, is surrendered for optional repayment or is redeemed as described under "*Tax Redemption*" below, the amount of principal due and payable on that Note will be limited to:

- (i) the aggregate principal amount of the Note *multiplied by*
- (ii) the sum of its issue price, expressed as a percentage of the aggregate principal amount, *plus*
- (iii) the original issue discount accrued from the date of issue to the date of declaration, expressed as a percentage of the aggregate principal amount, with the amount of original issue discount accrued being calculated using a constant yield method.

The constant yield shall be calculated using a 30-day month, 360-day year convention, a compounding period that, except for the initial period (as defined below), corresponds to the shortest period between Interest Payment Dates (with rateable accruals within a compounding period), and an assumption that the maturity will not be accelerated. If the period from the original issue date to the first Interest Payment Date, (the "**initial period**") is shorter than the compounding period for such Note, a proportionate amount of the yield for an entire compounding period will be accrued. If the initial period is longer than the compounding period, then the period will be divided into a regular compounding period and short compounding period with the short period being treated as provided in the preceding sentence. See the applicable Pricing Supplement for any special considerations applicable to these Notes.

Transfers and Exchanges

Global Registered Notes. Global registered notes are held by a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system. Global registered notes name the depositary or its nominee as the holder. The clearing system maintains a computerised system that will reflect each investor's beneficial ownership of such notes through an account maintained by the investor with its broker/dealer, bank, trust company or other representative. The procedures for transfer of interests in global registered notes depend upon the procedures of the clearing system.

Individually Certificated Registered Notes. Holders of individually certificated registered notes may present such notes to register the transfer thereof at the offices of the Principal Paying Agent in London or at the office of any agent that Morgan Stanley designates for that purpose. No service charge will be made for any registration of transfer of the notes, but Morgan Stanley may require payment of a sum sufficient to cover any tax or other governmental charge in connection therewith. The terms of, and procedures established under, the Indenture govern any registration of transfer of such notes.

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 "*Subscription and Sale*" and "*Transfer Restrictions*".

Paying Agent for the Notes. Morgan Stanley has designated The Bank of New York Mellon as its Principal Paying Agent for the Notes. Morgan Stanley may at any time appoint additional paying agents for the Notes outside the United States. Any initial designation by Morgan Stanley of an agent may be rescinded at any time, except that, so long as any Notes remain outstanding, Morgan Stanley will maintain a paying agent having a specified office in (i) Dublin, so long as any Notes are admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market and Euronext Dublin requires it, and (ii) Luxembourg, so long as any Notes are admitted to listing on the Luxembourg Stock Exchange and to trading on the Luxembourg Stock Exchange's Euro MTF market and the Luxembourg Stock Exchange requires it.

Fixed Rate Notes. Each Fixed Rate Note will bear interest from the date of issuance at the annual rate stated on its face until the principal is paid or made available for payment.

How Interest Is Calculated. Interest on Fixed Rate Notes will be computed on the basis of a 360 day year of twelve 30 day months.

How Interest Accrues. Interest on Fixed Rate Notes will accrue from and including the most recent Interest Payment Date to which interest has been paid or duly provided for, or, if no interest has been paid or duly provided for, from and including the issue date or any other date specified in a Pricing Supplement on which interest begins to accrue. Interest will accrue to but excluding the next Interest Payment Date or, if earlier, excluding the date on which the principal has been paid or duly made available for payment (except as described below under "*If a Payment Date Is Not a Business Day*").

When Interest Is Paid. Payments of interest on Fixed Rate Notes will be made on the Interest Payment Dates specified in the applicable Pricing Supplement. If the Original Issue Date of a registered note is between a record date and the next succeeding Interest Payment Date, interest payments will commence on the second succeeding Interest Payment Date and will be payable to the holder as of the record date next preceding such Interest Payment Date.

Amount of Interest Payable. Interest payments for Fixed Rate Notes will include accrued interest from and including the date of issue or from and including the last date in respect of which interest has been paid, as the case may be, to but excluding the relevant interest payment date or date of maturity or earlier redemption or repayment, as the case may be.

If a Payment Date Is Not a Business Day. If any scheduled Interest Payment Date is not a Business Day, Morgan Stanley will pay interest on the next Business Day, but interest on that payment will not accrue during the period from and after the Interest Payment Date. If the scheduled maturity date or date of redemption or repayment is not a Business Day, Morgan Stanley may pay principal, premium, interest and/or supplemental amounts, if any, on the next succeeding Business Day, but interest on that payment will not accrue during the period from and after the maturity date or date of redemption or repayment.

Amortising Notes. A Fixed Rate Note may pay a level amount in respect of both interest and principal amortised over the life of the Note. Payments of principal and interest on Amortising Notes will be made on the Interest

Payment Dates specified in the applicable Pricing Supplement, and at maturity or upon any earlier date of redemption or repayment. Payments on Amortising Notes will be applied first to interest due and payable and then to the reduction of the unpaid principal amount. Morgan Stanley will provide to the original purchaser, and will furnish to subsequent holders upon request to Morgan Stanley, a table setting forth repayment information for each Amortising Note.

Floating Rate Notes

Each Floating Rate Note will mature on the date specified in the applicable Pricing Supplement.

Each Floating Rate Note will bear interest at a floating rate determined by reference to an interest rate or interest rate formula (the "**Base Rate**"). The Base Rate may be one or more of the following:

- (i) the CD Rate;
- (ii) the Commercial Paper Rate;
- (iii) EURIBOR;
- (iv) the Federal Funds Rate;
- (v) the Federal Funds (Open) Rate;
- (vi) SOFR;
- (vii) SONIA;
- (viii) the Prime Rate;
- (ix) the Treasury Rate;
- (x) the CMT Rate; or
- (xi) any other rate or interest rate formula specified in the applicable Pricing Supplement and in the Floating Rate Note.

Formula for Interest Rates. Subject as provided below in respect of SOFR Notes and SONIA Notes, the interest rate on each Floating Rate Note will be calculated by reference to:

- (i) the specified Base Rate based on the Index Maturity;
- (ii) *plus or minus* the Spread, if any; and/or
- (iii) *multiplied* by the Spread Multiplier, if any.

The interest rate on each Floating Rate Note may, during all or any part of the period that it is outstanding, be set at zero.

"**Index Maturity**" means, for any Floating Rate Note, the period of maturity of the instrument or obligation from which the Base Rate is calculated and will be specified in the applicable Pricing Supplement. The "**Spread**" is the number of basis points (one hundredth of a percentage point) specified in the applicable Pricing Supplement to be added to or subtracted from the Base Rate for a Floating Rate Note. The "**Spread Multiplier**" is the percentage specified in the applicable Pricing Supplement to be applied to the Base Rate for a Floating Rate Note. The interest rate on any inverse Floating Rate Note will also be calculated by reference to a fixed rate.

Formula for Interest Rates – SOFR Notes. Notwithstanding the terms set forth above, in the case of SOFR Notes the "**Spread**" is the number of basis points (one one-hundredth of a percentage point) specified in the applicable Pricing Supplement, to be added to or subtracted from, as the case may be, the relevant SOFR Benchmark for an Interest Payment Period.

The amount of interest accrued and payable on the Notes for each Interest Payment Period will be equal to the outstanding principal amount of the Notes multiplied by the product of:

- (a) the sum of the relevant SOFR Benchmark plus or minus (as indicated in the applicable Pricing Supplement) the Spread for the relevant Interest Payment Period,

multiplied by -

- (b) the quotient obtained by dividing the actual number of calendar days in such Interest Payment Period by 360.

Notwithstanding the foregoing, in no event will the interest rate payable for any Interest Payment Period be less than zero per cent.

Formula for Interest Rates – SONIA Notes. Notwithstanding the terms set forth above, in the case of SONIA Notes the "**Spread**" is the number of basis points (one one-hundredth of a percentage point) specified in the applicable Pricing Supplement, to be added to or subtracted from, as the case may be, the SONIA Benchmark for an Interest Payment Period.

The amount of interest accrued and payable on the Notes for each Interest Payment Period will be equal to the outstanding principal amount of the Notes multiplied by the product of:

- (a) the sum of the SONIA Benchmark plus or minus (as indicated in the applicable Pricing Supplement) the Spread for the relevant Interest Payment Period,

multiplied by -

- (b) the quotient obtained by dividing the actual number of calendar days in such Interest Payment Period by 365.

Notwithstanding the foregoing, in no event will the interest rate payable for any Interest Payment Period be less than zero per cent.

Limitations on Interest Rate. A Floating Rate Note may also have either or both of the following limitations on the interest rate:

- (i) a maximum limitation, or ceiling, on the rate of interest which may accrue during any interest period ("**Maximum Interest Rate**"); and/or
- (ii) a minimum limitation, or floor, on the rate of interest that may accrue during any interest period ("**Minimum Interest Rate**").

Any applicable Maximum Interest Rate or Minimum Interest Rate will be set forth in the applicable Pricing Supplement.

In addition, the interest rate on a Floating Rate Note may not be higher than the maximum rate permitted by New York law, as that rate may be modified by United States federal law of general application. Under current New York law, the maximum rate of interest, subject to some exceptions, for any loan in an amount less than U.S.\$250,000 is 16 per cent. and for any loan in the amount of U.S.\$250,000 or more but less than U.S.\$2,500,000 is 25 per cent. per annum on a simple interest basis. These limits do not apply to loans of U.S.\$2,500,000 or more.

How Floating Interest Rates Are Reset. The following provisions apply to Notes other than SOFR Notes or SONIA Notes.

The interest rate in effect from the date of issue to the first Interest Reset Date for a Floating Rate Note will be the initial interest rate specified in the applicable Pricing Supplement. This rate is the "**Initial Interest Rate**". The interest rate on each Floating Rate Note may be reset daily, weekly, monthly, quarterly, semi-annually or annually. This period is the "**Interest Reset Period**" and the first day of each Interest Reset Period is the "**Interest Reset Date**". The "**Interest Determination Date**" pertaining to any Interest Reset Date is the day the Calculation Agent (which will be specified for any issue of Floating Rate Notes in the applicable Pricing Supplement) will refer to when determining the new interest rate at which a Floating Rate Note will reset, and is applicable as follows:

- (i) for Federal Funds Rate Notes, Federal Funds (Open) Rate Notes, and Prime Rate Notes, the Interest Determination Date will be on the Business Day prior to the Interest Rate Reset Date;

- (ii) for CD Rate Notes, Commercial Paper Rate Notes and CMT Rate Notes, the Interest Determination Date will be the second Business Day prior to the Interest Reset Date;
- (iii) for EURIBOR Notes, the Interest Determination Date will be the second TARGET Settlement Day (as defined under "General") prior to the Interest Reset Date;
- (iv) for Treasury Rate Notes, the Interest Determination Date will be the day of the week in which the Interest Reset Date falls on which Treasury bills would normally be auctioned; and
- (v) for Notes with two or more Base Rates, the Interest Determination Date will be the latest Business Day that is at least two Business Days before the Interest Reset Date for the applicable Note on which each Base Rate is determinable.

Treasury bills are normally sold at auction on Monday of each week, unless that day is a legal holiday, in which case the auction is normally held on the following Tuesday, except that the auction may be held on the preceding Friday; provided, however, that if an auction is held on the Friday of the week preceding the Interest Reset Date, the Interest Determination Date will be that preceding Friday. If an auction falls on a day that is an Interest Reset Date, that Interest Reset Date will be the next succeeding Business Day.

The Interest Reset Dates will be specified in the applicable Pricing Supplement. If an Interest Reset Date for any Floating Rate Note falls on a day that is not a Business Day, it will be postponed to the following Business Day, except that, in the case of a EURIBOR Note, if that Business Day is in the next calendar month, the Interest Reset Date will be the immediately preceding Business Day. With respect to the EURIBOR Notes, for the purpose of determining the Initial Interest Rate, the term "Interest Reset Date" refers to the issue date.

The interest rate in effect for the ten calendar days immediately prior to maturity, redemption or repayment will be the one in effect on the tenth calendar day preceding the maturity, redemption or repayment date.

In the detailed descriptions of the various Base Rates which follow, the "Calculation Date" pertaining to an Interest Determination Date, including the Interest Determination Date as of which the Initial Interest Rate is determined, means the earlier of (i) the tenth calendar day after the Interest Determination Date, or, if that day is not a Business Day, the next succeeding Business Day, and (ii) the Business Day immediately preceding the applicable Interest Payment Date or maturity date or, for any principal amount to be redeemed or repaid, any redemption or repayment date.

How Interest is Calculated. Interest on Floating Rate Notes (other than SOFR Notes and SONIA Notes) will accrue from and include the most recent Interest Payment Date to which interest has been paid or duly provided for, or, if no interest has been paid or duly provided for, from and including the issue date or any other date specified in a Pricing Supplement on which interest begins to accrue. Interest will accrue to but exclude the next Interest Payment Date, or, if earlier, the date on which the principal has been paid or duly made available for payment (except as described under "— *If a Payment Date Is Not a Business Day*" below).

The applicable Pricing Supplement will specify a calculation agent for any issue of Floating Rate Notes (the "**Calculation Agent**"). Upon the request of the holder of any Floating Rate Note, the Calculation Agent will provide the interest rate then in effect and, if determined, the interest rate that will become effective on the next Interest Reset Date for that Floating Rate Note. As long as any Floating Rate Notes have been admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market and the rules of Euronext Dublin require it, the Calculation Agent will, no later than the first day of the applicable Interest Reset Period, notify Euronext Dublin as to the interest rate in effect for such Interest Reset Period and will also publish notice of the relevant interest rate and the applicable Interest Reset Period in the manner described below under "— *Notices*" or make such information available to holders at the offices of the Principal Paying Agent.

For a Floating Rate Note, accrued interest will be calculated by multiplying the principal amount of the Floating Rate Note by an accrued interest factor. This accrued interest factor will be computed by adding the interest factors calculated for each day in the period for which interest is being paid. The interest factor for each day is computed by dividing the interest rate applicable to that day:

- (i) by 360, in the case of CD Rate Notes, Commercial Paper Rate Notes, EURIBOR Notes, Federal Funds Rate Notes, Federal Funds (Open) Rate Notes and Prime Rate Notes; or
- (ii) by the actual number of days in the year, in the case of Treasury Rate Notes and CMT Rate Notes.

For these calculations, the interest rate in effect on any Interest Reset Date will be the applicable rate as reset on that date. The interest rate applicable to any other day is the interest rate from the immediately preceding Interest Reset Date (or, if none, the Initial Interest Rate).

All percentages used in or resulting from any calculation of the rate of interest on a Floating Rate Note 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., and all U.S. Dollar amounts used in or resulting from these calculations on Floating Rate Notes will be rounded to the nearest cent, with one half cent rounded upward. All Japanese Yen amounts used in or resulting from such calculations will be rounded downward to the next lower whole Japanese Yen amount. 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.

How Interest is Calculated for SOFR Notes: On each Interest Payment Date, accrued interest will be paid for the most recently completed Interest Payment Period. Interest on the Notes will accrue from and including the most recent Interest Payment Period End-Date to which interest has been paid or duly provided for, or, in the case of the first Interest Payment Period, from and including the interest commencement date. Interest will accrue to but excluding the next Interest Payment Period End-Date.

The Calculation Agent will notify the Principal Paying Agent of each determination of the interest rate applicable to the Notes promptly after the determination is made.

With respect to any Interest Payment Period, 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:

- (1) if SOFR Compound with Lookback ("**SOFR Compound with Lookback**") is specified as applicable in the relevant Pricing Supplement, the SOFR Benchmark for each Interest Payment 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 Payment Period;

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

"**Lookback Days**" means the number of U.S. Government Securities Business Days specified in the applicable Pricing Supplement;

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

"**SOFR_{i-xUSBD}**", for any U.S. Government Securities Business Day "i" in the relevant Interest Payment 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;

- (2) if SOFR Compound with Observation Period Shift "**SOFR Compound with Observation Period Shift**") is specified as applicable in the relevant Pricing Supplement, the SOFR Benchmark for each Interest Payment 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 Payment 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 Payment 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 Payment Period End-Date for such Interest Payment Period;

"**Observation Shift Days**" means the number of U.S. Government Securities Business Days specified in the applicable Pricing Supplement; and

"**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;

- (3) if SOFR Compound with Payment Delay ("**SOFR Compound with Payment Delay**") is specified as applicable in the relevant Pricing Supplement, the SOFR Benchmark for each Interest Payment 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 Payment Period.

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

"**n_i**" for any U.S. Government Securities Business Day "**i**" in the relevant Interest Payment 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**"); and

"SOFR_i", for any U.S. Government Securities Business Day "i" in the relevant Interest Payment 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 Payment 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.

Where:

"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;

- (4) if SOFR Index Average ("SOFR Index Average") is specified as applicable in the relevant Pricing Supplement, the SOFR Benchmark for each Interest Payment 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):

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

where:

"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 8:00 a.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 applicable Pricing Supplement preceding the Interest Payment Period End-Date relating to such Interest Payment Period (or in the final Interest Payment Period, the Maturity Date or redemption date); and

"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 applicable Pricing Supplement preceding the first date of the relevant Interest Payment Period;

If the values for SOFR Index_{Start} or SOFR Index_{End} are not published on or by the relevant Interest Payment Period End-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 Payment Period End-Date with respect to the relevant Interest Payment Period, in accordance with the formula set out in sub-paragraph (2) 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 applicable Pricing Supplement. If a Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in "SOFR Notes" below shall apply.

How Interest is Calculated for SONIA Notes: On each Interest Payment Date, accrued interest will be paid for the most recently completed Interest Payment Period. Interest on the Notes will accrue from and including the most recent Interest Payment Period End-Date to which interest has been paid or duly provided for, or, in the case of the first Interest Payment Period, from and including the interest commencement date. Interest will accrue to but excluding the next Interest Payment Period End-Date.

The Calculation Agent will notify the Principal Paying Agent of each determination of the interest rate applicable to the Notes promptly after the determination is made.

With respect to any Interest Payment Period, 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:

- (1) If SONIA Compound with Lookback ("**SONIA Compound with Lookback**") is specified as applicable in the applicable Pricing Supplement, the SONIA Benchmark for each Interest Payment 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):

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{SONIA}_{i-\text{pLBD}} \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where:

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

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

"**Lookback Days**" means the number of London Banking Days specified in the applicable Pricing Supplement;

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

"**SONIA_{i-pLBD}**" for any London Banking Day "**i**" in the relevant Interest Payment 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.

- (2) If SONIA Compound with Observation Period Shift ("**SONIA Compound with Observation Period Shift**") is specified as applicable in the relevant Pricing Supplement, the SONIA Benchmark for each Interest Payment Period shall be equal to the value of the SONIA rates for each day during the relevant Observation Period, compounded daily 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):

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{SONIA}_i \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where:

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

"**d₀**" for any Observation Period, means the number of 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;

"**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 Payment 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 the such Interest Payment Period to, but excluding, the date falling a number of London Banking Days equal to the Observation Shift Days preceding the Interest Payment Period End-Date for such Interest Payment Period;

"Observation Shift Days" means the number of London Banking Days specified in the relevant Pricing Supplement; and

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

- (3) if SONIA Compound with Payment Delay ("**SONIA Compound with Payment Delay**") is specified as applicable in the relevant Pricing Supplement, the SONIA Benchmark for each Interest Payment 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):

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{SONIA}_i \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where:

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

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

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

"SONIA_i" for any London Banking Day "i" in the relevant Interest Payment 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 Payment 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.

Where:

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

- (4) if SONIA Index Average ("**SONIA Index Average**") is specified as applicable in the relevant Pricing Supplement, the SONIA Benchmark for each Interest Payment 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):

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

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 Pricing Supplement (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 Payment Period for which the SONIA Index is not available shall be determined as set out under sub-paragraph (2) above as if SONIA Compound with Observation Period Shift were specified as applicable in the relevant Pricing Supplement, and for these purposes: the Observation Shift Days in respect of the applicable Interest Payment 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 Pricing Supplement), as if such alternative elections had been made in the applicable Pricing Supplement;

"**SONIA Index_{End}**" means, in respect of an Interest Payment 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 Payment 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 Payment Period); and

"**SONIA Index_{Start}**" means, in respect of an Interest Payment 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 Payment Period.

For the purposes of this section (*How Interest is Calculated for SONIA Notes*), 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 the section "*Fallback arrangements other than where the Base Rate is SOFR and the Index Currency is U.S. Dollars*" below 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.

When Interest Is Paid. Morgan Stanley will pay interest on Floating Rate Notes on the Interest Payment Dates specified in the applicable Pricing Supplement. If the Original Issue Date of a registered note is between a record date and the next succeeding Interest Payment Date, interest payments will commence on the second succeeding Interest Payment Date and will be payable to the holder as of the record date next preceding such Interest Payment Date.

If a Payment Date Is Not a Business Day. The following provisions apply to Notes other than SOFR Notes and SONIA Notes.

If any scheduled Interest Payment Date, other than the maturity date or any earlier redemption or repayment date, for any Floating Rate Note falls on a day that is not a Business Day, it will be postponed to the following Business

Day, except that, in the case of a EURIBOR Note, if that Business Day would fall in the next calendar month, the Interest Payment Date will be the immediately preceding Business Day. If the scheduled maturity date or any earlier redemption or repayment date of a Floating Rate Note falls on a day that is not a Business Day, the payment of principal, premium, if any, and interest and/or supplemental amounts, if any, will be made on the next succeeding Business Day, but interest on that payment will not accrue during the period from and after the maturity, redemption or repayment date.

Alternative Interest Accrual Calculation in Case of an Event of Default. In case an event of default with respect to each specified denomination principal amount of the Notes shall have occurred and be continuing, the amount declared due and payable for the Notes (the "**Stated Principal Amount**") upon any acceleration of the notes shall be determined by the Calculation Agent and shall be an amount in cash equal to the Stated Principal Amount plus unpaid interest accrued thereon up to the date of such acceleration calculated as if the date of such acceleration were the Maturity Date, final Interest Payment Period End-Date (if applicable) and final Interest Payment Date.

Base Rates

CD Rate Notes

CD Rate Notes will bear interest at the interest rates specified in the CD Rate Notes and in the applicable Pricing Supplement. Those interest rates will be based on the CD Rate and any spread and/or spread multiplier and will be subject to the Minimum Interest Rate and the Maximum Interest Rate, if any.

The "**CD Rate**" means, for any Interest Determination Date, the rate on that date for negotiable U.S. Dollar certificates of deposit having the Index Maturity specified in the applicable Pricing Supplement as published by the U.S. Federal Reserve System (the "**Fed**") in "Statistical Release H.15(519), Selected Interest Rates", or any successor publication of the Board of Governors of the Federal Reserve System ("**H.15(519)**") under the heading "CDs (*Secondary Market*)".

The following procedures will be followed if the CD Rate cannot be determined as described above:

- (i) If the above rate is not published in H.15(519) by 3:00 p.m., New York City time, on the Calculation Date, the CD Rate will be the rate on that Interest Determination Date set forth in the daily update of H.15(519), available through the world wide website of the Board of Governors of the Federal Reserve System at <https://www.federalreserve.gov/releases/h15/> or any successor site or publication ("**H.15 Daily Update**") for the Interest Determination Date for certificates of deposit having the Index Maturity specified in the applicable Pricing Supplement under the caption "CDs (*Secondary Market*)".
- (ii) If the above rate is not yet published in either H.15(519) or the H.15 Daily Update by 3:00 p.m., New York City time, on the Calculation Date, the Calculation Agent will determine the CD Rate to be the arithmetic mean of the secondary market offered rates as of 10:00 a.m., New York City time, on that Interest Determination Date of three leading nonbank dealers in negotiable U.S. Dollar certificates of deposit in The City of New York, which may include the Distribution Agents or their affiliates, selected by the Calculation Agent, after consultation with Morgan Stanley, for negotiable U.S. Dollar certificates of deposit of major U.S. money center banks of the highest credit standing in the market for negotiable certificates of deposit with a remaining maturity closest to the Index Maturity specified in the applicable Pricing Supplement in an amount that is representative for a single transaction in that market at that time.
- (iii) If the dealers selected by the Calculation Agent are not quoting as set forth above, the CD Rate for that Interest Determination Date will remain the CD Rate for the immediately preceding Interest Reset Period, or, if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate.

Commercial Paper Rate Notes

Commercial Paper Rate Notes will bear interest at the interest rates specified in the Commercial Paper Rate Notes and in the applicable Pricing Supplement. Those interest rates will be based on the Commercial Paper Rate and any Spread and/or Spread Multiplier and will be subject to the Minimum Interest Rate and the Maximum Interest Rate, if any.

The "**Commercial Paper Rate**" means, for any Interest Determination Date, the Money Market Yield, calculated as described below, computed using the rate on that date for U.S. Dollar commercial paper having the Index Maturity specified in the applicable Pricing Supplement, as that rate is published in H.15(519), under the heading "*Commercial Paper — Nonfinancial*".

The following procedures will be followed if the Commercial Paper Rate cannot be determined as described above:

- (i) If the above rate is not published by 3:00 p.m., New York City time, on the Calculation Date, then the Commercial Paper Rate will be the Money Market Yield computed using the rate on that Interest Determination Date for commercial paper of the Index Maturity specified in the applicable Pricing Supplement as published in the H.15 Daily Update, or other recognised electronic source used for the purpose of displaying the applicable rate, under the heading "*Commercial Paper — Nonfinancial*".
- (ii) If by 3:00 p.m., New York City time, on that Calculation Date the rate is not yet published in either H.15(519) or the H.15 Daily Update, or other recognised electronic source used for the purpose of displaying the applicable rate, then the Calculation Agent will determine the Commercial Paper Rate to be the Money Market Yield computed using the arithmetic mean of the offered rates as of 11:00 a.m., New York City time, on that Interest Determination Date of three leading dealers of U.S. Dollar commercial paper in The City of New York, which may include the Distribution Agents or their affiliates, selected by the Calculation Agent, after consultation with Morgan Stanley, for commercial paper of the Index Maturity specified in the applicable Pricing Supplement, placed for an industrial issuer whose bond rating is "Aa" or the equivalent, from a nationally recognised statistical rating agency.
- (iii) If the dealers selected by the Calculation Agent are not quoting as set forth above, the Commercial Paper Rate for that Interest Determination Date will remain the Commercial Paper Rate for the immediately preceding Interest Reset Period, or, if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate.

The "**Money Market Yield**" will be a yield calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

Where "**D**" refers to the applicable per year rate for commercial paper quoted on a bank discount basis and expressed as a decimal and "**M**" refers to the actual number of days in the interest period for which interest is being calculated.

EURIBOR Notes

EURIBOR Notes will bear interest at the interest rates specified in the EURIBOR Notes and in the applicable Pricing Supplement. That interest rate will be based on EURIBOR and any Spread and/or Spread Multiplier and will be subject to the Minimum Interest Rate and the Maximum Interest Rate, if any.

"**EURIBOR**" means, for any Interest Determination Date, the rate for deposits in euros as sponsored, calculated and published by the European Money Markets Institute ("**EMMI**"), or any company established by EMMI for purposes of compiling and publishing those rates, for the Index Maturity specified in the applicable Pricing Supplement as that rate appears on the display on Reuters 3000 Xtra Service ("**Reuters**"), or any successor service, on page EURIBOR01 or any other page as may replace page EURIBOR01 on that service ("**Reuters Page EURIBOR01**") as of 11:00 a.m., Brussels time.

The following procedures will be followed if the rate cannot be determined as described above:

- (i) If the above rate does not appear, the Calculation Agent will request the principal Euro-zone office of each of four major banks in the Euro-zone interbank market, as selected by the Calculation Agent, after consultation with Morgan Stanley, to provide the Calculation Agent with its offered rate for deposits in euros, at approximately 11:00 a.m., Brussels time, on the Interest Determination Date, to prime banks in the Euro-zone interbank market for the Index Maturity specified in the applicable Pricing Supplement commencing on the applicable Interest Reset Date, and in a principal amount not less than the equivalent of U.S.\$1 million in euro that is representative of a single transaction in euro, in that market at that time. If at least two quotations are provided, EURIBOR will be the arithmetic mean of those quotations.
- (ii) If fewer than two quotations are provided, EURIBOR will be the arithmetic mean of the rates quoted by four major banks in the Euro-zone interbank market, as selected by the Calculation Agent, after consultation with Morgan Stanley, at approximately 11:00 a.m., Brussels time, on the applicable Interest Reset Date for loans in euro to leading European banks for a period of time equivalent to the Index

Maturity specified in the applicable Pricing Supplement commencing on that Interest Reset Date in a principal amount not less than the equivalent of U.S.\$1 million in euro.

- (iii) If the banks selected by the Calculation Agent are not quoting as set forth above, EURIBOR for that Interest Determination Date will remain EURIBOR for the immediately preceding Interest Reset Period, or, if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate.

"**Euro-zone**" means the region comprising Member States of the European Union that have adopted the single currency in accordance with the Treaty.

Federal Funds Rate Notes

Federal Funds Rate Notes will bear interest at the interest rates specified in the Federal Funds Rate Notes and in the applicable Pricing Supplement. Those interest rates will be based on the Federal Funds Rate and any Spread and/or Spread Multiplier and will be subject to the Minimum Interest Rate and the Maximum Interest Rate, if any.

The "**Federal Funds Rate**" means, for any Interest Determination Date, the rate on that date for U.S. Dollar Federal Funds as published in H.15(519) under the heading "*Federal Funds (Effective)*" as displayed on Reuters, or any successor service, on page FEDFUNDS1 or any other page as may replace the applicable page on that service, which is commonly referred to as "Reuters Page FEDFUNDS1".

The following procedures will be followed if the Federal Funds Rate cannot be determined as described above:

- (i) If the above rate is not published by 3:00 p.m., New York City time, on the Calculation Date, the Federal Funds Rate will be the rate on that Interest Determination Date as published in the H.15 Daily Update, or other recognised electronic source used for the purpose of displaying the applicable rate, under the heading "*Federal Funds (Effective)*".
- (ii) If the above rate is not yet published in either H.15(519) or the H.15 Daily Update, or other recognised electronic source used for the purpose of displaying the applicable rate, by 3:00 p.m., New York City time, on the Calculation Date, the Calculation Agent will determine the Federal Funds Rate to be the arithmetic mean of the rates for the last transaction in overnight U.S. Dollar federal funds prior to 9:00 a.m., New York City time, on that Interest Determination Date by each of three leading brokers of U.S. Dollar Federal Funds transactions in The City of New York, which may include the Distribution Agents or their affiliates, selected by the Calculation Agent, after consultation with Morgan Stanley.
- (iii) If the brokers selected by the Calculation Agent are not quoting as set forth above, the Federal Funds Rate for that Interest Determination Date will remain the Federal Funds Rate for the immediately preceding Interest Reset Period, or, if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate.

Federal Funds (Open) Rate Notes

Federal Funds (Open) Rate Notes will bear interest at the interest rates specified in the Federal Funds (Open) Rate Notes and in the Pricing Supplement. Those interest rates will be based on the Federal Funds (Open) Rate and any Spread and/or Spread Multiplier and will be subject to the Minimum Interest Rate and the Maximum Interest Rate, if any.

The "**Federal Funds (Open) Rate**" means, for any Interest Determination Date, the rate on that date for U.S. Dollar Federal Funds as published in H.15(519) under the heading "Federal Funds (Open)" as displayed by Reuters or any successor service, on page 5 or any other page as may replace the applicable page on that service ("**Reuters page 5**").

The following procedures will be followed if the Federal Funds (Open) Rate cannot be determined as described above:

- (i) If the above rate is not published by 3.00 p.m., New York City time, on the Calculation Date, the Federal Funds (Open) Rate will be the rate on that Interest Determination Date as published in the H.15 Daily Update, or other recognised electronic source used for the purpose of displaying the applicable rate, under the heading "*Federal Funds (Open)*".

- (ii) If the above rate is not yet published in either H.15(519) or the H.15 Daily Update, or other recognised electronic source used for the purpose of displaying the applicable rate, by 3.00 p.m., New York City time, on the Calculation Date, the Calculation Agent will determine the Federal Funds (Open) Rate to be the arithmetic mean of the rates for the last transaction in overnight U.S. Dollar Federal Funds, based on the Federal Funds (Open) Rate prior to 9.00 a.m., New York City time, on that Interest Determination Date, by each of three leading brokers of U.S. Dollar Federal Funds transactions in The City of New York, which may include the Distribution Agent or their affiliates, selected by the Calculation Agent, after consultation with Morgan Stanley.
- (iii) If the brokers selected by the Calculation Agent are not quoting as set forth above, the Federal Funds (Open) Rate for that Interest Determination Date will remain the Federal Funds (Open) Rate for the immediately preceding Interest Reset Period, or, if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate.

SOFR Notes

SOFR Notes will bear interest at the interest rates specified in the SOFR Notes and in the applicable Pricing Supplement. Those interest rates will be based on SOFR and any Spread and/or Spread Multiplier and will be subject to the Minimum Interest Rate and the Maximum Interest Rate, if any.

"**SOFR**" means, with respect to any U.S. Government Securities Business Day:

- (1) the Secured Overnight Financing Rate in respect of such U.S. Government Securities Business Day as provided by the New York Federal Reserve, as the administrator of such rate (or a successor administrator) on the New York Federal Reserve's Website on or about 8:00 a.m. (New York time) on the U.S. Government Securities Business Day immediately following such U.S. Government Securities Business Day; or
- (2) if the Secured Overnight Financing Rate in respect of such U.S. Government Securities Business Day does not appear as specified in paragraph (1), 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 New York Federal Reserve's Website; or
- (3) if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred:
 - (A) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (b) the Benchmark Replacement Adjustment; or
 - (B) the sum of (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; or
 - (C) the sum of (a) 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 (b) the Benchmark Replacement Adjustment.

Where:

"**Benchmark**" means 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 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.

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;

"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 "Interest Payment 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 Payment 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" below, 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" below, 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;

"Business Day" means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which banking institutions are authorized or required by law or regulation to close in The City of New York

"Corresponding Tenor" means, with respect to a Benchmark Replacement, a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Benchmark;

"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;

"ISDA Definitions" means 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 Notes of the relevant Series 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;

"New York Federal Reserve" means the Federal Reserve Bank of New York;

"Reference Time" means, with respect to any determination of the Benchmark, the time determined by the Issuer or its designee in accordance with the Benchmark Replacement Conforming Changes;

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

"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 purposes of trading in U.S. government securities; and

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

If a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, any determination, decision or election that may be made by the Issuer or its designee pursuant to this section *"Determination of SOFR,"* 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:

- (a) will be conclusive and binding absent manifest error;
- (b) will be made in the Issuer's or its designee's sole discretion; or

- (c) 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.

SONIA Notes

SONIA Notes will bear interest at the interest rates specified in the SONIA Notes and in the applicable Pricing Supplement. Those interest rates will be based on SOFR and any Spread and/or Spread Multiplier and will be subject to the Minimum Interest Rate and the Maximum Interest Rate, if any.

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

Fallback arrangements other than where the Base Rate is SOFR

Except as provided above, if EURIBOR or SONIA, as applicable, has been permanently discontinued, the Calculation Agent will use, as a substitute for such EURIBOR or SONIA (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 "**Alternative Rate**"). The Calculation Agent will, after consultation with the Issuer, make such adjustments to the Alternative Rate or the Spread, 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 Calculation 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 Spread, the business day convention and the Interest Determination Dates in respect of the Notes, that is consistent with accepted market practice.

Prime Rate Notes

Prime Rate Notes will bear interest at the interest rates specified in the Prime Rate Notes and in the applicable Pricing Supplement. That interest rate will be based on the Prime Rate and any Spread and/or Spread Multiplier, and will be subject to the Minimum Interest Rate and the Maximum Interest Rate, if any.

The "**Prime Rate**" means, for any Interest Determination Date, the rate on that date as published in H.15(519) under the heading "Bank Prime Loan".

The following procedures will be followed if the Prime Rate cannot be determined as described above:

- (i) If the above rate is not published prior to 3:00 p.m., New York City time, on the Calculation Date, the Prime Rate will be the rate on that Interest Determination Date as published in H.15 Daily Update under the heading "*Bank Prime Loan*".
- (ii) If the above rate is not published in either H.15(519) or the H.15 Daily Update by 3:00 p.m., New York City time, on the Calculation Date, the Calculation Agent will determine the Prime Rate to be the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Page US PRIME 1, as defined below, as that bank's Prime Rate or base lending rate as in effect for that Interest Determination Date.
- (iii) If fewer than four rates for that Interest Determination Date appear on the Reuters Page US PRIME 1 by 3:00 p.m., New York City time, on the Calculation Date, the Calculation Agent will determine the Prime Rate to be the arithmetic mean of the Prime Rates quoted on the basis of the actual number of days in the year divided by 360 as of the close of business on that Interest Determination Date by at least three major banks in The City of New York, which may include the Distribution Agents or their affiliates, selected by the Calculation Agent, after consultation with Morgan Stanley.
- (iv) If the banks selected by the Calculation Agent are not quoting as set forth above, the Prime Rate for that Interest Determination Date will remain the Prime Rate for the immediately preceding Interest Reset

Period, or, if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate.

"**Reuters Page US PRIME 1**" means the display designated as page "US PRIME 1" on Reuters, or any successor service, or any other page as may replace the US PRIME 1 page on that service for the purpose of displaying Prime Rates or base lending rates of major U.S. banks.

Treasury Rate Notes

Treasury Rate Notes will bear interest at the interest rates specified in the Treasury Rate Notes and in the applicable Pricing Supplement. That interest rate will be based on the Treasury Rate and any Spread and/or Spread Multiplier and will be subject to the Minimum Interest Rate and the Maximum Interest Rate, if any.

The "**Treasury Rate**" means:

- (i) the rate from the auction held on the applicable Interest Determination Date (the "**Auction**") of direct obligations of the United States ("**Treasury Bills**") having the Index Maturity specified in the applicable Pricing Supplement as that rate appears under the caption "INVESTMENT RATE" on the display on Reuters Page USAUCTION 10 or on Reuters Page USAUCTION11 or such other page or pages as may replace Reuters Page USAUCTION10 or Reuters Page USAUCTION11 on that service, or any successor service, for the purpose of displaying such information; or
- (ii) if the rate described in the first bullet point is not published by 3:00 p.m., New York City time, on the Calculation Date, the bond equivalent yield of the auction rate for the applicable Treasury Bills as published in the H.15 Daily Update, or other recognised electronic source used for the purpose of displaying the applicable rate, under the caption "U.S. Government Securities/Treasury Bills/Auction High"; or
- (iii) if the rate described in the second bullet point is not published by 3:00 p.m., New York City time, on the related Calculation Date, the bond equivalent yield of the auction rate of the applicable Treasury Bills, announced by the United States Department of the Treasury; or
- (iv) if the rate referred to in the third bullet point is not announced by the United States Department of the Treasury, or if the Auction is not held, the bond equivalent yield of the auction rate on the applicable Interest Determination Date of Treasury Bills having the Index Maturity specified in the applicable Pricing Supplement published in H.15(519) under the caption "U.S. Government Securities/Treasury Bills/Secondary Market"; or
- (v) if the rate referred to in the fourth bullet point is not published by 3:00 p.m., New York City time, on the related Calculation Date, the rate on the applicable Interest Determination Date of the applicable Treasury Bills as published in H.15 Daily Update, or other recognised electronic source used for the purpose of displaying the applicable rate, under the caption "U.S. Government Securities/Treasury Bills/Secondary Market"; or
- (vi) if the rate referred to in the fifth bullet point is not published by 3:00 p.m., New York City time, on the related Calculation Date, the rate on the applicable Interest Determination Date calculated by the Calculation Agent as the bond equivalent yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 p.m., New York City time, on the applicable Interest Determination Date, of three primary U.S. government securities dealers, which may include the Distribution Agents or their affiliates, selected by the Calculation Agent (after consultation with Morgan Stanley), for the issue of Treasury Bills with a remaining maturity closest to the Index Maturity specified in the applicable Pricing Supplement; or
- (vii) if the dealers selected by the Calculation Agent are not quoting as set forth above, the Treasury Rate for the immediately preceding Interest Reset Period, or, if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate.
- (viii) The "**bond equivalent yield**" means a yield calculated in accordance with the following formula and expressed as a percentage:

$$\text{Money Market Yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where "**D**" refers to the applicable per annum rate for Treasury Bills quoted on a bank discount basis, "**N**" refers to 365 or 366, as the case may be, and "**M**" refers to the actual number of days in the interest period for which interest is being calculated.

CMT Rate Notes

CMT Rate Notes will bear interest at the interest rates specified in the CMT Rate Notes and in the applicable Pricing Supplement. That interest rate will be based on the CMT Rate and any Spread and/or Spread Multiplier and will be subject to the Minimum Interest Rate and the Maximum Interest Rate, if any.

The "**CMT Rate**" means, for any Interest Determination Date, any of the following rates displayed on the Designated CMT Reuters Page, as defined below, under the caption ". Treasury Constant Maturities. Federal Reserve Board Release H.15. Mondays Approximately 3:45 p.m.", under the column for the Designated CMT Maturity Index, as defined below, for:

- (1) the rate on that Interest Determination Date, if the Designated CMT Reuters Page is the Reuters Page FRBCMT; and
- (2) the week or the month, as applicable, ended immediately preceding the week in which the related Interest Determination Date occurs, if the Designated CMT Reuters Page is the Reuters Page FEDCMT.

The following procedures will be followed if the CMT Rate cannot be determined as described above:

- (i) If the above rate is no longer displayed on the relevant page, or if not displayed by 3:00 p.m., New York City time, on the Calculation Date, then the CMT Rate will be the Treasury Constant Maturities rate for the Designated CMT Maturity Index as published in the relevant H.15(519).
- (ii) If the above rate described in the first bullet point is no longer published, or if not published by 3:00 p.m., New York City time, on the related Calculation Date, then the CMT Rate will be the Treasury Constant Maturities Rate for the Designated CMT Maturity Index or other U.S. Treasury rate for the Designated CMT Maturity Index, on the Interest Determination Date for the related Interest Reset Date as may then be published by either the Board of Governors of the Federal Reserve System or the United States Department of the Treasury that the Calculation Agent determines to be comparable to the rate formerly displayed on the Designated CMT Reuters Page and published in the relevant H.15(519).
- (iii) If the information set forth above is not provided by 3:00 p.m., New York City time, on the related Calculation Date, then the Calculation Agent will determine the CMT Rate to be a yield to maturity, based on the arithmetic mean of the secondary market closing offer side prices as of approximately 3:30 p.m., New York City time, on the Interest Determination Date reported, according to their written records, by three leading primary U.S. government securities dealers (the "**Reference Dealers**") in The City of New York, which may include the Distribution Agents or their affiliates, selected by the Calculation Agent as described in the following sentence. The Calculation Agent will select five Reference Dealers, after consultation with Morgan Stanley, and will eliminate the highest quotation or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for the most recently issued direct noncallable fixed rate obligations of the United States ("**Treasury Notes**") with an original maturity of approximately the Designated CMT Maturity Index, a remaining term to maturity of no more than 1 year shorter than the Designated CMT Maturity Index and in a principal amount that is representative for a single transaction in the securities in that market at that time. If two Treasury Notes with an original maturity as described above have remaining terms to maturity equally close to the Designated CMT Maturity Index, the quotes for the Treasury Note with the shorter remaining term to maturity will be used.
- (iv) If the Calculation Agent cannot obtain three Treasury Notes quotations as described in the immediately preceding paragraph, the Calculation Agent will determine the CMT Rate to be a yield to maturity based on the arithmetic mean of the secondary market offer side prices as of approximately 3:30 p.m., New York City time, on the Interest Determination Date of three Reference Dealers in The City of New York, selected using the same method described in the immediately preceding paragraph, for Treasury Notes with an original maturity equal to the number of years closest to but not less than the Designated CMT Maturity Index and a remaining term to maturity closest to the Designated CMT Maturity Index and in a principal amount that is representative for a single transaction in the securities in that market at that time.

- (v) If three or four, and not five, of the Reference Dealers are quoting as described above, then the CMT Rate for that Interest Determination Date will be based on the arithmetic mean of the offer prices obtained and neither the highest nor the lowest of those quotes will be eliminated.
- (vi) If fewer than three Reference Dealers selected by the Calculation Agent are quoting as described above, the CMT Rate for that Interest Determination Date will remain the CMT Rate for the immediately preceding Interest Reset Period, or, if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate.

"Designated CMT Reuters Page" means the display on the Reuters page, or any successor service, specified in the applicable Pricing Supplement or any other page as may replace that page on that service for the purpose of displaying Treasury Constant Maturities as reported in H.15(519). If no Reuters page is specified in the applicable Pricing Supplement, the Designated CMT Reuters Page will be the Reuters Page FEDCMT, for the most recent week.

"Designated CMT Maturity Index" means the original period to maturity of the U.S. Treasury Securities, which is either 1, 2, 3, 5, 7, 10, 20 or 30 years, as specified in the applicable Pricing Supplement, for which the CMT Rate will be calculated. If no maturity is specified in the applicable Pricing Supplement, the Designated CMT Maturity Index will be two years.

Exchangeable Notes

Morgan Stanley may issue Notes that are optionally or mandatorily exchangeable (the **"Exchangeable Notes"**) into:

- (i) the securities of an entity not affiliated with Morgan Stanley;
- (ii) a basket of those securities;
- (iii) an index or indices of those securities; or
- (iv) any combination of the above.

The Exchangeable Notes may or may not bear interest or be issued with original issue discount or at a premium. The general terms of the Exchangeable Notes are as described below. The particular terms of any Exchangeable Notes, including the procedures for exercising any exchange right and for calculating and delivering any securities to be delivered upon exchange, will be set forth in the applicable Pricing Supplement.

Optionally Exchangeable Notes. The holder of an optionally Exchangeable Note (the **"Optionally Exchangeable Notes"**) may, during a period, or at specific times, exchange the Notes for the underlying property at a specified rate of exchange. If specified in the applicable Pricing Supplement, Morgan Stanley will have the option to redeem the Optionally Exchangeable Note prior to maturity. If the holder of an Optionally Exchangeable Note does not elect to exchange the Note prior to maturity or any applicable redemption date, the holder will receive the principal amount of the Note plus any accrued interest at maturity or upon redemption.

Credit Linked Notes. Morgan Stanley may issue Credit Linked Notes. The terms of Credit Linked Notes will be specified in the applicable Pricing Supplement.

Bond-Linked Notes. Morgan Stanley may issue Bond-Linked Notes. The terms of Bond-Linked Notes will be specified in the applicable Pricing Supplement.

ETN-Linked Notes. Morgan Stanley may issue ETN-Linked Notes. The terms of ETN-Linked Notes will be specified in the applicable Pricing Supplement.

Mandatorily Exchangeable Notes. At maturity, the holder of a mandatorily Exchangeable Note (the **"Mandatorily Exchangeable Notes"**) must exchange the Note for the underlying property at a specified rate of exchange, and, therefore, depending upon the value of the underlying property at maturity, the holder of a Mandatorily Exchangeable Note may receive less than the principal amount of the Note at maturity. If so indicated in the applicable Pricing Supplement, the specified rate at which a Mandatorily Exchangeable Note may be exchanged may vary depending on the value of the underlying property so that, upon exchange, the holder participates in a percentage, which may be less than, equal to, or greater than 100 per cent. of the change in value of the underlying

property. Mandatorily Exchangeable Notes may include Notes where Morgan Stanley has the right, but not the obligation, to require holders of Notes to exchange the Notes for the underlying property.

Payments upon Exchange. The applicable Pricing Supplement will specify if upon exchange, at maturity or otherwise, the holder of an Exchangeable Note may receive, at the specified exchange rate, either the underlying property or the cash value of the underlying property. The underlying property may be the securities of either U.S. or foreign entities or both. The Exchangeable Notes may or may not provide for protection against fluctuations in the exchange rate between the currency in which that Note is denominated and the currency or currencies in which the market prices of the underlying security or securities are quoted. Exchangeable Notes may have other terms, which will be specified in the applicable Pricing Supplement. Exchangeable Notes for which a holder may receive the underlying property will not be admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market unless a supplement to the Offering Circular about the underlying property has been approved by Euronext Dublin.

Special Requirements for Exchange of Global Registered Notes. If an Optionally Exchangeable Note is represented by a global registered note that remain on deposit with a common depositary or specified depositary, as the case may be, for the Relevant Clearing System, the beneficial owner must exercise the right to exchange through the Relevant Clearing System. In order to ensure that the Relevant Clearing System will timely exercise a right to exchange a particular Optionally Exchangeable Note or any portion of a particular Optionally Exchangeable Note, the beneficial owner of the Optionally Exchangeable Note must instruct the broker or other direct or indirect participant through which it holds an interest in that Optionally Exchangeable Note to notify the Relevant Clearing System of its desire to exchange in accordance with the then applicable operating procedures of the Relevant Clearing System. Different firms have different deadlines for accepting instructions from their customers. Each beneficial owner should consult the broker or other participant through which it holds an interest in an Optionally Exchangeable Note in order to ascertain the deadline for ensuring that timely notice will be delivered to the Relevant Clearing System.

Payments upon Acceleration of Maturity or upon Tax Redemption. If the principal amount payable at maturity of any Exchangeable Note is declared due and payable prior to maturity as a result of an acceleration or tax redemption, the amount payable will be determined as set forth in the applicable Pricing Supplement.

Credit Linked Notes, Bond-Linked Notes, ETN-Linked Notes, Commodity-Linked Notes, Futures Contract-Linked Notes and Equity and Proprietary Index-Linked Notes

Morgan Stanley may issue Notes with the principal amount payable on any principal payment date and/or the amount of interest payable on any Interest Payment Date to be determined by reference to the credit of one or more specified entities not affiliated with Morgan Stanley, to one or more underlying securities, to one or more ETNs, to one or more commodity prices, to futures contracts, securities of entities not affiliated with Morgan Stanley (as well as, in the case of Series B Notes, securities of an entity that is affiliated with Morgan Stanley), baskets of those securities or futures contracts or indices of those securities or other indices. These Notes may include other terms, which will be specified in the applicable Pricing Supplement or a drawdown prospectus, if required.

Currency-Linked Notes

Morgan Stanley may issue Notes with the principal amount payable on any principal payment date, and/or the amount of interest payable on any interest payment date to be determined by reference to the value of one or more currencies as compared to the value of one or more other currencies. The applicable Pricing Supplement will specify the following:

- (i) information as to the one or more currencies to which the principal amount payable on any principal payment date or the amount of interest payable on any interest payment date is linked or indexed;
- (ii) the currency in which the face amount of the Currency-Linked Note is denominated (the "**Denominated Currency**");
- (iii) the currency in which principal on the Currency-Linked Note will be paid (the "**Payment Currency**");
- (iv) the interest rate per annum and the dates on which Morgan Stanley will make interest payments;
- (v) specific historic exchange rate information and any currency risks relating to the specific currencies selected; and

- (vi) additional U.S. federal income tax considerations, if any.

The Denominated Currency and the Payment Currency may be the same currency or different currencies. Interest on Currency-Linked Notes will be paid in the Denominated Currency.

Redemption and Repurchase of Notes

Optional Redemption by Morgan Stanley. The applicable Pricing Supplement will indicate either that the Notes cannot be redeemed prior to maturity, other than as provided under "— Tax Redemption" below or in certain circumstances following the occurrence of an Administrator/Benchmark Event or relevant adjustment events applicable to the Program Securities, or will indicate the terms of Morgan Stanley's option to redeem the Notes subject always to compliance with all applicable laws and regulations and the requirements of each listing authority, stock exchange and/or quotation system (if any) by which the relevant Notes have been admitted to listing, trading and/or quotation. Morgan Stanley will give notice of redemption as described below. The Notes, except for Amortising Notes, will not be subject to any sinking fund.

Notice of Redemption. Notice of redemption shall be given to holders of registered notes designated for redemption in the manner described under "Notices" below, and such notice will be given either not less than 30 nor more than 60 calendar days prior to the date fixed for redemption or within the redemption notice period specified in the Pricing Supplement.

Repayment at Option of Holder. If applicable, the applicable Pricing Supplement will indicate that the holder has the option to have Morgan Stanley repay the Notes on a date or dates specified prior to their maturity date. The repayment price will be equal to 100 per cent. of the principal amount of the Notes, together with accrued but unpaid interest to the date of repayment. For Notes issued with original issue discount, the applicable Pricing Supplement will specify the amount payable upon a repayment.

For Morgan Stanley to repay a Note, the applicable paying agent must receive at least 15 days but not more than 30 days prior to the repayment date, or within the repayment notice period designated in the applicable Pricing Supplement, the Note with the form entitled "Option to Elect Repayment" on the reverse of the Note duly completed, together with any unmatured coupons.

Exercise of the repayment option by the holder of a Note will be irrevocable. The holder may exercise the repayment option for less than the entire principal amount of the Note but, in that event, the principal amount of the Note remaining outstanding after repayment must be an authorised denomination.

Special Requirements for Optional Repayment of Global Registered Notes. If a Note is represented by a global registered note that remains on deposit with a common depositary, or specified depositary, as the case may be, for the Relevant Clearing System, the beneficial owner must exercise the right to have Morgan Stanley repay that Note through the Relevant Clearing System. In order to ensure that the Relevant Clearing System will timely exercise a right to have Morgan Stanley repay a particular Note or any portion of a particular Note, the beneficial owner of the Note must instruct the broker or other direct or indirect participant through which it holds an interest in that Note to notify the Relevant Clearing System of its desire to have Morgan Stanley repay such Note or any portion of such Note in accordance with the then applicable operating procedures of the Relevant Clearing System. Different firms have different deadlines for accepting instructions from their customers. Each beneficial owner should consult the broker or other participant through which it holds an interest in a Note in order to ascertain the deadline for ensuring that timely notice will be delivered to the Relevant Clearing System.

Open Market Purchases by Morgan Stanley. Morgan Stanley may purchase Notes at any price in the open market or otherwise. Notes so purchased by Morgan Stanley may, at the discretion of Morgan Stanley, be held or resold or surrendered to the Trustee for cancellation.

Redenomination

Application. The following is applicable to the Notes only if specified in the applicable Pricing Supplement as being applicable.

Notice of redenomination. If the country of the Specified Currency becomes or, announces its intention to become, a Member State of the European Union which adopts the euro as its lawful currency in accordance with the Treaty (a "**Participating Member State**"), Morgan Stanley may, without the consent of the Noteholders, 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.

Redenomination. From the Redenomination Date:

- (i) 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 Union regulations); provided, however, that, if Morgan Stanley determines 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 Morgan Stanley shall promptly notify the Noteholders, 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; and
- (ii) 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 check 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 center of any Member State of the European Union.

Redenomination: Following redenomination of the Notes, 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 for payment by the relevant holder

Interest Determination Date. If the Note is a Floating Rate Note, 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 Payment Period.

Tax Redemption

All Notes. Notes may be redeemed as a whole (but not in part), at the option of Morgan Stanley at any time prior to maturity, upon the giving of a notice of redemption as described below if Morgan Stanley determines that, as a result of:

- (i) any change in or amendment to the laws, (including a holding, judgment or order by a court of competent jurisdiction), or any regulations or rulings promulgated under the laws, of the United States or of any political subdivision or taxing authority of or in the United States affecting taxation, or
- (ii) any change in official position regarding the application or interpretation of the laws, regulations or rulings referred to above,

which change or amendment becomes effective on or after the date of the applicable Pricing Supplement in connection with the issuance of the Notes or any other date specified in the applicable Pricing Supplement, Morgan Stanley is or will become obligated to pay Additional Amounts with respect to the Notes, as described below under " — *Payment of Additional Amounts*". The redemption price will be equal to 100 per cent. of the principal amount of the Notes, except as otherwise specified in the applicable Pricing Supplement or unless the Note is an Original Issue Discount Note or an Exchangeable Note, together with accrued interest to the date fixed for redemption. See "*Description of the New York Law Notes — Interest and Principal Payments—Original Issue Par Notes*" and "*Exchangeable Notes—Payments upon Acceleration of Maturity or upon Tax Redemption*" above for information on Original Issue Par Notes and Exchangeable Notes. Morgan Stanley will give notice of any tax redemption.

Prior to giving notice of tax redemption, Morgan Stanley will deliver to the Trustee, with a copy to the Principal Paying Agent:

- (i) a certificate stating that Morgan Stanley is entitled to effect the redemption and setting forth a statement of facts showing that the conditions precedent to the right of Morgan Stanley to so redeem have occurred (the date on which that certificate is delivered to the Trustee is the "**Redemption Determination Date**"); and

- (ii) 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 redemption price will be specified in the notice, which will be given in accordance with " — Notices" below.

Payment of Additional Amounts

Additional Amounts. If specified in the applicable Pricing Supplement, Morgan Stanley will, subject to certain exceptions and limitations set forth below, pay those additional amounts (the "**Additional Amounts**") to Noteholders who are U.S. Aliens as may be necessary in order that every net payment of the principal of and interest on the Note and any other amounts payable by or on behalf of the relevant Issuer or the Guarantor on the Note after withholding for or on account of any tax, assessment or governmental charge imposed upon or as a result of that payment by the United States or any political subdivision or taxing authority thereof or therein, will not be less than the amount provided for in the Note to be then due and payable under the Notes. For the avoidance of doubt, if not so provided in the applicable Pricing Supplement, Additional Amounts as provided in this section (*Additional Amounts*) shall not be payable.

Morgan Stanley will not, however, be required to make any payment of Additional Amounts to any Noteholder for or on account of:

- (i) any tax, assessment or other governmental charge that would not have been so imposed but for:
 - (a) the existence of any present or former connection between the holder or beneficial owner, or between a fiduciary, settlor, beneficiary, member or shareholder of the holder or beneficial owner, if the holder or beneficial owner is an estate, a trust, a partnership or a corporation, and the United States and its possessions, including, without limitation, the holder or beneficial owner, or such fiduciary, settlor, beneficiary, member or shareholder, being or having been a citizen or resident of the United States or being or having been engaged in the conduct of a trade or business or present in the United States or having, or having had, a permanent establishment in the United States; or
 - (b) the presentation by the Noteholder for payment on a date more than 15 days after the date on which payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;
- (ii) any estate, inheritance, gift, sales, transfer, capital gains, corporation, income or personal property tax or any similar tax, assessment or governmental charge;
- (iii) any tax, assessment or other governmental charge imposed by reason of the holder's or beneficial owner's past or present status as a personal holding company or controlled foreign corporation or passive foreign investment company with respect to the United States or as a corporation that accumulates earnings to avoid U.S. federal income tax or as a private foundation or other tax exempt organisation;
- (iv) any tax, assessment or other governmental charge that is payable otherwise than by withholding from payments on or in respect of any Note;
- (v) any tax, assessment or other governmental charge that would not have been imposed but for the failure to comply with certification, information or other reporting requirements concerning the nationality, residence or identity of the holder or beneficial owner of that Note, if compliance is required by statute or by regulation of the United States or of any political subdivision or taxing authority thereof or therein as a precondition to relief or exemption from the tax, assessment or other governmental charge;
- (vi) any withholding tax imposed under sections 1471 through 1474 of the Code or any agreement with the IRS pursuant to these Code sections, any applicable U.S. Treasury regulations promulgated thereunder or published administrative guidance implementing such sections and any analogous provisions of non-U.S. laws (including withholding resulting from any inter-governmental agreement or an individual agreement with a taxing authority in connection with such sections of the Code, regulations, guidance or laws);

- (vii) any tax, assessment or other governmental charge imposed by reason of Section 871(m) of the Code, and any applicable U.S. Treasury regulations promulgated thereunder or published administrative guidance implementing such section;
- (viii) any tax, assessment or other governmental charge imposed by reason of the holder's or beneficial owner's past or present status as the actual or constructive owner of 10 per cent. or more of the total combined voting power of all classes of stock entitled to vote of Morgan Stanley or as a direct or indirect subsidiary of Morgan Stanley;
- (ix) any tax, assessment or other governmental charge imposed by reason of the holder of any Note and/or Coupon or beneficial owner not qualifying for the portfolio interest exemption or for an exemption with respect to coupon payments under the "other income" provision of a Qualifying Treaty; or
- (x) any combination of the items listed above.

In addition, Morgan Stanley will not be required to make any payment of Additional Amounts with respect to any Note presented for payment by or on behalf of a holder or beneficial owner who would have been able to avoid such withholding or deduction by presenting the relevant Note to another paying agent in a Member State of the European Union.

Nor will Additional Amounts be paid with respect to any payment on a Note to a U.S. Alien who is a fiduciary or partnership or other than the sole beneficial owner of that payment to the extent that payment would be required by the laws of the United States (or any political subdivision thereof) to be included in the income, for tax purposes, of a beneficiary or settlor with respect to the fiduciary or a member of that partnership or a beneficial owner who would not have been entitled to the Additional Amounts had that beneficiary, settlor, member or beneficial owner been the Noteholder.

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

The term "**Qualifying Treaty**" means an income tax treaty between a non-U.S. jurisdiction and the United States of America that provides for a zero per cent. rate of tax on "other income" earned by a resident of the non-U.S. jurisdiction from sources within the United States of America.

Replacement of Notes

Any Notes that become mutilated, destroyed, lost or stolen or are apparently destroyed, lost or stolen will be replaced by Morgan Stanley at the expense of the holder upon delivery of those Notes or satisfactory evidence of the destruction, loss or theft thereof to Morgan Stanley, the Principal Paying Agent or any other paying agent and the Trustee. In each case, an indemnity satisfactory to Morgan Stanley, the Principal Paying Agent or any other paying agent and the Trustee may be required at the expense of the holder of that Note before a replacement Note will be issued.

Notices

Except as provided in the next sentence, Morgan Stanley will send notices to the holders of the registered notes at each such holder's address as that address appears in the register for the notes by first class mail, postage prepaid. Morgan Stanley may give notice to the beneficial owners of registered notes held only in global form through the customary notice procedures of the Relevant Clearing System in which case Morgan Stanley will not mail the notice. Those notices will be deemed to have been given on the date of such mailing (or other transmission as applicable).

Governing Law

The New York Law Notes and the Indenture will be governed by the laws of the State of New York.

Indenture

References in parentheses below are to sections in the Indenture. Wherever particular sections or defined terms of the Indenture are referred to, those sections or defined terms of the Indenture that are incorporated herein by reference as part of the statement made, and the statement is qualified in its entirety by such reference.

Covenants Restricting Mergers and Other Significant Actions

Merger, Consolidation, Sale, Lease or Conveyance. The Indenture provides that Morgan Stanley will not merge or consolidate with any other person and will not sell, lease or convey all or substantially all of its assets to any person (other than the sale, lease or conveyance of all or substantially all of Morgan Stanley's assets to one or more of Morgan Stanley's Subsidiaries, as defined below), unless:

- (i) Morgan Stanley will be the continuing corporation; or
- (ii) the successor corporation or person that acquires by sale, lease or conveyance all or substantially all of its assets:
 - (a) if a successor to Morgan Stanley, will be a corporation organised under the laws of the United States, a state of the United States or the District of Columbia;
 - (b) will expressly assume all of the obligations of Morgan Stanley under the Indenture and the Notes issued under the Indenture; and
 - (c) immediately after the merger, consolidation, sale, lease or conveyance, Morgan Stanley, that person or that successor corporation will not be in default in the performance of the covenants and conditions of the Indenture applicable to Morgan Stanley. (section 9.01)

A "**Subsidiary**" means any corporation, partnership or other entity of which at the time of determination Morgan Stanley owns or controls directly or indirectly more than 50% of the shares of voting stock or equivalent interest.

For the avoidance of doubt, the sale, lease or conveyance of all or substantially all of Morgan Stanley's assets to one or more of Morgan Stanley's Subsidiaries is not subject to any restrictions under the Indenture.

Absence of Protections Against All Potential Actions of Morgan Stanley. There are no covenants or other provisions in the Indenture that would afford Noteholders additional protection in the event of a recapitalisation transaction, a change of control of Morgan Stanley or a highly leveraged transaction. The merger covenant described above would only apply if the recapitalisation transaction, change of control or highly leveraged transaction were structured to include a merger or consolidation of Morgan Stanley or a sale, lease or conveyance of all or substantially all of the assets of Morgan Stanley. However, Morgan Stanley may provide specific protections, such as a put right or increased interest, for particular Notes, which Morgan Stanley would describe in the applicable Pricing Supplement.

Events of Default

The Indenture provides Noteholders with certain remedies if Morgan Stanley fails to perform specific obligations, such as making payments on the Notes or other indebtedness, or if Morgan Stanley becomes bankrupt. Holders should review these provisions and understand which of Morgan Stanley's actions trigger an Event of Default and which actions do not. The Indenture provisions permit the issuance of Notes in one or more series, and, in many cases, whether an Event of Default has occurred is determined on a series by series basis.

An Event of Default is defined under the Indenture, with respect to any series of Notes issued under the Indenture, as being:

- (i) default in payment for thirty days of any principal, premium of the Notes of that series, either at maturity or upon any redemption, by declaration or otherwise;
- (ii) default for thirty days in payment of any interest and/or supplemental amount payable in accordance with the terms of the Notes of that series;

- (iii) any other Event of Default provided in the supplemental indenture under which that series of Notes is issued (section 5.01); and
- (iv) events of bankruptcy, insolvency or reorganisation.

In the case of a default in payment of any principal or any interest with respect to the Notes issued under the Indenture, there will only be an Event of Default, and therefore a right of acceleration, if such default continues for a period of thirty days.

Acceleration of Notes upon Event of Default. The Indenture provides that:

- (i) if an Event of Default due to the default in payment of principal of, or any premium or interest on or supplemental amount due with respect to, any series of Notes issued under the Indenture occurs and is continuing, then and in each and every such case, except for any series of Notes the principal of which shall have already become due and payable, either the Trustee or the holders of not less than 25 per cent. in aggregate principal amount of the outstanding Notes of each affected series issued under the Indenture (voting as a single class) by notice in writing to Morgan Stanley (and to the Trustee if given by the holders of the Notes) may declare the entire principal of all Notes of each affected series and interest accrued thereon to be due and payable immediately; and
- (ii) if an Event of Default due to certain events of bankruptcy, insolvency or reorganisation of Morgan Stanley will have occurred and be continuing, then and in each and every such case, unless the principal of all the Securities shall have already become due and payable, either the Trustee or the holders of not less than 25 per cent. in aggregate principal amount of all outstanding Notes issued under the Indenture (treated as one class) by notice in writing to Morgan Stanley (and to the Trustee if given by the holders of the Notes) may declare the principal of all those Notes and interest accrued thereon to be due and payable immediately. (section 5.01)

Unless otherwise stated in the applicable pricing supplement, Notes issued under the Indenture will have the benefit of these acceleration provisions.

There will be no Event of Default, and therefore no right of acceleration, in the case of a default in the performance of any covenant or obligation with respect to the Notes issued under the Indenture (other than a covenant or warranty which is specifically dealt with above). If any such default occurs and is continuing, the Trustee may pursue legal action to enforce the performance of any provision in the Indenture to protect the rights of the Trustee and the holders of the Notes issued under the Indenture. (section 5.04)

Annulment of Acceleration and Waiver of Defaults. In some circumstances, if any and all Events of Default under the Indenture, other than the non-payment of the principal of the Notes that has become due as a result of an acceleration, have been cured, waived or otherwise remedied, then the holders of a majority in aggregate principal amount of all series of outstanding Notes affected, voting as one class, may waive past defaults and rescind and annul past declarations of acceleration of the Notes. (section 5.01)

Prior to the acceleration of any Notes, the holders of a majority in aggregate principal amount of all series of outstanding Notes with respect to which an event of default or a covenant breach has occurred and is continuing, voting as one class, may waive any past default or event of default or any past covenant breach, other than a default in respect of a covenant or provision in the Indenture that cannot be modified or amended without the consent of the holder of each Note affected. (section 5.10)

Indemnification of Trustee for Certain Actions. The Indenture contains a provision entitling the Trustee, subject to the duty of the Trustee during a default to act with the required standard of care, to be indemnified by the Noteholders issued under the Indenture before proceeding to exercise any right or power under the Indenture at the request of such holders. (section 6.02) Subject to these provisions and some other limitations, the holders of a majority in principal amount of each series of outstanding Notes of affected series, voting as one class, issued under the Indenture may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee. (section 5.09)

In connection with the exercise of its powers, trusts, authorities or discretions, the Trustee shall have regard to the interests of the holders of the relevant series of Notes affected or of all outstanding Notes affected, as the case may be, as a class. In particular, but without limitation, the Trustee shall not have regard to the consequences of such exercise for individual holders of the relevant series of Notes affected or of all outstanding Notes affected, as the case may be, resulting from such individual holders being for any purpose domiciled or resident in, or

otherwise connected with, or subject to the jurisdiction of, any particular territory. The Trustee shall not be entitled to require, nor shall any holder of the relevant series of Notes affected or of all outstanding Notes affected (as the case may be) be entitled to claim, from Morgan Stanley any indemnification or payment in respect of any tax consequence of any such exercise upon individual holders of the relevant series of Notes affected or of all outstanding Notes affected, as the case may be. (sections 5.06 and 5.09)

Limitation on Actions by an Individual Holder. The Indenture provides that no individual holder of Notes issued under the Indenture may institute any action against Morgan Stanley under the Indenture, except actions for payment of overdue principal and interest, unless each of the following actions have occurred:

- (i) the holder must have previously given written notice to the Trustee of the continuing default;
- (ii) the holders of not less than 25 per cent. in aggregate principal amount of each affected series of the outstanding Notes treated as one class, must have (i) requested the Trustee to institute that action and (ii) offered the Trustee reasonable indemnity;
- (iii) the Trustee must have failed to institute that action within 60 days of the request referred to above; and
- (iv) the holders of a majority in principal amount of the outstanding Notes of each affected series, treated as one class, must not have given directions to the Trustee inconsistent with those of the holders referred to above. (sections 5.06 and 5.09)

Annual Certification. The Indenture contains a covenant that Morgan Stanley will file annually with the Trustee a certificate of no default or a certificate specifying any default that exists. (section 3.05)

Total Loss-Absorbing Capacity

Morgan Stanley intends that the Notes will, when issued, constitute "loss-absorbing capacity" within the meaning of the final rules issued by the Board of Governors of the Federal Reserve System and, accordingly, will have only those provisions described in this Offering Circular that will permit compliance thereof at such time of issuance. In this respect, Morgan Stanley is a parent holding company and has no operations and depends on dividends, distributions and other payments from its subsidiaries to fund its debt obligations (including Notes). Under a support agreement that Morgan Stanley has entered with its material subsidiaries, upon the occurrence of a resolution scenario, including a single-point-of-entry resolution strategy as contemplated in its resolution plan, Morgan Stanley would be obligated to contribute or loan on a subordinated basis all of its material assets, other than shares in its subsidiaries and certain intercompany payables, to provide capital and liquidity, as applicable, to its material subsidiaries. That obligation will be secured, in accordance with an amended and restated secured support agreement, on a senior basis by Morgan Stanley's assets (other than shares in its subsidiaries). As a result, claims of Morgan Stanley's material subsidiaries against its assets (other than shares in its subsidiaries) will be effectively senior to its unsecured obligations, including Notes which would be at risk of absorbing Morgan Stanley's and its subsidiaries' losses.

Discharge, Defeasance and Covenant Defeasance

Morgan Stanley has the ability to eliminate most or all of its obligations on any series of Notes prior to maturity if it complies with the following provisions. (section 10.01)

Discharge of Indenture. Morgan Stanley may discharge all of the obligations, other than as to transfers and exchanges, in the Indenture after Morgan Stanley has:

- (i) paid or caused to be paid the principal and interest on all of the outstanding Notes in accordance with their terms;
- (ii) delivered to the Trustee for cancellation all of the outstanding Notes; or
- (iii) irrevocably deposited with the Trustee cash or U.S. government obligations in trust for the benefit of the holders of any series of Notes issued under the Indenture that have either become due and payable, or are by their terms due and payable, or are scheduled for redemption, within one year, in an amount certified to be sufficient to pay on each date that they become due and payable, the principal of and interest on, and any mandatory sinking fund payments for, those Notes, except that the deposit of cash or U.S. government obligations for the benefit of holders of a series of Notes that are due and payable,

or are scheduled for redemption, within one year will discharge obligations under the Indenture relating only to that series of Notes.

Defeasance of Notes at Any Time. Morgan Stanley may also discharge all obligations, other than as to transfers and exchanges, under any series of Notes at any time ("**defeasance**"). However, Morgan Stanley may not, by defeasance, avoid any duty to register the transfer or exchange that series of Notes, to replace any mutilated, defaced, destroyed, lost, or stolen Notes of that series or to maintain an office or agency in respect of that series of Notes.

Morgan Stanley may be released with respect to any outstanding series of Notes from the obligations imposed by sections 3.06 and 9.01, which sections contain the covenants described above limiting liens and consolidations, mergers, asset sales and leases, and elect not to comply with those sections without creating an Event of Default. Discharge under those procedures is called "**covenant defeasance**".

Defeasance or covenant defeasance may be effected only if, among other things, Morgan Stanley irrevocably deposits with the Trustee cash or, in the case of Notes payable only in U.S. Dollars, U.S. government obligations, as trust funds in an amount certified to be sufficient to pay on each date that they become due and payable, the principal of and interest on, and any mandatory sinking fund payments for, all outstanding Notes of the series being defeased.

Substitution for Morgan Stanley

Subject to such amendment of the Indenture and such other conditions as Morgan Stanley may agree with the Trustee, but without the consent of the Noteholders or any series or the holders of the coupons appertaining thereto (if any), Morgan Stanley may, subject to such Notes being unconditionally and irrevocably guaranteed by Morgan Stanley, substitute a subsidiary of Morgan Stanley in place of Morgan Stanley as principal debtor under such Notes and the Indenture. (sections 8.01 and 13.01)

Any Notes issued by a substitute issuer will be fully and unconditionally guaranteed pursuant to a guarantee of Morgan Stanley as to the payment of principal of, premium, interest and supplemental amounts, if any, and any Additional Amounts (as defined above) on those Notes when and as the same will become due and payable, whether at maturity or otherwise. Under the terms of the guarantee, Noteholders will not be required to exercise their remedies against the substitute issuer prior to proceeding directly against Morgan Stanley. (section 13.01)

If Morgan Stanley substitutes a non-U.S. entity in place of Morgan Stanley as principal debtor under the Notes the tax consequences (including the withholding tax consequences) of holding the Notes may change. Except as provided in " – *Payment of Additional Amounts*" above, if withholding is required on the Notes, no additional amounts will be required to be paid.

Modification of the Indenture

Modification Without Consent of Holders. Morgan Stanley and the Trustee may enter into supplemental indentures without the consent of the Noteholders to:

- (i) secure any Notes;
- (ii) evidence the assumption by a successor corporation of the obligations of Morgan Stanley;
- (iii) evidence the assumption of a substitute issuer, in accordance with the provision described under "— *Substitution for Morgan Stanley*" above;
- (iv) add covenants for the protection of the Noteholders;
- (v) cure any ambiguity or correct any inconsistency;
- (vi) establish the forms or terms of Notes of any series; and
- (vii) evidence the acceptance of appointment by a successor Trustee. (section 8.01)

Modification with Consent of Holders. Morgan Stanley and the Trustee may, with the consent of the holders of not less than a majority in aggregate principal amount of each affected series of outstanding Notes (voting as one class), add any provisions to, or change in any manner or eliminate any of the provisions of, the Indenture or

modify in any manner the rights of the holders of those Notes. However, none of the following changes may be made to any outstanding Note without the consent of each holder that would be affected by such change:

- (i) extend the final maturity of the principal;
- (ii) reduce the principal amount;
- (iii) reduce the rate or extend the time of payment of interest;
- (iv) reduce any amount payable on redemption;
- (v) change the currency in which the principal, including any amount of original issue discount, premium, or interest thereon is payable;
- (vi) modify or amend the provisions for conversion of any currency into another currency;
- (vii) reduce the amount of any original issue discount security payable upon acceleration or provable in bankruptcy;
- (viii) alter the terms on which Noteholders may convert or exchange Notes for stock or other securities of Morgan Stanley or of other entities or for other property or the cash value of the property, other than in accordance with the antidilution provisions or other similar adjustment provisions included in the terms of the Notes;
- (ix) alter the terms by which any supplemental amounts are determined, other than in accordance with the antidilution provisions or other similar adjustment provisions included in the terms of the Notes;
- (x) impair the right to institute suit for the enforcement of any payment on any debt security when due; or
- (xi) reduce the percentage of Notes the consent of whose owners is required for modification of the Indenture.

TERMS AND CONDITIONS OF THE ENGLISH LAW NOTES

The following is the text of the terms and conditions which, as supplemented, modified and/or replaced by the applicable Pricing Supplement and, if "Supplementary Provisions for Credit Linked Notes" is specified as applicable in the applicable Pricing Supplement, the supplemental terms and conditions set out in the Annex hereto entitled "Terms and Conditions of the English Law Notes: Supplementary Provisions for Credit Linked Notes" and, if "Supplementary Provisions for Belgian Notes" is specified as applicable in the applicable Pricing Supplement, the supplemental terms and conditions set out in the Annex hereto entitled "Terms and Conditions of the English Law Notes: Supplementary Provisions for Belgian Notes", which, as completed by the applicable Pricing Supplement, will be endorsed on each Note issued in individual registered form issued under the Program specified as being governed by English law. The terms and conditions applicable to any Note issued in the registered form will differ from those terms and conditions which would apply to the Note were it in individual registered form to the extent described under "Summary of Provisions relating to the English Law Notes (Excluding CMU Notes) while in Global Form" or "Summary of Provisions relating to the English Law Notes (CMU Notes) while in Global Form", as applicable, below.

1. Introduction

1.1 Program

Morgan Stanley ("**Morgan Stanley**"), Morgan Stanley & Co. International plc ("**MSI plc**"), Morgan Stanley B.V. ("**MSBV**"), Morgan Stanley Finance LLC ("**MSFL**") and Morgan Stanley Finance II Ltd ("**MSFII**") and Morgan Stanley Europe SE ("**MSESE**") have established a Program (the "**Program**") for the issuance, *inter alia*, of notes which are expressed to be governed by English law (the "**Notes**" or the "**English Law Notes**"). References to the "**Issuer**" in these terms and conditions shall mean (i) if the Notes to which these terms and conditions apply are issued by Morgan Stanley, Morgan Stanley, (ii) if the Notes to which these terms and conditions apply are issued by MSI plc, MSI plc, (iii) if the Notes to which these terms and conditions apply are issued by MSBV, MSBV, (iv) if the Notes to which these terms and conditions apply are issued by MSFL, MSFL or (v) if the Notes to which these terms and conditions apply are issued by MSFII, MSFII or (vi) if the Notes to which these terms and conditions apply are issued by MSESE, MSESE. The payment obligations of MSBV, MSFL and MSFII in respect of Notes issued by each of MSBV, MSFL and MSFII (respectively) under the Program and which are issued under the Issue and Paying Agency Agreement (as defined below) are (unless, in respect of MSBV only, otherwise specified in the applicable Pricing Supplement) guaranteed by Morgan Stanley (in its capacity as Guarantor (the "**Guarantor**")) under the terms of a guarantee dated as of 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time the "**Guarantee**").

1.2 Pricing Supplement

Notes issued under the Program which are Relevant Securities 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 Pricing Supplement (each, a "**Pricing Supplement**") which supplement, modify and/or replace these terms and conditions (the "**Conditions**") and specifies, among other matters whether the supplemental terms and conditions set out in the Annex hereto entitled "*Terms and Conditions of the English Law Notes: Supplementary Provisions for Credit Linked Notes*" or the Annex hereto entitled "*Terms and Conditions of the English Law Notes: Supplementary Provisions for Belgian Notes*" are applicable. The terms and conditions applicable to any particular Tranche of Notes are these Conditions as supplemented by the applicable Pricing Supplement. In the event of any inconsistency between these Conditions and the applicable Pricing Supplement, the applicable Pricing Supplement shall prevail.

1.3 Issue and Paying Agency Agreement:

The Notes are the subject of an issue and paying agency agreement dated on or about 25 June 2026 and as from time to time modified and/or restated and/or replaced, the "**Issue and Paying Agency Agreement**" between Morgan Stanley, MSI plc, MSBV, MSFL, MSFII, MSESE, The Bank of New York Mellon S.A./N.V., Luxembourg Branch as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Notes), the transfer agents named therein (together with the Registrar, the "**Transfer Agents**", which expression includes any successor or additional transfer agents appointed from time to time in connection with the Notes) and The Bank of New York Mellon (as successor to JPMorgan Chase Bank, N.A., London Branch) as fiscal agent (the "**Fiscal Agent**", which expression includes any successor fiscal agent appointed from time to

time in connection with the Notes 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). The Fiscal Agent is also appointed as initial calculation agent. In these Conditions references to the **"Agents"** are to the Paying Agents and the Transfer Agents and any reference to an **"Agent"** is to any one of them.

In respect of CMU Notes only, Morgan Stanley & Co. International Plc and The Bank of New York Mellon, Hong Kong Branch as CMU lodging and paying agent (the **"CMU Lodging and Paying Agent"**, which expression shall include any successor or substitute agent appointed in accordance with the provisions thereunder) has entered into a supplemental agency agreement to the Issue and Paying Agency Agreement dated 27 September 2022 (the Issue and Paying Agency Agreement so supplemented, the **"CMU Agency Agreement"**, which expression shall include any amendments or supplements thereto or replacements thereof under the Program from time to time). For the purposes of these terms and conditions and with respect to a Series of CMU Notes issued by MSI plc, all references to the Issue and Paying Agency Agreement shall be construed as references to the CMU Agency Agreement, all references to the Fiscal Agent, the Paying Agent, the Registrar, the Transfer Agent or the Agent are to the CMU Lodging and Paying Agent. Noteholders (as defined in Condition 1.8 (*Summaries*)) are deemed to have notice of all the provisions of the CMU Agency Agreement.

In respect of CMU Notes only, Morgan Stanley Finance LLC, The Bank of New York Mellon, Hong Kong Branch as CMU lodging and paying agent (the **"CMU Lodging and Paying Agent"**, which expression shall include any successor or substitute agent appointed in accordance with the provisions thereunder) and The Bank of New York Mellon as withholding tax administration agent (the **"Withholding Tax Administration Agent"**, which expression shall include any successor or substitute agent appointed in accordance with the provisions thereunder) and other agents named therein have entered into a supplemental agency agreement to the Issue and Paying Agency Agreement dated 20 August 2024 (the Issue and Paying Agency Agreement so supplemented, the **"MSFL CMU Agency Agreement"**, which expression shall include any amendments or supplements thereto or replacements thereof under the Program from time to time). For the purposes of these terms and conditions and with respect to a Series of CMU Notes issued by MSFL, all references to the Issue and Paying Agency Agreement shall be construed as references to the MSFL CMU Agency Agreement, all references to the Fiscal Agent, the Paying Agent, the Registrar, the Transfer Agent or the Agent are to the CMU Lodging and Paying Agent. Noteholders (as defined in Condition 1.8 (*Summaries*)) are deemed to have notice of all the provisions of the MSFL CMU Agency Agreement.

1.4 ***SEB Issuing and Paying Agent Agreement and MSESE SEB Issuing and Paying Agent Agreement:***

The Nordic Notes issued by MSI plc or MSBV are the subject of an issuing and paying agent agreement (the **"SEB Issuing and Paying Agent Agreement"**) dated 11 April 2016 (such agreement as amended on 12 March 2026 and as further amended, supplemented and/or restated from time to time) between MSI plc, MSBV and Skandinaviska Enskilda Banken AB (publ) as Swedish agent and Finnish agent.

The Nordic Notes issued by MSESE shall be the subject of such issuing and paying agent agreement (the **"MSESE SEB Issuing and Paying Agent Agreement"**) as may be entered into in relation thereto between MSESE and Skandinaviska Enskilda Banken AB (publ) as Swedish agent and Finnish agent as amended from time to time.

1.5 ***Euroclear Agreement***

In relation to issues of Uncertificated Notes (as defined below), MSBV, MSI plc, MSESE and the Guarantor have entered into an agreement dated on or about 25 June 2026 and as from time to time amended and/or supplemented and/or restated and/or replaced, the **"Euroclear Agreement"** with Computershare Investor Services (Guernsey) Limited as registrar in respect of Uncertificated Notes (the **"Euroclear Registrar"**, which expression shall include any successor or additional Euroclear registrar appointed in respect of Uncertificated Notes).

1.6 ***Deeds of Covenant***

English Law Notes issued by Morgan Stanley in global form are constituted by a deed of covenant entered into by Morgan Stanley dated on or about 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time the **"Morgan Stanley Deed of Covenant"**). Notes issued by

MSI plc in (i) global form and (ii) dematerialised form are constituted by a deed of covenant entered into by MSI plc dated on or about 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time the "**MSI plc Deed of Covenant**"). Notes issued by MSBV in (i) global form and (ii) dematerialised form are constituted by a deed of covenant entered into by MSBV dated on or about 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time the "**MSBV Deed of Covenant**"). English Law Notes issued by MSFL in global form are constituted by a deed of covenant entered into by MSFL dated on or about 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to them, the "**MSFL Deed of Covenant**"). English Law Notes issued by MSFII in global form are constituted by a deed of covenant entered into by MSFII dated on or about 25 June 2026 (as supplemented and/or amended and/or replaced from time to time, the "**MSFII Deed of Covenant**"). English Law Notes issued by MSESE in global form are constituted by a deed of covenant entered into by MSESE dated on or about 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time, the "**MSESE Deed of Covenant**", together with the Morgan Stanley Deed of Covenant, the MSI plc Deed of Covenant, the MSBV Deed of Covenant, the MSFL Deed of Covenant and the MSFII Deed of Covenant, the "**Deeds of Covenant**").

1.7 *The Notes*

All subsequent references in these Conditions to "**Notes**" are to the Notes which are the subject of the applicable Pricing Supplement. Copies of the applicable Pricing Supplement are available for inspection by Noteholders during normal business hours at the Specified Office of the relevant Fiscal Agent, the initial Specified Office of which is set out below

1.8 *Summaries*

Certain provisions of these Conditions are summaries of the Issue and Paying Agency Agreement, the Euroclear Agreement and the Guarantee and are subject to their detailed provisions. The holders of the Notes (the "**Noteholders**") are bound by, and are deemed to have notice of, all the provisions of each of the Issue and Paying Agency Agreement, the Euroclear Agreement and the Guarantee as are applicable to them. Copies of the Issue and Paying Agency Agreement, the Euroclear Agreement and the Guarantee 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.

2. **Interpretation**

2.1 *Definitions:*

"**Accrual Yield**" has the meaning given in the applicable Pricing Supplement;

"**Additional Business Centre(s)**" means the city or cities specified as such in the applicable Pricing Supplement;

"**Additional Financial Centre(s)**" means the city or cities specified as such in the applicable Pricing Supplement;

"**Administrator/Benchmark Event**" means, in respect of any Notes, a determination made by the Determination Agent that:

- (a) any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the Relevant Benchmark or the administrator or sponsor of the Relevant 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 Benchmark to perform its or their respective obligations in respect of the Notes or any related hedging arrangements; or
- (b) any relevant competent authority or other relevant official body issues a public notice with respect to the Relevant Benchmark pursuant to the EU Benchmark Regulation (Regulation (EU) 2016/1011), as amended from time to time with the effect that any of the Issuer, the Determination Agent or the Calculation Agent is not, or may not be, permitted under any

applicable law or regulation to use the Relevant Benchmark to perform its or their respective obligations in respect of the Notes or any related hedging arrangements,

provided that if in the determination of the Determination Agent any event may be an Administrator/Benchmark Event pursuant to both paragraph (a) and paragraph (b) above, the applicable Administrator/Benchmark Event for the purposes of the Notes shall occur pursuant to whichever paragraph the Determination Agent determines is first satisfied.

For the avoidance of doubt, Administrator/Benchmark Events shall not apply where the Notes are denominated in U.S. Dollars and the Relevant Rates Benchmark is SOFR (see Condition 7.6 (*Provisions specific to SOFR as Reference Rate*) and Condition 21.4 (*Provisions specific to SOFR as Underlying Rate*) below);

"Administrator/Benchmark Event Date" means, in respect of any Notes and an Administrator/Benchmark Event, the date on which:

- (a) the authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register is (as applicable):
 - (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 Benchmark is not permitted to be used under the Notes following rejection, refusal, suspension or withdrawal; or
- (b) the public notice is issued,

or, in each case, if such date occurs before the Issue Date, the Issue Date;

"Affiliate" means any entity which is (a) an entity controlled, directly or indirectly, by the Issuer, (b) an entity that controls, directly or indirectly, the Issuer or (c) an entity directly or indirectly under common control with the Issuer;

"Alternative Pre-nominated Index" means, in respect of a Relevant Benchmark, the first of the indices, benchmarks or other price sources specified in the applicable Pricing Supplement as an "Alternative Pre-nominated Index" that is not subject to an Administrator/Benchmark Event or (in the case of Equity and Proprietary Index-Linked Notes) an Index Cancellation or an Index Modification or (in the case of Commodity-Linked Notes which reference a Commodity Index) a Commodity Index Cancellation or a Commodity Index Modification or (in the case of Property-Linked Notes) a Property Index Adjustment Event;

"Autocallable Early Redemption Event" has the meaning given in the applicable Pricing Supplement;

"Benchmark" means 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 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 each amount specified as such in the applicable Pricing Supplement;

"Business Day" means any day, other than a Saturday or Sunday that, for Notes denominated in:

- (a) a Specified Currency other than euro, is neither a legal holiday nor a day on which banking institutions are authorised or required by law or regulation to close (i) for Norwegian Notes, in Oslo and a day on which the Norwegian CSD and the relevant system in which the Norwegian Notes are registered are open for business in accordance with the rules of the Norwegian CSD, (ii) for Danish Notes, in Copenhagen and a day on which the Danish CSD and the relevant system in which the Danish Notes are registered are open for business in accordance with the rules of the Danish CSD, (iii) for Notes (excluding Norwegian Notes and Danish Notes) in the principal financial centre of the country of the Specified Currency and (iv) in each (if any) Additional Business Centre (and if the Additional Business Centre is specified in the applicable Pricing Supplement to be or to include TARGET, then a Business Day shall also be a TARGET Settlement Day); and
- (b) euro, 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;

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

- (a) **"Following Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day or (in the case of Rate-Linked Notes) an Underlying Rate Business Day (as applicable);
- (b) **"Modified Following Business Day Convention"** or **"Modified Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day or (in the case of Rate-Linked Notes) an Underlying Rate Business Day (as applicable) 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 or (in the case of Rate-Linked Notes) an Underlying Rate Business Day (as applicable);
- (c) **"Preceding Business Day Convention"** means that the relevant date shall be brought forward to the first preceding day that is a Business Day or (in the case of Rate-Linked Notes) an Underlying Rate Business Day (as applicable);
- (d) **"FRN Convention", "Floating Rate Convention" or "Eurodollar Convention"** means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the applicable Pricing Supplement as the Specified Period after the calendar month in which the preceding such date occurred **provided, however, that:**
 - (i) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day or (in the case of Rate-Linked Notes) an Underlying Rate Business Day (as applicable) in that calendar month;
 - (ii) if any such date would otherwise fall on a day which is not a Business Day or (in the case of Rate-Linked Notes) an Underlying Rate Business Day (as applicable), then such date will be the first following day which is a Business Day or (in the case of Rate-Linked Notes) an Underlying Rate Business Day (as applicable) unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day or (in the case of Rate-Linked Notes) an Underlying Rate Business Day (as applicable); and

- (iii) if the preceding such date occurred on the last day in a calendar month which was a Business Day or (in the case of Rate-Linked Notes) an Underlying Rate Business Day (as applicable), then all subsequent such dates will be the last day which is a Business Day or (in the case of Rate-Linked Notes) an Underlying Rate Business Day (as applicable) in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (e) **"No Adjustment"** means that the relevant date shall not be adjusted in accordance with any Business Day Convention,

provided that if "ISDA Determination" and "Unscheduled Holidays" are applicable in the applicable Pricing Supplement, 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 or (in the case of Rate-Linked Notes) an Underlying Rate Business Day (as applicable) 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 Pricing Supplement) notwithstanding the provisions of (b) to (d) above, such day will instead fall on the first following day that is a Business Day or (in the case of Rate-Linked Notes) an Underlying Rate Business Day (as applicable);

"Calculation Agent" means, in respect of any Notes, the Fiscal Agent or such other Person specified in the applicable Pricing Supplement 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, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions*)), and/or, such other amount(s) as may be specified as being calculated by the Calculation Agent in the Conditions or the applicable Pricing Supplement;

"Calculation Amount" means the Specified Denomination unless otherwise specified in the applicable Pricing Supplement;

"Cash Settlement Notes" means Notes specified as being Notes to which Cash Settlement applies in the applicable Pricing Supplement or Notes specified as being Notes to which either Physical Settlement or Cash Settlement applies in the applicable Pricing Supplement and in respect of which the Noteholder or the Issuer, as the case may be, has not elected for Physical Settlement to apply or for which Cash Settlement applies pursuant to the terms of the Notes;

"Clearstream, Luxembourg" means Clearstream Banking, société anonyme, Luxembourg;

"CMS Interest Rate" means the rate specified as such in the applicable Pricing Supplement;

"CMS Reference Rate" means the rate determined in accordance with the Condition 7.5 (*CMS Rate Determination*);

"CMS Reference Rate 1" means the rate specified as such in the applicable Pricing Supplement and the terms "Relevant Swap Rate", "Reference Currency", "Designated Maturity", "Relevant Screen Page", "Relevant Time" and "Interest Determination Date" and any other relevant term will each be specified in the applicable Pricing Supplement under the heading "CMS Reference Rate 1";

"CMS Reference Rate 2" means the rate specified as such in the applicable Pricing Supplement and the terms "Relevant Swap Rate", "Reference Currency", "Designated Maturity", "Relevant Screen Page", "Relevant Time" and "Interest Determination Date" and any other relevant term will each be specified in the applicable Pricing Supplement under the heading "CMS Reference Rate 2";

"CMU" means the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority, whose address is at 55th Floor, Two International Finance Centre, 8 Finance Street, Central, Hong Kong;

"CMU Lodging and Paying Agent" means The Bank of New York Mellon, Hong Kong Branch, and the expression of "CMU Lodging and Paying Agent" shall include any successor or substitute agent appointed in accordance with the provisions of the CMU Agency Agreement and the MSFL CMU Agency Agreement;

"**CMU Manual**" means the reference manual relating to the operation of the CMU issued by the HKMA to CMU Members, as amended from time to time;

"**CMU Member**" means any member of the CMU;

"**CMU Notes**" has the meaning as described in Condition 3.1 (*Form*);

"**CMU Rules**" means all requirements of the CMU for the time being applicable to a CMU Member and includes (a) all the obligations for the time being applicable to a CMU Member under or by virtue of its membership agreement with the CMU and the CMU Manual; (b) all the operating procedures as set out in the CMU Manual for the time being in force in so far as such procedures are applicable to a CMU Member; and (c) any directions for the time being in force and applicable to a CMU Member given by the HKMA through any operational circulars or pursuant to any provision of its membership agreement with the HKMA or the CMU Manual;

"**CNY Notes**" means Notes denominated in CNY or Renminbi deliverable in Hong Kong, or such other CNY Center as specified in the applicable Pricing Supplement;

"**Corresponding Tenor**" with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Benchmark;

"**Danish CSD**" means a duly authorised Danish central securities depository under the Consolidated Act No. 464 of 1 May 2026 on Capital Markets in the Kingdom of Denmark, as amended from time to time, which is VP Securities A/S, trading as Euronext Securities Copenhagen, Nicolai Eigtveds Gade 8, DK-1402 Copenhagen, Denmark);

"**Danish Issuing and Paying Agent**" means Skandinaviska Enskilda Banken AB (publ) or a duly authorised issuing agent under the relevant NCSD Rules and designated as such by the Issuer in the applicable Pricing Supplement;

"**Danish Notes**" means any Tranche of Notes issued by MSBV or, as applicable, MSI plc and designated by such Issuer as "Danish Notes" in the paragraph "Form of Notes" of the applicable Pricing Supplement;

"**Day Count Fraction**" means, in respect of the calculation of an amount for any period of time (the "**Calculation Period**"), such day count fraction as may be specified in these Conditions or the applicable Pricing Supplement and:

- (a) if "**1/1**" is so specified, means 1;
- (b) 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;
- (c) 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:

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

where:

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

"**Y₂**" is the year, expressed as a number, in which the day immediately following the last day 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 and D₁ is greater than 29, in which case D₂ will be 30;

- (d) 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:

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

where:

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

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

- (e) 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:

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

where:

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

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

- (f) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;

- (g) 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);
- (h) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;
- (i) if "**Actual/Actual**", "**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);
- (j) if "**Actual/Actual (Bond)**" is so specified, the actual number of days in the relevant period divided by the product of (i) the number of days in the Calculation Period or (in the case of Rate-Linked Notes) the Interest Reference Period or Redemption Reference Period (as applicable) in which the relevant period falls and (ii) the number of Calculation Periods in any period of one year; and
- (k) if "**Actual/Actual (ICMA)**" is so specified, a fraction equal to "number of days accrued/number of days in year", as such terms are used in Rule 251 of the statutes, by-laws and recommendations of the International Capital Markets Association (the "**ICMA Rule Book**"), calculated in accordance with Rule 251 of the ICMA Rule Book as applied to non-U.S. Dollar denominated straight and convertible bonds issued after 31 December 1998, as though the interest coupon on a bond were being calculated for a coupon period corresponding to the Calculation Period in respect of which payment is being made;

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;

"Designated Maturity" means (i) for the purposes of a determination of the CMS Reference Rate or the CMS Underlying Reference Rate, a period of time specified as such in the applicable Pricing Supplement corresponding to such CMS Reference Rate, and (ii) for any other purposes, a period of time specified as such in the applicable Pricing Supplement;

"Determination Agent" means MSI plc or, if different in relation to any series of Notes, the Person or the entity specified as such in the applicable Pricing Supplement;

"Determination Agent Fallback" has the meaning given in 6.5 (*CMS Rate Determination*);

"Determination Date" has the meaning given in the applicable Pricing Supplement;

"Early Redemption Amount" means, in respect of any Note:

- (a) in the case of Zero Coupon Notes, such amount as may be specified in the applicable Pricing Supplement or, if applicable, determined in accordance with Condition 26.10 (*Early Redemption of Zero Coupon Notes*); and
- (b) in the case of any other Notes, such amount as may be specified in the applicable Pricing Supplement or, if no other amount is specified,
 - (i) if "**Accrued Value**" is specified as being applicable in respect of such Note in the applicable Pricing Supplement, an amount equal to the sum of:
 - (A) the product of (a) the Calculation Amount of such Note and (b) the percentage produced by the following formula:
 - (x) if Compounded Zero Coupon is specified as applicable in the applicable Pricing Supplement:

$$\text{Reference Price} \times (1 + \text{Accrual Yield})^n$$

- (y) if Linear Zero Coupon is specified as applicable in the applicable Pricing Supplement:

$$\text{Reference Price} + \text{Reference Price} \times n \times \text{Accrual Yield}$$

Where "**n**" means the number of years from (and including) the Issue Date (or such other date as may be specified in the applicable Pricing Supplement as the "Accrued Value Commencement 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 and the calculation shall be made on the basis of such Day Count Fraction as may be specified in the applicable Pricing Supplement or, if none is so specified, a Day Count Fraction of 30/360; and

- (B) accrued but unpaid interest (if any).
- (ii) if "**Par Redemption**" is specified as being applicable in respect of such Note in the applicable Pricing Supplement, the principal amount of such Note, together with accrued interest (if any); or
- (iii) if "**Qualified Financial Institution Determination**" is specified as being applicable in respect of such Note in the applicable Pricing Supplement, an amount determined by the Determination Agent, acting in good faith and in a commercially reasonable manner, as at such date as is selected by the Determination Agent in its reasonable discretion (provided that such day is not more than 15 Business Days prior to the date fixed for redemption of the Note) to be the amount that a Qualified Financial Institution would charge to assume all of the Issuer's payment and other obligations with respect to such Note as if no such Event of Default had occurred or to undertake obligations that would have the effect of preserving the economic equivalent of any payment by the Issuer to the Noteholder with respect to such Note; or
- (iv) if "**Theoretical Value**" is specified as being applicable in respect of such Note in the applicable Pricing Supplement, an amount equal to the fair market value of such Note on the day that is two Business Days prior to the date of redemption of the Note, as determined by the Determination Agent, acting in good faith and in a commercially reasonable manner, by reference to factors that the Determination Agent considers relevant, including without limitation, the then (a) interest rates and, (b) the value of each embedded derivative but (c) if the relevant Early Redemption Event is an Event of Default, disregarding any change in the creditworthiness of the Issuer and/or the Guarantor since the initial Trade Date; or
- (v) if "**Fair Market Value Less Costs**" is specified as being applicable in respect of such Note in the applicable Pricing Supplement, an amount equal to 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), less the proportion attributable to that Note 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
- (vi) if "**Fair Market Value**" is specified as being applicable in respect of such Note in the applicable Pricing Supplement, an amount equal to 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;

"**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;

"€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 Pricing Supplement (or if none are specified, the Second TARGET Settlement Day) prior to the Maturity Date or the redemption date, as applicable;

"ETN" means an exchange-traded note;

"Euroclear" means Euroclear Bank S.A./N.V.;

"Euroclear Registrar" has the meaning given to it in Condition 1.5 (*Euroclear Agreement*);

"Euro", "euro", "€" and "EUR" each means the lawful single currency of the member states of the European Union that have adopted and continue to retain a common single currency through monetary union in accordance with European Union treaty law (as amended from time to time);

"Extraordinary Resolution" has the meaning given in the Issue and Paying Agency Agreement;

"Fallback Rate Determination" means, in respect of a CMS Reference Rate, any of the following as specified in the applicable Pricing Supplement as an alternative basis for determining the CMS Reference Rate: (i) Fallback Screen Page, (ii) Mid-Market Quotations, and (iii) Determination Agent Fallback;

"Fallback FX Spot Rate" has the meaning given in the applicable Pricing Supplement;

"Fallback Screen Page" has the meaning given in 6.5 (*CMS Rate Determination*);

"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;

"FATCA Withholding" means any withholding or deduction required pursuant to an agreement described in section 1471(b) of the Code, or otherwise imposed pursuant to sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto;

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

"Final Bonus Amount" means the amount, if any, specified as such in the applicable Pricing Supplement;

"Final Redemption Amount" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the applicable Pricing Supplement, in each case, and if "Final Bonus" is specified as being applicable in the relevant Pricing Supplement, plus the Final Bonus Amount;

"Finnish CSD" means a duly authorised Finnish central securities depository (Fi.: *Arvopaperikeskus*) under the Act on the Book-Entry System and Clearing Operations (Fi.: *Laki arvo-osuusjärjestelmästä ja selvitystoiminnasta (348/2017)*) and the Finnish legislation governing book-entry accounts as well as the regulations and decisions of Euroclear Finland (Fi.: *Laki arvo-osuustileistä (827/1991) sekä Euroclear Finlandin säännöt ja toimitusjohtajan päätökset*), which is expected to be Euroclear Finland Oy, Itämerenkatu 25, FI-00180 Helsinki, Finland (Postal address: Box 1110, FI-00101 Helsinki, Finland);

"Finnish Issuing and Paying Agent" means Skandinaviska Enskilda Banken AB (publ) Helsinki Branch or a duly authorised issuing agent under the relevant NCSD Rules and designated as such by the Issuer in the applicable Pricing Supplement;

"Finnish Notes" means any Tranche of Notes issued by MSBV, MSI plc or, as applicable, MSESE, and designated by the Issuer as "Finnish Notes" in the applicable Pricing Supplement;

"Fitch" means Fitch Ratings, Inc.;

"Fixed Coupon Amount" has the meaning given in the applicable Pricing Supplement;

"Fixed Leg Day Count Basis" means the Day Count Fraction specified as such in the applicable Pricing Supplement;

"Floating Leg Day Count Basis" means the Day Count Fraction specified as such in the applicable Pricing Supplement;

"HKMA" means the Hong Kong Monetary Authority.

"Holder FATCA Information" means information sufficient to eliminate the imposition of FATCA Withholding;

"Holder Tax Identification Information" means properly completed and signed tax certifications (generally, in the case of U.S. Federal Income Tax, IRS Form W-9 (or applicable successor form) in the case of a person that is a "United States Person" within the meaning of Section 7701(a)(30) of the Code or the appropriate IRS Form W-8 (or applicable successor form) in the case of a person that is not a "United States Person" within the meaning of Section 7701(a)(30) of the Code);

"Implementation of Financial Transaction Tax" means that, on or after the Trade Date of any 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 Shares or any other asset 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) realise, 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;

"Individual Note Certificate" means an individual Registered Note certificate representing a Noteholder's holding of a Registered Note;

"Interest Amount" means, in relation to a Note and an Interest Period, the amount of interest payable in respect of each Calculation Amount 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 Pricing Supplement;

"Interest Determination Date" has the meaning given in the applicable Pricing Supplement, provided that:

- (i) if the applicable Pricing Supplement specifies 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 Pricing Supplement), unless otherwise provided in the applicable Pricing Supplement;

- (ii) 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;
- (iii) in the case of Equity and Proprietary Index-Linked Notes, Fund-Linked Notes and Futures Contract-Linked Notes where the interest basis is Equity and Proprietary Index-Linked Interest, Fund-Linked Interest or Futures Contract-Linked Interest (as applicable) as specified in the applicable Pricing Supplement, (i) if any such date is not a Scheduled Trading Day or a Fund Business Day (as applicable), the relevant Interest Determination Date shall (A) in the case of Equity and Proprietary Index-Linked Notes, be the next succeeding Scheduled Trading Day or, if either "Common Scheduled Trading Days and Common Disrupted Days" or "Common Scheduled Trading Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, the next succeeding Common Scheduled Trading Day; or (B) in the case of Fund-Linked Notes, be the next succeeding Fund Business Day or, if either "Common Fund Business Days and Common Disrupted Days" or "Common Fund Business Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, the next succeeding Common Fund Business Day, and (ii) if any Interest Determination Date is a Disrupted Day, the provisions of, as applicable, Condition 11.1 (*Reference Dates, Averaging Dates and Market Disruption*), Condition 17.1 (*Reference Dates, Averaging Dates and Market Disruption*) or Condition 17.1 (*Reference Dates, Averaging Dates and Market Disruption*) shall apply *mutatis mutandis* as if such Interest Payment Day were a Reference Date, and otherwise subject to adjustment in accordance with the Conditions; and
- (iv) in the case of Rate-Linked Notes where the interest basis is Rate-Linked Interest as specified in the applicable Pricing Supplement, if any such date is not an Underlying Rate Business Day, the relevant Interest Determination Date shall be the next succeeding Underlying Rate Business Day;

"Interest Participation Rate" 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 amount or percentage rate specified as such in the applicable Pricing Supplement in respect of such Relevant Rate for such day and/or such Interest Period, or, if a Rate Table is set out in the applicable Pricing Supplement, each amount or percentage rate specified in the Rate Table in the column headed "Interest Participation Rate" 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, provided that, if the applicable Pricing Supplement specifies Interest Participation Rate to be not applicable, it shall be deemed to be equal to one. Where the applicable Pricing Supplement specifies more than one Interest Participation Rate for different Relevant Rates, the Interest Participation Rate will be construed to apply to each Relevant Rate for each relevant day (including an Interest Payment Date) and/or each Interest Period;

"Interest Participation Rate 1" means the rate specified as such in the applicable Pricing Supplement;

"Interest Participation Rate 2" means the rate specified as such in the applicable Pricing Supplement;

"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 Pricing Supplement as applicable and Delayed Payment is not specified in the applicable Pricing Supplement 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 date or dates specified as such in, or determined in accordance with the provisions of, the applicable Pricing Supplement and, if a Business Day Convention is specified in the applicable Pricing Supplement:
 - (a) as the same may be adjusted in accordance with the relevant Business Day Convention; or

- (b) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the applicable Pricing Supplement 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); 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 Pricing Supplement as applicable, or
 - (b) Delayed Payment is specified in the relevant Pricing Supplement 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 Pricing Supplement, 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 Pricing Supplement as applicable, the number of Business Days specified in respect of Delayed Payment in the applicable Pricing Supplement.

"Interest Period" means, subject as otherwise provided in these Conditions or the applicable Pricing Supplement, 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, provided that if (a) "Unadjusted" is specified in the applicable Pricing Supplement and/or (b) the Specified Currency of the Notes is Japanese Yen and the Notes are Fixed Rate Notes, no adjustment will be made to the Interest Period, notwithstanding the adjustment to the relevant Interest Period End Date following the application of the relevant Business Day Convention and any other adjustment under the terms of the Notes;

"Interest Period End Date" means each Interest Payment Date unless specified otherwise in the applicable Pricing Supplement;

"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 Definitions" means 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 Notes of the relevant Series 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;

"Issue Date" has the meaning given in the applicable Pricing Supplement;

"Japanese Yen" and **"¥"** are to the lawful currency of Japan;

"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" has the meaning given in the applicable Pricing Supplement;

"Margin 1" means the margin specified as such in the applicable Pricing Supplement;

"Margin 2" means the margin specified as such in the applicable Pricing Supplement;

"Market Exchange Rate" means the noon U.S. Dollar buying rate in The City of New York for cable transfers of a Specified Currency published by the Federal Reserve Bank of New York;

"Maturity Date" has the meaning given in the applicable Pricing Supplement;

"Maximum Call Notice Number of Day(s)" means the number of calendar days or Business Days specified as such in the applicable Pricing Supplement;

"Maximum Put Notice Number of Day(s)" means the number of calendar days or Business Days specified as such in the applicable Pricing Supplement;

"Mid-Market Quotations" means, in relation to the determination of any CMS Reference Rate, the bid and offered rates for the Specified Fixed Leg, calculated on the Fixed Leg Day Count Basis, of a fixed-for-floating Reference Currency interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period or on any relevant day and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on the Floating Leg Day Count Basis, is equivalent to floating leg Floating Rate Option (as defined in the ISDA Definitions) with a designated maturity determined by the Determination Agent by reference to standard market practice and/or the ISDA Definitions;

"Minimum Call Notice Number of Day(s)" means the number of calendar days or Business Days specified as such in the applicable Pricing Supplement;

"Minimum Put Notice Number of Day(s)" means the number of calendar days or Business Days specified as such in the applicable Pricing Supplement;

"Moody's" means Moody's Investors Service, Inc.;

"Morgan Stanley Notes" means Notes issued by Morgan Stanley;

"MSBV Notes" means Notes issued by MSBV;

"MSESE Notes" means Notes issued by MSESE;

"MSFII Notes" means Notes issued by MSFII;

"MSFL Notes" means Notes issued by MSFL;

"MSI plc Notes" means Notes issued by MSI plc;

"NCSD" means the Finnish CSD, the Norwegian CSD, the Danish CSD or the Swedish CSD, as applicable;

"NCSD Register" means the book entry register maintained by the relevant NCSD on behalf of the Issuer in respect of the relevant Tranche of Nordic Notes;

"NCSD Rules" means any Finnish or, as applicable, Norwegian or, as applicable, Danish or, as applicable, Swedish legislation, regulations, rules and operating procedures applicable to and/or issued by the relevant NCSD (including but not limited to, (i) in the case of Finnish Notes, the Act on the Book-Entry System and Clearing Operations (Fi.: *Laki arvo-osuusjärjestelmästä ja selvitystoiminnasta*

(348/2017)) and the Finnish legislation governing book-entry accounts as well as the regulations and decisions of Euroclear Finland (Fi.: *Laki arvo-osuustileistä (827/1991) sekä Euroclear Finlandin säännöt ja toimitusjohtajan päätökset*) and (ii) in the case of Norwegian Notes, the Norwegian Central Securities Depository Act 2019 (No.: *lov om verdipapirsentraler og verdipapiroppgjør mv. av 15. mars 2019 nr. 6*); and (iii) in the case of Danish Notes, the Consolidated Act No. 464 of 1 May 2026 on Capital Markets in the Kingdom of Denmark, as amended from time to time and the Danish Laws, Regulations and operating procedures applicable to and/or issued by VP Securities A/S, trading as Euronext Securities Copenhagen, from time to time and (iv) in the case of Swedish Notes, the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw.: *lag (1998:1479) lagen om värdepapperscentraler och kontoföring av finansiella instrument*);

"Nordic Issuing and Paying Agent" means the Finnish Issuing and Paying Agent, the Norwegian Issuing and Paying Agent, the Danish Issuing and Paying Agent or the Swedish Issuing and Paying Agent, as applicable;

"Nordic Notes" means Finnish Notes, Norwegian Notes, Danish Notes or Swedish Notes, as applicable;

"Norwegian CSD" means a duly authorised Norwegian central securities depository (No.: *verdipapirsentral*) under the Norwegian Central Securities Depository Act 2019 (No.: *lov om verdipapirsentraler og verdipapiroppgjør mv. av 15. mars 2019 nr. 6*) which implements Regulation (EU) No. 909/2014 into Norwegian law, which is Euronext Securities Oslo (No.: *Verdipapirsentralen ASA*), Tollbugata 2, 0152 Oslo, Norway (Postal address: P.O. Box 1174, Sentrum, 0107 Oslo, Norway);

"Norwegian Issuing and Paying Agent" means Skandinaviska Enskilda Banken AB (publ) or a duly authorised issuing agent under the relevant NCSD Rules and designated as such by the Issuer in the applicable Pricing Supplement;

"Norwegian Notes" means any Tranche of Notes issued by MSBV or, as applicable, MSI plc and designated by such Issuer as "Norwegian Notes" in the paragraph "Form of Notes" of the applicable Pricing Supplement;

"Operator" has the meaning given to it in Condition 3.4 (*Uncertificated Notes*);

"Optional Redemption Amount (Call)" means, in respect of any Cash Settlement Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the applicable Pricing Supplement and, in respect of any Physical Settlement Note, the Physical Delivery Amount as may be specified in, or determined in accordance with, the applicable Pricing Supplement;

"Optional Redemption Amount (Put)" means, in respect of any Cash Settlement Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the applicable Pricing Supplement and, in respect of any Physical Settlement Note, the Physical Delivery Amount as may be specified in, or determined in accordance with, the applicable Pricing Supplement;

"Optional Redemption Date (Call)" has the meaning given in the applicable Pricing Supplement;

"Optional Redemption Date (Put)" has the meaning given in the applicable Pricing Supplement;

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

"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 Financial Centre; or
- (b) if the currency of payment is CNY, any day on which banks and foreign exchange markets are open for business and settlement of CNY payments in the Relevant Financial Centre, the place of payment and each (if any) Additional Financial Centre (and if the Additional Financial Centre is specified in the applicable Pricing Supplement to be or to include TARGET, then a Payment Business Day shall also be a TARGET Settlement Day);

- (c) in any other case, 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 Financial Centre (and if the Additional Financial Centre is specified in the applicable Pricing Supplement to be or to include TARGET, then a Payment Business Day shall also be a TARGET Settlement Day);

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

"Physical Settlement Notes" means Notes specified as being Notes to which Physical Settlement applies, or Notes specified as being Notes to which either Physical Settlement or Cash Settlement applies in the applicable Pricing Supplement and in respect of which the Noteholder or the Issuer, as the case may be, has not elected for Cash Settlement to apply or for which Physical Supplement applies pursuant to the terms of the Notes;

"Principal Financial Centre" means, in relation to any currency, the principal financial centre for that currency provided, however, that 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 or Determination Agent (as applicable);

"Publication Calendar Day" means, in respect of a benchmark, any day on which the administrator is due to publish the rate for such benchmark pursuant to its publication calendar, as updated from time to time;

"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;

"QIB" means a "qualified institutional buyer" as defined in Rule 144A;

"QIB/QP" means a "qualified institutional buyer" as defined in Rule 144A who is also a "qualified purchaser" as defined in Section 2(a)(51) of the Investment Company Act and the rules thereunder;

"Qualified Financial Institution" means a financial institution organised under the laws of any jurisdiction in the United States of America, the European Union, the United Kingdom or Japan, which, as at the date the Determination Agent selects to determine the Early Redemption Amount, has outstanding debt obligations with a stated maturity of one year or less from the date of issue of such outstanding debt obligations, and such financial institution is rated either:

- (a) A2 or higher by S&P Global Ratings or any successor, or any other comparable rating then used by that rating agency; or
- (b) P-2 or higher by Moody's Investors Service, Inc. or any successor, or any other comparable rating then used by that rating agency,

provided that, if no such financial institution is reasonably available, then the Determination Agent shall, in good faith and acting in a commercially reasonable manner, select a financial institution of reputable standing organised under the laws of any jurisdiction in the United States of America, the European Union, the United Kingdom or Japan as a Qualified Financial Institution;

"Qualifying Treaty" means an income tax treaty between a non-U.S. jurisdiction and the United States of America that provides for a zero per cent. rate of tax on "other income" earned by a resident of the non-U.S. jurisdiction from sources within the United States of America;

"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 Pricing Supplement or calculated or determined in accordance with the provisions of these Conditions and/or the applicable Pricing Supplement;

"Rate Table" means a table specified as such in the applicable Pricing Supplement;

"Redemption Amount" means, as appropriate, the Final Redemption Amount, the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), the Early Redemption Amount, Physical Delivery 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 Pricing Supplement;

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

"Reference Banks" has the meaning given in the applicable Pricing Supplement or, if none are specified, four major banks selected by the Calculation Agent in the market that is most closely connected with the Reference Rate. Where the applicable Pricing Supplement specifies "CMS Rate Determination" to be applicable, "Reference Rate" shall be construed to include a CMS Reference Rate. 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 Pricing Supplement;

"Reference Currency" means the currency specified as such in the applicable Pricing Supplement;

"Reference Price" has the meaning given in the applicable Pricing Supplement;

"Reference Rate" has the meaning given in the applicable Pricing Supplement;

"Reference Time" with respect to any determination of the Benchmark means the time determined by the Issuer or its designee in accordance with the Benchmark Replacement Conforming Changes;

"Register" has the meaning given to it in the Issue and Paying Agency Agreement;

"Registered Note" means a Note issued in registered form, as described in Condition 3 (*Form, Denomination and Title*);

"Regulation S" means Regulation S under the Securities Act;

"Regulation S Global Note" means a Regulation S Global Note substantially in the form set out in the Issue and Paying Agency Agreement representing Regulation S Notes;

"Regulation S Note" means a Note offered and sold outside the United States to persons that are not U.S. persons (as defined in Regulation S) in reliance on Regulation S;

"Regulation S/Rule 144A Global Note" means a Regulation S/Rule 144A Global Note substantially in the form set out in the Issue and Paying Agency Agreement representing Regulation S/Rule 144A Notes;

"Regulation S/Rule 144A Note" means a Note offered and sold to QIBs, or in the case of Notes issued by MSBV, a Note offered and sold to QIB/QPs, in reliance on Rule 144A, in addition to Regulation S;

"Regulatory Event" means that, at any time on or after the Trade Date, as a result of:

- (i) an implementation or adoption of, or change in, any applicable law, regulation, interpretation, action or response of a regulatory authority;
- (ii) the promulgation of, or any interpretation by any court, tribunal, government or regulatory authority with competent jurisdiction (a **"Relevant Authority"**) of, any relevant law or regulation (including any action taken by a taxing authority); or
- (iii) the public or private statement or action by, or response of, any Relevant Authority or any official or representative of any Relevant Authority acting in an official capacity,

there is a reasonable likelihood of it becoming:

- (A) unlawful, impossible or impracticable, for the Issuer and/or the Guarantor to maintain the Notes and/or to maintain other instruments issued under the Program and/or to perform its obligations under the Notes; and/or

- (B) necessary for the Issuer and/or the Guarantor to obtain a licence, authorisation or other approval for the continuation or maintenance of the business relating to or supporting the Notes or their hedging activities in relation to such Notes.

"Relevant Benchmark" means a Relevant Commodity Benchmark, a Relevant Equity Index Benchmark, a Relevant FX Benchmark, a Relevant Property Index Benchmark, a Relevant Rates Benchmark, a Relevant Underlying Rates Benchmark or a Relevant Futures Contract Benchmark;

"Relevant Clearing System" means, as appropriate, Euroclear and/or 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 Pricing Supplement;

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

"Relevant Financial Centre" has the meaning given in the applicable Pricing Supplement;

"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 Jurisdiction" has the meaning given in the applicable Pricing Supplement;

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

- (a) each Reference Rate (or, if applicable, the index, benchmark or other price source that is referred to in the Reference Rate);
- (b) each Floating Rate Option (or, if applicable, the index, benchmark or other price source that is referred to in the Floating Rate Option); or
- (c) any other index, benchmark or other price source specified as a "Relevant Rates Benchmark" in the applicable Pricing Supplement;

"Relevant Screen Page" means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the applicable Pricing Supplement, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate or Underlying Rate (as applicable);

"Relevant Securities" means, in relation to Notes, Notes (other than Uncertificated Notes) issued (or to be issued) under the Issue and Paying Agency Agreement and Uncertificated Notes issued (or to be issued) under the Euroclear Agreement;

"Relevant Time" has the meaning given in the applicable Pricing Supplement;

"Renminbi", **"RMB"** and **"CNY"** are to the lawful currency of the People's Republic of China ("**PRC**") which, for the purpose of these Conditions, shall exclude the Hong Kong Special Administrative Region of the People's Republic of China, the Macau Special Administrative Region of the People's Republic of China and Taiwan;

"Reserved Matter" means any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, to change the currency of any payment under the Notes or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution;

"Right to Redemption" has the meaning given to it in Condition 43.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*);

"Right to Redemption Notice" means a notice which must be delivered to a Paying Agent or the Euroclear Registrar, as applicable, by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder under Condition 43.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*);

"Right to Redemption Receipt" means a receipt issued by a Paying Agent or the Euroclear Registrar to a depositing Noteholder upon deposit of a Note and a Right to Redemption Notice with such Paying Agent, or deposit of a Right to Redemption Notice with such Euroclear Registrar, as applicable, by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"Rule 144A" means Rule 144A under the Securities Act;

"S&P" means Standard & Poor's Financial Services LLC through its business unit S&P Global Ratings;

"SARON", in respect of any Zurich Banking Day, means the Swiss Average Rate Overnight rate administered by SIX Swiss Exchange 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 Pricing Supplement) 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 Pricing Supplement (or if none are specified, the second Zurich Banking Day) prior to the Maturity Date or the redemption date, as applicable;

"Securities Act" means the United States Securities Act of 1933, as amended;

"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 8:00 a.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 (1), 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 7.6(iii) (*Effect of Benchmark Transition Event*) will apply.

"SOFR Rate Cut-Off Date" means the date that 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 9.00a.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 Pricing Supplement (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 Pricing Supplement;

"Specified Denomination(s)" has the meaning given in the applicable Pricing Supplement;

"Specified Fixed Leg" means any of the following as specified in the applicable Pricing Supplement: (a) the annual fixed leg; (b) the semi-annual fixed leg; (c) quarterly-annual fixed leg; or (d) the quarterly-quarterly fixed leg;

"Specified Office" has the meaning given in the Issue and Paying Agency Agreement;

"Specified Period" has the meaning given in the applicable Pricing Supplement;

"Specified Swap Rate" means the swap rate specified as such in the applicable Pricing Supplement;

"Sterling", "GBP" and "£" are to the lawful currency of the United Kingdom;

"Strike Date" means the date as specified in the applicable Pricing Supplement;

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

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

"Substitution Date" has the meaning given to it in Condition 43.6(c) (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*);

"Substitution Redemption Date" has the meaning given to it in Condition 43.6(b) (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*);

"Swedish CSD" means a duly authorised Swedish central securities depository (*Sw: värdepapperscentral*) under the Swedish Central Securities Depositories and Financial Instruments Accounts Act (*Sw.: lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*), which is Euroclear Sweden AB, Klarabergsviadukten 63, Box 191, SE 101 23, Stockholm, Sweden;

"Swedish Issuing and Paying Agent" means Skandinaviska Enskilda Banken AB (publ) or a duly authorised issuing agent under the relevant NCSD Rules and designated as such by the Issuer, as specified in the applicable Pricing Supplement;

"Swedish Notes" means any Tranche of Notes issued by MSBV, MSI plc or, as applicable, MSESE and designated by the Issuer as "Swedish Notes" in the applicable Pricing Supplement;

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

"TARGET Settlement Day" means any day on which T2 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 and/or delivery of the Physical Delivery Amount and/or the transfer or delivery of securities and/or the relevant Transfer Documentation;

"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 such authorised distributors, in each case as of approximately 10.00a.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 Pricing Supplement (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 Pricing Supplement;

"Transfer Documentation" means, for each Series of Notes, such documentation as is generally acceptable for settlement of transfer of Shares on the relevant Exchange or through the Relevant Clearing System;

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

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

"Underlying Securities" means shares, bonds, other debt securities, other securities or other property specified as such in the applicable Pricing Supplement, and **"Underlying Security"** shall be construed accordingly;

"U.S. Dollars", **"U.S.\$"** and **"\$"** are to the lawful currency of the United States of America;

"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;

"Withholding Tax Administration Agent" means The Bank of New York Mellon, and the expression of "Withholding Tax Administration Agent" shall include any successor or substitute agent appointed in accordance with the provisions of the MSFL CMU Agency Agreement;

"Zero Coupon Note" means a Note specified as such in the applicable Pricing Supplement; and

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

2.2 **Interpretation:**

In these Conditions:

- (a) 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 30 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;
- (b) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 30 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;
- (c) references to Notes being "outstanding" shall be construed in accordance with the Issue and Paying Agency Agreement; and

- (d) if an expression is stated in Condition 2.1 (*Definitions*) to have the meaning given in the applicable Pricing Supplement, but the applicable Pricing Supplement 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*

Morgan Stanley, MSI plc, MSBV, MSFL, MSFII and MSESE may issue Notes in registered form only ("**Registered Notes**"). In addition MSBV, MSI plc and MSESE may issue Notes designated as "Finnish Notes" or "Swedish Notes" and MSBV and MSI plc may issue Notes designated as "Norwegian Notes" or "Danish Notes", in each case in dematerialised and uncertificated book-entry form with a Nordic central securities depository ("**Nordic Notes**"). MSBV, MSI plc and MSESE may also issue Notes in uncertificated registered form in accordance with the Uncertificated Securities Regulations 2001 (as amended, modified or re-enacted) and such other regulations made under sections 783, 784(3), 785 and 788 of the UK Companies Act 2006 as are applicable to the Euroclear Registrar ("**Uncertificated Notes**").

MSI plc and MSFL may issue Registered Notes represented by a Global Registered Note and deposited with the CMU in accordance with all applicable Hong Kong laws, regulations and rules ("**CMU Notes**").

3.2 *Registered Notes*

- (a) *Form*: Registered Notes may be in either global registered form or in individual registered form. Registered Notes are in the Specified Denomination(s), which may include a minimum denomination specified in the applicable Pricing Supplement and higher integral multiples of a smaller amount specified in the applicable Pricing Supplement.
- (b) *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 Issue and Paying Agency Agreement. A certificate (each, an "**Individual Note Certificate**") will be issued to each holder of Registered Notes in respect of its registered holding. Each Individual Note Certificate will be numbered serially with an identifying number which will be recorded in the Register. A "**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.
- (c) *CMU Notes*: For so long as a Global Registered Note is lodged with a sub-custodian for or registered with the CMU, the person(s) for whose account(s) interests in such Global Registered Note are credited as being held in the CMU in accordance with the CMU Rules at the close of business on the applicable Record Date shall be the only person(s) directed or deemed by the CMU as entitled to receive payments in respect of CMU Notes represented by such Global Registered Note and the Issuer will be discharged by payment to, or to the order of, such person(s) for whose account(s) interests in such Global Registered Note are credited as being held in the CMU at the close of business on the applicable Record Date in respect of each amount so paid. Each of the persons shown in the records of the CMU, as the beneficial holder of a particular nominal amount of CMU Notes represented by such Global Registered Note must look solely to the CMU for his share of each payment so made by the Issuer in respect of such Global Registered Note. CMU Notes which are represented by a Global Registered Note will be transferred only in accordance with the CMU Rules.

For the purposes of CMU Notes:

"**Clearing System Business Day**" means, for the purposes of the "Record Date" definition below, a day on which the CMU is operating and open for business;

"**Record Date**" means, for so long as a Global Registered Note is lodged with a sub-custodian for or registered with the CMU, (i) in respect of CMU Notes issued by MSFL, the date falling 15 calendar days prior to the Relevant Payment Date; and (ii) in respect of CMU Notes issued by MSI plc, the Clearing System Business Day immediately prior to the Relevant Payment Date; and

"**Relevant Payment Date**" means any relevant payment date of principal or interest in respect of a CMU Note.

- (d) *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 thereon or on the Individual 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.
- (e) *Transfers*: Subject to Conditions 3.2(i) (*Closed Periods*) and 3.2(j) (*Regulations concerning transfers and registration*) below, a Registered Note may be transferred upon surrender of the relevant Individual 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 Note 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 Individual Note Certificate are the subject of the transfer, a new Individual Note Certificate in respect of the balance of the Registered Notes will be issued to the transferor. In respect of Notes for which "(China Connect – ChiNext Shares)" and/or "(China Connect – STAR Shares)" is specified next to the name of the Exchange in the applicable Pricing Supplement, any transfer of such Notes shall only be to owners and beneficial owners who each are an Eligible Investor. The Issuer shall have the right to refuse to honour the transfer of any Regulation S/Rule 144A Note to a person who is not a QIB, or, in the case of Notes issued by MSBV, to a person who is not a QIB/QP. The Issuer shall have the right to refuse to honour the transfer of any Regulation S Notes to a person who is a U.S. person (as defined in Regulation S) or is in the United States. So far as permitted by applicable law, regulations and any stock exchange requirements by which the Issuer is bound, the Issuer has covenanted and agreed in the Issue and Paying Agency Agreement to give to the Fiscal Agent such information as it requires for the performance of its functions and, without prejudice to the foregoing, for so long as any Securities remain outstanding has covenanted and agreed that it shall, during any period in which it is not subject to the reporting requirements of Section 13 or 15(d) under the U.S. Securities Exchange Act of 1934, as amended, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, furnish, upon request, to any Noteholder and any beneficial owner of such Regulation S/Rule 144A Notes, and to any prospective purchaser of such Regulation S/Rule 144A Notes designated by such Noteholder or beneficial owner in connection with resale of a beneficial interest in such Notes, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act.
- (f) *Transfers of MSBV Notes*: In addition to the restrictions described above, transfers and resales of Notes issued by MSBV are subject to further conditions and restrictions. As a condition to its acquisition of any such Notes, each purchaser of such Notes may be required to execute and deliver to MSBV a purchaser certificate pursuant to which it will be required to make certain acknowledgements, representations, warranties and agreements, including, without limitation that (i) such purchaser is a non-U.S. person or, solely in the case of Regulation S/Rule 144A Notes, a QIB/QP (an "MSBV Permitted Transferee") and (ii) it understands and agrees to comply with the conditions and restrictions set forth in the following paragraph.

A holder of Notes issued by MSBV may offer, sell or otherwise transfer such Notes only to (i) MSBV, a Distribution Agent or any of their affiliates or (ii) an MSBV Permitted Transferee. MSBV has the right to refuse to honour the transfer or pledge of any Notes that do not meet the transfer restrictions and other restrictions and conditions described herein. Each purchaser of such Notes will be deemed to represent and warrant that it agrees to comply with the transfer restrictions and other restrictions and conditions set forth in this Offering Circular or the Pricing Supplement. Any purported transfer or pledge of such Notes that is in breach, at the time made, of any transfer restrictions or other restrictions or conditions set forth in this Offering Circular or the Pricing Supplement may be void ab initio. If, at any time, MSBV determines in good faith that (i) a holder of such Notes is in breach, at the time given, of any of the transfer restrictions or other restrictions or conditions set forth in this Offering Circular or the Pricing Supplement, (ii) a transfer or attempted or purported transfer of any such Notes was consummated in reliance on an incorrect purchaser certificate from the transferee or purported transferee, (iii) a transferee failed to deliver to MSBV a purchaser certificate satisfactory in form to it, (iv) the holder of such Notes was in breach of any representation, warranty or agreement contained in the purchaser certificate or (v) the holder of such Notes pledges or attempts or purports to pledge such Notes, MSBV may, in its discretion, consider the acquisition by such person or such pledge void and of no force and effect, and such acquisition or pledge will not, at the discretion of MSBV, operate to transfer any rights to the

transferee notwithstanding any instructions to the contrary to MSBV or any other intermediary. In addition, MSBV may require such acquirer or beneficial owner to sell the Notes to a non-U.S. person or QIB/QP. In connection with the foregoing, MSBV may receive a list of participants holding positions in the Notes from one or more book-entry depositaries. For the purposes of the foregoing, references to holders and purchasers of Notes include beneficial owners and purchasers of beneficial interests in such Notes.

- (g) *Registration and Delivery*: Within five business days of the surrender of an Individual Note Certificate in accordance with Condition 3.2(e) (*Transfers*) above, the Registrar will register the transfer in question and deliver a new Individual 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 3.2(g) (*Registration and Delivery*), "**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.
- (h) *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.
- (i) *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.
- (j) *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 Issue and Paying 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. The relevant Issuer shall have the right to refuse to honour the transfer of any Notes to a person who is a U.S. Person (as defined in Regulation S) or is in the United States unless such Notes were issued to, in the case of MSFL or MSIP Notes, a QIB, or, in the case of MSBV Notes, a QIP/QP, pursuant to the exemption from registration pursuant to Rule 144A, as detailed herein.

3.3 *Nordic Notes*

Notes designated as "**Finnish Notes**", "**Norwegian Notes**", "**Danish Notes**" or "**Swedish Notes**" or "**Nordic Notes**" in the applicable Pricing Supplement will be issued in uncertificated and dematerialised book entry form in accordance with the NCSD Rules. In respect of Nordic Notes, "**Noteholder**" and "**holder**" means the person in whose name a Nordic Note is registered in the NCSD Register and the reference to a person in whose name a Nordic Note is registered shall include also any person duly authorised to act as a nominee and so registered for the Nordic Note. Title to Nordic Notes shall pass by registration in the NCSD Register. Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined above) of any Nordic Note shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it and no person shall be liable for so treating the holder. The Issuer shall be entitled to obtain information from the NCSD Register in accordance with the NCSD Rules. As the Nordic Notes will be in uncertificated and dematerialised book-entry form, the Conditions as so amended shall be deemed to be incorporated by reference in, and to form part of, the MSBV Deed of Covenant, the MSI plc Deed of Covenant or the MSESE Deed of Covenant (as the case may be) by which the Nordic Notes are constituted. No physical global or definitive notes or certificates will be issued in respect of Nordic Notes.

3.4 *Uncertificated Notes*

- (a) *Form and Title*: Uncertificated Notes shall be issued in uncertificated registered form in accordance with the Uncertificated Securities Regulations 2001, including any modification or re-enactment thereof for the time being in force (the "**Regulations**") and such other regulations made under sections 783, 784(3), 785 and 788 of the UK Companies Act 2006 as are applicable to the Euroclear Registrar. Uncertificated

Notes are participating securities for the purposes of the Regulations. Title to the Uncertificated Notes is recorded on the relevant Operator register of eligible debt securities. The Euroclear Registrar on behalf of the Issuer shall maintain a record of uncertificated eligible debt securities (the "**Record**") in relation to the Uncertificated Notes and shall procure that the Record is regularly updated to reflect the Operator register of eligible debt securities in accordance with the rules of the Operator. Subject to this requirement, (i) each person who is for the time being shown in the Record as the holder of a particular number of Uncertificated Notes shall be treated by the Issuer, the Guarantor, the Euroclear Registrar and any other Person as the holder of such number of Uncertificated Notes for all purposes (and the expressions "**Noteholder**" and "**holder of Notes**" and "**holder**" and related expressions in the context of Uncertificated Notes shall be construed accordingly), and (ii) none of the Issuer, the Guarantor, the Euroclear Registrar and any other Person shall be liable in respect of any act or thing done or omitted to be done by it or on its behalf in reliance upon the assumption that the particulars entered in the Record which the Euroclear Registrar maintains are in accordance with particulars entered in the Operator register of eligible debt securities relating to the Uncertificated Notes.

No provisions of these Conditions as completed by the applicable Pricing Supplement shall (notwithstanding anything contained therein) apply or have effect to the extent that it is in any respect inconsistent with (I) the holding of title to Uncertificated Notes in uncertificated form, (II) the transfer of title to Uncertificated Notes by means of a relevant system or (III) the Regulations. Without prejudice to the generality of the preceding sentence and notwithstanding anything contained in these Conditions or the applicable Pricing Supplement, so long as the Uncertificated Notes are participating securities, (A) the "Operator" register of eligible debt securities relating to the Uncertificated Notes shall be maintained at all times outside the United Kingdom, (B) the Uncertificated Notes may be issued in uncertificated form in accordance with and subject as provided in the Regulations, and (C) for the avoidance of doubt, the Conditions and the applicable Pricing Supplement in relation to any Uncertificated Note shall remain applicable notwithstanding that they are not endorsed on any certificate for such Uncertificated Note.

As used herein each of "**Operator register of eligible debt securities**", "**participating securities**" and "**relevant system**" is as defined in the Regulations and the relevant "**Operator**" (as such term is used in the Regulations) is Euroclear UK & International Limited or any additional or alternative operator from time to time approved by the Issuer and the Euroclear Registrar in relation to the Uncertificated Notes and in accordance with the Regulations. Any reference herein to the "**Operator**" shall, whenever the context so permits, be deemed to include a reference to any such additional or alternative Operator from time to time and notified to the Uncertificated Noteholders in accordance with Condition 38 (*Notices*).

Notes in definitive registered form will not be issued, either initially or in exchange for an Uncertificated Note.

- (b) *Title Transfer*: Title to Uncertificated Notes will pass upon registration of the transfer in the Operator register. All transactions in relation to Uncertificated Notes (including transfers of Uncertificated Notes) in the open market or otherwise must be effected through an account at the Operator subject to and in accordance with the rules and procedures for the time being of the Operator.

4. Status

4.1 Status of the Notes

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

4.2 Status of Guarantee

The Guarantor's obligations in respect of the Notes issued by MSBV (other than Notes the Pricing Supplement relating to which specifies that such Notes are not guaranteed by Morgan Stanley), MSFL and MSFII constitute direct, unconditional and unsecured obligations of the Guarantor which rank without preference among themselves and *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Guarantor, present and future, but, in the event of insolvency, only to the extent permitted by laws affecting creditors' rights.

5. Fixed Rate Note Provisions

5.1 *Application*

This Condition 5 (*Fixed Rate Note Provisions*) is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the applicable Pricing Supplement as being applicable and in each case, if applicable, in respect of an Interest Period and/or Interest Payment Date(s).

5.2 *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 Pricing Supplement. If a Rate of Interest for any period or any relevant day is specified in the Conditions or in the applicable Pricing Supplement to be a "Fixed Interest Rate", the relevant Rate of Interest will be determined in accordance with the provisions set out in this Condition 5 (*Fixed Rate Note Provisions*).

5.3 *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 Condition 27 (*Payments – Registered Notes*) and Condition 28 (*Payments – Uncertificated Notes*). Each Note will cease to bear interest from the due date for final redemption unless, 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 5 (*Fixed Rate Note Provisions*) (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 7 Business Days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh Business Day (except to the extent that there is any subsequent default in payment).

5.4 *Fixed Coupon Amount*

If "Fixed Coupon Amount" is specified as applicable in the applicable Pricing Supplement, the amount of interest payable in respect of each Note on each Interest Payment Date in respect of the relevant 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 Pricing Supplement as applicable 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.

Different Fixed Coupon Amounts may apply in respect of different Interest Periods and/or Interest Payment Dates, as specified in the applicable Pricing Supplement.

5.5 *Calculation of Interest*

If "Fixed Coupon Amount" is specified as not applicable in the applicable Pricing Supplement, the amount of interest payable in respect of each Note in respect of any period (for the avoidance of doubt including an Interest Period) shall be an amount per Calculation Amount calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the applicable Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half of any such 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.

5.6 *Interest on Swedish Notes*

For the purposes of calculation of any amount of interest on Swedish Notes, the provisions of this Condition 5 (*Fixed Rate Note Provisions*) shall be amended so that all periods shall consist of the period from (but excluding) the first day of the relevant period up to (and including) the last day of the relevant period.

6. Regular Coupon Note Provisions

6.1 Application

This Condition 6 (*Regular Coupon Note Provisions*) is applicable to the Notes only if the "Regular Coupon Note Provisions" are specified in the applicable Pricing Supplement as being applicable.

6.2 Regular Coupon

On each Interest Payment Date, the Issuer shall pay interest on the Notes of the relevant Series in an amount per Calculation Amount determined by the Determination Agent in accordance with the following formula:

$$\text{Coupon Rate} \times \text{Calculation Amount}$$

7. Floating Rate Note, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions

7.1 Application

This Condition 7 (*Floating Rate Note, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions*) is applicable to the Notes only if one or more of the Floating Rate Note Provisions, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked or Fund-Linked Interest Note Provisions are specified in the applicable Pricing Supplement as being applicable.

7.2 Accrual of Interest

The Floating Rate 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 Condition 27 (*Payments – Registered Notes*) and Condition 28 (*Payments – Uncertificated Notes*). Each Note will cease to bear interest from the due date for final redemption unless, 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 (*Floating Rate Note, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions*) (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 7 Business Days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh Business 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 Pricing Supplement, be zero.

7.3 Screen Rate Determination

Subject to the provisions of Condition 7.5 (*CMS Rate Determination*), (Condition 7.6 (*Provisions specific to SOFR as Reference Rate*), Condition 7.7 (*Provisions specific to SONIA as Reference Rate*), Condition 7.8 (*Provisions specific to €STR as Reference Rate*), Condition 7.9 (*Provisions specific to SARON as Reference Rate*), Condition 7.10 (*Provisions specific to TONA as Reference Rate*), Condition 7.18 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*), where such provisions are specified to apply in the applicable Pricing Supplement, Condition 7.19 (*CMS Reference Rate - Effect of Index Cessation Event*) or Condition 7.20 (*General Fallback Arrangements*), if Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Determination Agent on the following basis:

- (a) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Determination Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

- (b) in any other case, the Determination Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (c) if, in the case of Condition 7.3(a) above, such rate does not appear on that page or, in the case of Condition 7.3(b) 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:
 - (i) 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
 - (ii) determine the arithmetic mean of such quotations; and
- (d) 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,

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined, 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, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

7.4 **ISDA Determination**

Subject as provided below and to the provisions of Condition 7.18 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*), where such provisions are specified to apply in the applicable Pricing Supplement, Condition 7.19 (*CMS Reference Rate - Effect of Index Cessation Event*) or Condition 7.20 (*General Fallback Arrangements*), if ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where "**ISDA Rate**" in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Determination 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:

- (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the applicable Pricing Supplement;
- (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 Pricing Supplement;
- (iii) the relevant Fixing Day (as defined in the ISDA Definitions) is the date as specified in the applicable Pricing Supplement;
- (iv) the relevant Fixing Time (as defined in the ISDA Definitions) is the time as specified in the applicable Pricing Supplement;
- (v) the relevant Reset Date (as defined in the ISDA Definitions) is as specified in the applicable Pricing Supplement;
- (vi) if an Overnight Floating Rate Option (as defined in the ISDA Definitions) is specified as applicable in the relevant Pricing Supplement and:

- (A) an Overnight Rate Compounding Method (as defined in the ISDA Definitions) is specified in the applicable Pricing Supplement:
- (1) OIS Compounding is applicable if specified in the applicable Pricing Supplement and, if so, Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement; or
 - (2) Compounding with Lookback is applicable if specified in the applicable Pricing Supplement and, if so, (a) Lookback is the number of Applicable Business Days specified in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions and (b) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement;
 - (3) Compounding with Observation Period Shift is applicable if specified in the applicable Pricing Supplement and, if so, Set-in-Advance is applicable if specified as such in the applicable Pricing Supplement and, if so, (a) Set-in-Advance is applicable if specified as such in the applicable Pricing Supplement, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions, (c) Observation Period Shift Additional Business Days are the days, if any, specified as such in the applicable Pricing Supplement and (d) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement;
 - (4) Compounding with Lockout is applicable if specified in the applicable Pricing Supplement and, if so, (a) Lockout is the number of Lockout Period Business Days specified in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions, (b) Lockout Period Business Days are the days specified as such in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions and (c) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement; 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 applicable Pricing Supplement:
- (1) Overnight Averaging is applicable if specified in the applicable Pricing Supplement and, if so, Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement;
 - (2) Averaging with Lookback is applicable if specified in the applicable Pricing Supplement and, if so, (a) Lookback is the number of Applicable Business Days specified in the applicable Pricing Supplement or, if not so specified in

the applicable Pricing Supplement, in the ISDA Definitions and (b) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement;

- (3) Averaging with Observation Period Shift is applicable if specified in the applicable Pricing Supplement and, if so, Set-in-Advance is applicable if specified as such in the applicable Pricing Supplement and, if so, (a) Set-in-Advance is applicable if specified as such in the applicable Pricing Supplement, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions, (c) Observation Period Shift Additional Business Days are the days, if any, specified as such in the applicable Pricing Supplement and (d) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement;
 - (4) Averaging with Lockout is applicable if specified in the applicable Pricing Supplement and, if so, (a) Lockout is the number of Lockout Period Business Days specified in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions, (b) Lockout Period Business Days are the days specified as such in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions and (c) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement;
 - (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; and
- (vii) if an Index Floating Rate Option (as defined in the ISDA Definitions) is specified as applicable in the relevant Pricing Supplement and an Index Method is specified in the applicable Pricing Supplement:
- (A) Standard Index Method is applicable if specified in the applicable Pricing Supplement;
 - (B) Compounded Index Method is applicable if specified in the applicable Pricing Supplement; or
 - (C) Compounded Index Method with Observation Period Shift is applicable if specified in the applicable Pricing Supplement and, if so, (a) Set-in-Advance is applicable if specified as such in the applicable Pricing Supplement, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions and (c) Observation Period Shift Additional Business Days are the days, if any, specified as such in the applicable Pricing Supplement;
- (viii) in connection with the Index Method, 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 applicable Pricing Supplement; (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; or

- (ix) Delayed Payment is applicable if specified in the applicable Pricing Supplement and the relevant delay is the number of Business Days specified in respect of Delayed Payment in the applicable Pricing Supplement;
- (x) Period End Date/ Termination Date adjustment for Unscheduled Holiday will apply if specified in the relevant Pricing Supplement to be applicable;
- (xi) Non-Representative (as defined in the 2021 ISDA Definitions) will apply if specified in the relevant Pricing Supplement to be applicable;
- (xii) Successor Benchmark and Successor Benchmark Effective Date (as defined in the 2021 ISDA Definitions) will be as specified in the applicable Pricing Supplement;
- (xiii) 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 7.18 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*), where such provision is specified to apply in the applicable Pricing Supplement, or Condition 7.20 (*General Fallback Arrangements*) and the ISDA Definitions shall be construed accordingly;
- (xiv) Sections 1.2.2 (*Calculation Agent Standard*) and 1.2.4 (*Determinations by Calculation Agent*) of the ISDA Definitions are deemed to be deleted;
- (xv) 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 Pricing Supplement; and
- (xvi) 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.

Notwithstanding any other Conditions where the Floating Rate Option is "EUR-CNO TEC10", and unless "TEC10 Adjustment" is specified as "Not Applicable" in the applicable Pricing Supplement, if in respect of any Interest Period the Determination Agent determines that the 10-year constant maturity French treasury rate (known as CNO TEC10) published by the Bank of France no longer represents the actual yield to maturity of a notional Obligations *assimilables du Trésor* ("OAT") with a maturity of exactly 10 years (based on executable prices available to the Determination Agent for OATs with a maturity most closely matching a 10-year maturity) (which event may occur in connection with or following any default or potential default of the Republic of France or unexpected volatility or illiquidity in markets in trading of OATs), then the ISDA Rate in respect of such Interest Period for the purposes of the Conditions shall be deemed to be the yield to maturity of a notional OAT with a maturity of exactly 10 years, as determined by the Determination Agent acting in good faith and a commercially reasonable manner by reference to bid prices for OATs with a maturity most closely matching a 10-year maturity and having regard to such pricing sources, methods and models (which may include, without limitation, any available firm or indicative prices for such OATs or internal valuation or recovery models) as the Determination Agent considers appropriate.

7.5 CMS Rate Determination: Subject to the provisions of Condition 7.19 (*CMS Reference Rate - Effect of Index Cessation Event*), if CMS Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, the Rate(s) of Interest applicable to the Notes for each Interest Period will be the relevant CMS Interest Rate determined in accordance with paragraphs (a) or (b) below, as applicable.

(a) *Single CMS Rate*

If the CMS Interest Rate is specified in the applicable Pricing Supplement to be "Single CMS Rate", the CMS Interest Rate in respect of an Interest Period or any relevant day will be equal to the CMS Reference Rate for such Interest Period or such relevant day, plus or minus (as

indicated in the applicable Pricing Supplement) the Margin (if any is specified in the applicable Pricing Supplement in relation to such CMS Reference Rate), and multiplied by the Interest Participation Rate (if any is specified in the applicable Pricing Supplement in relation to such CMS Reference Rate).

(b) *Spread CMS Rate*

If the CMS Interest Rate is specified in the applicable Pricing Supplement to be "Spread CMS Rate", the CMS Interest Rate in respect of an Interest Period or any relevant day will be equal to the difference between (1) CMS Reference Rate 1 for such Interest Period or such relevant day, plus or minus (as specified in the applicable Pricing Supplement) Margin 1 (if any is specified in the applicable Pricing Supplement in relation to such CMS Reference Rate 1), and multiplied by Interest Participation Rate 1 (if any is specified in the applicable Pricing Supplement in relation to such CMS Reference Rate 1), minus (2) CMS Reference Rate 2 for such Interest Period or such relevant day, plus or minus (as specified in the applicable Pricing Supplement) Margin 2 (if any is specified in the applicable Pricing Supplement in relation to such CMS Reference Rate 2), and multiplied by Interest Participation Rate 2 (if any is specified in the applicable Pricing Supplement in relation to such CMS Reference Rate 2).

(c) *Determination of CMS Reference Rate*

The CMS Reference Rate in respect of an Interest Period or any relevant day (as applicable) will be the Specified Swap Rate for swap transactions in the Reference Currency with a maturity of the Designated Maturity (expressed as a percentage rate per annum) (the "**Relevant Swap Rate**") which appears on the Relevant Screen Page as at the Relevant Time on the Interest Determination Date in respect of such Interest Period or such relevant day, all as determined by the Determination Agent. If the Relevant Swap Rate does not appear on the Relevant Screen Page at the Relevant Time, the CMS Reference Rate in respect of an Interest Period or a relevant day (as applicable) will be determined by the Determination Agent in accordance with the first applicable Fallback Rate Determination that provides a CMS Reference Rate, and if the applicable Pricing Supplement specifies:

- (i) "Fallback Screen Page" to be applicable, the Determination Agent will, acting in good faith and in a commercially reasonable manner, determine an alternative or successor page or publication to the Relevant Screen Page for the Relevant Swap Rate;
- (ii) "Mid-Market Quotations" to be applicable, the Determination Agent will determine the CMS Reference Rate on the basis of the arithmetic mean of the Mid-Market Quotations provided by the Reference Banks at approximately the Relevant Time on the Interest Determination Date in respect of such Interest Period or such day by requesting the principal Relevant Financial Centre office of each of the Reference Banks to provide Mid-Market Quotations. If at least five Mid-Market Quotations are provided, the Determination Agent will determine the arithmetic mean of such Mid-Market Quotations provided by discarding the highest of such Mid-Market Quotations (or in event of equality, one of the highest) and lowest of such Mid-Market Quotations (or in event of equality, one of the lowest). If four Mid-Market Quotations are provided, the Determination Agent will determine the arithmetic mean of such Mid-Market Quotations provided. If less than four Mid-Market Quotations are provided, the next Fallback Rate Determination specified in the applicable Pricing Supplement will apply, or if none is specified, Determination Agent Fallback will apply. All calculations of the arithmetic mean of the relevant number of Mid-Market Quotations provided pursuant to this paragraph will be rounded to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards; and
- (iii) "Determination Agent Fallback" to be applicable, the Determination Agent will, acting in good faith and in a commercially reasonable manner, determine the CMS Reference Rate by using available and relevant public information and having regard to comparable benchmarks available.

If any Fallback Rate Determination(s) are specified in the applicable Pricing Supplement, then only that or those (as the case may be) Fallback Rate Determinations shall apply and if two or more Fallback Rate Determinations are specified, those Fallback Rate Determinations shall apply in the order as specified in

the applicable Pricing Supplement, such that if the Determination Agent determines that the CMS Reference Rate cannot be determined by applying a Fallback Rate Determination, then the next Fallback Rate Determination specified shall apply.

7.6 Provisions specific to SOFR as Reference Rate

- (i) If Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined and SOFR is specified in the relevant Pricing Supplement as the Reference Rate, the Rate(s) of Interest for an Interest Period will be the relevant SOFR Benchmark plus or minus (as indicated in the applicable Pricing Supplement) the Margin (as specified in the relevant Pricing Supplement), subject to a minimum of zero per cent.
- (ii) 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:
 - (1) if SOFR Compound with Lookback ("**SOFR Compound with Lookback**") is specified as applicable in the relevant Pricing Supplement, 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):

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

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 applicable Pricing Supplement;

"**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; and

"**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;

- (2) if SOFR Compound with Observation Period Shift ("**SOFR Compound with Observation Period Shift**") is specified as applicable in the relevant Pricing Supplement, 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 applicable Pricing Supplement; and

"**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;

- (3) if SOFR Compound with Payment Delay ("**SOFR Compound with Payment Delay**") is specified as applicable in the relevant Pricing Supplement, 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**"); and

"**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;

- (4) if SOFR Index Average ("**SOFR Index Average**") is specified as applicable in the relevant Pricing Supplement, 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):

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

where:

"**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 8:00 a.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 applicable Pricing Supplement preceding the Interest Period End Date relating to such Interest Period (or in the final Interest Period, the Maturity Date or redemption date); and

"**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 applicable Pricing Supplement 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 sub-paragraph (2) above of this Condition 7.6(ii) (*Provisions specific to SOFR as Reference Rate*) and for such purpose, "Observation Shift Days" shall be the number of U.S. Government Securities Business Days specified for such purpose in the applicable Pricing Supplement. If a Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in paragraph (iii) below shall apply.

- (iii) Effect of Benchmark Transition Event

- (A) *Benchmark Replacement.* If the Issuer or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred 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.

- (B) *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.
- (C) *Decisions and Determinations*. Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 7.6(iii) (*Effect of Benchmark Transition Event*), 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.

For the avoidance of doubt, capitalised terms used in this Condition 7.6(iii) (*Effect of Benchmark Transition Event*) shall have the meanings given to them in Condition 2.1 (*Definitions*).

7.7 Provisions specific to SONIA as Reference Rate

- (i) If Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Interest Rate(s) is/are to be determined and SONIA is specified in the relevant Pricing Supplement as the Reference Rate, the Rate(s) of Interest for an Interest Period will be the relevant SONIA Benchmark plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any) (as specified in the relevant Pricing Supplement), subject to a minimum of zero per cent.
- (ii) 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:
- (1) if SONIA Compound with Lookback ("**SONIA Compound with Lookback**") is specified as applicable in the relevant Pricing Supplement, 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):

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{SONIA}_{i-\text{PLBD}} \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

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 applicable Pricing Supplement;

"**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**"); and

"SONIA_{i-pLBD}" for any London Banking Day "i" in the relevant Interest Period, is equal to 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;

- (2) if SONIA Compound with Observation Period Shift ("**SONIA Compound with Observation Period Shift**") is specified as applicable in the relevant Pricing Supplement, 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):

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{SONIA}_i \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where:

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

"d₀" for any Observation Period, means the number of 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;

"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 the 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 Pricing Supplement; and

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

- (3) if SONIA Compound with Payment Delay ("**SONIA Compound with Payment Delay**") is specified as applicable in the relevant Pricing Supplement, 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):

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{SONIA}_i \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

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 d_0 , 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**"); and

"**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;

- (4) if SONIA Index Average ("**SONIA Index Average**") is specified as applicable in the relevant Pricing Supplement, 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):

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

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 Pricing Supplement (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 subparagraph (2) above of this Condition 7.7(ii) (*Provisions specific to SONIA as Reference Rate*) as if SONIA Compound with Observation Period Shift were specified as applicable in the relevant Pricing Supplement, 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 Pricing Supplement, as if such alternative elections had been made in the applicable Pricing Supplement);

"**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); and

"**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 7.7 (*Provisions specific to SONIA as Reference Rate*), 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 7.18 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) or 7.20 (*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.

7.8 *Provisions specific to €STR as Reference Rate*

- (i) If Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which a Rate of Interest is to be determined and €STR is specified in the relevant Pricing Supplement as the Reference Rate, the Rate of Interest for an Interest Period will be the relevant €STR Benchmark plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any) (as specified in the applicable Pricing Supplement), subject to a minimum of zero per cent.
- (ii) 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:
 - (1) if €STR Compound with Lookback ("**€STR Compound with Lookback**") is specified as applicable in the relevant Pricing Supplement, 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):

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

where:

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

"**d₀**" for any Interest Period, means the number of 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 Pricing Supplement; and

"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");

- (2) if €STR Compound with Observation Period Shift ("**€STR Compound with Observation Period Shift**") is specified as applicable in the relevant Pricing Supplement, 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 Pricing Supplement;

- (3) if €STR Compound with Payment Delay ("**€STR Compound with Payment Delay**") is specified as applicable in the relevant Pricing Supplement, 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**"); and

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;

- (4) if €STR Index Average ("**€STR Index Average**") is specified as applicable in the relevant Pricing Supplement, 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):

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

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 sub-paragraph (2) of this Condition 7.8(ii) (*Provisions specific to €STR as Reference Rate*) above as if €STR Compound with Observation Period Shift were specified as applicable in the relevant Pricing Supplement, 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 Pricing Supplement, as if such alternative elections had been made in the applicable Pricing Supplement).

"**€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 Pricing Supplement 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 Pricing Supplement (or, if no such number is specified, five).

For the purposes of this Condition 7.8 (*Provisions specific to €STR as Reference Rate*), 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 7.18 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) or 7.20 (*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.

7.9 *Provisions specific to SARON as Reference Rate*

- (i) If Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which a Rate of Interest is to be determined and SARON is specified in the relevant Pricing Supplement as the Reference Rate, the Rate of Interest for an Interest Period will be the relevant SARON Benchmark plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any) (as specified in the relevant Pricing Supplement), subject to a minimum of zero per cent.
- (ii) 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:
 - (1) if SARON Compound with Lookback ("**SARON Compound with Lookback**") is specified as applicable in the relevant Pricing Supplement, the SARON Benchmark for each Interest Period shall be equal to the rate of return of a daily compound SARON interest investment 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):

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

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 applicable Pricing Supplement;

" 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 (" $i+1$ "); and

" $SARON_{i-xZBD}$ " 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;

- (2) if SARON Compound with Observation Period Shift ("**SARON Compound with Observation Period Shift**") is specified as applicable in the relevant Pricing Supplement, the SARON Benchmark for each Interest Period shall be equal to the rate of return of a daily compound SARON interest investment 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;

" d_0 " 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 d_0 , 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 Pricing Supplement; and

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

- (3) if SARON Compound with Payment Delay ("**SARON Compound with Payment Delay**") is specified as applicable in the relevant Pricing Supplement, the SARON Benchmark for each Interest Period shall be equal to the rate of return of a daily compound SARON interest investment 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 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**"); and

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

- (4) if SAION Index Average ("**SAION Index Average**") is specified as applicable in the relevant Pricing Supplement, 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):

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

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 Pricing Supplement (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 Swiss Exchange 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 sub-paragraph (2) of this Condition 7.9(ii) (*Provisions specific to SARON as Reference Rate*) as if SARON Compound with Observation Period Shift were specified as applicable in the relevant Pricing Supplement, 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 Business Days specified for this purpose in the applicable Pricing Supplement), as if such alternative elections had been made in the applicable Pricing Supplement;

"**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); and

"**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 7.9 (*Provisions specific to SARON as Reference Rate*), 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 7.18 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) or 7.20 (*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.

7.10 *Provisions specific to TONA as Reference Rate*

- (i) If Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which a Rate of Interest is to be determined and TONA is specified in the applicable Pricing Supplement as the Reference Rate, the Rate of Interest for an Interest Period will be the relevant TONA Benchmark plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any) (as specified in the applicable Pricing Supplement), subject to a minimum of zero per cent.
- (ii) 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:
 - (1) if TONA Compound with Lookback ("**TONA Compound with Lookback**") is specified as applicable in the relevant Pricing Supplement, 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):

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{TONA}_{i-\text{pTBD}} \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where:

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

"**d₀**" for any Interest Period, means the number of 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 Pricing Supplement;

" 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 (" $i+1$ "); and

" $TONA_{i-PTBD}$ " 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;

- (2) if TONA Compound with Observation Period Shift ("**TONA Compound with Observation Period Shift**") is specified as applicable in the relevant Pricing Supplement, 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;

" d_0 " for any Observation Period, means the number of Tokyo 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 Pricing Supplement; and

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

- (3) if TONA Compound with Payment Delay ("**TONA Compound with Payment Delay**") is specified as applicable in the relevant Pricing Supplement, 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;

"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;

"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"); and

"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;

- (4) if TONA Index Average ("**TONA Index Average**") is specified as applicable in the relevant Pricing Supplement, 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):

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

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 Pricing Supplement (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 sub-paragraph (2) of this Condition 7.10(ii) (*Provisions specific to TONA as Reference Rate*) as if TONA Compound with Observation Period Shift were specified as applicable in the relevant Pricing Supplement, 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 Pricing Supplement, as if such alternative elections had been made in the applicable Pricing Supplement);

"**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); and

"**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 7.10 (*Provisions specific to TONA as Reference Rate*), 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 7.18 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) or 7.20 (*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.

7.11 ***Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions***

If one or more of the Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Rate-Linked or Fund-Linked Interest Note Provisions are specified in the applicable Pricing Supplement as being applicable, the interest payable in respect of the Notes for each Interest Period will be determined in the manner specified in the applicable Pricing Supplement.

7.12 ***Maximum or Minimum Rate of Interest***

If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the applicable Pricing Supplement, 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 and Corrections***

In respect of Floating Rate Notes and (unless otherwise specified in the applicable Pricing Supplement) in respect of Notes for which one or more of the Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Fund-Linked, Rate-Linked Interest Note Provisions are specified in the applicable Pricing Supplement as being applicable ("**Other Underlying Interest Linked Notes**"), 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 and subject as provided below, calculate the Interest Amount payable in respect of each Floating Rate Note or, as the case may be, Other Underlying Interest Linked 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, 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.

Other than where ISDA Determination is specified in the applicable Pricing Supplement, in the event that any rate (a "**Relevant Rate**") used to calculate a Rate of Interest in respect of the Floating Rate Notes is subsequently corrected by the administrator or (if none) provider of such rate (the "**Administrator**"), and the correction (the "**Corrected Rate**") is published after the original publication but no later than (a) the Correction Cut-off Time specified in the applicable Pricing Supplement or, if none, (b) the longer of

(i) one hour after such original publication and (ii) any other period for corrections specified by the Administrator in its methodology for the Relevant Rate, then PROVIDED THAT such Corrected Rate is published on or prior to the date falling two Business Days prior to the date on which a related payment is scheduled to be made under the Notes (the "**Relevant Scheduled Payment Date**"), then such Corrected Rate shall be deemed to be the relevant Relevant Rate and the Determination Agent shall use such Corrected Rate in determining any relevant amount payable in respect of the Notes. Any corrections published after the second Business Day prior to the Relevant Scheduled Payment Date shall be disregarded for the purposes of determining the relevant Relevant Rate.

7.14 ***Calculation of other amounts***

If the applicable Pricing Supplement specifies 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 Pricing Supplement.

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 and in any event not later than 15 Business Days after such determination. Notice thereof shall also be given to the Noteholders as soon as practicable after such determination and in any event not later than 15 Business Days after such determination. The Determination Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) in the event of an extension or shortening of the relevant Interest Period and shall be required to notify the Noteholders, 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 recalculation.

7.16 ***Notifications etc***

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 7 (*Floating Rate Note, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions*) by the Determination Agent will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Noteholders 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 ***Interest on Swedish Notes***

For the purposes of calculation of any amount of interest on Swedish Notes, the provisions of this Condition 7 (*Floating Rate Note, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions*) shall be amended so that all periods shall consist of the period from (but excluding) the first day of the relevant period up to (and including) the last day of the relevant period.

7.18 ***Relevant Rates Benchmark Discontinuance or Prohibition on Use***

If (i) Condition 7.19 (*CMS Reference Rate - Effect of Index Cessation Event*) does not apply, (ii) the applicable Pricing Supplement specifies that the provisions of this Condition 7.18 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) are applicable and (iii) unless otherwise specified in the applicable Pricing Supplement, where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest 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) unless otherwise specified in the Pricing Supplement, 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 Pricing Supplement 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 Pricing Supplement, 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 38 (*Notices*), to Noteholders to inform them of the occurrence of any of the events listed in Conditions 7.18(a) to 7.18(c) (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) 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 7.18 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*), 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 7.18 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*)) (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 the Early Redemption Amount.

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 Pricing Supplement as the manner in which the Rate of Interest 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 38 (*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.

7.19 ***CMS Reference Rate - Effect of Index Cessation Event***

This Condition 7.19 (*CMS Reference Rate - Effect of Index Cessation Event*) applies where (i) the Relevant Rates Benchmark is a CMS Reference Rate and (ii) the applicable Pricing Supplement specifies that the provisions of this Condition 7.19 (*CMS Reference Rate - Effect of Index Cessation Event*) are applicable.

- (a) *Index Cessation.* If, as of an Interest Determination Date or any other relevant day on which a CMS Reference Rate is to be determined, an Index Cessation Effective Date with respect to the applicable tenor of the then-current CMS Reference Rate has occurred, then the CMS Reference Rate in respect of such Interest Determination Date or other relevant day (as applicable) and each subsequent Interest Determination Date or other relevant day (as applicable) shall be the sum of (i) the Benchmark Replacement; and (ii) any adjustment spread (which may be a positive or negative value or zero), in each case determined on that Interest Determination Date or other relevant day (as applicable) by the Determination Agent acting in good faith and in a commercially reasonable manner. Following the occurrence of an Index Cessation Effective Date in respect of one or more Index Cessation Events, the determination of the Benchmark Replacement and any adjustment spread will be a one-time process and will apply to each following Interest Determination Date or other relevant day (as applicable).
- (b) *Early Redemption.* If the implementation of any Benchmark Replacement or Benchmark Replacement Conforming Changes results in a calculation of the CMS Reference Rate that is not consistent with market practice as determined by the Determination Agent, 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:

- (i) if "Early Redemption Amount (CMS Reference Rate) – Fixed Redemption" is specified in the applicable Pricing Supplement, an amount per Calculation Amount (expressed as a percentage) as specified in the applicable Pricing Supplement;
- (ii) if "Early Redemption Amount (CMS Reference Rate) – Fixed Redemption Less Costs" is specified in the applicable Pricing Supplement, an amount per Calculation Amount (expressed as a percentage) as specified in the applicable Pricing Supplement less the reasonable cost to and/or the loss realised by, the Issuer and/or any Affiliate on unwinding any related hedging arrangements, in each case as calculated by the Determination Agent in its reasonable discretion;
- (iii) if "Early Redemption Amount (CMS Reference Rate) – Fair Market Value Less Costs" is specified in the applicable Pricing Supplement, an amount equal to 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), less the proportion attributable to that Note 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, in each case as calculated by the Determination Agent in its reasonable discretion; or
- (iv) if "Early Redemption Amount (CMS Reference Rate) - Fair Market Value" is specified in the Pricing Supplement, 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 obligation under the Notes shall be satisfied in full upon payment of such amount.

- (c) *Decisions and Determinations.* Any determination, decision, selection or election that may be made by the Issuer, the Determination Agent or their respective designees, pursuant to this Condition 7.19 (*CMS Reference Rate - Effect of Index Cessation Event*), including any determination with respect to a tenor, rate, spread 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 determination, decision, selection or election:
 - (i) will be conclusive and binding absent manifest error;
 - (ii) will be made in such person's sole discretion; and
 - (iii) 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.
- (d) For the purposes of this Condition 7.19 (*CMS Reference Rate - Effect of Index Cessation Event*), the following terms shall bear the following meanings:

"Benchmark Replacement" means the first alternative benchmark set forth in the order below that can be determined by the Determination Agent as of the Interest Determination Date or other relevant day on which a CMS Reference Rate is to be determined, in each case next succeeding the relevant Index Cessation Effective Date (or, if the Index Cessation Effective Date occurs on the Interest Determination Date or other relevant day, that Interest Determination Date or other relevant day (as applicable)):

- (i) if an alternative reference rate, index or benchmark is specified in the Pricing Supplement for this purpose (an "**Alternative Pre-nominated Reference Rate**"), such Alternative Pre-nominated Reference Rate;
- (ii) the alternate rate of interest that has been selected or recommended by the relevant governmental body or agency with jurisdiction over the then-current CMS Reference Rate or the administrator thereof as the replacement for the then-current CMS Reference Rate for the applicable index maturity; or

- (iii) the alternate rate of interest that has been selected by the Determination Agent as the replacement for the then-current CMS Reference Rate for the applicable index maturity giving due consideration to any industry-accepted rate of interest as a replacement for the then-current CMS Reference Rate for floating rate notes denominated in the Index Currency at such time, including any alternate rate of interest recommended by the International Swaps and Derivatives Association, Inc. or any successor thereto.

In connection with the implementation of a Benchmark Replacement, the Determination Agent or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time.

"Benchmark Replacement Conforming Changes" means, with respect to any Benchmark Replacement, any changes (including changes to the definition of "Interest Period", the timing and frequency of determining rates and making payments of interest, and other administrative matters) that the Determination Agent or its designee determines may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Determination Agent or its designee determines that adoption of any portion of such market practice is not administratively feasible or if the Determination Agent or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Determination Agent or its designee determines is reasonably necessary).

"CMS Reference Rate" means, initially, the CMS Reference Rate specified in the applicable Pricing Supplement; provided that if an Index Cessation Effective Date has occurred with respect to such rate or the then-current CMS Reference Rate, then "CMS Reference Rate" means the applicable Benchmark Replacement. For the avoidance of doubt, such Benchmark Replacement will replace the then-current CMS Reference Rate for all purposes relating to the Notes.

"Index Cessation Effective Date" means, in respect of the then-current CMS Reference Rate and one or more Index Cessation Events, the first date on which the CMS Reference Rate would ordinarily have been published or provided and is no longer published or provided. If the CMS Reference Rate ceases to be provided on an Interest Determination Date or other relevant day, but it was provided at the time at which it is to be observed pursuant to these Conditions, then the Index Cessation Effective Date will be the next day on which the rate would ordinarily have been published or provided.

"Index Cessation Event" means, in respect of the then-current CMS Reference Rate:

- (i) a public statement or publication of information by or on behalf of the administrator of the CMS Reference Rate announcing that it has ceased or will cease to provide the CMS Reference Rate permanently or indefinitely; provided that, at the time of the statement or publication, there is no successor administrator or provider, as applicable, that will continue to provide the CMS Reference Rate;
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the CMS Reference Rate, the central bank for the currency of the CMS Reference Rate, an insolvency official with jurisdiction over the administrator for the CMS Reference Rate, a resolution authority with jurisdiction over the administrator for the CMS Reference Rate or a court or an entity with similar insolvency or resolution authority over the administrator for the CMS Reference Rate, which states that the administrator of the CMS Reference Rate has ceased or will cease to provide the CMS Reference Rate permanently or indefinitely; provided that, at the time of the statement or publication, there is no successor administrator or provider that will continue to provide the CMS Reference Rate; or
- (iii) unless otherwise specified in the applicable Pricing Supplement, an Administrator/Benchmark Event (as defined in Condition 2 (*Interpretation*)) occurs with respect to the CMS Reference Rate (with the CMS Reference Rate being the Relevant Rates Benchmark for the purpose of the definition of "Administrator/Benchmark Event").

"Index Currency" means the currency in respect of which the relevant CMS Reference Rate is calculated or expressed, as determined by the Determination Agent.

- (e) *Application to multiple CMS Reference Rates*: If either:
 - (i) the CMS Interest Rate is specified in the applicable Pricing Supplement to be "Spread CMS Rate"; or
 - (ii) the Notes otherwise reference more than one CMS Reference Rate,

the foregoing provisions of this Condition 7.19 (*CMS Reference Rate - Effect of Index Cessation Event*) shall apply separately for each CMS Reference Rate so referenced (including each of CMS Reference Rate 1 and CMS Reference Rate 2 in the case where the CMS Interest Rate is a "Spread CMS Rate") and for the purpose of construing such provisions, each of CMS Reference Rate 1 and CMS Reference Rate 2 shall be the "CMS Reference Rate". However, if an Index Cessation Effective Date has occurred in respect of one or more CMS Reference Rate(s) (the **"Impacted CMS Reference Rate(s)"**) but not all of the CMS Reference Rate(s) referenced by the Notes (the **"Non-Impacted CMS Reference Rate(s)"**), the Issuer or its designee may elect to treat each of the Non-Impacted CMS Reference Rate(s) as if an Index Cessation Effective Date had occurred in respect of such Non-Impacted CMS Reference Rate and apply the foregoing provisions accordingly.

7.20 **General Fallback Arrangements**

- (A) The following provisions of this Condition 7.20 (*General Fallback Arrangements*) shall apply where:
 - (1) the Relevant Rates Benchmark is EURIBOR, SONIA, €STR, SARON or TONA;
 - (2) such Relevant Rates Benchmark has been permanently discontinued;
 - (3) the applicable Pricing Supplement specifies that the provisions of Condition 7.18 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*) do not apply; and
 - (4) unless otherwise specified in the applicable Pricing Supplement, where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, application of any ISDA Bespoke Fallbacks specified in the relevant Floating Rate Option (as defined in the ISDA Definitions) following the permanent discontinuation of the Relevant Rates Benchmark fails to provide a means of determining the relevant Floating Rate (as defined in the ISDA Definitions).
- (B) If this Condition 7.20 (*General Fallback Arrangements*) applies then notwithstanding the terms set forth elsewhere in these Conditions, the Determination Agent will use, as a substitute for such Relevant Rates Benchmark and for each future Interest Determination Date, the alternative reference rate or index 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.

- (C) In the case where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest 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 38 (*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 (*Zero Coupon Note Provisions*) is applicable to the Notes only if the "Zero Coupon Note Provisions" are specified in the applicable Pricing Supplement 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 in respect of each Note shall thereafter be an amount equal to the product of (a) the Calculation Amount of such Note and (b) the percentage produced by:

- (a) if Compounded Zero Coupon is specified as applicable in the applicable Pricing Supplement, the following formula:

$$\text{Reference Price} \times (1 + \text{Accrual Yield})^n$$

- (b) if Linear Zero Coupon is specified as applicable in the applicable Pricing Supplement, the following formula:

$$\text{Reference Price} + \text{Reference Price} \times n \times \text{Accrual Yield}$$

Where "n" means the number of years from (and including) the Issue Date (or such other date as may be specified in the applicable Pricing Supplement as the "Accrued Value Commencement 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 15 Business Days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such 15th Business Day (except to the extent that there is any subsequent default in payment) and the calculation shall be made on the basis of such Day Count Fraction as may be specified in the applicable Pricing Supplement or, if none is so specified, a Day Count Fraction of 30/360.

8.3 *Amount that is overdue due to late payment on Swedish Notes*

For the purposes of calculation of any amount that is overdue due to late payment on Swedish Notes, the provisions of this Condition 8 (*Zero Coupon Note Provisions*) shall be amended so that the relevant period shall consist of the period from (but excluding) the Issue Date up to (and including) the earlier of the dates specified in Conditions 8.2(i) and 8.2(ii).

9. Dual Currency-Linked Note Provisions

9.1 *Application*

This Condition 9 (*Dual Currency-Linked Note Provisions*) is applicable to the Notes only if the "Dual Currency Redemption Provisions" and/or "Dual Currency-Linked Note Interest Provisions" are specified in the applicable Pricing Supplement as being applicable.

9.2 ***Rate of Interest***

If the rate or amount of interest falls 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 Pricing Supplement.

10. Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Property-Linked, Fund-Linked, Futures-Contract Linked, Credit Linked, Bond-Linked, ETN-Linked and Rate-Linked Notes

10.1 *Morgan Stanley, MSI plc, MSBV, MSFL, MSFII or MSESE may issue Notes*

- (a) the payment of principal of which and/or interest on which are linked to the shares of an entity or a basket of shares of entities not affiliated with the Issuer and/or to a single index of shares or indices of shares, a single proprietary index or proprietary indices, and/or interests in a single exchange traded fund or basket of exchange traded funds and/or any combination of two or more of the foregoing types of underlying (being shares, indices and/or interests in exchange traded funds) (respectively, "**Single Share Notes**", "**Share Basket Notes**", "**Single Index Notes**" (which shall include Notes linked to a single proprietary index), "**Index Basket Notes**" (which shall include Notes linked to a basket of proprietary indices), "**Single ETF Notes**", "**ETF Basket Notes**" and "**Hybrid Equity Basket Notes**", and together, "**Equity and Proprietary Index-Linked Notes**");
- (b) the payment of principal of which and/or interest on which are to be determined by reference to one or more commodity prices ("**Commodity-Linked Notes**");
- (c) the payment of principal of which and/or interest on which are to be determined by reference to one or more currencies as compared to the value of one or more other currencies ("**Currency-Linked Notes**");
- (d) the payment of principal of which and/or interest on which are linked to one or more inflation indices ("**Inflation-Linked Notes**");
- (e) the payment of principal of which and/or interest on which are linked to a single futures contract or a basket of futures contracts (respectively "**Single Futures Contract-Linked Notes**" and "**Futures Contract Basket-Linked Notes**" and together, "**Futures Contract-Linked Notes**");
- (f) the payment of principal of which and/or interest on which are linked to the credit of one or more specified entities ("**Credit Linked Notes**");
- (g) the payment of principal of which and/or interest on which are linked to one or more underlying securities ("**Bond-Linked Notes**");
- (h) the payment of principal of which and/or interest on which are linked to one or more ETNs ("**ETN-Linked Notes**");
- (i) the payment of principal of which and/or interest on which are linked to one or more property indices ("**Property-Linked Notes**");
- (j) the payment of principal of which and/or interest on which are linked to interests in a fund or basket of funds (respectively "**Single Fund Notes**" and "**Fund Basket Notes**", together "**Fund-Linked Notes**");
- (k) the payment of principal of which and/or interest on which are linked to one or more benchmark rates ("**Rate-Linked Notes**"); or
- (l) on any other terms and conditions,

in each case, in accordance with the Conditions herein which are specified as applicable to Equity and Proprietary Index-Linked Notes, Commodity-Linked Notes, Currency-Linked Notes, Inflation-Linked Notes, Futures Contract-Linked Notes, Credit Linked Notes, Bond-Linked Notes, ETN-Linked Notes, Property-Linked Notes, Fund-Linked Notes or Rate-Linked Notes, as the case may be, and the detailed terms and conditions set out in the applicable Pricing Supplement.

11. Provisions relating to Equity and Proprietary Index-Linked Notes

This Condition 11 (*Provisions relating to Equity and Proprietary Index-Linked Notes*) is applicable only in relation to Notes specified in the applicable Pricing Supplement as being Single Share Notes, Share Basket Notes, Single Index Notes, Index Basket Notes, Single ETF Notes, ETF Basket Notes or Hybrid Equity Basket Notes ("**Equity and Proprietary Index-Linked Notes**").

11.1 *Reference Dates, Averaging Dates and Market Disruption*

- (a) If a Reference Date is not a Scheduled Trading Day, the relevant Reference Date shall be the next succeeding Scheduled Trading Day or, if either "Common Scheduled Trading Days and Common Disrupted Days" or "Common Scheduled Trading Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, the next succeeding Common Scheduled Trading Day.
- (b) If any Scheduled Reference Date is a Disrupted Day, then:
 - (i) in the case of a Single Index Note, Single Share Note or Single ETF Note, the relevant Reference Date shall be the earlier of (i) the first succeeding Scheduled Trading Day that is not in the determination of the Determination Agent a Disrupted Day and (ii) the Reference Cut-Off Date (notwithstanding that such Scheduled Trading Day is a Disrupted Day).
 - (ii) in the case of an Index Basket Note, a Share Basket Note, an ETF Basket Note or a Hybrid Equity Basket Note (as the case may be):
 - (A) where "Individual Scheduled Trading Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, if the Determination Agent determines that any Scheduled Reference Date is a Disrupted Day in respect of any Basket Component, then:
 - (1) the Reference Date for each Basket Component in respect of which the Scheduled Reference Date is not a Disrupted Day shall be the Scheduled Reference Date for such Basket Component; and
 - (2) the Reference Date for any Basket Component in respect of which the Scheduled Reference Date is a Disrupted Day (each an "**Affected Basket Component**") shall be the earlier of (A) the first Scheduled Trading Day following the relevant Scheduled Reference Date that is not a Disrupted Day in respect of such Affected Basket Component; and (B) the Reference Cut-Off Date for such Affected Basket Component (notwithstanding that such day may not be a Scheduled Trading Day).
 - (B) where "Common Scheduled Trading Days and Common Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, if the Determination Agent determines that any Scheduled Reference Date is a Disrupted Day in respect of any Basket Component, then the Reference Date for each Basket Component shall be the earlier of (i) the first Common Scheduled Trading Day following the relevant Scheduled Reference Date that is not a Disrupted Day with respect to any Basket Component; and (ii) the Reference Cut-Off Date (notwithstanding that such day may not be a Common Scheduled Trading Day).
 - (C) where "Common Scheduled Trading Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, if the Determination Agent determines that any Scheduled Reference Date is a Disrupted Day in respect of any Basket Component, then:
 - (1) the Reference Date for each Basket Component in respect of which the Scheduled Reference Date is not a Disrupted Day shall be the Scheduled Reference Date for such Basket Component; and
 - (2) the Reference Date for each Basket Component in respect of which the Scheduled Reference Date is a Disrupted Day (each an "**Affected Basket**") shall be the earlier of (A) the first Scheduled Trading Day following the relevant Scheduled Reference Date that is not a Disrupted Day in respect of such Affected Basket Component; and (B) the Reference Cut-Off Date for such Affected Basket Component (notwithstanding that such day may not be a Scheduled Trading Day).

Component") shall be the earlier of (A) the first Scheduled Trading Day following the relevant Scheduled Reference Date that is not a Disrupted Day in respect of such Affected Basket Component; and (B) the Reference Cut-Off Date for such Affected Basket Component (notwithstanding that such day may not be a Common Scheduled Trading Day or a Scheduled Trading Day).

- (iii) in the case of any Single Index Note, Single Share Note, Single ETF Note, Index Basket Note, Share Basket Note, ETF Basket Note or Hybrid Equity Basket Note (as the case may be), where a Reference Date falls on the relevant Reference Cut-Off Date pursuant to Condition 11.1(b)(ii), then:
 - (A) if such Reference Cut-Off Date is not a Disrupted Day for the relevant Index, Share or ETF Interest (as the case may be), the Determination Agent shall determine the level of such Index or the value of such Share or ETF Interest (as the case may be) as at the Determination Time on such Reference Cut-Off Date; or
 - (B) if such Reference Cut-Off Date is a Disrupted Day:
 - (1) in respect of the relevant Index, the Determination Agent shall determine, in its reasonable discretion, the level of such Index as of the Determination Time on the Reference Cut-Off Date in accordance with the formula for and method of calculating such Index last in effect prior to the occurrence of the first Disrupted Day using (x) except in respect of a Proprietary Index, the Exchange traded or quoted price as of the Determination Time on such Reference Cut-Off Date of each security (or other property) comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on such Reference Cut-Off Date, its good faith estimate of the value for the relevant security as of the Determination Time on such Reference Cut-Off Date) and (y) in respect of a Proprietary Index, such levels or values as the Determination Agent determines to be appropriate as of the Determination Time on or in respect of such Reference Cut-off Date of each Component comprised in such Proprietary Index in respect of such Reference Cut-off Date; and
 - (2) in respect of the relevant Share or ETF Interest (as the case may be), the Determination Agent shall determine, in its reasonable discretion, its good faith estimate of the value for such Underlying Share or ETF Interest (as the case may be) as of the Determination Time on such Reference Cut-Off Date.
- (c) If Averaging Dates are specified in the applicable Pricing Supplement as being applicable, then, notwithstanding any other provisions of these Conditions, the following provisions will apply to the valuation of the relevant Index, Underlying Share, ETF Interest, Basket of Indices, Basket of Shares or Basket of ETF Interests (or any combination of the foregoing as the case may be) in relation to the relevant Reference Date:
 - (i) For purposes of determining the Settlement Price in relation to a Reference Date, the Settlement Price will be:
 - (A) in respect of a Single Index Note, a Single Share Note, a Single ETF Note, the arithmetic mean of the Relevant Prices of the Index, the Shares or the ETF Interest (as the case may be) on each Averaging Date;
 - (B) in respect of an Index Basket Note, the arithmetic mean of the amounts for the Basket of Indices determined by the Determination Agent in its reasonable discretion as provided in the applicable Pricing Supplement as of the relevant Determination Time(s) on each Averaging Date or, if no means for determining the Settlement Price are so provided, the arithmetic mean of the amounts for the Basket calculated on each Averaging Date as the sum of the Relevant Prices of each Index comprised in the Basket (weighted or adjusted in relation to each Index as provided in the applicable Pricing Supplement);

- (C) in respect of a Share Basket Note, the arithmetic mean of the amounts for the Basket of Shares determined by the Determination Agent in its reasonable discretion as provided in the applicable Pricing Supplement as of the relevant Determination Time(s) on each Averaging Date or, if no means for determining the Settlement Price are so provided, the arithmetic mean of the amounts for the Basket calculated on each Averaging Date as the sum of the values calculated for the Shares of each Share Issuer as the product of (1) the Relevant Price of such Share and (2) the number of such Shares comprised in the Basket; and
 - (D) in respect of an ETF Basket Note, the arithmetic mean of the amounts for the Basket of ETF Interests determined by the Determination Agent in its reasonable discretion as provided in the applicable Pricing Supplement as of the relevant Determination Times(s) on each Averaging Date or, if no means for determining the Settlement Price is provided, the arithmetic mean of the amounts for the Basket calculated on each Averaging Date as the sum of the values calculated for the ETF Interests as the product of (1) the Relevant Price of such ETF Interest and (2) the number of such ETF Interests comprised in the Basket.
 - (E) in respect of a Hybrid Equity Basket Note, the arithmetic mean of the amounts for the Basket determined by the Determination Agent in its reasonable discretion as provided in the applicable Pricing Supplement as of the relevant Determination Time(s) on each Averaging Date or, if no means for determining the Settlement Price are so provided, the arithmetic mean of the amounts for the Basket calculated on each Averaging Date as the sum of the values calculated for each Basket Component as the product of (1) the Relevant Price of such Basket Component and (2) the weighting, number or proportion of such Basket Component comprised in the Basket, in each case as specified in the applicable Pricing Supplement
- (ii) If, in respect of a Single Index Note, a Single Share Note or a Single ETF Note, a Scheduled Averaging Date is determined by the Determination Agent to be a Disrupted Day, then if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is:
- (A) "**Omission**", then such date will be deemed not to be a relevant Averaging Date in respect of such Reference Date for the purposes of determining the relevant Settlement Price provided that, if through the operation of this provision no Averaging Date would occur with respect to the relevant Reference Date, then Condition 11.1(b) (*Reference Dates, Averaging Dates and Market Disruption*) above will apply for purposes of determining the relevant level, price or amount on the final Averaging Date in respect of that Reference Date as if such final Averaging Date were a Reference Date that was a Disrupted Day;
 - (B) "**Postponement**", then Condition 11.1(b) (*Reference Dates, Averaging Dates and Market Disruption*) above will apply for the purposes of determining the relevant level, price or amount on that date as if such date were a Reference Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date for the relevant Notes; or
 - (C) "**Modified Postponement**", then the Averaging Date shall be the earlier of (I) the first Valid Date following the Scheduled Averaging Date and (II) the Averaging Cut-Off Date, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date.
- (iii) If, in respect of an Index Basket Note, a Share Basket Note, an ETF Basket Note or a Hybrid Equity Basket Note, a Scheduled Averaging Date in respect of a Reference Date is determined by the Determination Agent to be a Disrupted Day in respect of any Basket Component, then:
- (A) where "Individual Scheduled Trading Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement:

- (1) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Omission":
 - (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (b) such date shall not be an Averaging Date in respect of such Reference Date for any Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**"), provided that if through the operation of this provision there would not be any Averaging Date in respect of such Reference Date for the Affected Basket Component, then the sole Averaging Date for such Affected Basket Component shall be the earlier of (I) the first Scheduled Trading Day following the final Scheduled Averaging Date that is not a Disrupted Day in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component;
 - (2) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Postponement":
 - (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (b) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**") shall be the earlier of (I) the first Scheduled Trading Day following the Scheduled Averaging Date that is not a Disrupted Day in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component. Any day (including, for the avoidance of doubt, the Averaging Cut-Off Date) determined to be an Averaging Date as a result of the operation of this Condition 11.1(c)(iii)(A)(2)(b) shall be an Averaging Date, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date; or
 - (3) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Modified Postponement":
 - (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (b) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**") shall be the earlier of (I) the first Valid Date following the Scheduled Averaging Date in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date;
- (B) where "Common Scheduled Trading Days and Common Disrupted Days" is specified to be applicable in the applicable Pricing Supplement:
 - (1) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Omission", such date will be deemed

not to be a relevant Averaging Date in respect of any Basket Component for the purposes of determining the relevant Settlement Price provided that, if through the operation of this provision there would be no Averaging Date in respect of such Reference Date, then the sole Averaging Date for each Basket Component shall be the earlier of (A) the first Common Scheduled Trading Day following the Scheduled Averaging Date that is not a Disrupted Day for any Basket Component and (B) the Averaging Cut-Off Date (notwithstanding the fact that such Averaging Cut-Off Date may not be a Common Scheduled Trading Day);

- (2) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Postponement", then the Averaging Date for each Basket Component shall be the earlier of (A) the first Common Scheduled Trading Day following the Scheduled Averaging Date that is not a Disrupted Day in respect of any Basket Component and (B) the Averaging Cut-Off Date (notwithstanding the fact that such Averaging Cut-Off Date may not be a Common Scheduled Trading Day). Any day (including, for the avoidance of doubt, the Averaging Cut-Off Date) determined to be an Averaging Date as a result of the operation of this Condition 11.1(c)(iii)(B)(2) shall be an Averaging Date, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date; or
 - (3) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Modified Postponement", then the Averaging Date for each Basket Component shall be the earlier of (I) the first Common Valid Date following the Scheduled Averaging Date and (II) the Averaging Cut-Off Date (notwithstanding the fact that such Averaging Cut-Off Date may not be a Common Scheduled Trading Day), irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date;
- (C) where "Common Scheduled Trading Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement:
 - (1) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Omission":
 - (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (b) such date shall not be an Averaging Date in respect of such Reference Date for any Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**"), provided that if through the operation of this provision there would not be any Averaging Date in respect of such Reference Date for the Affected Basket Component, then the sole Averaging Date for such Affected Basket Component shall be the earlier of (I) the first Scheduled Trading Day following the final Scheduled Averaging Date that is not a Disrupted Day in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component (notwithstanding the fact that such day may not be a Common Scheduled Trading Day);
 - (2) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Postponement":
 - (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and

- (b) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**") shall be the earlier of (I) the first Scheduled Trading Day following the Scheduled Averaging Date that is not a Disrupted Day in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component (notwithstanding the fact that such day not be a Common Scheduled Trading Day). Any day (including, for the avoidance of doubt, the Averaging Cut-Off Date) determined to be an Averaging Date as a result of the operation of this Condition 11.1(c)(iii)(C)(2)(b) shall be an Averaging Date, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date; or
- (3) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Modified Postponement":
 - (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (b) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**") shall be the earlier of (I) the first Valid Date (that is a Scheduled Trading Day) following the Scheduled Averaging Date in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date;
- (iv) If, in respect of any Single Index Note, Single Share Note, Single ETF Note, Index Basket Note, Share Basket Note, ETF Basket Note or Hybrid Equity Basket Note (as the case may be), an Averaging Date falls on the relevant Averaging Cut-Off Date pursuant to Condition 11.1(c)(iii):
 - (A) if such Averaging Cut-Off Date is not a Disrupted Day for the relevant Index, Share or ETF Interest (as the case may be), the Determination Agent shall determine the level of such Index or the value of such Share or ETF Interest (as the case may be) as at the Determination Time on such Averaging Cut-Off Date; or
 - (B) if such Averaging Cut-Off Date is a Disrupted Day:
 - (1) in respect of the relevant Index, the Determination Agent shall determine, in its reasonable discretion, the level of such Index as of the Determination Time on such date in accordance with the formula for and method of calculating such Index last in effect prior to the occurrence of the first Disrupted Day using (x) except in respect of a Proprietary Index, the Exchange traded or quoted price as of the Determination Time on such Averaging Cut-Off Date of each security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on such Averaging Cut-Off Date, its good faith estimate of the value for the relevant security as of the Determination Time on such Averaging Cut-Off Date) and (y) in respect of a Proprietary Index, such levels or values as the Determination Agent determines to be appropriate as of the Determination Time on or in respect of such Averaging Cut-Off Date of each Proprietary Index Component comprised in such Proprietary Index in respect of such Averaging Cut-off Date; and
 - (2) in respect of the relevant Share or ETF Interest (as the case may be), the Determination Agent shall determine, in its reasonable discretion, its good faith estimate of the value for such Share or ETF Interest (as the case may be) as of the Determination Time on such Averaging Cut-Off Date.

- (v) If any Averaging Dates in relation to a Reference Date occur after that Reference Date as a result of the occurrence of a Disrupted Day, then (i) the relevant Maturity Date or, as the case may be, the relevant Physical Settlement Date or (ii) the occurrence of an Extraordinary Event, an Extraordinary ETF Event, an Index Adjustment Event, a Potential Adjustment Event or an Additional Disruption Event shall be determined by reference to the last such Averaging Date as though it were that Reference Date.

11.2 *Adjustments to Indices and Additional Disruption Events*

This Condition 11.2 (*Adjustments to Indices and Additional Disruption Events*) is applicable only in relation to Notes specified in the applicable Pricing Supplement as being Single Index Notes or Index Basket Notes or as being Hybrid Equity Basket Notes where one or more of the Basket Components is specified in the applicable Pricing Supplement to be an Index.

(a) *Successor Index:*

If a relevant Index is (i) not calculated and announced by the Index Sponsor, but is calculated and announced by a successor sponsor acceptable to the Determination Agent in its reasonable discretion or (ii) replaced by a Successor Index using, in the determination of the Determination Agent (such determination to be at the Determination Agent's reasonable discretion), the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then in each case that index (the "**Successor Index**") will be deemed to be the Index.

(b) *Index Cancellation or Administrator/Benchmark Event Date:*

If on or prior to any Reference Date or Averaging Date either (1) the Index Sponsor permanently cancels the Index and no Successor Index exists (an "**Index Cancellation**") or (2) the applicable Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and an Administrator/Benchmark Event and an Administrator/Benchmark Event Date occur in respect of such Index, then:

- (i) If the applicable Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and if an Alternative Pre-nominated Index has been specified in relation to such Index in the applicable Pricing Supplement, then:

- (A) the Determination Agent shall attempt to determine an Adjustment Payment;

- (B) if the Determination Agent determines an Adjustment Payment,

- (1) it shall notify the Issuer of the Adjustment Payment and if the Adjustment Payment is an amount that the Noteholder would (but for Condition 11.2(b)(i)(B)(3)(b)) be required to pay to the Issuer in respect of each Note, request the Issuer to notify the Determination Agent whether it intends to redeem the Notes pursuant to Condition 11.2(d) (*Redemption for Index Adjustment Event*). If the Issuer does not intend to redeem the Notes pursuant to Condition 11.2(d) (*Redemption for Index Adjustment Event*) then the following provisions of this Condition 11.2(b)(i) (*Index Cancellation or Administrator/Benchmark Event Date*) shall apply;

- (2) the terms of the Notes shall be amended so that references to the Index are replaced by references to the Alternative Pre-nominated Index;

- (3) the Conditions shall be adjusted to implement the Adjustment Payment as follows:

- (a) if the Adjustment Payment is an amount that the Issuer is required to pay in respect of each Note, the Determination Agent shall adjust the Conditions to provide for the payment of the Adjustment Payment on the immediately succeeding Interest Payment Date or if there is no such immediately succeeding Interest Payment Date, on the Maturity Date or other date when the Notes are redeemed in full; or

- (b) if the Adjustment Payment is an amount that the Noteholder would (but for this Condition 11.2(b)(i)(B)(3)(b)) be required to pay to the Issuer in respect of each Note, the Determination Agent shall adjust the Conditions to provide for the reduction of the amounts due by the Issuer until the aggregate amount of such reductions is equal to the Adjustment Payment, (subject, in the determination of the Determination Agent, to any minimum redemption amount of the Notes which the Determination Agent determines is required pursuant to any applicable law or regulation (including, without limitation, any tax 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);
 - (4) the Determination Agent shall make such other adjustments to the Conditions as it determines necessary or appropriate in order to account for the effect of the replacement of the Index with the Alternative Pre-nominated Index and/or to preserve as nearly as practicable the economic equivalence of the Notes before and after the replacement of the Index with the Alternative Pre-nominated Index; and
 - (5) the Determination Agent shall notify the Issuer, the Fiscal Agent and the Noteholders of any replacement of the Index by the Alternative Pre-nominated Index, the Adjustment Payment and any other adjustments to the Conditions, giving summary details of the adjustment(s), provided that any failure to give such notice shall not affect the validity of the foregoing.
- (C) If the Determination Agent is unable to determine an Adjustment Payment, then Condition 11.2(d) (*Redemption for Index Adjustment Event*) shall apply.
- (ii) If the applicable Pricing Supplement does not specify that the Benchmark Trigger Provisions are applicable or, if the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable but does not specify an Alternative Pre-nominated Index in relation to the Relevant Equity Index Benchmark, then Condition 11.2(d) (*Redemption for Index Adjustment Event*) shall apply.
- (c) *Index Modification and Index Disruption:*

If (i) on or prior to any Reference Date or Averaging Date, a relevant Index Sponsor announces that it will make a material change in the formula for or the method of calculating that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituents and capitalisation and other routine events) (an "**Index Modification**") or (ii) on any Reference Date or Averaging Date, the Index Sponsor fails to calculate and announce a relevant Index (provided that the Determination Agent may, in its reasonable discretion, determine that, in respect of a Multi-Exchange Index or a Proprietary Index, such failure to calculate and announce such Index shall instead be a Disrupted Day in respect of such Index) (an "**Index Disruption**") then the Determination Agent shall determine if such Index Modification or Index Disruption has a material effect on the Notes and, if so, subject to Condition 11.2(d) (*Redemption for Index Adjustment Event*), shall calculate in its reasonable discretion the relevant Settlement Price or Relevant Price, as the case may be, using, in lieu of a published level for that Index, the level for that Index as at that Reference Date or, as the case may be, that Averaging Date as determined by the Determination Agent in its reasonable discretion in accordance with the formula for and method of calculating that Index last in effect prior to that change, failure or cancellation, but using only those securities that comprised that Index immediately prior to that Index Adjustment Event.
- (d) *Redemption for Index Adjustment Event:*

If:

 - (i) an Index Cancellation occurs and the Pricing Supplement does not specify that the Benchmark Trigger Provisions are applicable;

- (ii) an Index Cancellation or an Administrator/Benchmark Event Date occurs, the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable but does not specify an Alternative Pre-nominated Index;
- (iii) an Index Cancellation or an Administrator/Benchmark Event Date occurs, the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and specifies an Alternative Pre-nominated Index but the Determination Agent is unable to determine the Adjustment Payment;
- (iv) an Index Cancellation or an Administrator/Benchmark Event Date occurs, the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and specifies an Alternative Pre-nominated Index and the Determination Agent determines that the Adjustment Payment would be an amount that the Noteholder would (but for Condition 11.2(b)(i)(B)(3)(b)) be required to pay to the Issuer in respect of each Note; or
- (v) an Index Modification or an Index Disruption occurs and it (a) would be unlawful at any time under any applicable law or regulation or (b) would contravene any applicable licensing requirements, in each case for the Determination Agent to calculate the relevant Settlement Price or Relevant Price, as the case may be, in accordance with Condition 11.2(c) (*Index Modification and Index Disruption*),

then the Issuer may, at any time thereafter and 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 an amount in respect of each Note equal to the Early Redemption Amount.

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

If the Issuer determines that the relevant Notes shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to the formula for determining the Final Redemption Amount or the Settlement Price or the Relevant Price set out in the applicable Pricing Supplement and any other variable relevant to the settlement or payment terms of the Notes, which change or adjustment shall be effective on such date as the Determination Agent shall determine. The Fiscal Agent shall provide notice to the Noteholders of any such change or adjustment in accordance with Condition 38.8 (*Notices*), giving summary details of the relevant change or adjustment, provided that any failure to give such notice shall not affect the validity of any such change or adjustment.

(e) *Correction of Index Levels:*

If the level of an Index published by the Index Sponsor and which is utilised by the Determination Agent for any calculation or determination (the "**Original Determination**") under the Notes is subsequently corrected and the correction (the "**Corrected Value**") is published by the Index Sponsor by such time as may be specified in the applicable Pricing Supplement (or, if none is so specified, within one Settlement Cycle after the original publication and prior to the relevant payment date), then the Determination Agent will notify the Issuer and the Fiscal Agent of the Corrected Value as soon as reasonably practicable and shall determine the relevant value (the "**Replacement Determination**") using the Corrected Value. If the result of the Replacement Determination is different from the result of the Original Determination, to the extent that it determines to be necessary and practicable, the Determination Agent may, acting in good faith and a commercially reasonable manner, adjust any relevant terms of the Notes accordingly. The Fiscal Agent shall provide notice to the Noteholders of any such change or adjustment in accordance with Condition 38.8 (*Notices*), giving summary details of the relevant change or adjustment, provided that any failure to give such notice shall not affect the validity of any such change or adjustment.

(f) *Additional Disruption Events:*

If Additional Disruption Events are specified as applicable in the applicable Pricing Supplement, then, if an Additional Disruption Event occurs in respect of an Index or Indices:

- (i) the Determination Agent will determine, in its reasonable discretion the appropriate adjustment, if any, to be made to any one or more of the Conditions relating to the calculation of Interest,

Final Redemption Amount and/or any other amounts applicable to the Notes set out in the applicable Pricing Supplement and/or remove and/or substitute the affected Index, to account for the Additional Disruption Event and determine the effective date of that adjustment; or

- (ii) by giving notice to Noteholders in accordance with Condition 38 (*Notices*), the Issuer, in its reasonable discretion, may redeem all, but not some only, of the Notes, each Note being redeemed at the Early Redemption Amount.

Upon the occurrence of an Additional Disruption Event, the Issuer shall give notice, as soon as practicable, to the Noteholders in accordance with Condition 38 (*Notices*) stating the occurrence of the Additional Disruption Event, as the case may be, giving details thereof and the action to be taken.

- (g) *Notice:*

Upon the occurrence of an Index Adjustment Event, the Determination Agent shall give notice as soon as practicable to the Noteholders in accordance with Condition 38 (*Notices*) giving details of the action proposed to be taken in relation thereto.

11.3 *Adjustments affecting Shares and ETF Interests*

This Condition 11.3 (*Adjustments affecting Shares and ETF Interests*) is applicable only in relation to Single Share Notes, Single ETF Notes, Share Basket Notes and ETF Basket Notes and Hybrid Equity Basket Notes where one or more of the Basket Components is specified in the applicable Pricing Supplement to be a Share or an ETF Interest.

- (a) *Adjustments for Potential Adjustment Events:* Following the declaration by the Share Issuer, the relevant ETF or an ETF Service Provider of the terms of a Potential Adjustment Event, the Determination Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Shares or ETF Interests and, if so, will (i) make such adjustment as it in its reasonable discretion considers appropriate, if any, to the formula for the Final Redemption Amount and/or the Settlement Price set out in the applicable Pricing Supplement, the number of Shares or ETF Interests to which each Note relates, the number of Shares or ETF Interests comprised in a Basket, the amount, the number of or type of shares, fund interests or other securities which may be delivered in respect of such Notes and/or any other adjustment and, in any case, any other variable relevant to the exercise, settlement, payment or other terms of the relevant Notes as the Determination Agent determines, in its reasonable discretion, to be appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate, or liquidity relative to such Shares or ETF Interests) and (ii) determine, in its reasonable discretion, the effective date(s) of such adjustment(s). The Determination Agent may (but need not) determine the appropriate adjustment(s) by reference to the adjustment(s) in respect of such Potential Adjustment Event made by an options exchange or futures exchange to options or futures on the relevant Shares or ETF Interests, as the case may be, traded on such options exchange or futures exchange. The Fiscal Agent shall provide notice to the Noteholders of any such change or adjustment in accordance with Condition 38.8 (*Notices*), giving summary details of the relevant change or adjustment, provided that any failure to give such notice shall not affect the validity of any such change or adjustment.
- (b) *Correction of Share and ETF Interest Prices:* If any price published on the Exchange and which is utilised by the Determination Agent for any calculation or determination (the "**Original Determination**") under the Notes is subsequently corrected and the correction (the "**Corrected Value**") is published by the Exchange by such time as may be specified in the applicable Pricing Supplement (or, if none is so specified, within one Settlement Cycle after the original publication and prior to the Expiration Date), then the Determination Agent will notify the Issuer and the Fiscal Agent of the Corrected Value as soon as reasonably practicable and shall determine the relevant value (the "**Replacement Determination**") using the Corrected Value. If the result of the Replacement Determination is different from the result of the Original Determination, to the extent that it determines to be necessary and practicable, the Determination Agent may, acting in good faith and a commercially reasonable manner, adjust any relevant terms accordingly. The Fiscal Agent shall provide notice to the Noteholders of any

such change or adjustment in accordance with Condition 38.9 (*Notices*), giving summary details of the relevant change or adjustment, provided that any failure to give such notice shall not affect the validity of any such change or adjustment.

11.4 ***Extraordinary Events***

This Condition 11.4 (*Extraordinary Events*) is applicable only in relation to Notes specified in the applicable Pricing Supplement as being Single Share Notes, Single ETF Notes, Share Basket Notes or ETF Basket Notes or as being Hybrid Equity Basket Notes where one or more of the Basket Components is specified in the applicable Pricing Supplement to be a Share or an ETF Interest.

(a) ***Merger Event or Tender Offer:***

- (i) Following the occurrence of any Merger Event or Tender Offer, the Issuer will, in its reasonable discretion, determine whether the relevant Notes shall continue or shall be redeemed early.
- (ii) If the Issuer determines that the relevant Notes shall continue, the Determination Agent may:
 - (A) substitute any Affected Share/ETF Interest with the Successor Share/ETF Interest relating to such Affected Share/ETF Interest, provided that if no Successor Share/ETF Interest has been identified within 10 Business Days of the Extraordinary Event Notice Date (as defined below), then sub-paragraph (B) below shall apply; and/or
 - (B) make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to the formula for the Final Redemption Amount and/or the Settlement Price set out in the applicable Pricing Supplement, the number of Shares or ETF Interests to which each Note relates, the number of Shares or ETF Interests comprised in a Basket, the amount, the number of or type of shares or other securities which may be delivered under such Notes and, in any case, any other variable relevant to the exercise, settlement, or payment terms of the relevant Notes and/or any other adjustment (including, without limitation, in relation to Share Basket Notes, ETF Basket Notes or Hybrid Equity Basket Notes, the cancellation of terms applicable in respect of the Shares or ETF Interests affected by the relevant Merger Event or Tender Offer), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event or Tender Offer by an options exchange or futures exchange to options or futures on the relevant Shares or ETF Interests, as the case may be, traded on such options exchange or futures exchange, which adjustment shall be effective on such date as the Determination Agent shall determine. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or ETF Interests or to the Notes.

The Fiscal Agent shall provide notice to the Noteholders of (a) any Successor Share/ETF Interest identified in accordance with sub-paragraph (A) above and (b) any change or adjustment made in accordance with sub-paragraph (B) above, in each case in accordance with Condition 38.8 (*Notices*), giving summary details of the relevant change or adjustment, if applicable, provided that any failure to give such notice shall not affect the validity of any such change or adjustment.

- (iii) If the Issuer determines that the relevant Notes shall be redeemed early, then the Issuer shall give not less than five Business Days' notice to the Noteholders to redeem the Notes and the Issuer's obligations under the Notes shall be satisfied in full upon payment of an amount in respect of each Note equal to the Early Redemption Amount as specified in the applicable Pricing Supplement.

- (iv) The Issuer shall as soon as reasonably practicable under the circumstances notify the Fiscal Agent of the Determination Agent's determination of the occurrence of an Extraordinary Event that is a Merger Event or Tender Offer (the date of such notice, the "**Extraordinary Event Notice Date**").

- (v) For the purposes hereof:

"Affected Share/ETF Interest" means, at any time, any Share or ETF Interest, as applicable, in respect of which the Determination Agent has determined that a Merger Event or Tender Offer has occurred.

"Merger Date" means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Determination Agent, in its reasonable discretion;

"Merger Event" means, in respect of any relevant Shares or ETF Interests, as determined by the Determination Agent, acting in a commercially reasonable manner, any: (i) reclassification or change of such Shares or ETF Interests that results in a transfer of or an irrevocable commitment to transfer all of such Shares or ETF Interests outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of the Share Issuer or ETF with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Share Issuer or ETF is the continuing entity and which does not result in a reclassification or change of all such Shares or ETF Interests outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares or ETF Interests of the Share Issuer or ETF that results in a transfer of or an irrevocable commitment to transfer all such Shares or ETF Interests (other than such Shares or ETF owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Share Issuer or its subsidiaries or ETF or its sub-funds with or into another entity in which the Share Issuer or ETF is the continuing entity and which does not result in a reclassification or change of all such Shares or ETF Interests outstanding but results in the outstanding Shares or ETF Interests (other than Shares or ETF Interests owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares or ETF Interests immediately following such event (a "**Reverse Merger**"), in each case if the Merger Date is on or before, (A) in respect of Physical Settlement Notes, the later to occur of the Maturity Date and the Physical Settlement Date or, (B) in any other case, the final Reference Date.

"Successor Share/ETF Interest" means, in respect of an Affected Share/ETF Interest, (1) if specified in the applicable Pricing Supplement, any Eligible Share or Eligible ETF Interest, as applicable; (2) if no Eligible Share or Eligible ETF Interest, as applicable, is specified, the successor Share or ETF Interest, as applicable, as determined by the Determination Agent, using commercially reasonable efforts, taking into account any factors which the Determination Agent determines to be relevant, including (but not limited to) the existence of any other Share or ETF Interest, as applicable, that is linked to or is a constituent of the same underlying index or asset as the Affected Share/ETF Interest, liquidity of the proposed successor Share or ETF Interest, as applicable, the prevailing market conditions at the time the Determination Agent makes its determination, the circumstances of the relevant Notes; or (3) if the Determination Agent determines that it is unable to determine a suitable successor Share or ETF Interest, as applicable, the Determination Agent may determine that, where the Affected Share/ETF Interest is linked to the relevant underlying index (the "**Related Underlying Index**"), such Related Underlying Index (to the extent relevant) shall be the Successor Share/ETF Interest and the provisions applicable to Index-Linked Notes will apply to the relevant Notes with such adjustments as the Determination Agent determines to be appropriate.

"Tender Offer" means, in respect of any Shares or ETF Interests, as determined by the Determination Agent, acting in a commercially reasonable manner, a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the

outstanding voting shares of the Share Issuer or ETF, as determined by the Determination Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Determination Agent deems relevant.

"**Tender Offer Date**" means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained, as determined by the Determination Agent in its reasonable discretion.

(b) *Nationalisation, Insolvency and Delisting:*

(i) If in the determination of the Determination Agent, acting in a commercially reasonable manner:

- (A) all the Shares or ETF Interests or all or substantially all the assets of a Share Issuer, ETF or ETF Service Provider are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof ("**Nationalisation**"); or
- (B) by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding up of, or any analogous proceeding affecting, a Share Issuer, ETF or ETF Service Provider, (1) all the Shares or ETF Interests of that Share Issuer, ETF or ETF Service Provider are required to be transferred to a trustee, liquidator or other similar official or (2) holders of the Shares or ETF Interests of that Share Issuer, ETF or ETF Service Provider become legally prohibited from transferring them ("**Insolvency**"); or
- (C) the Exchange announces that pursuant to the rules of such Exchange, the Shares or ETF Interests cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re listed, re traded or re quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any Member State of the European Union) ("**Delisting**"),

then the Issuer will, in its reasonable discretion, determine whether or not the Notes shall continue.

(ii) If the Issuer determines that the relevant Notes shall continue, the Determination Agent may:

- (A) substitute any Affected Share/ETF Interest with the Successor Share/ETF Interest relating to such Affected Share/ETF Interest, provided that if no Successor Share/ETF Interest has been identified within 10 Business Days of the Extraordinary Event Notice Date, then sub-paragraph (B) below shall apply; and/or
- (B) make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to the formula for the Final Redemption Amount and/or the Settlement Price set out in the applicable Pricing Supplement, the number of Shares or ETF Interests to which each Note relates, the number of Shares or ETF Interests comprised in a Basket, the amount, the number of or type of shares or other securities which may be delivered under such Notes and, in any case, any other variable relevant to the settlement or payment terms of the relevant Notes and/or any other adjustment (including, without limitation, in relation to Share Basket Notes, ETF Basket Notes or Hybrid Equity Basket Notes, the removal from the Basket of the Shares or ETF Interests affected by the relevant Nationalisation, Insolvency or Delisting with effect from the day selected by the Determination Agent, and the adjustment of the such terms of the Notes as the Determination Agent considers to be appropriate as a result of such removal), which may, but need not, be determined by reference to the adjustment(s) made in respect of such

Nationalisation, Insolvency or Delisting by an options exchange or futures exchange to options or futures on the relevant Shares or ETF Interests, as the case may be, traded on such options exchange or futures exchange, which change or adjustment shall be effective on such date as the Determination Agent shall determine. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or ETF Interests or to the Notes.

The Fiscal Agent shall provide notice to the Noteholders of (a) any Successor Share/ETF Interest identified in accordance with sub-paragraph (A) above and (b) any adjustment made in accordance with sub-paragraph (B) above, in each case in accordance with Condition 38.8 (*Notices*), giving summary details of the adjustment, if applicable, provided that any failure to give such notice shall not affect the validity of any such adjustment.

- (iii) The Issuer shall as soon as reasonably practicable under the circumstances notify the Fiscal Agent of the Determination Agent's determination of the occurrence of an Extraordinary Event.
- (iv) If the Issuer determines that the relevant Notes shall be redeemed early, then the Issuer shall give not less than five Business Days' notice to redeem the Notes. The Issuer's obligations under the Notes shall be satisfied in full upon payment of an amount in respect of each Note equal to the Early Redemption Amount as specified in the applicable Pricing Supplement.
- (v) For the purposes hereof:

"Affected Share/ETF Interest" means, at any time, any Share or ETF Interest, as applicable, in respect of which the Determination Agent has determined that a Nationalisation, Insolvency or Delisting has occurred.

"Successor Share/ETF Interest" has the meaning given to it in Condition 11.4(a)(v).

11.5 *Extraordinary ETF Events*

This Condition 11.5 (*Extraordinary ETF Events*) is applicable only in relation to Single ETF Notes or ETF Basket Notes or Hybrid Equity Basket Notes where one or more of the Basket Components is specified in the applicable Pricing Supplement to be an ETF Interest.

- (a) Following the occurrence of any Extraordinary ETF Event, the Issuer will, in its reasonable discretion, determine whether the relevant Notes shall continue or shall be redeemed early. The Determination Agent shall not have any obligation to monitor the occurrence of an Extraordinary ETF Event nor shall it have any obligation to make a determination that an Extraordinary ETF Event has occurred and is continuing.
- (b) If the Issuer determines that the relevant Notes shall continue, the Determination Agent may:
 - (i) substitute any Affected ETF Interest with the Successor ETF Interest relating to such Affected ETF interest, provided that if no Successor ETF Interest has been identified in the manner set forth below within 10 Business Days of the Extraordinary ETF Event Notice Date (as defined below), then sub-paragraph (ii) below shall apply; and/or
 - (ii) make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to the formula for the Final Redemption Amount and/or the Settlement Price set out in the applicable Pricing Supplement, the number of ETF Interests to which each Note relates, the number of ETF Interests comprised in a Basket, the amount, the number of or type of shares or other securities which may be delivered under such Notes and, in any case, any other variable relevant to the exercise, settlement, or payment terms of the relevant Notes and/or any other adjustment (including, without limitation, in relation to ETF Basket Notes or Hybrid Equity Basket Notes (as the case may be), the cancellation of terms applicable in respect of ETF Interests affected by the relevant Extraordinary ETF Event) (including, without limitation, in

relation to ETF Basket Notes or Hybrid Equity Basket Notes, the removal from the Basket of ETF Interests affected by the relevant Extraordinary ETF Event with effect from the day selected by the Determination Agent) to account for the economic effect on the Notes of such Extraordinary ETF Event (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the ETF Interests or to the Notes), which may, but need not, be determined by reference to the adjustments(s) made in respect of such Extraordinary ETF Event by an options exchange or futures exchange to options or futures on the relevant ETF Interest traded on such options exchange or futures exchange, which adjustment shall be effective on such date as the Determination Agent shall determine.

The Fiscal Agent shall provide notice to the Noteholders of (a) any Successor ETF Interest identified in accordance with sub-paragraph (i) above, as soon as reasonably practicable after the date on which such Successor ETF Interest is identified, if applicable, and (b) any adjustment made in accordance with sub-paragraph (ii) above, in each case in accordance with Condition 38.8 (*Notices*), giving summary details of the adjustment, if applicable, provided that any failure to give such notice shall not affect the validity of any such adjustment.

- (c) If the Issuer determines that the relevant Notes shall be redeemed early, then the Issuer shall give not less than five Business Days' notice to the Noteholders to redeem the Notes and the Issuer's obligations under the Notes shall be satisfied in full upon payment of an amount in respect of each Note equal to the Early Redemption Amount as specified in the applicable Pricing Supplement.
- (d) The Issuer shall as soon as reasonably practicable under the circumstances notify the Fiscal Agent of the Determination Agent's determination of the occurrence of an Extraordinary ETF Event (the date of such notice, the "**Extraordinary ETF Event Notice Date**").
- (e) For the purposes hereof:

"**Extraordinary ETF Event**" shall mean, with respect to an ETF or ETF Service Provider (as the case may be), the occurrence of any of the following events, as determined by the Determination Agent, in its reasonable discretion:

- (i) there exists any litigation against the ETF or an ETF Service Provider which in the reasonable discretion of the Determination Agent could materially affect the value of the ETF Interests or on the rights or remedies of any investor therein;
- (ii) (A) an allegation of criminal or fraudulent activity is made in respect of the ETF, or any ETF Service Provider, or any employee of any such entity, or the Determination Agent reasonably determines that any such criminal or fraudulent activity has occurred, or (B) any investigative, judicial, administrative or other civil or criminal proceedings is commenced or is threatened against the ETF, any ETF Service Provider or any key personnel of such entities if such allegation, determination, suspicion or proceedings could, in the reasonable discretion of the Determination Agent, materially affect the value of the ETF Interests or the rights or remedies of any investor in such ETF Interests;
- (iii) (A) an ETF Service Provider ceases to act in such capacity in relation to the ETF (including by way of Merger Event or Tender Offer) and is not immediately replaced in such capacity by a successor acceptable to the Determination Agent; and/or (B) any event occurs which causes, or will with the passage of time (in the opinion of the Determination Agent) cause, the failure of the ETF and/or any ETF Service Provider to meet or maintain any obligation or undertaking under the ETF Documents which failure is reasonably likely to have an adverse impact on the value of the ETF Interests or on the rights or remedies of any investor therein;
- (iv) a material modification of or deviation from any of the investment objectives, investment restrictions, investment process or investment guidelines of the ETF (howsoever described, including the underlying type of assets in which the ETF invests), from those set out in the ETF Documents, or any announcement regarding a

potential modification or deviation, except where such modification or deviation is of a formal, minor or technical nature;

- (v) a material modification, cancellation or disappearance (howsoever described), or any announcement regarding a potential future material modification, cancellation or disappearance (howsoever described), of the type of assets (A) in which the ETF invests, (B) the ETF purports to track, or (C) the ETF accepts/provides for purposes of creation/redemption baskets;
- (vi) a material modification occurs, or any announcement regarding a potential future material modification is made, in respect of the ETF (including but not limited to a material modification of the ETF Documents or to the ETF's liquidity terms) other than a modification or event which does not affect the ETF Interests or the ETF or any portfolio of assets to which the ETF Interest relates (either alone or in common with other ETF Interests issued by the ETF);
- (vii) the ETF ceases to be an undertaking for collective investment under the legislation of its relevant jurisdiction, provided that on the relevant Issue Date, the ETF was such an undertaking and any such cessation would, in the reasonable discretion of the Determination Agent, have a material adverse effect on any investor in such ETF Interests;
- (viii) (A) any relevant activities of or in relation to the ETF or any ETF Service Provider are or become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any present or future law, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, in any applicable jurisdiction (including, but not limited to, any cancellation, suspension or revocation of the registration or approval of the ETF by any governmental, legal or regulatory entity with authority over the ETF), (B) a relevant authorisation or licence is revoked, lapses or is under review by a competent authority in respect of the ETF or the ETF Service Provider or new conditions are imposed, or existing conditions varied, with respect to any such authorisation or licence, (C) the ETF is required by a competent authority to redeem any ETF Interests, (D) any hedge provider is required by a competent authority or any other relevant entity to dispose of or compulsorily redeem any ETF Interests held in connection with any hedging arrangements relating to the Notes and/or (E) any change in the legal, tax, accounting or regulatory treatment of the ETF or any ETF Service Provider that is reasonably likely to have an adverse impact on the value of the ETF Interests or other activities or undertakings of the ETF or on the rights or remedies of any investor therein;
- (ix) the value of any ETF Interest held by the Issuer and its Affiliates is greater than 10 per cent. of the aggregate net asset value of the relevant ETF (whether or not all of such holding results from hedging transactions entered into in connection with the Notes) and including, where the excess holding results from a reduction in the aggregate net asset value of the relevant ETF; or
- (x) any event specified as an Additional Extraordinary ETF Event in respect of the Notes in the applicable Pricing Supplement occurs; and

"Successor ETF Interest" means, in respect of an Affected ETF Interest, (1) if specified in the applicable Pricing Supplement, any Eligible ETF Interest; (2) if no Eligible ETF Interest is specified, the successor ETF Interest as determined by the Determination Agent, using commercially reasonable efforts, taking into account any factors which the Determination Agent determines to be relevant, including (but not limited to) the existence of other ETFs that are linked to the same underlying index or asset as the Affected ETF Interest, liquidity of the proposed successor ETF Interest, the prevailing market conditions at the time the Determination Agent makes its determination and the Issuer's hedging arrangements in respect of the relevant Notes; or (3) if the Determination Agent determines that it is unable to determine a suitable successor ETF Interest, the Determination Agent may determine that the relevant Notes, where the Affected ETF Interest will be linked to the relevant underlying index (the **"Related**

Underlying Index") and such Related Underlying Index shall be the Successor ETF Interest and the provisions applicable to Single Index Notes or Index Basket Notes (as the case may be) will apply to the relevant Notes with such adjustments as the Determination Agent determines to be appropriate.

11.6 *Additional Disruption Events*

- (a) Following the occurrence of an Additional Disruption Event, the Issuer will, in its reasonable discretion, determine whether or not the relevant Notes (which, if the Additional Disruption Event is a ChiNext and STAR Event, shall include only the Ineligible Notes) shall continue or be redeemed early.
- (b) If the Issuer determines that the relevant Notes shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to the formula for the Final Redemption Amount and/or the Settlement Price set out in the applicable Pricing Supplement, the number of Shares or ETF Interests to which each Note relates, the number of Shares or ETF Interest comprised in a Basket, the amount, the number of or type of shares, fund interests or other securities or assets which may be delivered under such Notes and, in any case, any other variable relevant to the redemption, settlement, or payment terms of the relevant Notes and/or any other adjustment (including without limitation, in relation to Share Basket Notes, Index Basket Notes, ETF Basket Notes or Hybrid Equity Basket Notes, the removal of any Shares, Index or ETF Interest, as the case may be, affected by the relevant Additional Disruption Event, and the adjustment of such terms of the Notes to account for the economic effect on the Notes of such Additional Disruption Event (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Notes) as the Determination Agent considers to be appropriate as a result of such removal) which change or adjustment shall be effective on such date as the Determination Agent shall determine. The Fiscal Agent shall provide notice to the Noteholders of any such adjustment in accordance with Condition 38.8 (*Notices*), giving summary details of the adjustment, provided that any failure to give such notice shall not affect the validity of any such adjustment.
- (c) If the Issuer determines that the relevant Notes shall be redeemed early, then the Issuer shall give not less than five Business Days' notice to redeem the Notes and the Issuer's obligations under the Notes shall be satisfied in full upon payment of an amount in respect of each Note equal to the Early Redemption Amount as specified in the applicable Pricing Supplement.
- (d) The Issuer shall as soon as reasonably practicable under the circumstances notify the Fiscal Agent and the Determination Agent of the occurrence of an Additional Disruption Event.
- (e) For the purposes hereof:

"**Additional Disruption Event**" means with respect to any Series of Notes (i) any or all of (A) Change in Law, (B) Hedging Disruption, (C) Increased Cost of Hedging, (D) Increased Regulatory Capital, (E) Insolvency Filing and (F) (other than in relation to Single Index Notes or Index Basket Notes), Loss of Stock Borrow (in each case, unless otherwise specified in the applicable Pricing Supplement), (ii) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, each of China Connect Service Termination and China Connect Share Disqualification (in each case, unless otherwise specified in the applicable Pricing Supplement), (iii) if "(China Connect – ChiNext Shares)" and/or "(China Connect – STAR Shares)" is specified next to the name of the Exchange in the applicable Pricing Supplement, each of China Connect Service Termination, China Connect Share Disqualification and ChiNext and STAR Event (in each case, unless otherwise specified in the applicable Pricing Supplement), (iv) if "QFII" is specified next to the name of the Exchange in the applicable Pricing Supplement, each of Change in QFII Status and Regulatory Request ADE (in each case, unless otherwise specified in the applicable Pricing Supplement), and (v) any further event or events as may be specified in the applicable Pricing Supplement as an Additional Disruption Event with respect to such Notes.

11.7 *Partial Lookthrough Depositary Receipt Provisions*

- (a) Where the applicable Pricing Supplement specifies that the "Partial Lookthrough Depositary Receipt Provisions" shall apply to a Share, then the provisions set out in this Condition 11.7 (*Partial Lookthrough Depositary Receipt Provisions*) shall apply, and, in relation to such Share, the other provisions of this Condition 11.7 (*Partial Lookthrough Depositary Receipt Provisions*) shall be deemed to be amended and modified as set out in this Condition 11.7 (*Partial Lookthrough Depositary Receipt Provisions*).

- (b) The definition of "Potential Adjustment Event" shall be amended so that it reads as follows:

"Potential Adjustment Event" means any of the following:

- (i) a subdivision, consolidation or reclassification of relevant Shares and/or Underlying Shares (unless resulting in a Merger Event), or a free distribution or dividend of any such Shares and/or Underlying Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of the relevant Shares and/or Underlying Shares specified in the applicable Pricing Supplement of (A) such Shares and/or Underlying Shares, (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of a Share Issuer or Underlying Share Issuer, as appropriate, equally or proportionately with such payments to holders of such Shares and/or Underlying Shares, (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Issuer or Underlying Share Issuer, as appropriate, as a result of a spin-off or other similar transaction or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Determination Agent;
- (iii) an Extraordinary Dividend;
- (iv) a call by a Share Issuer or Underlying Share Issuer, as appropriate, in respect of relevant Shares and/or Underlying Shares that are not fully paid;
- (v) a repurchase by a Share Issuer or Underlying Share Issuer, as appropriate, or any of its subsidiaries of relevant Shares and/or Underlying Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) in respect of a Share Issuer or Underlying Share Issuer, as appropriate, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Share Issuer or Underlying Share Issuer, as appropriate, pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value as determined by the Determination Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights;
- (vii) any other event having, in the opinion of the Determination Agent, a diluting, concentrative or other effect on the theoretical value of the relevant Shares and/or Underlying Shares; and
- (viii) the making of any amendment or supplement to the terms of the Deposit Agreement,

provided that an event under (i) to (vii) (inclusive) above in respect of Underlying Shares shall not constitute a Potential Adjustment Event unless, in the opinion of the Determination Agent, such event has a diluting or concentrative effect on the theoretical value of the Shares.

- (c) If the Determination Agent determines that:

- (i) an event under (i) to (vii) (inclusive) of the definition of "Potential Adjustment Event" has occurred in respect of any Underlying Shares; or
- (ii) an event under (viii) of the definition of "Potential Adjustment Event" has occurred, the Determination Agent will determine whether such Potential Adjustment Event has an economic effect on the Notes,

and, in each case, the Determination Agent will make the corresponding adjustment(s), if any, to one or more of any variable relevant to the exercise, settlement, payment or other terms of these Conditions and/or the applicable Pricing Supplement as the Determination Agent determines appropriate acting in good faith and a commercially reasonable manner, to account for (A) in respect of an event under (i) to (vii) (inclusive) of the definition of "Potential Adjustment Event", the diluting or concentrative effect on the theoretical value of the Shares, and (B) in respect of an event under (viii) of the definition of "Potential Adjustment Event", such economic effect on the Notes, as the case may be (provided that no adjustments

will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share), following the Potential Adjustment Event. The Determination Agent may (among other factors) have reference to any adjustment made by the Depositary under the Deposit Agreement. The Fiscal Agent shall provide notice to the Noteholders of any such adjustment in accordance with Condition 38.8 (*Notices*), giving summary details of the adjustment, provided that any failure to give such notice shall not affect the validity of any such adjustment.

If the Determination Agent determines that no adjustment that it could make will produce a commercially reasonable result, it shall notify the Issuer and the Noteholders that the relevant consequence shall be the early redemption of the Notes, in which case, on such date as selected by the Determination Agent in its reasonable discretion, the Issuer shall redeem the Notes upon not less than five Business Days' prior notice to the Noteholders, and the Issuer will cause to be paid to each Noteholder in respect of each Note held by it an amount equal to the Early Redemption Amount as specified in the applicable Pricing Supplement.

- (d) If the Determination Agent determines that a Merger Event or Tender Offer has occurred in respect of any Underlying Share, then, where the Determination Agent makes an adjustment to these Conditions and/or the applicable Pricing Supplement in connection with a Merger Event or Tender Offer, the Determination Agent may (among other factors) have reference to any adjustment made by the Depositary under the Deposit Agreement.
- (e) The definitions of "Nationalisation", "Insolvency" and "Delisting" shall be amended in accordance with the DR Amendment.
- (f) Notwithstanding anything to the contrary in the definition of "Delisting", a Delisting shall not occur in respect of any Underlying Share if such Underlying Shares are immediately relisted, re-traded or re-quoted on an exchange or quotation system regardless of the location of such exchange or quotation system.
- (g) If the Determination Agent determines that a Nationalisation or Insolvency has occurred in respect of a Share or the Depositary, then, notwithstanding anything to the contrary herein, the Determination Agent may determine that the affected Share be substituted with Replacement DRs and may make any appropriate adjustments to the terms of these Conditions and/or the applicable Pricing Supplement. In such case, the Issuer shall not redeem the Notes early and, following such replacement, references to Shares herein shall be replaced by references to such Replacement DRs, and the Determination Agent will determine the effective date of any adjustments.
- (h) If the Determination Agent determines that a Delisting of Shares has occurred or if the Depositary announces that the Deposit Agreement is (or will be) terminated, then, notwithstanding anything to the contrary herein, the Determination Agent may determine that the affected Share be substituted with Replacement DRs or the Underlying Shares and may make any appropriate adjustments to the terms of these Conditions and/or the applicable Pricing Supplement. In such case, the Issuer shall not redeem the Notes early and, following such replacement, references to Shares herein shall be replaced by references to such Replacement DRs or the Underlying Shares, as applicable, and the Determination Agent will determine the effective date of any adjustments.
- (i) The definition of "Insolvency Filing" shall be amended in accordance with the DR Amendment.
- (j) The definition of "Change in Law" shall be amended in accordance with the DR Amendment.

For the avoidance of doubt, where a provision is amended pursuant to this Condition 11.7 (*Partial Lookthrough Depositary Receipt Provisions*) in accordance with the DR Amendment, if the event described in such provision occurs in respect of the Underlying Share or the Underlying Share Issuer, then the consequence of such event shall be interpreted consistently with the DR Amendment and such event.

11.8 ***Full Lookthrough Depositary Receipt Provisions***

- (a) Where the applicable Pricing Supplement specifies that the "Full Lookthrough Depositary Receipt Provisions" shall apply to a Share, then the provisions set out in this Condition 11.8 (*Full Lookthrough Depositary Receipt Provisions*) shall apply, and, in relation to such Share, the other provisions of this Condition 11 (*Provisions relating to Equity and Proprietary Index-Linked Notes*) shall be deemed to be

amended and modified as set out in this Condition 11.8 (*Full Lookthrough Depositary Receipt Provisions*).

- (b) The definition of "Potential Adjustment Event" shall be amended so that it reads as follows:

"Potential Adjustment Event" means any of the following:

- (i) a subdivision, consolidation or reclassification of relevant Shares and/or Underlying Shares (unless resulting in a Merger Event), or a free distribution or dividend of any such Shares and/or Underlying Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of the relevant Shares and/or Underlying Shares specified in the applicable Pricing Supplement of (A) such Shares and/or Underlying Shares, (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of a Share Issuer or Underlying Share Issuer, as appropriate, equally or proportionately with such payments to holders of such Shares and/or Underlying Shares, (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Issuer or Underlying Share Issuer, as appropriate, as a result of a spin-off or other similar transaction or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Determination Agent;
- (iii) an Extraordinary Dividend;
- (iv) a call by a Share Issuer or Underlying Share Issuer, as appropriate, in respect of relevant Shares and/or Underlying Shares that are not fully paid;
- (v) a repurchase by a Share Issuer or Underlying Share Issuer, as appropriate, or any of its subsidiaries of relevant Shares and/or Underlying Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) in respect of a Share Issuer or Underlying Share Issuer, as appropriate, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Share Issuer or Underlying Share Issuer, as appropriate, pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value as determined by the Determination Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights;
- (vii) any other event having, in the opinion of the Determination Agent, a diluting, concentrative or other effect on the theoretical value of the relevant Shares and/or Underlying Shares; and
- (viii) the making of any amendment or supplement to the terms of the Deposit Agreement,

provided that an event under (i) to (vii) (inclusive) above in respect of Underlying Shares shall not constitute a Potential Adjustment Event unless, in the opinion of the Determination Agent, such event has a diluting or concentrative effect on the theoretical value of the Shares.

- (c) If the Determination Agent determines that:

- (i) an event under (i) to (vii) (inclusive) of the definition of "Potential Adjustment Event" has occurred in respect of any Underlying Shares; or
- (ii) an event under (viii) of the definition of "Potential Adjustment Event" has occurred, the Determination Agent will determine whether such Potential Adjustment Event has an economic effect on the Notes,

and, in each case, the Determination Agent will make the corresponding adjustment(s), if any, to one or more of any variable relevant to the exercise, settlement, payment or other terms of these Conditions and/or the applicable Pricing Supplement as the Determination Agent determines appropriate acting in good faith and a commercially reasonable manner to account for (A) in respect of an event under (i) to

(vii) (inclusive) of the definition of "Potential Adjustment Event", the diluting or concentrative effect on the theoretical value of the Shares, and (B) in respect of an event under (viii) of the definition of "Potential Adjustment Event", such economic effect on the Notes, as the case may be (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share), following the Potential Adjustment Event. The Determination Agent may (among other factors) have reference to any adjustment made by the Depositary under the Deposit Agreement. The Fiscal Agent shall provide notice to the Noteholders of any such adjustment in accordance with Condition 38.8 (*Notices*), giving summary details of the adjustment, provided that any failure to give such notice shall not affect the validity of any such adjustment.

If the Determination Agent determines that no adjustment that it could make will produce a commercially reasonable result, it shall notify the Issuer and the Noteholders that the relevant consequence shall be the early redemption of the Notes, in which case, on such date as selected by the Determination Agent in its reasonable discretion, the Issuer shall redeem the Notes upon prior notice made to the Noteholders, and the Issuer will cause to be paid to each Noteholder in respect of each Note held by it an amount equal to the Early Redemption Amount.

- (d) The definitions of "Merger Event" and "Tender Offer" shall be amended in accordance with the DR Amendment.
- (e) If the Determination Agent determines that a Merger Event or Tender Offer has occurred in respect of an Underlying Share, then, where the Determination Agent makes an adjustment to these Conditions and/or the applicable Pricing Supplement in connection with a Merger Event or Tender Offer, the Determination Agent may (among other factors) have reference to any adjustment made by the Depositary under the Deposit Agreement.
- (f) The definitions of "Nationalisation", "Insolvency" and "Delisting" shall be amended in accordance with the DR Amendment.
- (g) If the Determination Agent determines that a Nationalisation or Insolvency has occurred in respect of a Share or the Depositary, then, notwithstanding anything to the contrary herein, the Determination Agent may determine that the affected Share be substituted with Replacement DRs and may make any appropriate adjustments to the terms of these Conditions and/or the applicable Pricing Supplement. In such case, the Issuer shall not redeem the Notes early and, following such replacement, references to Shares herein shall be replaced by references to such Replacement DRs, and the Determination Agent will determine the effective date of any adjustments.
- (h) If the Determination Agent determines that a Delisting of Shares has occurred or if the Depositary announces that the Deposit Agreement is (or will be) terminated, then, notwithstanding anything to the contrary herein, the Determination Agent may determine that the affected Share be substituted with Replacement DRs or the Underlying Shares and may make any appropriate adjustments to the terms of these Conditions and/or the applicable Pricing Supplement. In such case, the Issuer shall not redeem the Notes early and, following such replacement, references to Shares herein shall be replaced by references to such Replacement DRs or the Underlying Shares, as applicable, and the Determination Agent will determine the effective date of any adjustments.
- (i) The definition of any Additional Disruption Event specified as applicable in the applicable Pricing Supplement shall be amended in accordance with the DR Amendment.
- (j) The definitions of "Exchange Business Day", "Scheduled Closing Time", "Scheduled Trading Day", "Trading Disruption", "Exchange Disruption", "Early Closure" and "Disrupted Day" which relate to the Exchange shall be deemed to include a reference to the primary exchange on which the Underlying Shares are traded, as determined by the Determination Agent.
- (k) The definitions of "Exchange Disruption", "Market Disruption Event" and "Trading Disruption" shall be amended in accordance with the DR Amendment.

For the avoidance of doubt, where a provision is amended pursuant to this Condition 11.8 (*Full Lookthrough Depositary Receipt Provisions*) in accordance with the DR Amendment, if the event described in such provision occurs in respect of the Underlying Share or the Underlying Share Issuer,

then the consequence of such event shall be interpreted consistently with the DR Amendment and such event.

11.9 **Definitions applicable to Equity and Proprietary Index-Linked Notes**

In relation to Equity and Proprietary Index-Linked Notes, the following expressions have the meanings set out below:

"Adjustment Payment" means, in respect of any Note, the payment (if any) determined by the Determination Agent as is required 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 Index by the Alternative Pre-nominated Index. The Determination Agent may determine that the Adjustment Payment is zero;

"Affected ETF Interest" means, at any time, any ETF Interest in respect of which the Determination Agent has determined that an Extraordinary ETF Event has occurred;

"Averaging Cut-Off Date" means, in the case where Notes relate to an Index, Share or ETF Interest or a Basket and in respect of a Scheduled Averaging Date for the purposes of Condition 11.1(c) (*Reference Dates, Averaging Dates and Market Disruption*):

- (a) if "Common Scheduled Trading Days and Common Disrupted Days" in respect of a Basket is specified to be applicable in the Pricing Supplement, the eighth Common Scheduled Trading Day following such Scheduled Averaging Date; or
- (b) in any other case, the eighth Scheduled Trading Day following such Scheduled Averaging Date;

"Averaging Date" means, in respect of each Reference Date, either:

- (a) in the case of (i) a Single Index Note, a Single Share Note or a Single ETF Note (as the case may be); or (ii) an Index Basket Note, a Share Basket Note, an ETF Basket Note or a Hybrid Equity Basket Note (as the case may be) where the applicable Pricing Supplement provides that "Individual Scheduled Trading Days and Individual Disrupted Days" shall be applicable, each date specified as such in the applicable Pricing Supplement, or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day for such (or the relevant) Index, Share or ETF Interest or Basket Component (as the case may be); or
- (b) in the case of an Index Basket Note, a Share Basket Note, an ETF Basket Note or a Hybrid Equity Basket Note, where the applicable Pricing Supplement provides that either "Common Scheduled Trading Days and Common Disrupted Days" or "Common Scheduled Trading Days and Individual Disrupted Days" shall be applicable, each date specified as such in the applicable Pricing Supplement, or if any such date is not a Common Scheduled Trading Day, the next following Common Scheduled Trading Day for such Basket,

provided that if any such day is a Disrupted Day, the Averaging Date shall be determined in accordance with the provisions of Condition 11.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"Basket" means in relation to any Share Basket Notes, the Shares specified in the applicable Pricing Supplement as comprising the Basket, in relation to Index Basket Notes, the Indices specified in the applicable Pricing Supplement as comprising the Basket, in relation to any ETF Basket Notes, the ETF Interests specified in the applicable Pricing Supplement as comprising the Basket and in relation to any Hybrid Equity Basket Notes, the Shares, Indices and/or ETF Interests specified in the applicable Pricing Supplement as comprising the Basket, in each case in the relative proportions or numbers specified in such Pricing Supplement;

"Basket Component" means, in relation to a particular Series of Index Basket Notes, Share Basket Notes or ETF Basket Notes (as applicable), each Index, Share or ETF Interest (as applicable) comprised in the relevant Basket of Indices, Basket of Shares or Basket of ETF Interests (as applicable), and in relation to a particular Series of Hybrid Equity Basket Notes, each Index, Share or ETF Interest specified in the applicable Pricing Supplement as comprising the relevant Basket;

"Basket of ETF Interests" means, in relation to a particular Series, a basket comprising the ETF Interests specified in the applicable Pricing Supplement in the relative proportions or number of ETF Interests specified in such Pricing Supplement;

"Basket of Indices" means, in relation to a particular Series, a basket comprising the Indices specified in the applicable Pricing Supplement in the relative proportions specified in such Pricing Supplement;

"Basket of Shares" means, in relation to a particular Series, a basket comprising Shares of each Share Issuer specified in the applicable Pricing Supplement in the relative proportions or number of Shares of each Share Issuer specified in such Pricing Supplement;

"Change in Law" means that, on or after the Trade Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (x), in the case of Single Share Notes, Single Index Notes, Single ETF Notes, Share Basket Notes, Index Basket Notes, ETF Basket Notes or Hybrid Equity Basket Notes, it has become illegal to hold, acquire or dispose of any relevant Shares or ETF Interests or of any financial instrument or contract providing exposure to the Shares or ETF Interests or Index or Indices (as the case may be), or (y) it will incur a materially increased cost in performing its obligations with respect to the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position), provided that, for the avoidance of doubt, where "QFII" is specified next to the name of the Exchange in the applicable Pricing Supplement, the "Administrative Measures on Domestic Securities Investment by Qualified Foreign Institutional Investors and RMB Qualified Foreign Institutional Investors (Decree No. 176)" issued by the China Securities Regulatory Commission ("CSRC"), the People's Bank of China ("PBOC") and the State Administration of Foreign Exchange ("SAFE") and the associated rules, regulations and interpretations issued from time to time by the CSRC, PBOC, SAFE, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the Beijing Stock Exchange and the CSDCC and any other relevant regulatory body or government authority shall be deemed to be an applicable law, rule or regulation for the purpose of determining if a Change in Law has occurred;

"Change in QFII Status" means that, on or after the Trade Date, due to any change in Morgan Stanley & Co. International plc's status or investment scope as a Qualified Foreign Institutional Investor ("QFII") under PRC law, the Issuer determines, in its sole and absolute discretion that (i) it has or will become illegal to hold, acquire or dispose of any relevant Share, Underlying Share or Component comprised in a relevant Index which is a share (as applicable) or of any financial instrument or contract providing exposure to any such Share, Underlying Share or Component (as applicable), (ii) it will incur a materially increased cost in performing its obligations with respect to the Notes, or (iii) it becomes unlawful for it to perform its obligations with respect to the Notes;

"China Connect" means a securities trading and clearing links programme developed or to be developed by the SEHK, each relevant China Connect Market, HKSCC and CSDCC for the establishment of mutual market access between the SEHK and the relevant China Connect Market;

"China Connect Business Day" means any Scheduled Trading Day on which the China Connect Service is open for order-routing during its regular order-routing sessions, notwithstanding the China Connect Service closing prior to its Scheduled Closing Time;

"China Connect Disruption" means (a) any suspension of or limitation imposed on routing of orders (including in respect of buy orders only, sell orders only or both buy and sell orders) through the China Connect Service, relating to the Shares on the Exchange or (b) any event (other than a China Connect Early Closure) that disrupts or impairs (as determined by the Determination Agent) the ability of the market participants in general to enter orders in respect of Shares through the China Connect Service;

"China Connect Early Closure" means the closure on any China Connect Business Day of the China Connect Service prior to its Scheduled Closing Time unless such earlier closing time is announced by SEHK or the Exchange, as the case may be, at least one hour prior to the earlier of (a) the actual closing time for order-routing through the China Connect Service on such China Connect Business Day and (b) the submission deadline for orders to be entered into the China Connect Service system for execution on the Exchange at the Determination Time on such China Connect Business Day;

"China Connect Market" means the Shanghai Stock Exchange or the Shenzhen Stock Exchange, as the case may be;

"China Connect Securities" means any securities listed on a China Connect Market which may be eligible for trading by Hong Kong and overseas investors on China Connect;

"China Connect Service" means the securities trading and clearing links programme developed by the Exchange, SEHK, CSDCC and HKSCC, through which (i) SEHK and/or its affiliates provides order-routing and other related services for certain eligible securities traded on the Exchange and (ii) CSDCC and HKSCC provides clearing, settlement, depository and other services in relation to such securities;

"China Connect Service Termination" means, on or after the Trade Date, the announcement by one or more of the Exchange, SEHK, the CSDCC, HKSCC or any regulatory authority with competent jurisdiction of a suspension or termination of the China Connect Service or a part thereof for any reason which materially affects the routing of orders in respect of, or holding of, the Shares through the China Connect Service and the Determination Agent determines that there is a reasonable likelihood that such suspension or termination is not, or will not be, temporary;

"China Connect Share Disqualification" means, on or after the Trade Date, the Shares cease to be accepted as "China Connect Securities" (as defined in the rules of the exchange of SEHK) for the purpose of the China Connect Service as determined by the Determination Agent;

"ChiNext Event and STAR Event" means, on or after the Trade Date, the owner or the beneficial owner of the Notes is not or ceases to be an Eligible Investor (and such owner or beneficial owner, an **"Ineligible Noteholder"** and such Notes owned or beneficially owned by the Ineligible Noteholder, the **"Ineligible Notes"**);

"ChiNext Shares" means securities listed and traded on the ChiNext Board of the Shenzhen Stock Exchange which may be traded by Hong Kong and overseas investors under the China Connect Service;

"Common Scheduled Trading Day" means, in respect of an Index Basket Note, a Share Basket Note, an ETF Basket Note or a Hybrid Equity Basket Note (as the case may be), each day which is a Scheduled Trading Day for all the Basket Components;

"Common Valid Date" means, in respect of an Index Basket Note, a Share Basket Note, an ETF Basket Note or a Hybrid Equity Basket Note (as the case may be), a Common Scheduled Trading Day that is not a Disrupted Day for any Basket Component and on which another Averaging Date does not or is deemed not to occur;

"Components" means in relation to an Index, the securities which comprise such Index (each a **"Component"** for such Index);

"CSDCC" means China Securities Depository and Clearing Corporation Limited;

"Deposit Agreement" means, in relation to the Shares, the agreements or other instruments constituting the Shares, as from time to time amended or supplemented in accordance with their terms;

"Depository" means, where the applicable Pricing Supplement specifies that either the "Partial Lookthrough Depository Receipt Provisions" or the "Full Lookthrough Depository Receipt Provisions" shall apply to a Share, the issuer of the Shares or any successor issuer of the Shares from time to time;

"Determination Date" means, in relation to any determination, each date specified as such in the applicable Pricing Supplement, provided that if any such date is (i) not a Scheduled Trading Day and/or (ii) a Disrupted Day, the relevant Determination Date shall be determined in accordance with the provisions of Condition 11.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"Determination Time" means the time specified as such in the applicable Pricing Supplement, or if no such time is specified, (a) save with respect to a Multi-Exchange Index or a Proprietary Index, the Scheduled Closing Time on the relevant Exchange in relation to each Index, Share or ETF Interest to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Determination Time is after the actual closing time for its regular trading session, then the Determination Time shall be such actual closing time; (b) with respect to any Multi-Exchange Index, (i) for the purposes

of determining whether a Market Disruption Event has occurred: (x) in respect of any Component, the Scheduled Closing Time on the Exchange in respect of such Component and (y) in respect of any option contracts or futures contracts on the Index, the close of trading on the Related Exchange; and (ii) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor and (c) with respect to a Proprietary Index, the time at which or in respect of which the Index Sponsor calculates and publishes the official level of the Index;

"Disrupted Day" means (a) except with respect to a Multi-Exchange Index or Proprietary Index, any Scheduled Trading Day on which (i) a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session, or if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, the China Connect Service fails to open for order-routing during its regular order-routing session; or (ii) a Market Disruption Event has occurred, (b) with respect to any Multi-Exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor fails to publish the level of the Index (provided that the Determination Agent may, in its reasonable discretion, determine that such failure to publish shall instead be an Index Disruption for such Index); (ii) the Related Exchange fails to open for trading during its regular trading session or, if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, the China Connect Service fails to open for order-routing during its regular order-routing session, or (iii) a Market Disruption Event has occurred and (c) with respect to a Proprietary Index, any Scheduled Trading Day on which (i) a Market Disruption Event has occurred (provided that the Determination Agent may, in its discretion, determine that such event instead results in the occurrence of an Index Disruption), or (ii) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, the China Connect Service fails to open for order-routing during its regular order-routing session;

"DR Amendment" means, in respect of the definitions of Merger Event, Tender Offer, Nationalisation, Insolvency, Delisting, Insolvency Filing, Change in Law, any other Additional Disruption Event specified as applicable in the applicable Pricing Supplement, Exchange Disruption, Market Disruption Event and Trading Disruption, that the following changes shall be made to such definition or provision where provided for in this Condition 11 (*Provisions relating to Equity and Proprietary Index-Linked Notes*):

- (a) all references to "Shares" shall be deleted and replaced with the words "Shares and/or the Underlying Shares"; and
- (b) all references to "Share Issuer" shall be deleted and replaced with the words "Share Issuer or Underlying Share Issuer, as appropriate";

"Early Closure" means (a) except with respect to a Multi-Exchange Index, the closure on any Exchange Business Day of the relevant Exchange (or in the case of a Single Index Note, Index Basket Note or Hybrid Equity Basket Note (as the case may be), any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Determination Time on such Exchange Business Day and (b) with respect to any Multi-Exchange Index, the closure on any Exchange Business Day of the Exchange in respect of any Component or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of: (i) the actual closing time for the regular trading session on such Exchange or Related Exchange (as the case may be) on such Exchange Business Day; and (ii) the submission deadline for orders to be entered into such Exchange or Related Exchange system for execution at the relevant Determination Time on such Exchange Business Day;

"Eligible ETF Interest" means, in respect of any Affected ETF Interest or any Affected Share/ETF Interest, the interest specified as such in the applicable Pricing Supplement;

"Eligible Investor" means a "professional investor" within the meaning of paragraph (a), (b), (c), (d), (e), (f), (g), (h) or (i) of the definition of "professional investor" in section 1 of Part 1 of Schedule 1 to the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) or other types of investors

that are permitted or approved by the Exchange, SEHK, CSDCC and/or HKSCC to trade ChiNext Shares or STAR Shares through the China Connect Service;

"Eligible Share" means, in respect of any Affected Share/ETF Interest, the share specified as such in the applicable Pricing Supplement;

"ETF" means (in respect of an ETF Interest) any fund specified in the applicable Pricing Supplement as an ETF;

"ETF Documents" means, unless otherwise specified in the applicable Pricing Supplement, with respect to any ETF Interest, the offering document of the relevant ETF, the constitutive and governing documents, subscription agreements and any other agreement or document specifying the terms and conditions of such ETF Interest and any additional documents specified in the applicable Pricing Supplement, each as amended from time to time;

"ETF Interest" means the share or other interest or unit of holding (including, without limitation, any debt security) issued to or held by an investor in an ETF, as identified in the applicable Pricing Supplement;

"ETF Service Provider" means, in respect of any ETF, any person who is appointed to provide services, directly or indirectly, in respect of such ETF, whether or not specified in the ETF Documents, including any advisor, manager, administrator, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar, transfer agent, domiciliary agent, sponsor or general partner or any other person specified in the applicable Pricing Supplement;

"Exchange" means:

- (a) (i) in respect of an Index relating to Single Index Notes, Index Basket Notes or Hybrid Equity Basket Notes other than a Multi-Exchange Index, each exchange or quotation system specified as such for such Index in the applicable Pricing Supplement or, if none is specified, the principal exchange or quotation system for trading in such Index, as determined by the Determination Agent, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the shares underlying such Index has temporarily relocated, provided that the Determination Agent has determined that there is comparable liquidity relative to the shares underlying such Index on such temporary substitute exchange or quotation system as on the original Exchange, and (ii) with respect to any Multi-Exchange Index, and in respect of each Component, the principal stock exchange on which such Component is principally traded, as determined by the Determination Agent;
- (b) in respect of a Share relating to Single Share Notes or Share Basket Notes or Hybrid Equity Basket Notes, each exchange or quotation system specified as such for such Share in the applicable Pricing Supplement or, if none is specified, the principal exchange or quotation system for trading in such Share, as determined by the Determination Agent, any successor to such Exchange or quotation system or any substitute exchange or quotation system to which trading in the Share has temporarily relocated, provided that the Determination Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange; and
- (c) in respect of an ETF Interest relating to Single ETF Notes or ETF Basket Notes or Hybrid Equity Basket Notes, each exchange or quotation system specified as such for such ETF Interest in the applicable Pricing Supplement or, if none is specified, the principal exchange or quotation system for trading in such ETF Interest, as determined by the Determination Agent, any successor to such Exchange or quotation system or any substitute exchange or quotation system to which trading in the ETF Interest has temporarily relocated, provided that the Determination Agent has determined that there is comparable liquidity relative to such ETF Interest on such temporary substitute exchange or quotation system as on the original Exchange;

"Exchange Business Day" means (a) except with respect to a Multi-Exchange Index, any Scheduled Trading Day (i) on which each Exchange and Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time and (ii) if "(China Connect)" is specified next to the name of the

Exchange in the applicable Pricing Supplement, which is a China Connect Business Day, and (b) with respect to any Multi-Exchange Index, any Scheduled Trading Day (i) on which the Index Sponsor publishes the level of the Index and (ii) on which the Related Exchange is open for trading during its regular trading session, notwithstanding any Exchange or the Related Exchange closing prior to its Scheduled Closing Time, and (iii) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, which is a China Connect Business Day;

"Exchange Disruption" means (a) except with respect to a Multi-Exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Determination Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Shares or ETF Interests on the Exchange (or in the case of Single Index Notes, Index Basket Notes or Hybrid Equity Basket Note (as the case may be), on any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index), or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Shares, the relevant Index or the ETF Interests (as the case may be) on any relevant Related Exchange and (b) with respect to any Multi-Exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Determination Agent) the ability of market participants in general to effect transactions in, or obtain market values for, (i) any Component on the Exchange in respect of such Component, or (ii) futures or options contracts relating to the Index on the Related Exchange;

"Extraordinary Dividend" means the dividend per Share or ETF Interest, or portion thereof, to be characterised as an Extraordinary Dividend as determined by the Determination Agent;

"Extraordinary ETF Event" has the meaning given in Condition 11.5(e) (*Extraordinary ETF Events*);

"Extraordinary Event" means a Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting;

"Hedging Disruption" means that the Issuer is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations under the Notes, or (B) realise, recover or remit the proceeds of any such transactions or asset(s);

"HKSCC" means the Hong Kong Securities Clearing Company Limited;

"Increased Cost of Hedging" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Notes or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s) provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging;

"Increased Regulatory Capital" means there would be a material increase (as compared with circumstances existing on the Trade Date) in the amount or cost of regulatory capital that would have to be maintained by the Issuer any/or any Affiliate in relation to the Notes and/or any related hedging arrangements, as determined by the Determination Agent;

"Index" means any index specified as such in the applicable Pricing Supplement, subject to Condition 11.2 (*Adjustments to Indices and Additional Disruption Events*);

"Index Adjustment Event" means, in respect of an Index, an Administrator/Benchmark Event, an Index Cancellation, an Index Disruption or an Index Modification;

"Index Sponsor" means, in respect of an Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and methods of calculation and adjustments, if any, related to the relevant Index (the **"Index Rules"** in respect of such Index) and (b) announces (directly or through an agent) the level of the relevant Index on a regular basis during each Scheduled Trading Day;

"Insolvency Filing" means that the Share Issuer or Underlying Share Issuer, as applicable, institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or

the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Issuer or Underlying Share Issuer, as applicable, shall not be deemed an Insolvency Filing.

"Loss of Stock Borrow" means that the Issuer is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) the Shares or ETF Interests or of any financial instrument or contract providing exposure to the Shares or ETF Interests or Index or Indices with respect to the Notes in an amount which the Issuer deems necessary to hedge the risk of entering into and performing its obligations with respect to the Notes (not to exceed the number of the Shares, ETF Interests or financial instruments or contracts underlying the Notes) at a rate determined by the Issuer;

"Market Disruption Event" means:

- (a) in respect of (1) a Share, (2) an Index other than a Multi-Exchange Index or Proprietary Index or (3) an ETF Interest, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, (iii) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, a China Connect Disruption, which in each case the Determination Agent determines is material, at any time during the one hour period that ends at the relevant Determination Time, (iv) an Early Closure or (v) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, a China Connect Early Closure. For the purpose of determining whether a Market Disruption Event exists in respect of an Index at any time, if a Market Disruption Event occurs in respect of a security included in the Index at any time, then the relevant percentage contribution of that security to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that security and (y) the overall level of the Index, in each case immediately before the Market Disruption Event occurred;
- (b) with respect to any Multi-Exchange Index either (i)(A) the occurrence or existence, in respect of any Component, of (1) a Trading Disruption, (2) an Exchange Disruption, (3) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, a China Connect Disruption, which in each case the Determination Agent determines is material, at any time during the one hour period that ends at the relevant Determination Time in respect of the Exchange on which such Component is principally traded, or (4) an Early Closure or (5) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, a China Connect Early Closure; AND (B) the aggregate of all Components in respect of which a Trading Disruption, an Exchange Disruption, a China Connect Disruption (if applicable), an Early Closure or a China Connect Early Closure (if applicable) occurs or exists comprises 20 per cent. or more of the level of the Index; OR (ii) the occurrence or existence, in respect of futures or options contracts relating to the Index, of: (A) a Trading Disruption, (B) an Exchange Disruption, (C) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, a China Connect Disruption, which in each case the Determination Agent determines is material, at any time during the one hour period that ends at the relevant Determination Time in respect of the Related Exchange; (D) an Early Closure or (E) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, a China Connect Early Closure.

For the purposes of determining whether a Market Disruption Event exists in respect of a Component at any time, if a Market Disruption Event occurs in respect of such Component at that time, then the relevant percentage contribution of that Component to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that Component to (y) the overall level of the Index, in each case using the official opening weightings as published by the Index Sponsor as part of the market "opening data"; and

- (c) with respect to a Proprietary Index, either (i) the failure by the Index Sponsor to calculate and publish the level of the Index for any Scheduled Trading Day or in respect of such Scheduled Trading Day within the scheduled or usual timeframe for publication or (ii) the occurrence of any other event specified as a Proprietary Index Additional Market Disruption Event in the applicable Pricing Supplement;

"Multi-Exchange Index" means any Index specified as such in the applicable Pricing Supplement;

"Observation Date" means each date specified as such in the applicable Pricing Supplement, provided that if any such date is (i) not a Scheduled Trading Day and/or (ii) a Disrupted Day, the relevant Observation Date shall be determined in accordance with the provisions of Condition 11.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"Observation Period" has the meaning given in the applicable Pricing Supplement;

"Potential Adjustment Event" means, in respect of Single Share Notes, Single ETF Note, Share Basket Notes, ETF Basket Notes or Hybrid Equity Basket Notes (as the case may be):

- (a) a subdivision, consolidation or reclassification of a Share or ETF Interest (unless resulting in a Merger Event), or a free distribution or dividend of Shares or ETF Interests to existing holders by way of bonus, capitalisation or similar issue;
- (b) a distribution, issue or dividend to existing holders of relevant Shares or ETF Interests of (A) such Shares or ETF Interests, or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Share Issuer or ETF equally or proportionately with such payments to holders of such a Share or ETF Interest, or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Issuer or ETF as a result of a spin off or other similar transaction, or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Determination Agent;
- (c) an Extraordinary Dividend;
- (d) a call by the Share Issuer in respect of relevant Shares that are not fully paid;
- (e) a repurchase by a Share Issuer or ETF (as the case may be) or any of its subsidiaries of Shares or ETF Interests, whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (f) in respect of a Share Issuer, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Share Issuer pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides, upon the occurrence of certain events, for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Determination Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (g) any other event having, in the opinion of the Determination Agent, a diluting, concentrative or other effect on the theoretical value of the relevant Shares or ETF Interests.

"Proprietary Index" means any Index specified as such in the applicable Pricing Supplement;

"Proprietary Index Components" means, in relation to a Proprietary Index, the shares, securities, commodities, rates, indices, futures contracts, options contracts, foreign exchange rates or other components which comprise such Index (each a **"Proprietary Index Component"** for such Proprietary Index)

"Reference Cut-Off Date" means, in the case where Notes relate to an Index, Share or ETF Interest or a Basket and in respect of a Scheduled Reference Date for the purposes of Condition 11.1(b) (*Reference Dates, Averaging Dates and Market Disruption*):

- (a) if "Common Scheduled Trading Days and Common Disrupted Days" in respect of a Basket is specified to be applicable in the Pricing Supplement, the eighth Common Scheduled Trading Day following such Scheduled Reference Date; or

- (b) in any other case, the eighth Scheduled Trading Day, or, in respect of a Basket, the eighth Scheduled Trading Day for the Affected Basket Component, following such Scheduled Reference Date;

"Reference Date" means, for the purposes of Condition 11.1 (*Reference Dates, Averaging Dates and Market Disruption*), each Valuation Date, Observation Date, Strike Date or Determination Date (as applicable) specified in the applicable Pricing Supplement, or otherwise, any date construed to be a Reference Date in accordance with the Conditions;

"Regulatory Request" means, in respect of Morgan Stanley & Co. International plc or its Affiliates any request from time to time to report or otherwise disclose to applicable regulatory authorities, including without limitation the CSRC and other regulatory bodies in the PRC, details of the relevant Notes and any other information (including, without limitation, the beneficial owner of the relevant Notes) as may be required by law or under any applicable rules or regulations of such regulatory authorities, including without limitation, any *ad hoc* or periodic reporting obligations;

A **"Regulatory Request ADE"** shall occur if the Issuer determines in its sole and absolute discretion that, after using reasonable efforts to contact the Noteholders (or, in the case of an investment fund, its investment manager) to obtain information to respond to a Regulatory Request, it is unable to, or does not have sufficient information, to respond to a Regulatory Request;

"Related Exchange", in respect of an Index relating to Single Index Notes or Index Basket Notes or Hybrid Equity Basket Notes, a Share relating to Single Share Notes or Share Basket Notes or Hybrid Equity Basket Notes or an ETF Interest relating to Single ETF Notes or ETF Basket Notes or Hybrid Equity Basket Notes, means the exchange specified as the Related Exchange in the applicable Pricing Supplement, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures and options contracts relating to such Index, Share or ETF Interest has temporarily relocated (provided that the Determination Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index, Share or ETF Interests on such temporary substitute exchange or quotation system as on the original Related Exchange) or, if none or if "All Exchanges" is specified in the applicable Pricing Supplement, each exchange or quotation system where trading has a material effect (as determined by the Determination Agent) on the overall market for futures or options contracts relating to such Index, Share or ETF Interests, as the case may be;

"Relevant Equity Index Benchmark" means the Index;

"Relevant Price" on any day means:

- (a) in respect of a Share to which a Single Share Note, a Share Basket Note or a Hybrid Equity Basket Note, relates, the price per Share determined by the Determination Agent in the manner provided in the applicable Pricing Supplement as of the Determination Time on the relevant day, or, if no means for determining the Relevant Price are so provided: (i) in respect of any Share for which the Exchange is an auction or "open outcry" exchange that has a price as of the Determination Time at which any trade can be submitted for execution, the Relevant Price shall be the price per Share as of the Determination Time on the relevant day, as reported in the official real time price dissemination mechanism for such Exchange; and (ii) in respect of any Share for which the Exchange is a dealer exchange or dealer quotation system, the Relevant Price shall be the mid-point of the highest bid and lowest ask prices quoted as of the Determination Time on the relevant day (or the last such prices quoted immediately before the Determination Time) without regard to quotations that "lock" or "cross" the dealer exchange or dealer quotation system;
- (b) in respect of an Index to which a Single Index Note, an Index Basket Note or a Hybrid Equity Basket Note, relates, the level of such Index determined by the Determination Agent as provided in the applicable Pricing Supplement as of the Determination Time on the relevant day or, if no method for determining the Relevant Price is so provided, the level of the Index as of the Determination Time on the relevant day; and
- (c) in respect of an ETF Interest to which a Single ETF Note, an ETF Basket Note or a Hybrid Equity Basket Note, relates, the price per ETF Interest determined by the Determination Agent in the manner provided in the applicable Pricing Supplement as of the Determination Time on

the relevant day, or, if no means for determining the Relevant Price are so provided: (a) in respect of any ETF Interest for which the Exchange is an auction or "open outcry" exchange that has a price as of the Determination Time at which any trade can be submitted for execution, the Relevant Price shall be the price per ETF Interest as of the Determination Time on the relevant day, as reported in the official real time price dissemination mechanism for such Exchange; and (b) in respect of any ETF Interest for which the Exchange is a dealer exchange or dealer quotation system, the Relevant Price shall be the mid-point of the highest bid and lowest ask prices quoted as of the Determination Time on the relevant day (or the last such prices quoted immediately before the Determination Time) without regard to quotations that "lock" or "cross" the dealer exchange or dealer quotation system;

"Replacement DRs" means depositary receipts other than the Shares over the same Underlying Shares;

"Scheduled Averaging Date" means an original date (following any adjustment (if applicable) pursuant to paragraph (a) or (b) in the definition of "Averaging Date") that, but for such day being a Disrupted Day, would have been an Averaging Date;

"Scheduled Closing Time" means, in respect of an Exchange, Related Exchange or, if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, the China Connect Service, and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange, Related Exchange or the China Connect Service (as the case may be) on such Scheduled Trading Day, without regard (in the case of any Exchange or Related Exchange) to after hours or any other trading outside of regular trading session hours or (in the case of the China Connect Service) to any after hours or any other order-routing outside of the regular order-routing session hours;

"Scheduled Reference Date" means, for the purposes of Condition 11.1(b) (*Reference Dates, Averaging Dates and Market Disruption*), any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Reference Date;

"Scheduled Trading Day" means (a) except with respect to a Multi-Exchange Index or a Proprietary Index, any day on which (i) each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading session and (ii) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, the China Connect Service is scheduled to be open for order-routing for its regular order-routing sessions, (b) with respect to any Multi-Exchange Index, any day on which (i) the Index Sponsor is scheduled to publish the level of the Index and (ii) the Related Exchange is scheduled to be open for trading for its regular trading session and (iii) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, the China Connect Service is scheduled to be open for order-routing for its regular order-routing sessions, and (c) with respect to a Proprietary Index, any day on which (i) the Index Sponsor is scheduled to publish the level of such Index and (ii) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, the China Connect Service is scheduled to be open for order-routing for its regular order-routing sessions;

"SEHK" means The Stock Exchange of Hong Kong Limited;

"Settlement Cycle" means, in respect of a Share, Index or ETF Interest, the period of Settlement Cycle Days following a trade in such Share, the securities underlying such Index or ETF Interest, as the case may be, on the Exchange in which settlement will customarily occur according to the rules of such exchange (or, in respect of any Multi-Exchange Index, the longest such period) and for this purpose **"Settlement Cycle Day"** means, in relation to a clearing system any day on which such clearing system is (or but for the occurrence of a Settlement Disruption Event would have been) open for acceptance and executions of settlement instructions;

"Settlement Price" means, in respect of a Single Share Note, a Share Basket Note, an Index Note, an Index Basket Note, a Single ETF Note, an ETF Basket Note or a Hybrid Equity Basket Note, the price, level or amount as determined by the Determination Agent, in its reasonable discretion, in accordance with the applicable Pricing Supplement;

"Share" means, in relation to a particular Series of Notes, a share specified as such in the applicable Pricing Supplement, or, in the case of a Share Basket Note or a Hybrid Equity Basket Note (as the case may be), a share forming part of a Basket to which such Note relates;

"Share Issuer" means the entity that is the issuer of the Share specified in the applicable Pricing Supplement;

"STAR Shares" means securities listed and traded on the STAR Board of the Shanghai Stock Exchange which may be traded by Hong Kong and overseas investors under the China Connect Service;

"Strike Date" means each date specified as such in the applicable Pricing Supplement, provided that if any such date is (i) not a Scheduled Trading Day and/or (ii) a Disrupted Day, the relevant Strike Date shall be determined in accordance with the provisions of Condition 11.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"Trading Disruption" means (a) except with respect to a Multi-Exchange Index, any suspension of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange, Related Exchange or otherwise (i) relating to the Share or ETF Interest on the Exchange, or, in the case of a Single Index Note, Index Basket Note or Hybrid Equity Basket Note (as the case may be), on any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index or (ii) in futures or options contracts relating to the Share, the relevant Index or Indices or the ETF Interest on any relevant Related Exchange, and (b) with respect to any Multi-Exchange Index, any suspension of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or Related Exchange or otherwise (i) relating to any Component on the Exchange in respect of such Component; or (ii) in futures or options contracts relating to the Index on the Related Exchange;

"Underlying Share Issuer" means the entity that is the issuer of the Underlying Share specified in the applicable Pricing Supplement; and

"Underlying Share" means, the share or other security which is the subject of the Deposit Agreement.

"Valid Date" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in respect of the Reference Date does not, or is not deemed to, occur; and

"Valuation Date" means each date specified as such in the applicable Pricing Supplement, provided that if any such date is (i) not a Scheduled Trading Day and/or (ii) a Disrupted Day, the relevant Valuation Date shall be determined in accordance with the provisions of Condition 11.1 (*Reference Dates, Averaging Dates and Market Disruption*).

12. Provisions relating to Commodity-Linked Notes

This Condition 12 (*Provisions relating to Commodity-Linked Notes*) is applicable in respect of any Series of Notes ("**Commodity-Linked Notes**") where "**Commodity-Linked Interest Note Provisions**" and/or "**Commodity-Linked Redemption Provisions**" are specified in the applicable Pricing Supplement as being applicable.

12.1 *Corrections to Published Prices*

For the purposes of determining the Relevant Price for any Pricing Date, if applicable, as specified in the applicable Pricing Supplement for the purposes of calculating the Interest Amount or Final Redemption Amount or any other amount in respect of a Commodity-Linked Note, if the price published or announced on a given day and used or to be used by the Determination Agent to determine such Relevant Price is subsequently corrected and the correction is published or announced by the person responsible for that publication or announcement by such time as may be specified in the applicable Pricing Supplement (or, if none is so specified, within thirty calendar days after the original publication or announcement) and in any event prior to the Maturity Date or the Interest Payment Date for the relevant Notes the Determination Agent shall, acting in good faith and a commercially reasonable manner determine (in its reasonable discretion) the adjustment to the Relevant Price so calculated and will adjust the terms of the relevant Notes to account for such correction to the extent that it determines to be necessary and practicable. The Fiscal Agent shall provide notice to the Noteholders of any such adjustment in accordance with Condition 38.8 (*Notices*), giving summary details of the adjustment, provided that any failure to give such notice shall not affect the validity of any such adjustment.

12.2 *Commodity Disruption Events*

- (a) If so specified in the Pricing Supplement relating to any Series of Commodity-Linked Notes, the following shall constitute "**Commodity Disruption Events**" for the purposes of such Series:
- (i) "**Price Source Disruption**", which means (A) the failure of the Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price) for the relevant Commodity Reference Price, (B) the temporary or permanent discontinuance or unavailability of the Price Source, (C) if the Commodity Reference Price is "Commodity Reference Dealers" the failure to obtain at least three quotations from the relevant Reference Dealers or (D) if Price Materiality Percentage is specified in the applicable Pricing Supplement, the Specified Price for the relevant Commodity Reference Price differs from the Specified Price determined in accordance with the Commodity Reference Price "Commodity Reference Dealers" by such Price Materiality Percentage;
 - (ii) "**Trading Disruption**", which means the material suspension of, or the material limitation imposed on, trading in the Futures Contract or the Commodity on the Exchange or in any additional futures contract, options contract or commodity on any Exchange as specified in the applicable Pricing Supplement. The determination of whether a suspension of or limitation on trading is material shall be made by the Determination Agent in its reasonable discretion;
 - (iii) "**Disappearance of Commodity Reference Price**", which means (A) the permanent discontinuation of trading in the relevant Futures Contract on the relevant Exchange, (B) the disappearance of, or of trading in, the relevant Commodity, or (C) the disappearance or permanent discontinuance or unavailability of a Commodity Reference Price, notwithstanding the availability of the related Price Source or the status of trading in the relevant Futures Contract or the relevant Commodity;
 - (iv) "**Material Change in Content**", which means the occurrence since the Trade Date of a material change in the content, composition or constitution of the relevant Commodity or relevant Futures Contract;
 - (v) "**Material Change in Formula**", which means the occurrence since the Trade Date of a material change in the formula for or method of calculating the relevant Commodity Reference Price;
 - (vi) "**Tax Disruption**", which means the imposition of, change in or removal of an excise, severance, sales, use, value added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, the relevant Commodity (other than a tax on, or measured by reference to, overall gross or net income) by any government or taxation authority after the Trade Date, if the direct effect of such imposition, change or removal is to raise or lower the Relevant Price on the day that would otherwise be a Pricing Date from what it would have been without that imposition, change or removal; and
 - (vii) any other (if any) Commodity Disruption Event specified in the applicable Pricing Supplement.
- (b) If the applicable Pricing Supplement for a Series of Commodity-Linked Notes specifies that any Commodity Disruption Event shall be applicable to such Series, then, where the Determination Agent determines, acting in a commercially reasonable manner, that such Commodity Disruption Event has occurred and is continuing in respect of such Series on the Pricing Date in respect of such Series (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published or announced by the Price Source), or on any other day as may be specified for this purpose in the applicable Pricing Supplement, then the Relevant Price will be determined in accordance with the terms of the Commodity Disruption Fallback applicable pursuant to Condition 12.3 (*Commodity Disruption Fallbacks*).

12.3 *Commodity Disruption Fallbacks*

Where one or more Commodity Disruption Event occurs or exists, then, unless the applicable Pricing Supplement specifies that any other Commodity Disruption Fallback shall apply in respect of any such Commodity Disruption Event, "Determination Agent Determination" shall apply.

"Determination Agent Determination" means that the Determination Agent will determine, in its reasonable discretion, the Relevant Price (or a method for determining the Relevant Price), taking into consideration the latest available quotation for the relevant Commodity Reference Price and any other information that it deems relevant.

12.4 *Administrator/Benchmark Events*

If the Benchmark Trigger Provisions are specified in the applicable Pricing Supplement as being applicable and an Administrator/Benchmark Event and an Administrator/Benchmark Event Date occurs in respect of any Relevant Commodity Benchmark (other than a Commodity Index):

- (a) the Commodity Disruption Fallbacks specified in the applicable Pricing Supplement to apply with respect to an Administrator/Benchmark Event will apply, or if none is so specified, Determination Agent Determination (as such term is defined in Condition 12.3 (*Commodity Disruption Fallbacks*)) shall be deemed to apply;
- (b) if it (i) is or would be unlawful at any time under any applicable law or regulation or (ii) would contravene any applicable licensing requirements, in each case for the Issuer, the Determination Agent or the Calculation Agent to perform the actions prescribed in an applicable Commodity Disruption Fallback (or it would be unlawful or would contravene those licensing requirements were a determination to be made at such time), the next applicable Commodity Disruption Fallback will apply;
- (c) if the Determination Agent determines that the last applicable Commodity Disruption Fallback does not provide the Relevant Underlying Value (including due to the applicability of paragraph (b) above in relation to the last applicable Commodity Disruption Fallback), then the Issuer shall give not less than five Business Days' notice to redeem the Notes and the Issuer's obligations under the Notes shall be satisfied in full upon payment in respect of each Note of an amount equal to the Early Redemption Amount; and
- (d) the Determination Agent shall as soon as reasonably practicable under the circumstances notify the Issuer, the Fiscal Agent and the Noteholders of the occurrence of an Administrator/Benchmark Event and an Administrator/Benchmark Event Date and of any action taken as a consequence, provided that any failure to give such notice shall not affect the validity of the foregoing.

12.5 *Common Pricing*

With respect to Notes relating to a Basket, if "Common Pricing" has been selected in the applicable Pricing Supplement as:

- (a) "Applicable", then no date will be a Pricing Date unless such date is a day on which all referenced Commodity Reference Prices (for which such date would otherwise be a Pricing Date) are scheduled to be published or announced, as determined as of the time of issue of the Notes.
- (b) "Not Applicable", then if the Determination Agent determines that a Commodity Disruption Event has occurred or exists on the Pricing Date in respect of any Commodity in the Basket (the **"Affected Commodity"**), the Relevant Price of each Commodity within the basket which is not affected by the occurrence of a Commodity Disruption Event shall be determined on its scheduled Pricing Date and the Relevant Price for the Affected Commodity shall be determined in accordance with the first applicable Commodity Disruption Fallback that provides a Commodity Reference Price.

12.6 *Commodity Index Disruption Events*

- (a) The following shall constitute **"Commodity Index Disruption Events"** for the purposes of any Series of Notes with respect to a Commodity Index:
 - (i) a temporary or permanent failure by the applicable exchange or other price source to announce or publish the final settlement price for the relevant Commodity Index; or

- (ii) the occurrence in respect of any Component of the relevant Commodity Index of a Commodity Disruption Event (as defined in Condition 12.2(a) (*Commodity Disruption Events*)).
- (b) Where the Determination Agent determines, acting in a commercially reasonable manner, that a Commodity Index Disruption Event has occurred and is continuing in respect of a Series on the Pricing Date in respect of such Series (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published or announced by the Price Source), or on any other day as may be specified for this purpose in the applicable Pricing Supplement, then (unless Condition 12.6(c) (*Physical Hedging Fallback*) applies) the following provisions shall apply the ("**Commodity Index Disruption Fallback**"):
 - (i) with respect to each Component which is not affected by the Commodity Index Disruption Event, the Relevant Price will be determined by the Determination Agent based on the closing prices of each such Component on the applicable Pricing Date;
 - (ii) with respect to each Component which is affected by the Commodity Index Disruption Event, the Relevant Price will be determined by the Determination Agent (in the case of any Dow Jones UBS Commodity Index) as set out in the DJ UBSCI Manual or (in the case of any S&P Commodity Index) as set out in the Index Methodology, and in respect of any other Commodity Index as set out in the applicable Pricing Supplement, in each case based on the closing prices of each such Component on the first day following the applicable Pricing Date on which no Commodity Index Disruption Event occurs with respect to such Component;
 - (iii) subject to (iv) below, the Determination Agent shall determine the Relevant Price by reference to the closing prices determined in (i) and (ii) above using the then current method for calculating the relevant Commodity Index; and
 - (iv) where a Commodity Index Disruption Event with respect to one or more Components continues to exist (measured from and including the first day following the applicable determination date) for five consecutive Trading Days, the Determination Agent shall determine the Relevant Price acting in good faith and in a commercially reasonable manner. In calculating the Relevant Price as set out in this paragraph (iv), the Determination Agent shall use the formula for calculating the relevant Commodity Index last in effect prior to the Commodity Index Disruption Event. For the purposes of this paragraph (iv), "**Trading Day**" shall mean a day when the exchanges for all Components included in the relevant Commodity Index are scheduled to be open for trading.
- (c) *Physical Hedging Fallback*. Where the Determination Agent determines that a Commodity Index Disruption Event has occurred and is continuing in respect of a Series on the Pricing Date in respect of such Series and "**Physical Hedging Fallback**" is specified as applicable in the applicable Pricing Supplement, then the following provisions shall apply;
 - (i) with respect to each Component included in the Commodity Index which is not affected by the Commodity Index Disruption Event, the Relevant Price will be based on the closing prices of each such Component on the applicable determination date;
 - (ii) with respect to each Component included in the Commodity Index which is affected by the Commodity Index Disruption Event, the Relevant Price will be based on the closing price of each such Component on the first day following the applicable determination date on which no Commodity Index Disruption Event occurs with respect to such Component;
 - (iii) subject to (iv) below, the Determination Agent shall determine the Relevant Price by reference to the closing prices determined in (a) and (b) above using the then current method for calculating the Relevant Price; and
 - (iv) where a Commodity Index Disruption Event with respect to one or more Components included in the Commodity Index continues to exist (measured from and including the first day following the applicable determination date) for five consecutive Trading Days, the Determination Agent shall determine the Relevant Price in good faith and in a commercially reasonable manner. For the purposes of this paragraph (iv), "**Trading Day**" shall mean a day when the exchanges for all Components included in the relevant Commodity Index are scheduled to be open for trading with respect to each Component included in the Commodity Index which is not affected by the

Commodity Index Disruption Event, the Relevant Price will be based on the closing prices of each such Component on the applicable determination date.

- (d) If it (a) is or would be unlawful at any time under any applicable law or regulation or (b) would contravene any applicable licensing requirements, for the Determination Agent to perform the actions prescribed in either Condition 12.6(b) (*Commodity Index Disruption Events*) or (c) (*Physical Hedging Fallback*) (as applicable) then the Issuer shall give not less than five Business Days' notice to redeem the Notes and the Issuer's obligations under the Notes shall be satisfied in full upon payment in respect of each Note of an amount equal to the Early Redemption Amount.
- (e) The Determination Agent shall as soon as reasonably practicable under the circumstances notify the Issuer, the Fiscal Agent and the Noteholders of the occurrence of a Commodity Index Disruption Event and of any action taken as a consequence, provided that any failure to give such notice shall not affect the validity of the foregoing.

12.7 *Adjustments to Commodity Index*

- (a) If a Commodity Index with respect to a Commodity Reference Price is permanently cancelled or is not calculated and announced by the sponsor of such Commodity Index or any of its affiliates (together the "**Sponsor**") but (i) is calculated and announced by a successor sponsor (the "**Successor Sponsor**") acceptable to the Determination Agent, or (ii) replaced by a Successor Index (the "**Successor Index**") using, in the determination of the Determination Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of such Commodity Index, then the Commodity Reference Price will be determined by reference to the Index so calculated and announced by that Successor Sponsor or that Successor Index, as the case may be.
- (b) *Commodity Index Cancellation or Administrator/Benchmark Event Date*: If, for a Commodity Index with respect to a Commodity Reference Price, on or prior to the Maturity Date or any early redemption date of the Commodity-Linked Notes, either (i) the Sponsor permanently cancels the Commodity Index and no Successor Index exists (a "**Commodity Index Cancellation**") or (ii) the applicable Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and an Administrator/Benchmark Event and an Administrator/Benchmark Event Date occurs in respect of such Commodity Index, then:
 - (i) If the applicable Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and if an Alternative Pre-nominated Index has been specified in relation to such Commodity Index in the applicable Pricing Supplement, then:
 - (A) the Determination Agent shall attempt to determine an Adjustment Payment;
 - (B) if the Determination Agent determines an Adjustment Payment,
 - (aa) it shall notify the Issuer of the Adjustment Payment and if the Adjustment Payment is an amount that the Noteholder would (but for Condition 12.7(b)(i)(B)(cc)(b)) be required to pay to the Issuer in respect of each Note, request the Issuer to notify the Determination Agent whether it intends to redeem the Notes pursuant to Condition 12.7(d) (*Redemption for Commodity Index Adjustment Event*). If the Issuer does not intend to redeem the Notes pursuant to Condition 12.7(d) (*Redemption for Commodity Index Adjustment Event*) then the following provisions of this Condition 12.7(b)(i) (*Commodity Index Cancellation or Administrator/Benchmark Event Date*) shall apply;
 - (bb) the terms of the Notes shall be amended so that references to the Commodity Index are replaced by references to the Alternative Pre-nominated Index;
 - (cc) the Conditions shall be adjusted to implement the Adjustment Payment as follows:
 - (a) if the Adjustment Payment is an amount that the Issuer is required to pay in respect of each Note, the Determination Agent shall adjust the Conditions to provide for the payment of the Adjustment

Payment on the immediately succeeding Interest Payment Date or if there is no such immediately succeeding Interest Payment Date, on the Maturity Date or other date when the Notes are redeemed in full; or

- (b) if the Adjustment Payment is an amount that the Noteholder would (but for this Condition 12.7(b)(i)(B)(cc)(b)) be required to pay to the Issuer in respect of each Note, the Determination Agent shall adjust the Conditions to provide for the reduction of the amounts due by the Issuer until the aggregate amount of such reductions is equal to the Adjustment Payment, (subject, in the determination of the Determination Agent, to any minimum redemption amount of the Notes which the Determination Agent determines is required pursuant to any applicable law or regulation (including, without limitation, any tax 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);
 - (dd) the Determination Agent shall make such other adjustments to the Conditions as it determines necessary or appropriate in order to account for the effect of the replacement of the Commodity Index with the Alternative Pre-nominated Index and/or to preserve as nearly as practicable the economic equivalence of the Notes before and after the replacement of the Commodity Index with the Alternative Pre-nominated Index; and
 - (ee) the Determination Agent shall notify the Issuer, the Fiscal Agent and the Noteholders of any replacement of the Commodity Index by the Alternative Pre-nominated Index, the Adjustment Payment and any other adjustments to the Conditions, giving summary details of the adjustment(s), provided that any failure to give such notice shall not affect the validity of the foregoing.
- (C) If the Determination Agent is unable to determine an Adjustment Payment, then Condition 12.7(d) (*Redemption for Commodity Index Adjustment Event*) shall apply.
- (ii) If the applicable Pricing Supplement does not specify that the Benchmark Trigger Provisions are applicable or, if the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable but does not specify an Alternative Pre-nominated Index in relation to the Relevant Commodity Benchmark, then Condition 12.7(d) (*Redemption for Commodity Index Adjustment Event*) shall apply.
- (c) *Commodity Index Modification and Commodity Index Disruption*: If, for a Commodity Index with respect to a Commodity Reference Price, on or prior to the Maturity Date or any early redemption date, (i) the Sponsor makes a material change in the formula for or the method of calculating such Commodity Index or in any other way materially modifies such Commodity Index (other than a modification prescribed in that formula or method to maintain the Commodity Index in the event of changes in constituent commodities and weightings and other routine events) (a "**Commodity Index Modification**") or, (ii) the Sponsor fails to calculate and announce the Commodity Index for a continuous period of three Trading Days and the Determination Agent determines that there is no Successor Sponsor or Successor Index (a "**Commodity Index Disruption**"), then the Determination Agent may at its option (in the case of (i)) and shall (in the case of (ii)) calculate the Relevant Price using in lieu of the published level for that Commodity Index (if any), the level for that Commodity Index as at the relevant determination date as determined by the Determination Agent in accordance with the formula for and method of calculating that Commodity Index last in effect prior to the relevant Commodity Index Adjustment Event, but using only those Components that comprised that Commodity Index immediately prior to the relevant Commodity Index Adjustment Event (other than those futures contracts that have ceased to be listed on any relevant exchange).
- (d) *Redemption for Commodity Index Adjustment Event*: If:
 - (i) a Commodity Index Cancellation occurs and the Pricing Supplement does not specify that the Benchmark Trigger Provisions are applicable;

- (ii) a Commodity Index Cancellation or an Administrator/Benchmark Event Date occurs in respect of a Commodity Index, the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable but does not specify an Alternative Pre-nominated Index;
- (iii) a Commodity Index Cancellation or an Administrator/Benchmark Event Date occurs in respect of a Commodity Index, the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and specifies an Alternative Pre-nominated Index but the Determination Agent is unable to determine the Adjustment Payment;
- (iv) a Commodity Index Cancellation or an Administrator/Benchmark Event Date occurs in respect of a Commodity Index, the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and specifies an Alternative Pre-nominated Index and the Determination Agent determines that the Adjustment Payment would be an amount that the Noteholder would (but for Condition 12.7(b)(i)(B)(cc)(b)) be required to pay to the Issuer in respect of each Note; or
- (v) a Commodity Index Modification or a Commodity Index Disruption occurs and it (a) would be unlawful at any time under any applicable law or regulation or (b) would contravene any applicable licensing requirements, in each case for the Determination Agent to calculate the Relevant Price in accordance with Condition 12.7(c) (*Commodity Index Modification and Commodity Index Disruption*),

then the Issuer may, at any time thereafter and 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 an amount in respect of each Note equal to the Early Redemption Amount.

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

If the Issuer determines that the relevant Notes shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to any variable relevant to the redemption, settlement or payment terms of the relevant Notes and/or any other adjustment, which change or adjustment shall be effective on such date as the Determination Agent shall determine. The Fiscal Agent shall provide notice to the Noteholders of any such change or adjustment in accordance with Condition 38.8 (*Notices*), giving summary details of the relevant change or adjustment, provided that any failure to give such notice shall not affect the validity of any such change or adjustment.

- (e) *Notification of Commodity Index Adjustment Event*: The Determination Agent shall as soon as reasonably practicable under the circumstances notify the Issuer, the Fiscal Agent and the Noteholders of the occurrence of a Commodity Index Adjustment Event and of any action taken as a consequence, provided that any failure to give such notice shall not affect the validity of the foregoing.

12.8 ***Additional Disruption Events***

Following the occurrence of an Additional Disruption Event, the Issuer will, in its reasonable discretion, determine whether or not the relevant Notes shall continue or be redeemed early.

- (a) If the Issuer determines that the relevant Notes shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to any variable relevant to the redemption, settlement, or payment terms of the relevant Notes and/or any other adjustment which change or adjustment shall be effective on such date as the Determination Agent shall determine. The Fiscal Agent shall provide notice to the Noteholders of any such change or adjustment in accordance with Condition 38.8 (*Notices*), giving summary details of the relevant change or adjustment, provided that any failure to give such notice shall not affect the validity of any such change or adjustment.
- (b) If the Issuer determines that the relevant Notes shall be redeemed early, then the Issuer shall give not less than five Business Days' notice to redeem the Notes and the Issuer's obligations under the Notes shall be satisfied in full upon payment of an amount in respect of each Note equal to the Early Redemption Amount.
- (c) For the purposes hereof:

"Additional Disruption Event" means, with respect to any Series of Notes, a Change in Law, Hedging Disruption, Increased Cost of Hedging, and any further event or events as may be specified in the applicable Pricing Supplement.

12.9 *Definitions applicable to Commodity-Linked Notes*

In relation to Commodity-Linked Notes, the following expressions have the meanings set out below:

"Adjustment Payment" means, in respect of any Note, the payment (if any) determined by the Determination Agent as is required 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 Commodity Index by the Alternative Pre-nominated Index;

"Basket" means a basket composed of each Commodity specified in the applicable Pricing Supplement;

"Change in Law" means that, on or after the Trade Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (x) it has become illegal to hold, acquire or dispose of Hedge Positions or (y) it will incur a materially increased cost in performing its obligations with respect to the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

"Commodity" means each commodity specified as such in the applicable Pricing Supplement;

"Commodity Business Day" means:

- (a) in the case where the Commodity Reference Price is a price announced or published by an Exchange, a day that is (or, but for the occurrence of a Commodity Disruption Event, would have been) a day on that Exchange is open for trading during its regular trading session, notwithstanding any such Exchange closing prior to its scheduled closing time; and
- (b) in the case where the Commodity Reference Price is not a price announced or published by an Exchange, a day in respect of which the relevant Price Source published (or, but for the occurrence of a Commodity Disruption Event, would have published) a price;

"Commodity Index" means an index comprising commodities specified as such in the applicable Pricing Supplement;

"Commodity Index Adjustment Event" means, in respect of a Commodity Index, a Commodity Index Cancellation, a Commodity Index Disruption or a Commodity Index Modification;

"Commodity Reference Price" means the commodity reference price(s) specified as such in the applicable Pricing Supplement;

"Component" means in relation to a Commodity Index, any commodity or Futures Contract the price of which is included in such Commodity Index;

"Delivery Date" means the relevant date or month for delivery of the underlying Commodity (which must be a date or month reported or capable of being determined from information reported in or by the relevant Price Source) specified as such in, or determined in accordance with the provisions in, the applicable Pricing Supplement. In relation to any underlying Commodity which is specified in the applicable Pricing Supplement to be a **"Non Metal"** and each Pricing Date, the relevant Delivery Date shall be the month of expiration of the first Futures Contract to expire following such Pricing Date. In relation to any underlying Commodity which is specified in the applicable Pricing Supplement to be a **"Base Metal"** or a **"Precious Metal"** and each Pricing Date, the Delivery Date shall be such Pricing Date;

"DJ UBS Commodity Index" means the Dow Jones UBS Commodity Index and any other Commodity Index, in each case which is calculated and sponsored by Dow Jones Inc, or any successor to such sponsor;

"DJ UBSCI Manual" means the manual or handbook in respect of a DJ UBS Commodity Index published by the sponsor of the relevant Commodity Index and in effect from time to time;

"Exchange" means each exchange or principal trading market specified as such in relation to a Commodity in the applicable Pricing Supplement or in the applicable Commodity Reference Price;

"Futures Contract" means either (a) the contract for future delivery in respect of the relevant Delivery Date relating to the relevant Commodity referred to in the relevant Commodity Reference Price or (b) each futures contract underlying or included in a Commodity Index;

"Hedge Positions" means any purchase, sale, entry into or maintenance of one or more (i) positions or contracts in securities, commodities, options, futures, derivatives or foreign exchange, (ii) stock loan transactions or (iii) other instruments or arrangements (howsoever described) by a party in order to hedge, individually or on a portfolio basis, the Notes;

"Hedging Disruption" means that the Issuer is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations under the Notes, or (B) realise, recover or remit the proceeds of any such transactions or asset(s);

"Increased Cost of Hedging" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Notes or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s) provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging;

"Index Methodology" means the manual or handbook in respect of an S&P Commodity Index published by the sponsor of the relevant Commodity Index and in effect from time to time;

"Price Source" means the publication (or such other origin of reference, including an Exchange) containing (or reporting) the Specified Price (or prices from which the Specified Price is calculated) specified as such in the applicable Pricing Supplement;

"Pricing Date" means, subject as provided in this Condition 12 (*Provisions relating to Commodity-Linked Notes*) each date specified as such (or determined pursuant to a method specified for such purpose) in the applicable Pricing Supplement;

"Relevant Commodity Benchmark" means:

- (a) the Commodity Reference Price (or, if applicable, the index, benchmark or other price source that is referred to in the Commodity Reference Price);
- (b) the Commodity Index; and
- (c) any other index, benchmark or price source specified as such in the applicable Pricing Supplement.

To the extent that a Fallback Reference Price is used, such Fallback Reference Price shall be a "Relevant Benchmark" from the day on which it is used;

"Relevant Price" on any day means in respect of a unit of measure of the Commodity to which a Commodity-Linked Note relates, the price, expressed as a price per unit, determined by the Determination Agent as provided in the applicable Pricing Supplement with respect to such day for the applicable Commodity Reference Price;

"S&P Commodity Index" means the S&P GSCI Commodity Index and any other Commodity Index, in each case which is calculated and sponsored by Standard & Poor's, or any successor to such sponsor; and

"Specified Price" means any of the following prices of a Commodity or Commodities or levels of a Commodity Index (which must be a price reported or capable of being determined from information reported in or by the relevant Price Source), as specified in the applicable Pricing Supplement (and, if applicable, as of the time so specified) (a) the high price (b) the low price (c) the average of the high price and the low price (d) the closing price (e) the opening price (f) the bid price (g) the asked price (h) the average of the bid price and the asked price (i) the settlement price (j) the official settlement price (which shall be the Specified Price for any Commodity Index, and for any Commodity specified in the applicable Pricing Supplement as a **"Non Metal"**) (k) the official price (l) the morning fixing (m) the afternoon fixing (which shall be the Specified Price in respect of any Commodity specified in the applicable Pricing Supplement as a **"Precious Metal"**) (n) the spot price or (o) any other price specified in the applicable Pricing Supplement. The Specified Price for any Commodity specified in the applicable Pricing Supplement as a **"Precious Metal"** shall be the official cash bid price.

13. Provisions relating to Currency-Linked Notes

This Condition 13 (*Provisions relating to Currency-Linked Notes*) is applicable in respect of any Series of Notes (**"Currency-Linked Notes"**) where **"Currency-Linked Interest Note Provisions"** and/or **"Currency-Linked Redemption Provisions"** are specified in the applicable Pricing Supplement as being applicable.

13.1 Valuation Date

"Valuation Date" means, in respect of any Series of Currency-Linked Notes, the date(s) specified as such or otherwise determined as provided in the applicable Pricing Supplement provided that where the Valuation Date is not a Currency Business Day then the Valuation Date shall be the first preceding day that is a Currency Business Day, unless (i) an *Unscheduled Holiday* occurs and Condition 13.3 (*EM Unscheduled Holiday*) applies; (ii) an event giving rise to EM Valuation Postponement occurs and Condition 13.5(a)(iii) (*Currency Disruption Fallbacks – EM Valuation Postponement*) applies; (iii) an event giving rise to EM Valuation Fallback Postponement occurs and Condition 13.5(a)(iv) (*Currency Disruption Fallbacks – EM Valuation Fallback Postponement*) applies; or (iv) otherwise specified in the applicable Pricing Supplement. Unless otherwise specified in the applicable Pricing Supplement and subject to Condition 13.2 (*Averaging*), Condition 13.3 (*EM Unscheduled Holiday*), Condition 13.5(a)(iii) (*Currency Disruption Fallbacks – EM Valuation Postponement*), and Condition 13.5(a)(iv) (*Currency Disruption Fallbacks – EM Valuation Fallback Postponement*) (as applicable), the Valuation Date will be the date falling two Currency Business Days prior to the Maturity Date.

Where any Valuation Date is postponed pursuant to Condition 13.3 (*EM Unscheduled Holiday*), Condition 13.5(a)(iii) (*Currency Disruption Fallbacks – EM Valuation Postponement*) or Condition 13.5(a)(iv) (*Currency Disruption Fallbacks – EM Valuation Fallback Postponement*) (as applicable), the Interest Payment Date or the Maturity Date to which the Valuation Date relates shall be the later of (a) the scheduled Interest Payment Date or Maturity Date (as the case may be) and (b) the date that falls two Currency Business Days after the Valuation Date (or such other date as may be specified in the applicable Pricing Supplement).

13.2 Averaging

If Averaging Dates are specified in the applicable Pricing Supplement, then notwithstanding any other provisions of these Conditions, the following provisions will apply to the determination of the Settlement Rate in relation to a Valuation Date:

- (a) **"Averaging Date"** means, in respect of a Valuation Date, each date specified as such or otherwise determined as provided in the applicable Pricing Supplement, provided that if any such date is not a Currency Business Day, such date shall be the first preceding day that is a Currency Business Day, unless (i) an *Unscheduled Holiday* occurs and Condition 13.3 (*EM Unscheduled Holiday*) applies; (ii) an event giving rise to EM Valuation Postponement occurs and Condition 13.5(a)(iii) (*Currency Disruption Fallbacks – EM Valuation Postponement*) applies; (iii) an event giving rise to EM Valuation Fallback Postponement occurs and Condition 13.5(a)(iv) (*Currency Disruption Fallbacks – EM Valuation Fallback Postponement*) applies; or (iv) otherwise specified in the applicable Pricing Supplement.

- (b) For purposes of determining the Settlement Rate in relation to a Valuation Date, the Settlement Rate will be the arithmetic mean of the Spot Rates on each Averaging Date (or, if different, the day on which rates for each Averaging Date would, in the ordinary course, be published or announced by the relevant price source).
- (c) Unless (i) an *Unscheduled Holiday* occurs and Condition 13.3 (*EM Unscheduled Holiday*) applies; (ii) an event giving rise to EM Valuation Postponement occurs and Condition 13.5(a)(iii) (*Currency Disruption Fallbacks – EM Valuation Postponement*) applies; (iii) an event giving rise to EM Valuation Fallback Postponement occurs and Condition 13.5(a)(iv) (*Currency Disruption Fallbacks – EM Valuation Fallback Postponement*) applies; or (iv) otherwise specified in the applicable Pricing Supplement, in the case where it becomes impossible to obtain the Spot Rate on an Averaging Date (or, if different, the day on which rates for that Averaging Date would, in the ordinary course, be published or announced by the relevant price source), such Averaging Date will be deemed not to be a relevant Averaging Date for purposes of determining the relevant Settlement Rate. If through the operation of this Condition 13.2(c) (*Averaging*), there would not be an Averaging Date with respect to the relevant Valuation Date, the provisions of Condition 13.5 (*Currency Disruption Fallbacks*) shall apply for purposes of determining the relevant Spot Rate on the final Averaging Date with respect to that Valuation Date as if such Averaging Date were a Valuation Date on which a Price Source Disruption had occurred.

Where any Averaging Date in respect of a Valuation Date is postponed pursuant to Condition 13.3 (*EM Unscheduled Holiday*), Condition 13.5(a)(iii) (*Currency Disruption Fallbacks – EM Valuation Postponement*) or Condition 13.5(a)(iv) (*Currency Disruption Fallbacks – EM Valuation Fallback Postponement*) (as applicable), the Interest Payment Date or the Maturity Date to which the Averaging Date and the Valuation Date relates shall be the later of (a) the scheduled Interest Payment Date or Maturity Date (as the case may be) and (b) the date that falls two Currency Business Days after the final Averaging Date in respect of such Valuation Date (or such other date as may be specified in the applicable Pricing Supplement).

13.3 *EM Unscheduled Holiday*

If "EM Unscheduled Holiday" is specified to be applicable in the applicable Pricing Supplement, if the Determination Agent determines that a Valuation Date or an Averaging Date is an *Unscheduled Holiday* in respect of a Settlement Rate, then the Valuation Date or Averaging Date, as the case may be, in respect of such Settlement Rate shall be the first succeeding Currency Business Day which is not an *Unscheduled Holiday*, unless the Determination Agent determines that such first Currency Business Day has not occurred on or before the Maximum Days of *Unscheduled Holiday Postponement* immediately following such scheduled Valuation Date or Averaging Date. In that case:

- (A) the next day after that period that would be a Currency Business Day but for the occurrence of an *Unscheduled Holiday* shall be deemed to be the Valuation Date or the Averaging Date, as the case may be (such day, the "**Adjusted Valuation Date**" or the "**Adjusted Averaging Date**", as applicable); and
- (B) the Determination Agent shall determine the Settlement Rate in respect of such Adjusted Valuation Date or Adjusted Averaging Date, as the case may be, in accordance with the first applicable *Currency Disruption Fallback* (applied in accordance with its terms) that provides the Settlement Rate.

If this Condition 13.3 (*EM Unscheduled Holiday*) applies, the provisions of Condition 13.4(a)(ii)(B) (*Currency Disruption Events – Additional Price Source Disruption*) shall not apply notwithstanding that "Additional Price Source Disruption" may be specified as applicable in the applicable Pricing Supplement.

13.4 *Currency Disruption Events*

- (a) If so specified in the Pricing Supplement relating to any Series of Notes, the following shall constitute "**Currency Disruption Events**" for the purposes of such Series:

- (i) **"Price Source Disruption"**, which means it becomes impossible, as determined by the Determination Agent, acting in a commercially reasonable manner, to determine the Settlement Rate on any Averaging Date or Valuation Date (or, if different, the day on which rates for that Valuation Date would, in the ordinary course, be published or announced by the Reference Source);
- (ii) **"Additional Price Source Disruption"**, which means in relation to the determination of the Settlement Rate on any Averaging Date or Valuation Date:
 - (A) the relevant exchange rate is not displayed on the Reference Source for such Averaging Date or Valuation Date;
 - (B) such Averaging Date or Valuation Date is an Unscheduled Holiday; or
 - (C) the Determination Agent determines in good faith that the exchange rate so displayed on the Reference Source is manifestly incorrect;
- (iii) **"Price Materiality Event"**, which means the Primary Rate differs from the Secondary Rate by at least the Price Materiality Percentage;
- (iv) **"Dual Exchange Rate"**, which means that the Settlement Rate splits into dual or multiple exchange rates;
- (v) **"General Inconvertibility"**, which means in respect of a Currency Pair, the occurrence of any event that generally makes it impossible for the Issuer or the Determination Agent on its behalf to convert the Event Currency into the Non-Event Currency in the Event Currency Jurisdiction through customary legal channels;
- (vi) **"General Non-Transferability"**, which means the occurrence of any event in or affecting any relevant jurisdiction that generally makes it impossible for the Issuer to deliver (A) the Non-Event Currency from accounts inside the Event Currency Jurisdiction to accounts outside the Event Currency Jurisdiction or (B) the Event Currency between accounts inside the Event Currency Jurisdiction or to a party that is a non-resident of the Event Currency Jurisdiction;
- (vii) **"Illiquidity"**, which means it becomes impossible for the Issuer or the Determination Agent on its behalf to obtain a firm quote of the Settlement Rate for the Minimum Amount (either in one transaction or a commercially reasonable number of transactions that, when taken together, total the Minimum Amount) on the Valuation Date (or, if different, the day on which rates for that Valuation Date would, in the ordinary course, be published or announced by the relevant price source) or by such other date (the **"Illiquidity Valuation Date"**) as is specified for such purpose in the applicable Pricing Supplement. If an Illiquidity Valuation Date is specified in the applicable Pricing Supplement and an Illiquidity Currency Disruption Event occurs on such date, then the Illiquidity Valuation Date will be deemed to be the Valuation Date;
- (viii) **"Governmental Authority Default"**, which means with respect to any security or indebtedness for borrowed money of, or guaranteed by, any Governmental Authority, the occurrence of a default, event of default or other similar condition or event (however described) including, but not limited to, (A) the failure of timely payment in full of any principal, interest or other amounts due (without giving effect to any applicable grace periods) in respect of any such security, indebtedness for borrowed money or guarantee, (B) a declared moratorium, standstill, waiver, deferral, repudiation or rescheduling of any principal, interest or other amounts due in respect of any such security, indebtedness for borrowed money or guarantee or (C) the amendment or modification of the terms and conditions of payment of any principal, interest or other amounts due in respect of any such security, indebtedness for borrowed money or guarantee without the consent of all holders of such obligation. The determination of the existence or occurrence of any default, event of default or other similar condition or event shall be made without regard to any lack or alleged lack of authority or capacity of such Governmental Authority to issue or enter into such security, indebtedness for borrowed money or guarantee;
- (ix) **"Nationalization"**, which means any expropriation, confiscation, requisition, nationalization or other action by any Governmental Authority which deprives the Issuer (or any of its Affiliates), of all or substantially all of its assets in the Event Currency Jurisdiction;

- (x) **"Material Change in Circumstance"**, which means the occurrence of any event (other than those events specified as Currency Disruption Events in this Condition 13.4 (*Currency Disruption Events*)) in the Event Currency Jurisdiction beyond the control of the Issuer which makes it impossible for the Issuer to fulfil its obligations under the Notes; and
 - (xi) any other (if any) currency disruption event specified in the applicable Pricing Supplement.
- (b) If the applicable Pricing Supplement specifies that any Currency Disruption Event shall be applicable to such Series, then, where the Determination Agent determines, acting in a commercially reasonable manner, that such Currency Disruption Event occurs or has occurred and is continuing in respect of such Series:
- (i) in the case of Price Source Disruption, on any Averaging Date or Valuation Date in respect of such Series (or, if different, the day on which rates for that Valuation Date would, in the ordinary course, be published or announced by the relevant price source); and
 - (ii) in the case of any other Currency Disruption Event, on any Averaging Date, Valuation Date or such other day as may be specified for this purpose in the applicable Pricing Supplement,
- then the Settlement Rate for such Series will be determined in accordance with the terms of the Currency Disruption Fallback first applicable pursuant to Condition 13.5 (*Currency Disruption Fallbacks*), which shall be subject to Condition 13.4(c) below.
- (c)
- (i) If the Series of Notes is a single Currency-Linked Note, the provisions of Conditions 13.4(a) and (b) above shall apply.
 - (ii) If the Series of Notes is a Currency Basket-Linked Note, and the Determination Agent determines that a Currency Disruption Event has occurred on any Averaging Date, Valuation Date or Relevant Date in respect of any Settlement Rate (which for the purposes of Conditions 13.4 (*Currency Disruption Events*) and 13.5 (*Currency Disruption Fallbacks*) shall mean the Settlement Rate in respect of each Currency Pair), then:
 - (A) for each Settlement Rate for which the Determination Agent determines that a Currency Disruption Event has not occurred, the Settlement Rate shall be determined in accordance with the Conditions; and
 - (B) for each Settlement Rate for which the Determination Agent determines that a Currency Disruption Event has occurred, the Determination Agent shall determine the Settlement Rate in accordance with the applicable Currency Disruption Fallback in accordance with Condition 13.5 (*Currency Disruption Fallbacks*) and the applicable Pricing Supplement.

13.5 **Currency Disruption Fallbacks**

- (a) If so specified in the Pricing Supplement relating to any Series of Notes, the following shall constitute **"Currency Disruption Fallbacks"** for the purposes of such Series, and the applicable Pricing Supplement shall specify which Currency Disruption Fallback(s) shall apply to such Series, to which Currency Disruption Event each such Currency Disruption Fallback shall apply and, where more than one Currency Disruption Fallback may apply to a Currency Disruption Event, the order in which such Currency Disruption Fallback(s) shall apply to such Currency Disruption Event.
- (i) **"Determination Agent Determination of Settlement Rate"** means that the Determination Agent will determine, in its reasonable discretion, the Settlement Rate (or a method for determining the Settlement Rate), taking into consideration all available information that it deems relevant including (but not limited to), in the case of Currency Basket-Linked Notes, the relevant rate for each unaffected Currency Pair which was determined on the relevant Valuation Date;
 - (ii) **"Fallback Reference Price"** means that the Determination Agent will determine, in its reasonable discretion, the Settlement Rate for such Series on the relevant Valuation Date (or, if different, the day on which rates for that Valuation Date would, in the ordinary course, be published or announced) pursuant to Currency Reference Dealers, or pursuant to such other

methodology or price sources as may be specified as the Fallback Reference Price in the applicable Pricing Supplement;

- (iii) **"EM Valuation Postponement"** means that if the Determination Agent determines that a Valuation Date, an Adjusted Valuation Date, an Averaging Date or an Adjusted Averaging Date is a Disrupted Day in respect of the Settlement Rate (which term shall include, where the applicable Pricing Supplement provides that the prior applicable Currency Disruption Fallback is "Fallback Reference Price", the Settlement Rate determined using the applicable Fallback Reference Price), then the Valuation Date, Adjusted Valuation Date, Averaging Date or Adjusted Averaging Date, as the case may be, shall be the first succeeding Currency Business Day which is not a Disrupted Day, unless the Determination Agent determines that no such Currency Business Day has occurred on or before the Maximum Days of EM Valuation Postponement immediately following such scheduled Valuation Date, Adjusted Valuation Date, Averaging Date or Adjusted Averaging Date, as the case may be. In that case:
 - (A) the next Currency Business Day after the EM Valuation Longstop Date shall be deemed to be the Valuation Date, Adjusted Valuation Date, Averaging Date or Adjusted Averaging Date, as the case may be, (notwithstanding the fact that such day may be a Disrupted Day); and
 - (B) the next Currency Disruption Fallback specified in the applicable Pricing Supplement shall apply;
- (iv) **"EM Valuation Fallback Postponement"** means that if the Determination Agent determines that the Settlement Rate (which term shall include, where the applicable Pricing Supplement provides that the prior applicable Currency Disruption Fallback is "Fallback Reference Price", the Settlement Rate determined using the applicable Fallback Reference Price) is not available (a) on the first Currency Business Day following the end of the Maximum Days of EM Valuation Postponement (where a Currency Disruption Event has occurred or exists in respect of the Settlement Rate throughout the Maximum Days of EM Valuation Postponement); or (b) the Adjusted Valuation Date or Adjusted Averaging Date, as the case may be, then the Valuation Date or the Averaging Date, as the case may be, shall be the first succeeding Currency Business Day which is not a Disrupted Day, unless the Determination Agent determines that no such Currency Business Day has occurred on or before the Maximum Days of EM Valuation Fallback Postponement immediately following such first Currency Business Day following the end of the Maximum Days of EM Valuation Postponement, or the Adjusted Valuation Date or Adjusted Averaging Date, as the case may be. In that case:
 - (A) the next Currency Business Day after the EM Valuation Fallback Longstop Date shall be deemed to be the Valuation Date or the Averaging Date, as the case may be, (notwithstanding the fact that such day may be a Disrupted Day); and
 - (B) the next Currency Disruption Fallback specified in the applicable Pricing Supplement shall apply;
- (v) **"Cumulative Events"** means that the total number of consecutive calendar days during which a Valuation Date or an Averaging Date, as the case may be, is deferred due to (i) an Unscheduled Holiday in circumstances where Condition 13.3 (*EM Unscheduled Holiday*) applies; (ii) EM Valuation Postponement; or (iii) EM Valuation Fallback Postponement (or a combination of (i) (ii) and (iii)), shall not exceed the Maximum Days of Cumulative Postponement in the aggregate.

Accordingly, if by the operation of the above paragraph, a Valuation Date or an Averaging Date, as the case may be, is postponed by the number of calendar days equal to the Maximum Days of Cumulative Postponement, then such Valuation Date or Averaging Date, as the case may be, shall be the Cumulative Postponement Longstop Date. If such Cumulative Postponement Longstop Date is a Disrupted Day, then the Determination Agent shall determine the Settlement Rate in respect of such Cumulative Postponement Longstop Date in accordance with the next applicable Currency Disruption Fallback; and

- (vi) any other provisions specified as Currency Disruption Fallbacks in the applicable Pricing Supplement.
- (b) Where more than one Currency Disruption Event occurs or exists or is deemed to occur or exist, then, unless the applicable Pricing Supplement has specified which Currency Disruption Fallback shall apply in such circumstances, the Determination Agent shall determine, in its reasonable discretion, which Currency Disruption Fallback shall apply.

13.6 ***Administrator/Benchmark Events***

- (a) If the Benchmark Trigger Provisions are specified in the applicable Pricing Supplement as being applicable and an Administrator/Benchmark Event and an Administrator/Benchmark Event Date occur;
 - (i) the Currency Disruption Fallbacks specified in the applicable Pricing Supplement to apply with respect to Administrator/Benchmark Event will apply, or if none are specified, the Currency Disruption Fallbacks specified in the applicable Pricing Supplement to apply shall be deemed to apply in accordance with Condition 13.5 (*Currency Disruption Fallbacks*) provided that if the Relevant FX Benchmark is not the Settlement Rate then references to the "Settlement Rate" in the applicable Currency Disruption Fallbacks and related definitions and provisions of these Conditions shall be deemed to be references to the Relevant FX Benchmark;
 - (ii) if it (i) is or would be unlawful at any time under any applicable law or regulation or (ii) would contravene any applicable licensing requirements, for the Issuer or the Determination Agent to perform the actions prescribed in an applicable Currency Disruption Fallback (or it would be unlawful or would contravene those licensing requirements were a determination to be made at such time), the next applicable Currency Disruption Fallback will apply; and
 - (iii) if the Issuer determines that the last applicable Currency Disruption Fallback does not provide a Settlement Rate (including due to the applicability of paragraph (ii) above in relation to the last applicable Currency Disruption Fallback), then the Issuer shall give not less than five Business Days' notice to redeem the Notes and the Issuer's obligations under the Notes shall be satisfied in full upon payment in respect of each Note of an amount equal to the Early Redemption Amount.
- (b) The Determination Agent shall as soon as reasonably practicable under the circumstances notify the Issuer, the Fiscal Agent and the Noteholders of the occurrence of an Administrator/Benchmark Event Date and of any action taken as a consequence, provided that any failure to give such notice shall not affect the validity of the foregoing.

13.7 ***Change to a Relevant FX Benchmark***

If the definition, methodology or formula for a Relevant FX Benchmark, or other means of calculating the Relevant FX Benchmark, is changed (irrespective of the materiality of any such change or changes), then, unless otherwise specified in the applicable Pricing Supplement, references to that Relevant FX Benchmark shall be to the Relevant FX Benchmark as changed.

13.8 ***Additional Disruption Events***

- (a) Following the occurrence of an Additional Disruption Event, the Issuer will, in its reasonable discretion, determine whether or not the relevant Notes shall continue or be redeemed early.
- (b) If the Issuer determines that the relevant Notes shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to any variable relevant to the redemption, settlement, or payment terms of the relevant Notes and/or any other adjustment which change or adjustment shall be effective on such date as the Determination Agent shall determine. The Fiscal Agent shall provide notice to the Noteholders of any such adjustment in accordance with Condition 38.8 (*Notices*), giving summary details of the adjustment, provided that any failure to give such notice shall not affect the validity of any such adjustment.
- (c) If the Issuer determines that the relevant Notes shall be redeemed early, then the Issuer shall give not less than five Business Days' notice to redeem the Notes and the Issuer's obligations under the Notes shall be

satisfied in full upon payment of an amount in respect of each Note equal to the Early Redemption Amount as specified in the applicable Pricing Supplement.

- (d) The Issuer shall as soon as reasonably practicable under the circumstances notify the Fiscal Agent and the Determination Agent of the occurrence of an Additional Disruption Event.
- (e) For the purposes hereof:

"Additional Disruption Event" means, if specified as applicable in the applicable Pricing Supplement, with respect to any Series of Notes, a Change in Law, Hedging Disruption, Increased Cost of Hedging and any further event or events as may be specified in the applicable Pricing Supplement.

13.9 **Definitions applicable to Currency-Linked Notes**

In relation to Currency-Linked Notes, the following expressions have the meanings set out below:

"Additional Currency Financial Centre(s)" means the city or cities specified as such in the applicable Pricing Supplement;

"Base Currency" means the currency specified as such in the applicable Pricing Supplement;

"Change in Law" means that, on or after the Trade Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (x) it has become illegal to hold, acquire or dispose of Hedge Positions or (y) it will incur a materially increased cost in performing its obligations with respect to the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

"Cumulative Postponement Longstop Date" means, in respect of any postponement by a number of days equal to the Maximum Days of Cumulative Postponement, the last day of such postponement;

"Currency Business Day" means, unless otherwise specified in the applicable Pricing Supplement:

- (a) for the purposes of the definition of "Valuation Date" in Condition 13.1 (*Valuation Date*), in respect of any Series of Currency-Linked Notes: (i) a day on which commercial banks are (or but for the occurrence of a Currency Disruption Event, would have been) open for business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in the Principal Financial Centre(s) of the Reference Currency and, if so specified in the applicable Pricing Supplement for this paragraph (a), in any Additional Currency Financial Centre or (ii) where the currency to be valued is euro, a day that is a TARGET Settlement Day and a Business Day;
- (b) for any other purpose, in respect of any Series of Currency-Linked Notes: (i) a day on which commercial banks are open for general business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in the Principal Financial Centre(s) of the Reference Currency and, if so specified in the applicable Pricing Supplement for this paragraph (b), in any Additional Currency Financial Centre and (ii) where one of the Currency Pair is euro, a day that is a TARGET Settlement Day;

"Currency Pair" means the Reference Currency and the Base Currency;

"Currency Reference Dealers" means that the Settlement Rate or the Spot Rate for a Rate Calculation Date will be determined on the basis of quotations provided by Reference Dealers on that Rate Calculation Date of that day's Specified Rate, expressed as the amount of Reference Currency per one unit of Base Currency for settlement on the Maturity Date (or other relevant date for payment under the Notes). The Determination Agent will request each of the Reference Dealers to provide a firm quotation of its Specified Rate for a transaction where the amount of Reference Currency equals the Specified Amount. If four quotations are provided, the rate for a Rate Calculation Date will be the arithmetic mean of the Specified Rates, without regard to the Specified Rates having the highest and lowest value. If exactly three quotations are provided, the rate for a Rate Calculation Date will be the Specified Rate

provided by the Reference Dealer that remains after disregarding the Specified Rates having the highest and lowest values. For this purpose, if more than one quotation has the same highest value or lowest value, then the Specified Rate of one of such quotations shall be disregarded. If exactly two quotations are provided, the rate for a Rate Calculation Date will be the arithmetic mean of the Specified Rates. If only one quotation is provided, the rate for a Rate Calculation Date will be the Specified Rate quoted by that Reference Dealer. The quotations used to determine the Spot Rate for a Rate Calculation Date will be determined in each case at the Specified Time on that Rate Calculation Date, or, if no such time is specified, the time chosen by the Determination Agent;

"Disrupted Day" means any day on which a Currency Disruption Event occurs or has occurred and is continuing;

"EM Valuation Fallback Longstop Date" means, in respect of any postponement by a number of days equal to the Maximum Days of EM Valuation Fallback Postponement, the last day of such postponement;

"EM Valuation Longstop Date" means, in respect of any postponement by a number of days equal to the Maximum Days of EM Valuation Postponement, the last day of such postponement;

"Event Currency" means the Reference Currency, unless otherwise specified in the applicable Pricing Supplement;

"Event Currency Jurisdiction" means the country for which the Event Currency is the lawful currency;

"Governmental Authority" means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of a relevant jurisdiction;

"Hedge Positions" means any purchase, sale, entry into or maintenance of one or more (i) positions or contracts in securities, commodities, options, futures, derivatives or foreign exchange, (ii) stock loan transactions or (iii) other instruments or arrangements (howsoever described) by a party in order to hedge, individually or on a portfolio basis, the Notes;

"Hedging Disruption" means that the Issuer is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations under the Notes, or (B) realise, recover or remit the proceeds of any such transactions or asset(s);

"Increased Cost of Hedging" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Notes or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s) provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging;

"Maximum Days of Cumulative Postponement" means the number of days specified as such in the applicable Pricing Supplement;

"Maximum Days of EM Valuation Fallback Postponement" means the number of days specified as such in the applicable Pricing Supplement;

"Maximum Days of EM Valuation Postponement" means the number of days specified as such in the applicable Pricing Supplement;

"Maximum Days of Unscheduled Holiday Postponement" means the number of days specified as such in the applicable Pricing Supplement;

"Minimum Amount" means, for the purposes of an Illiquidity Currency Disruption Event, the amount specified as such in the applicable Pricing Supplement or, if such an amount is not specified, the Specified Amount;

"Non-Event Currency" means, in respect of a Currency Pair, the currency that is not the Event Currency;

"Price Materiality Percentage" means the percentage specified as such in the applicable Pricing Supplement;

"Primary Rate" means the rate specified as such in the applicable Pricing Supplement;

"Rate Calculation Date" means any Valuation Date or Averaging Date (as defined in Conditions 13.1 (*Valuation Date*) and 13.2 (*Averaging*), respectively);

"Reference Currency" means the currency specified as such in the applicable Pricing Supplement;

"Reference Dealers" means the reference dealers specified as such in the applicable Pricing Supplement;

"Reference Source" means the source (such as a Reuters screen page, Bloomberg page or website) specified as such in the applicable Pricing Supplement or any successor;

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

- (i) the Settlement Rate;
- (ii) the Primary Rate and the Secondary Rate; and
- (iii) any other index, benchmark, rate or price source which is referenced in the Notes and which is a measure constituting an index (or combination of indices) under any law or regulation applicable to the Notes and identified as a "Relevant FX Benchmark" in the applicable Pricing Supplement.

To the extent that a Fallback Reference Price is used, it shall be a "Relevant FX Benchmark" from the day on which it is used.

"Secondary Rate" means the rate specified as such in the applicable Pricing Supplement;

"Settlement Rate" means the rate as determined by the Determination Agent, in its reasonable discretion, in accordance with the applicable Pricing Supplement and, where applicable shall be determined in accordance with Condition 13.2 (*Averaging*);

"Specified Amount" means the amount of Reference Currency specified as such in the applicable Pricing Supplement;

"Specified Rate" means any of the following rates, as specified in the applicable Pricing Supplement: (i) the Reference Currency bid exchange rate, (ii) the Reference Currency offer exchange rate, (iii) the average of the Reference Currency bid and offer exchange rates, (iv) the Base Currency bid exchange rate, (v) the Base Currency offer exchange rate, (vi) the average of the Base Currency bid and offer exchange rates, (vii) the official fixing rate or (viii) any other exchange rate specified in the applicable Pricing Supplement. If no such rate is specified, the Specified Rate will be deemed to be the average of the Reference Currency bid and offer rate;

"Specified Time" means, in respect of any series of Notes and the determination of the Spot Rate, the time specified as such in the applicable Pricing Supplement or if no such time is specified the time chosen by the Determination Agent;

"Spot Rate" means for any Valuation Date, the relevant currency exchange rate, expressed as the amount of Reference Currency per one unit of Base Currency, determined as the currency exchange rate at the time at which such rate is to be determined for foreign exchange transactions in the Currency Pair for value on the Maturity Date (or other relevant date for payment under the Notes), as determined in good faith and in a commercially reasonable manner by the Determination Agent; and

"Unscheduled Holiday" means that a day is not a Currency Business Day and that the market was not aware of such fact (by means of a public announcement or by reference to other publicly available information) until a time later than 9:00 a.m. local time in the Principal Financial Centre(s) of the Reference Currency two Currency Business Days prior to such day.

14. Provisions relating to Inflation-Linked Notes

This Condition 14 (*Provisions relating to Inflation-Linked Notes*) is applicable in respect of any Series of Notes ("**Inflation-Linked Notes**") where "**Inflation-Linked Interest Note Provisions**" and/or "**Inflation-Linked Redemption Provisions**" are specified in the applicable Pricing Supplement as being applicable.

14.1 *Delay of Publication*

If any level of an Index for a Reference Month which is relevant to the calculation of a payment under the Notes (a "**Relevant Level**") has not been published or announced by the Inflation Determination Date, the Determination Agent shall determine a Substitute Index Level (in place of such Relevant Level) by using the following methodology:

- (i) If applicable, the Determination Agent will take the same action to determine the Substitute Index Level in respect of the relevant Inflation Determination Date as that taken by the calculation agent pursuant to the terms and conditions of the Related Bond;
- (ii) If (i) above does not result in a Substitute Index Level in respect of such Inflation Determination Date for any reason, then the Calculation Agent shall determine the Substitute Index Level in a commercially reasonable manner in its reasonable discretion.

If a Relevant Level is published or announced at any time after the Inflation Determination Date, such Relevant Level will not be used in any calculations. The Substitute Index Level so determined pursuant to this Condition 14.1 (*Delay of Publication*), will be the definitive level for that Reference Month.

14.2 *Cessation of Publication*

If a level for the Index has not been published or announced for two consecutive months or the Index Sponsor announces that it will no longer continue to publish or announce the Index then the Determination Agent shall determine a Successor Index (in lieu of any previously applicable Index) for the purposes of the Notes by using the following methodology:

- (a) If at any time a Successor Index has been designated by the calculation agent of the Related Bond pursuant to the terms and conditions of the Related Bond, such Successor Index shall be designated a "Successor Index" for the purposes of all subsequent Specified Interest Payment Dates or other relevant payment date as may be specified in the applicable Pricing Supplement in relation to the Notes, notwithstanding that any other Successor Index may previously have been determined under Conditions 14.2(b), 14.2(c) or 14.2(d) (*Cessation of Publication*) below; or
- (b) If a Successor Index has not been determined under Condition 14.2(a) above and a notice has been given or an announcement has been made by the Index Sponsor, specifying that the Index will be superseded by a replacement index specified by the Index Sponsor, and the Determination Agent determines that such replacement index is calculated using the same or substantially similar formula or method of calculation as used in the calculation of the previously applicable Index, such replacement index shall be the Index for purposes of the Notes from the date that such replacement index comes into effect; or
- (c) If a Successor Index has not been determined under Condition 14.2(a) or 14.2(b) above, the Determination Agent shall ask five leading independent dealers to state what the replacement Index for the Index should be. If between four and five responses are received, and of those four or five responses, three or more leading independent dealers state the same Index, this Index will be deemed the "**Successor Index**". If three responses are received, and two or more leading independent dealers state the same Index, this Index will be deemed the "Successor Index". If fewer than three responses are received, the Determination Agent will proceed to Condition 14.2(d) below;
- (d) If no Successor Index has been determined under Condition 14.2(a), 14.2(b) or 14.2(c) (*Cessation of Publication*) by the next Inflation Determination Date, the Determination Agent will determine an appropriate alternative index, and such index will be deemed a "**Successor Index**"; or

- (e) If the Determination Agent determines that there is no appropriate alternative index, the Issuer shall give not less than five Inflation Business Days' notice to redeem the Notes and the Issuer's obligations under the Notes shall be satisfied in full upon payment in respect of each Note of an amount equal to the Early Redemption Amount.

14.3 ***Rebasing of the Index***

If the Determination Agent determines that an Index has been or will be rebased at any time, the Index as so rebased (the "**Rebased Index**") will be used for purposes of determining the level of such Index from the date of such rebasing; provided, however, that the Determination Agent shall make such adjustments as are made by the calculation agent of the Related Bond pursuant to the terms and conditions of the Related Bond, if any, to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Index before it was rebased. If there is no Related Bond, the Determination Agent shall make adjustments to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Index before it was rebased. Any such rebasing shall not affect any prior payments made under the Notes.

14.4 ***Material Modification Prior to Payment Date***

If, on or prior to the Inflation Determination Date, an Index Sponsor announces that it will make a material change to an Index then the Determination Agent shall make any such adjustments to the Index consistent with adjustments made to the Related Bond, or, if there is no Related Bond, only those adjustments necessary for the modified Index to continue as the Index.

14.5 ***Manifest Error in Publication***

If, within thirty days of publication and prior to the redemption of the Notes or payments in respect of any relevant Specified Interest Payment Date or other relevant payment date as may be specified in the applicable Pricing Supplement in relation to the Notes, the Determination Agent determines that the Index Sponsor has corrected the level of the Index to remedy a manifest error in its original publication, the Determination Agent will notify the holders of the Notes in accordance with Condition 38 (*Notices*) of (a) that correction, (b) the adjusted amount that is then payable under the Notes as a result of that correction and (c) take such other action as it may deem necessary to give effect to such correction, provided that any amount payable pursuant to sub-paragraph (b) above shall be paid (with no interest accruing thereon) (i) in connection with an Index Sponsor's correction to remedy a manifest error in the level of an Index for a Reference Month for which the Specified Interest Payment Date or other relevant payment date as may be specified in the applicable Pricing Supplement in relation to the Notes has occurred, within 15 Inflation Business Days after notice of such amount payable by the Determination Agent, (ii) in connection with an Index Sponsor's correction to remedy a manifest error in the level of an Index for a Reference Month for which the Specified Interest Payment Date or other relevant payment date as may be specified in the applicable Pricing Supplement in relation to the Notes has not occurred, as an adjustment to the payment obligation on the next Specified Interest Payment Date or (iii) if there is no further Specified Interest Payment Date or other relevant payment date as may be specified in the applicable Pricing Supplement in relation to the Notes, within 15 Inflation Business Days after notice of such amount payable by the Determination Agent.

14.6 ***Additional Disruption Events***

- (a) Following the occurrence of an Additional Disruption Event, the Issuer will, in its reasonable discretion, determine whether or not the relevant Notes shall continue or be redeemed early.
- (b) If the Issuer determines that the relevant Notes shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to any variable relevant to the redemption, settlement, or payment terms of the relevant Notes and/or any other adjustment which change or adjustment shall be effective on such date as the Determination Agent shall determine. The Fiscal Agent shall provide notice to the Noteholders of any such adjustment in accordance with Condition 38.8 (*Notices*), giving summary details of the adjustment, provided that any failure to give such notice shall not affect the validity of any such adjustment.
- (c) If the Issuer determines that the relevant Notes shall be redeemed early, then the Issuer shall give not less than five Inflation Business Days' notice to redeem the Notes and the Issuer's obligations under the Notes

shall be satisfied in full upon payment of an amount in respect of each Note equal to the Early Redemption Amount.

- (d) The Issuer shall as soon as reasonably practicable under the circumstances notify the Fiscal Agent and the Determination Agent of the occurrence of an Additional Disruption Event.

- (e) For the purposes hereof:

"**Additional Disruption Event**" means, if specified as applicable in the applicable Pricing Supplement, with respect to any Series of Notes, a Change in Law, Hedging Disruption, Increased Cost of Hedging, and any further event or events as may be specified in the applicable Pricing Supplement.

14.7 **Definitions Applicable to Inflation-Linked Notes**

In relation to Inflation-Linked Notes, the following expressions have the meanings set out below:

"**Affected Payment Date**" means each Specified Interest Payment Date or other relevant payment date as may be specified in the applicable Pricing Supplement in relation to the Notes in respect of which an Index has not been published or announced;

"**Change in Law**" means that, on or after the Trade Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (i) it has become illegal to hold, acquire or dispose of Hedge Positions or (ii) it will incur a materially increased cost in performing its obligations with respect to the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

"**Daily Inflation Rate**" means, in respect of an Inflation Valuation Date, the daily interpolated level of the Index for the relevant Inflation Valuation Date, determined as follows:

$$MIL_t + (MIL_{t1} - MIL_t) \times \frac{D-1}{N}$$

where:

"**MIL_t**" means the Index level for the Reference Month that is the number of months immediately preceding the relevant Inflation Valuation Date as specified in the applicable Pricing Supplement. If the number of months is not specified, 3 months shall apply.

"**MIL_{t1}**" means the Index level for the Reference Month that is the number of months immediately preceding the relevant Inflation Valuation Date as specified in the applicable Pricing Supplement. If the number of months is not specified, 2 months shall apply.

"**D**" means, in respect of an Inflation Valuation Date, the number of the calendar day of such Inflation Valuation Date, as determined by the Determination Agent.

"**N**" means, in respect of an Inflation Valuation Date, the total number of calendar days of the month in which such Inflation Valuation Date falls, as determined by the Determination Date.

"**Fallback Bond**" means a bond selected by the Determination Agent and issued by the government of the country to whose level of inflation the Index relates and which pays a coupon or redemption amount which is calculated by reference to the Index, with a maturity date which falls on (a) the same date as the Maturity Date, (b) the next longest maturity after the Maturity Date, or (c) the next shortest maturity before the Maturity Date if no bond defined in (a) and (b) is selected by the Determination Agent. If the Index relates to the level of inflation across the European Monetary Union, the Determination Agent will select an inflation-linked bond that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union. In each case, the Determination Agent will select the Fallback Bond from those inflation-linked bonds issued on or before the Issue Date of the Notes and, if there is more than one inflation-linked bond maturing on the same date, the Fallback Bond shall be selected by the Determination Agent from those bonds. If the

Fallback Bond redeems the Determination Agent will select a new Fallback Bond on the same basis, but selected from all eligible bonds in issue at the time the original Fallback Bond redeems (including any bond for which the redeemed bond is exchanged);

"Hedge Positions" means any purchase, sale, entry into or maintenance of one or more (a) positions or contracts in securities, commodities, options, futures, derivatives or foreign exchange, (b) stock loan transactions or (c) other instruments or arrangements (howsoever described) by a party in order to hedge, individually or on a portfolio basis, the Notes;

"Hedging Disruption" means that the Issuer is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations under the Notes, or (b) realise, recover or remit the proceeds of any such transactions or asset(s);

"Increased Cost of Hedging" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Notes or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s) provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging;

"Index" means any index specified as such in the applicable Pricing Supplement;

"Index Sponsor" means, in respect of an Index, the entity specified as such in the applicable Pricing Supplement or, if no entity is specified, the entity that publishes or announces (directly or through an agent) the level of the relevant Index;

"Inflation Business Days" means, the business days specified as such in the applicable Pricing Supplement or, if such business days are not specified, if the Index is measuring the rate of inflation in (a) the United States, any day, other than a Saturday or Sunday that is also 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 New York, (b) France, Spain, Germany or the European Monetary Union, any TARGET Settlement Days or (c) the United Kingdom, any day, other than a Saturday or Sunday that is also 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 London.

"Inflation Determination Date" means the date that is 5 Inflation Business Days prior to an Inflation Valuation Date;

"Inflation Valuation Date" means, as applicable, (a) each Specified Interest Payment Date, (b) the Maturity Date (unadjusted), (c) any date fixed for early redemption of the Notes, or (d) other relevant payment date on which a payment due under the Notes is to be determined by reference to the relevant Index;

"Reference Month" means the calendar month for which the level of the relevant Index was reported, regardless of when this information is published or announced. If the period for which the Index level was reported is a period other than a month, the Reference Month will be the period for which the Index level was reported;

"Related Bond" means the bond specified in the applicable Pricing Supplement, or if no bond is so specified, the Fallback Bond. If the Related Bond is "Fallback Bond", then for any Related Bond determination under these Conditions, the Determination Agent shall use the Fallback Bond (as that is defined in this Condition 14.8 (*Definitions Applicable to Inflation-Linked Notes*) herein). If no bond is specified in the applicable Pricing Supplement as the Related Bond and "Fallback Bond: Not Applicable" is specified in the applicable Pricing Supplement there will be no Related Bond. If a bond is selected as the Related Bond in the applicable Pricing Supplement, and that bond redeems or matures before the relevant Maturity Date, unless "Fallback Bond: Not Applicable" is specified in the applicable Pricing Supplement, the Determination Agent shall use the Fallback Bond for any Related Bond determination;

"**Substitute Index Level**" means an Index level, determined by the Determination Agent pursuant to the provisions of Condition 14.1 (*Delay of Publication*), in respect of an Affected Payment Date; and

"**Successor Index**" has the meaning specified in Condition 14.2 (*Cessation of Publication*).

15. Provisions relating to Property-Linked Notes

This Condition 15 (*Provisions relating to Property-Linked Notes*) is applicable in respect of any Series of Notes ("**Property-Linked Notes**") where "**Property-Linked Interest Note Provisions**" and/or "**Property-Linked Redemption Provisions**" are specified in the applicable Pricing Supplement as being applicable.

15.1 *Rebasing of the Property Index*

If the Determination Agent determines that an Index has been or will be Rebased at any time (the Property Index as so Rebased, the "**Rebased Property Index**"), the Rebased Property Index will be used for the purposes of determining the level of the Property Index from the date of such Rebasing, provided however, that the Determination Agent shall adjust the terms of the Notes so that the use of the Rebased Property Index reflects what would have been the performance of the Index had the Rebasing not occurred save that any such Rebasing shall not affect any prior payments under the Notes.

15.2 *Error in Publication*

If the Determination Agent determines that an Error in Publication has occurred with respect to the Property Index, the Determination Agent may (a) use the corrected level of the Property Index to make any relevant calculations and/or (b) make any necessary adjustments to the relevant Property Index Level and such other terms of the Notes as it in its reasonable discretion determines to be appropriate to account for such Error in Publication.

For these purposes:

An "**Error in Publication**" will occur if the Property Index Sponsor announces that an error has occurred with respect to the Property Index Level as published on any Publication Date; the Property Index Level for such Publication Date is corrected to remedy such error; and the correction is published by the Index Sponsor at any time prior to the next following Scheduled Publication Date or if earlier any relevant determination date. An Error in Publication will not include a routine revision in the level of the Index in a regularly scheduled republication of the Index.

15.3 *Determination Agent Unable to Perform Actions*

If it (a) is or would be unlawful at any time under any applicable law or regulation or (b) would contravene any applicable licensing requirements, for the Determination Agent to perform the actions prescribed in Condition 15.2 (*Error in Publication*), then the Issuer shall give not less than five Business Days' notice to redeem the Notes and the Issuer's obligations under the Notes shall be satisfied in full upon payment in respect of each Note of an amount equal to the Early Redemption Amount.

15.4 *Notification of Inability to Perform Actions*

The Determination Agent shall as soon as reasonably practicable under the circumstances notify the Issuer, the Fiscal Agent and the Noteholders of the occurrence of the event described in Condition 15.3 (*Determination Agent Unable to Perform Actions*) and of any action taken as a consequence, provided that any failure to give such notice shall not affect the validity of the foregoing.

15.5 *Property Index Cancellation or Administrator/Benchmark Event Date*

If, for a Property Index and with respect to a Property Index Level, on or prior to the Maturity Date or Early Redemption Date, either (1) the Property Index Sponsor permanently cancels the Property Index and no Replacement Property Index exists (a "**Property Index Cancellation**") or (2) the applicable Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and an Administrator/Benchmark Event and an Administrator/Benchmark Event Date occurs in respect of such Property Index, then:

- (i) If the applicable Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and if an Alternative Pre-nominated Index has been specified in relation to such Property Index in the applicable Pricing Supplement, then:
 - (A) the Determination Agent shall attempt to determine an Adjustment Payment;
 - (B) if the Determination Agent determines an Adjustment Payment,
 - (aa) it shall notify the Issuer of the Adjustment Payment and if the Adjustment Payment is an amount that the Noteholder would (but for Condition 15.5(i)(B)(cc)(b)) be required to pay to the Issuer in respect of each Note, request the Issuer to notify the Determination Agent whether it intends to redeem the Notes pursuant to Condition 15.8 (*Property Index Adjustment Event*). If the Issuer does not intend to redeem the Notes pursuant to Condition 15.8 (*Property Index Adjustment Event*) then the following provisions of this Condition 15.5(i) (*Property Index Cancellation or Administrator/Benchmark Event Date*) shall apply;
 - (bb) the terms of the Notes shall be amended so that references to the Property Index are replaced by references to the Alternative Pre-nominated Index;
 - (cc) the Conditions shall be adjusted to implement the Adjustment Payment as follows:
 - (a) if the Adjustment Payment is an amount that the Issuer is required to pay in respect of each Note, the Determination Agent shall adjust the Conditions to provide for the payment of the Adjustment Payment on the immediately succeeding Interest Payment Date or if there is no such immediately succeeding Interest Payment Date, on the Maturity Date or other date when the Notes are redeemed in full; or
 - (b) if the Adjustment Payment is an amount that the Noteholder would (but for this Condition 15.5(i)(B)(cc)(b)) be required to pay to the Issuer in respect of each Note, the Determination Agent shall adjust the Conditions to provide for the reduction of the amounts due by the Issuer until the aggregate amount of such reductions is equal to the Adjustment Payment, (subject, in the determination of the Determination Agent, to any minimum redemption amount of the Notes which the Determination Agent determines is required pursuant to any applicable law or regulation (including, without limitation, any tax 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);
 - (dd) the Determination Agent shall make such other adjustments to the Conditions as it determines necessary or appropriate in order to account for the effect of the replacement of the Property Index with the Alternative Pre-nominated Index and/or to preserve as nearly as practicable the economic equivalence of the Notes before and after the replacement of the Property Index with the Alternative Pre-nominated Index; and
 - (ee) the Determination Agent shall notify the Issuer, the Fiscal Agent and the Noteholders of any replacement of the Property Index by the Alternative Pre-nominated Index, the Adjustment Payment and any other adjustments to the Conditions, giving summary details of the adjustment(s), provided that any failure to give such notice shall not affect the validity of the foregoing; or
 - (C) If the Determination Agent is unable to determine an Adjustment Payment, then a Property Index Disruption Event shall be deemed to have occurred and Condition 15.8 (*Property Index Adjustment Event*) shall apply; or

- (ii) If the applicable Pricing Supplement does not specify that the Benchmark Trigger Provisions are applicable or, if the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable but does not specify an Alternative Pre-nominated Index in relation to the Relevant Property Index Benchmark, then a Property Index Disruption Event shall be deemed to have occurred and Condition 15.8 (*Property Index Adjustment Event*) shall apply.

15.6 ***Delay in Publication***

If the Property Index Level has not been announced by the Scheduled Publication Date or if earlier any relevant determination date, the following will apply:

- (a) if the Property Index Sponsor publishes a provisional Property Index Level prior to the next Scheduled Publication Date or if earlier any relevant determination date, such provisional level of the Property Index for that Measurement Period shall apply for the purposes of the Notes; or
- (b) if the Property Index Sponsor fails to publish the Property Index Level prior to the next occurring Scheduled Publication Date or if earlier any relevant determination date, in circumstances other than those described in Condition 15.5 (*Property Index Cancellation or Administrator/Benchmark Event Date*), a Property Index Disruption Event shall be deemed to have occurred and Condition 15.8 (*Property Index Adjustment Event*) shall apply.

15.7 ***Methodology Adjustment***

If the Property Index Sponsor announces that it has changed the methodology in calculating a Property Index and:

- (a) continues publication of a property index based on the original methodology (the "**Replacement Property Index**"), such Replacement Property Index shall apply in lieu of the original Property Index in relation to the Notes; or
- (b) discontinues publication of the Property Index based on the original Computational Methodology, a Property Index Disruption Event shall be deemed to have occurred and the procedure set out in Condition 15.8 (*Property Index Adjustment Event*) shall apply.

15.8 ***Property Index Adjustment Event***

If:

- (i) a Property Index Cancellation occurs and the Pricing Supplement does not specify that the Benchmark Trigger Provisions are applicable;
- (ii) a Property Index Cancellation or an Administrator/Benchmark Event Date occurs in respect of a Property Index, the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable but does not specify an Alternative Pre-nominated Index;
- (iii) a Property Index Cancellation or an Administrator/Benchmark Event Date occurs in respect of a Property Index, the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and specifies an Alternative Pre-nominated Index but the Determination Agent is unable to determine the Adjustment Payment;
- (iv) a Property Index Cancellation or an Administrator/Benchmark Event Date occurs in respect of a Property Index, the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and specifies an Alternative Pre-nominated Index and the Determination Agent determines that the Adjustment Payment would be an amount that the Noteholder would (but for Condition 15.5(i)(B)(cc)(b)) be required to pay to the Issuer in respect of each Note; or
- (v) a Property Index Disruption Event occurs,

then the Issuer shall, in its reasonable discretion, determine whether or not the relevant Notes shall continue or be redeemed early. If the Issuer determines that the relevant Notes shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, to preserve the economic value of the Notes. If the Issuer determines that the Notes

shall be redeemed early, then the Issuer shall give not less than five Business Days' notice to the holders (in accordance with Condition 38 (*Notices*)) to redeem each Note at an amount equal to the Early Redemption Amount.

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

If the Issuer determines that the relevant Notes shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to any variable relevant to the redemption, settlement or payment terms of the relevant Notes and/or any other adjustment, which change or adjustment shall be effective on such date as the Determination Agent shall determine. The Fiscal Agent shall provide notice to the Noteholders of any such change or adjustment in accordance with Condition 38.8 (*Notices*), giving summary details of the relevant change or adjustment, provided that any failure to give such notice shall not affect the validity of any such change or adjustment.

15.9 ***Notification of Property Index Adjustment Event***

The Determination Agent shall as soon as reasonably practicable under the circumstances notify the Issuer, the Fiscal Agent and the Noteholders of the occurrence of a Property Index Adjustment Event and of any action taken as a consequence, provided that any failure to give such notice shall not affect the validity of the foregoing.

15.10 ***Additional Disruption Events***

- (a) Following the occurrence of an Additional Disruption Event, the Issuer will, in its reasonable discretion, determine whether or not the relevant Notes shall continue or be redeemed early.
- (b) If the Issuer determines that the relevant Notes shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to any variable relevant to the redemption, settlement, or payment terms of the relevant Notes and/or any other adjustment which change or adjustment shall be effective on such date as the Determination Agent shall determine.
- (c) If the Issuer determines that the relevant Notes shall be redeemed early, then the Issuer shall give not less than five Business Days' notice to redeem the Notes and the Issuer's obligations under the Notes shall be satisfied in full upon payment of an amount in respect of each Note equal to the Early Redemption Amount.
- (d) The Issuer shall as soon as reasonably practicable under the circumstances notify the Fiscal Agent and the Determination Agent of the occurrence of an Additional Disruption Event.
- (e) For the purposes hereof:

"**Additional Disruption Event**" means, if specified as applicable in the applicable Pricing Supplement, with respect to any Series of Notes, a Change in Law, Hedging Disruption, Increased Cost of Hedging, and any further event or events as may be specified in the applicable Pricing Supplement.

15.11 ***Definitions Applicable to Property-Linked Notes***

In relation to Property-Linked Notes, the following expressions have the meanings set out below:

"**Adjustment Payment**" means, in respect of any Note, the payment (if any) determined by the Determination Agent as is required 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 Property Index by the Alternative Pre-nominated Index;

"**Change in Law**" means that, on or after the Trade Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (i) it has become illegal to hold, acquire or dispose of Hedge Positions or (ii) it will incur a materially increased cost in performing its obligations with respect to the Notes (including,

without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

"Data Pool" means the pool of properties underlying a Property Index.

"Hedge Positions" means any purchase, sale, entry into or maintenance of one or more (a) positions or contracts in securities, commodities, options, futures, derivatives or foreign exchange, (b) stock loan transactions or (c) other instruments or arrangements (howsoever described) by a party in order to hedge, individually or on a portfolio basis, the Notes;

"Hedging Disruption" means that the Issuer is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations under the Notes, or (b) realise, recover or remit the proceeds of any such transactions or asset(s);

"Increased Cost of Hedging" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Notes or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s) provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging;

"Property Index" means any index specified as such in the applicable Pricing Supplement;

"Property Index Adjustment Event" means, in respect of a Property Index, any of the events listed in Condition 15.8 (*Property Index Adjustment Event*);

"Property Index Disruption Event" means, in respect of a Property Index, either of the events described in Condition 15.6(b) (*Delay in Publication*) or Condition 15.7(b) (*Methodology Adjustment*);

"Property Index Level" means the final level of the relevant Property Index for a specified period or a specified date (as set out in the Pricing Supplement), as published by the Property Index Sponsor (or otherwise determined as set out in the applicable Pricing Supplement);

"Publication Date" means, in respect of an Index, each date on which such Property Index is published by the Property Index Sponsor;

"Rebasing" means the revaluation of a Property Index by the Property Index Sponsor by the application of a new Reference Price, without amendment to the formula for or the method of calculating the Index, and **"Rebased"** will be construed accordingly;

"Reference Price" means the historic value of the Data Pool used by the Property Index Sponsor as the benchmark for a Property Index; and

"Relevant Property Index Benchmark" means the Property Index;

"Scheduled Publication Date" means the date on which the Property Index Level is scheduled to be published.

16. Provisions relating to Fund-Linked Notes

This Condition 16 (*Provisions relating to Fund-Linked Notes*) is applicable in respect of any Series of Notes ("**Fund-Linked Notes**") where "**Fund-Linked Interest Note Provisions**" and/or "**Fund-Linked Redemption Provisions**" are specified in the applicable Pricing Supplement as being applicable.

16.1 *Reference Dates, Averaging Dates and Market Disruption:*

- (a) If a Reference Date is not a Fund Business Day for any Fund Interest, the relevant Reference Date shall be the next succeeding Fund Business Day or, if either "Common Fund Business Days and Common

Disrupted Days" or "Common Fund Business Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, the next succeeding Common Fund Business Day.

- (b) The Determination Agent shall as soon as reasonably practicable under the circumstances notify the Issuer of the occurrence of a Disrupted Day on any day that, but for the occurrence or continuance of a Disrupted Day, would have been a Reference Date.
- (c) If any Reference Date is a Disrupted Day, then:
 - (i) in the case of Single Fund Notes, the relevant Reference Date shall be the next succeeding Fund Business Day that is not in the determination of the Determination Agent a Disrupted Day, unless no Fund Business Day that is not a Disrupted Day has occurred prior to the last Fund Business Day of the Cut-off Period following the Scheduled Reference Date. In that case, (i) the last Fund Business Day of such Cut-off Period shall be deemed to be the Reference Date, notwithstanding the fact that such Fund Business Day is a Disrupted Day, and (ii) the Determination Agent shall determine its good faith estimate of the value for the Fund Interest as of the Valuation Time on that deemed Reference Date; or
 - (ii) in the case of Fund Basket Notes:
 - (A) where "Individual Fund Business Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, if the Determination Agent determines that any Scheduled Reference Date is a Disrupted Day in respect of any Basket Component, then:
 - (1) the Reference Date for each Basket Component in respect of which the Scheduled Reference Date is not a Disrupted Day shall be the Scheduled Reference Date for such Basket Component; and
 - (2) the Reference Date for any Basket Component in respect of which the Scheduled Reference Date is a Disrupted Day (each an "**Affected Basket Component**") shall be the first Fund Business Day following the relevant Scheduled Reference Date that is not a Disrupted Day in respect of such Affected Basket Component, unless no Fund Business Day that is not a Disrupted Day has occurred prior to the last Fund Business Day of the Cut-off Period following the Scheduled Reference Date. In that case, (i) the last Fund Business Day of such Cut-off Period shall be deemed to be the Reference Date, notwithstanding the fact that such Fund Business Day is a Disrupted Day, and (ii) the Determination Agent shall determine its good faith estimate of the value for that Affected Basket Component as of the Valuation Time on that deemed Reference Date;
 - (B) where "Common Fund Business Days and Common Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, then if the Determination Agent determines that any Scheduled Reference Date is a Disrupted Day in respect of any Basket Component, the Reference Date for each Basket Component shall be the first Common Fund Business Day following the relevant Scheduled Reference Date that is not a Disrupted Day in respect of any Basket Component, unless no Common Fund Business Day that is not a Disrupted Day has occurred prior to the last Fund Business Day of the Cut-off Period following the Scheduled Reference Date. In that case, (i) the last Fund Business Day of such Cut-off Period shall be deemed to be the Reference Date, notwithstanding the fact that such Fund Business Day is a Disrupted Day, and (ii) the Determination Agent shall determine its good faith estimate of the value for each Basket Component as of the Valuation Time on that deemed Reference Date;
 - (C) where "Common Fund Business Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, if the Determination Agent determines that any Scheduled Reference Date is a Disrupted Day in respect of any Basket Component, then:

- (1) the Reference Date for each Basket Component in respect of which the Scheduled Reference Date is not a Disrupted Day shall be the Scheduled Reference Date for such Basket Component; and
 - (2) the Reference Date for each Basket Component in respect of which the Scheduled Reference Date is a Disrupted Day (each an "**Affected Basket Component**") shall be the first Fund Business Day following the relevant Scheduled Reference Date that is not a Disrupted Day in respect of such Affected Basket Component, unless no Fund Business Day for such Basket Component that is not a Disrupted Day has occurred prior to the last Fund Business Day of the Cut-off Period following the Scheduled Reference Date. In that case, (i) the last Fund Business Day of such Cut-off Period shall be deemed to be the Reference Date, notwithstanding the fact that such Fund Business Day is a Disrupted Day, and (ii) the Determination Agent shall determine its good faith estimate of the value for that Affected Basket Component as of the Valuation Time on that deemed Reference Date;
- (d) If Averaging Dates are specified in the applicable Pricing Supplement with respect to a Reference Date then, notwithstanding any other provisions of the Conditions, the following provisions will apply to the valuation of the relevant Fund Interest or Basket of Funds in relation to the relevant Reference Date:
 - (i) If, in respect of Single Fund Notes, any Averaging Date in respect of a Reference Date is a Disrupted Day, then the Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred prior to the Cut-off Period following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of the relevant Scheduled Reference Date, then (1) the last day of such Cut-off Period shall be deemed the Averaging Date (irrespective of whether such day is already an Averaging Date), and (2) the Determination Agent shall determine its good faith estimate of the value for the Fund Interest as of the Valuation Time on that deemed Averaging Date; and
 - (ii) If, in the case of Fund Basket Notes, a Scheduled Averaging Date in respect of a Reference Date is determined by the Determination Agent to be a Disrupted Day in respect of any Basket Component, then:
 - (A) where "Individual Fund Business Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement:
 - (1) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (2) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**") shall be the first succeeding Valid Date in relation to such Affected Basket Component. If the first succeeding Valid Date has not occurred prior to the Cut-off Period following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of the relevant Scheduled Reference Date, then (1) the last day of such Cut-off Period shall be deemed the Averaging Date (irrespective of whether such day is already an Averaging Date notwithstanding the fact that such day may not be a Valid Date), and (2) the Determination Agent shall determine its good faith estimate of the value for that Affected Basket Component as of the Valuation Time on that deemed Averaging Date;
 - (B) where "Common Fund Business Days and Common Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, then the Averaging Date for each Basket Component shall be the first succeeding Common Valid Date. If the first succeeding Common Valid Date has not occurred prior to the Cut-off Period following the original date that, but for the occurrence of another Averaging Date or Disrupted

Day, would have been the final Averaging Date in respect of the relevant Scheduled Reference Date, then (1) the last day of such Cut-off Period shall be deemed the Averaging Date (irrespective of whether such day is already an Averaging Date and notwithstanding the fact that such day may not be a Common Valid Date), and (2) the Determination Agent shall determine its good faith estimate of the value for each Basket Component as of the Valuation Time on that deemed Averaging Date; and

- (C) where "Common Fund Business Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement:
- (1) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (2) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**") shall be the first succeeding Valid Date in relation to such Affected Basket Component. If the first succeeding Valid Date has not occurred prior to the Cut-off Period following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of the relevant Scheduled Reference Date, then (1) the last day of such Cut-off Period shall be deemed the Averaging Date (irrespective of whether such day is already an Averaging Date and notwithstanding the fact that such day may not be a Valid Date), and (2) the Determination Agent shall determine its good faith estimate of the value for that Affected Basket Component as of the Valuation Time on that deemed Averaging Date.

16.2 *Potential Adjustment Events*

Following the declaration by any Fund or Fund Service Provider of the terms of any Potential Adjustment Event, the Determination Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Fund Interest or amount of Fund Interest and, if so, will (a) make the corresponding adjustment(s), if any, to any one or more of the Redemption Amount and/or any such other amounts payable under the Notes, the Reference Price and, in any case, any other variable relevant to the calculation, valuation, payment or other terms of Notes as the Determination Agent determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends or liquidity relative to the relevant Fund Interest) and (b) determine the effective date(s) of the adjustment(s).

16.3 *Corrections*

Unless occurring after the day falling three Business Days prior to a due date for any payment or delivery under the Notes calculated by reference to the value of, or proceeds received from, any Fund Interest, if the Determination Agent determines that a Fund or a Fund Administrator adjusts any relevant value of the Fund Interest, including the Reference Price or the Redemption Proceeds that would have been paid to a Hypothetical Investor redeeming the relevant number of Fund Interests that are subject to valuation used for determining amounts and/or assets due under the Notes, then the Determination Agent shall make such adjustments to the terms of the Notes as it determines necessary and practicable to reflect that the relevant value of the Fund Interest to be used shall be the value of, or proceeds received from, the relevant Fund Interest as so adjusted.

16.4 *Fund Events*

- (a) If at any time the Determination Agent, acting in good faith and a commercially reasonable manner, determines that a Fund Event has occurred and/or is continuing then the Determination Agent shall provide written notice thereof to the Issuer (a "**Fund Event Notice**"). The Determination Agent shall not have any obligation to monitor the occurrence of a Fund Event nor shall it have any obligation to make a determination that a Fund Event has occurred or is continuing.

- (b) The Issuer will, in its reasonable discretion, determine:
- (i) where Fund Event Unscheduled Redemption is specified as applicable in the applicable Pricing Supplement, whether the relevant Notes shall be redeemed other than on the scheduled Maturity Date. If the Issuer determines that the relevant Notes shall be so redeemed, then the Issuer shall redeem each Note at an amount equal to the Early Redemption Amount, on such date as the Issuer may notify to Noteholders in accordance with Condition 38 (*Notices*), provided that not less than five Business Days' notice of such date, where other than the scheduled Maturity Date, is given to Noteholders;
 - (ii) whether to substitute any Affected Fund Interest with the Successor Fund Interest relating to such Affected Fund Interest; and/or
 - (iii) whether to make such adjustment to account for such Fund Event as it considers appropriate which may include, without limitation:
 - (A) making an adjustment to the calculation of the Redemption Amount and/or any such other amounts due under the Notes (which may include calculating a valuation (which may be zero) for the Affected Fund Interest and/or adjusting the weighting of the Affected Fund Interest in a Basket of Funds and/or deferring any relevant Determination Date until the circumstances giving rise to the relevant Fund Event are no longer continuing), all in the determination of the Determination Agent, acting in good faith and a commercially reasonable manner, and/or
 - (B) adjustments to any amount due in respect of the Notes to reflect (I) the Removal Value of the Affected Fund Interest instead of the Relevant Price of the Affected Fund Interest and (II) an amount determined by the Determination Agent in respect of interest (compounded on a daily basis) on the Removal Value of such Affected Fund Interest accrued at an overnight rate relating to the Specified Currency selected by the Determination Agent during the period from (and including) the date on which the replacement of the Affected Fund Interest is effective to (but excluding) the Maturity Date.

Where it is required to determine a valuation of the Affected Fund Interest for the purposes of this Condition 16.4(b) (*Fund Events*) by reference to the Reference Price of the Affected Fund Interest, the Determination Agent shall determine the mechanics for calculating such valuation of the Affected Fund Interest (which valuation may be zero) by reference to such sources as it considers appropriate including, but not limited to, the value it may obtain from a third party on arms' length terms for the transfer to it of any hedging arrangements relating to the Notes in so far as they relate to such Affected Fund Interest. Any payments under the Notes determined by reference to the value of the Affected Fund Interest shall be suspended until payment of the Early Redemption Amount or, as the case may be, determination of the valuation of the Affected Fund Interest. The date of payment of the Early Redemption Amount (or the proportion thereof relating to the valuation of the Affected Fund Interest) or other relevant amount determined by reference to the Affected Fund Interest may fall on such commercially reasonable date after the scheduled Maturity Date as the Determination Agent considers necessary or appropriate to enable it to determine the relevant valuation subject to any Final Cut-off Date and provided that, if the Determination Agent is not able to determine such a value by reference to a Reference Price for an applicable deferred Determination Date or for such a transfer of any hedging arrangements to a third party by the scheduled Maturity Date or, if later, any Final Cut-off Date, it may deem the valuation to be zero.

The Fiscal Agent shall provide notice to the Noteholders of any such adjustment in accordance with Condition 38.8 (*Notices*), giving summary details of the adjustment, provided that any failure to give such notice shall not affect the validity of any such adjustment.

- (iv) For the purposes of this Condition 16.4(b) (*Fund Events*):
 - (A) "**Successor Fund Interest**" means, in respect of any Affected Fund Interest, one or more funds that, in the determination of the Determination Agent have characteristics,

investment objectives and policies similar to those in effect for the Affected Fund Interest immediately prior to the occurrence of the relevant event

- (B) the Affected Fund Interest shall be replaced by a number of units of the Successor Fund Interest with a combined value (as determined by the Determination Agent) equal to the relevant Removal Value of the applicable number of units of the Affected Fund Interest. Such replacement shall be effected, from time to time whenever the Removal Value changes, on the date, as determined by the Determination Agent, on which the Fund issuing the Successor Fund Interest would admit a Hypothetical Investor who, on the Fund Business Day next following the date on which any Removal Value not previously applied toward any Successor Fund Interest would be received by such Hypothetical Investor redeeming out of the relevant amount of Affected Fund Interest, had submitted a valid order to purchase such amount of the Successor Fund Interest; and
- (C) if necessary, the Determination Agent will adjust any relevant terms, including, but not limited to adjustments to account for changes in the Fund Interest Currency, the Frequency of Fund Interest Valuations, volatility, investment strategy or liquidity relevant to such Fund Interests or the Notes.

16.5 *Notice of Fund Event*

Notice of the consequences of a Fund Event shall be given to the Noteholders in accordance with Condition 38.8 (*Notices*). Such notice shall (a) identify the Affected Fund Interest (if applicable) and the relevant Fund Event and contain a summary of the facts constituting such event, (b) if applicable, identify the Successor Fund Interest and specify the effective date of such substitution, (c) if applicable, specify adjustments made or expected to be made by the Determination Agent and (d) if applicable, specify the date on which the Notes are to be redeemed.

16.6 *Definitions applicable to Fund-Linked Notes*

In relation to Fund-Linked Notes, the following expressions shall have the meanings set out below:

"Affected Fund Interest" means, at any time, any Fund Interest in respect of which the Determination Agent has determined that a Fund Event has occurred;

"Affiliate" means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person (for such purposes, **"control"** of any entity or person means ownership of a majority of the voting power of the entity or person);

"Averaging Date" means, in respect of each Reference Date, either:

- (a) in the case of (a) a Single Fund Note; or (b) a Fund Basket Note, where the applicable Pricing Supplement provides that "Individual Fund Business Days and Individual Disrupted Days" shall be applicable, each date specified as such in the applicable Pricing Supplement, or, if such date is not a Fund Business Day, the next following Fund Business Day for such Fund or Basket Component (as the case may be); or
- (b) in the case of a Fund Basket Note, where the applicable Pricing Supplement provides that "Common Fund Business Days and Common Disrupted Days" or "Common Fund Business Days and Individual Disrupted Days" shall be applicable, each date specified as such in the applicable Pricing Supplement, or if any such date is not a Common Fund Business Day, the next following Common Fund Business Day for such Basket of Funds,

provided that if any such day is a Disrupted Day, the Averaging Date shall be determined in accordance with the provisions of Condition 16.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"Basket Component" means, in relation to a particular Series of Fund Basket Notes, each Fund Interest comprised in the relevant Basket of Funds;

"Basket of Funds" means a basket composed of such Fund Interests in such Funds specified in the applicable Pricing Supplement in the relative proportions or number of units of each Fund Interest specified in the applicable Pricing Supplement, subject to the provisions of Condition 16.4 (*Fund Events*);

"Common Fund Business Day" means, in respect of a Fund Basket Note, each day which is a Fund Business Day for all the Basket Components;

"Common Valid Date" means, in respect of a Fund Basket Note, a Fund Business Day that is not a Disrupted Day for any Basket Component and on which another Averaging Date in respect of the relevant Reference Date does not or is deemed not to occur;

"Cut-off Period" means, in respect of any date, the period specified in the applicable Pricing Supplement, or if no such period is specified, a period of the shorter of (a) eight Fund Business Days or, in the case of a Fund Basket Note, eight Common Fund Business Days; and (b) three months; provided that if a "Final Cut-off Date" is specified in the applicable Pricing Supplement, then any Cut-off Period that would otherwise end after such Final Cut-off Date shall end on such Final Cut-off Date;

"Determination Date" means, in relation to any determination, each date specified as such in the applicable Pricing Supplement, provided that if any such date is (i) not a Fund Business Day and/or (ii) a Disrupted Day, the relevant Determination Date shall be determined in accordance with the provisions of Condition 16.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"Disrupted Day" means any day on which a Disruption Event has occurred or is continuing;

"Disruption Event" means any of the following events as determined by the Determination Agent:

- (a) in respect of any Fund Interest, the failure of (i) a Scheduled Fund Valuation Date to be a Fund Valuation Date or any continued postponement or suspension of such Fund Valuation Date; and/or (ii) there to be a Fund Reporting Date and/or Reported Net Asset Value relating to the relevant Fund Valuation Date;
- (b) in respect of any Fund Interest (i) there is a failure by the Fund to pay the full amount (whether expressed as a percentage or otherwise) of the Redemption Proceeds in the Fund Interest Currency with respect to the relevant amount of such Fund Interest scheduled to have been paid on or by such day according to the Fund Documents (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of such Fund Interests) or (ii) a Hypothetical Investor which had submitted a valid redemption notice in respect of such Fund Interest (in the case of a Single Fund Note) or each Fund Interest comprised in the Basket of Funds (in the case of a Fund Basket Note) on the last date permitted pursuant to the relevant Fund Documents would, in the reasonable opinion of the Determination Agent, not have received in full the Redemption Proceeds in respect of such redemption(s) on or before the date which is three Business Days prior to a related scheduled date for payment under the Notes;
- (c) the inability (including by reason of illegality) of, or the impracticability for, a Hedging Party to (i) unwind or dispose of any transaction it has entered into, or any asset it holds, in either case for the purpose of hedging its exposure to price variations of the Fund Interest (in the case of Single Fund Notes) or the Basket of Funds (in the case of Fund Basket Notes) inherent in its obligations, in the case of the Issuer, under the Notes or, in the case of an Affiliate, under any transaction pursuant to which it hedges the Issuer's exposure to the Fund Interest (in the case of Single Fund Notes) or the Basket of Funds (in the case of the Fund Basket Notes) under the Notes when scheduled or at all (including any change to the notice period for redemptions, transfers or subscriptions of a Fund Interest under the Fund Documents, any gating, side-pocketing or other arrangement affecting such a Hedging Party), or (ii) realise, recover or remit to any person the proceeds of any such transaction or asset; and/or
- (d) any closure other than for ordinary public holidays and/or any restriction or suspension in trading of foreign exchange markets or money markets in a relevant Fund Interest Currency or Specified Currency that, in the opinion of the Determination Agent, would have a material effect on the ability market participants to effect transactions in such markets,

provided that if any event would otherwise be both a Disruption Event and Fund Event, such event shall be treated solely as a Fund Event;

"Exchange" means, in respect of a Fund Interest, the principal exchange or quotation system for such Fund Interest, as determined by the Determination Agent, any successor to such Exchange or quotation system or any substitute exchange or quotation system to which the Fund Interest has temporarily relocated;

"Extraordinary Dividend" means an amount per relevant Fund Interest specified or otherwise determined by the Determination Agent;

"Final Cut-off Date" means the date specified as such in the applicable Pricing Supplement;

"Frequency of Fund Interest Valuation" means, in respect of a Fund Interest, the frequency of occurrence of a Fund Business Day for such Fund Interest as determined by reference to the Fund Documents in effect on the Trade Date;

"Fund" means, in respect of any Fund Interest, the issuer of, or other legal arrangement (including, if applicable, any relevant class or series) giving rise to, the relevant Fund Interest as specified in the applicable Pricing Supplement;

"Fund Administrator" means, in respect of any Fund and the related Fund Interest, any fund administrator, manager, trustee or similar person responsible for the administration of such Fund and the determination and reporting of any official price or value of such Fund according to the Fund Documents or any successor acceptable to the Determination Agent;

"Fund Advisor" means any person appointed in the role of discretionary investment manager or non-discretionary investment advisor (including a non-discretionary investment advisor to a discretionary investment manager or to another non-discretionary investment advisor) for such Fund and/or a Fund Administrator and/or any other person(s) designated in the Fund Documents as responsible for the oversight of the Fund, or any successor to any such person acceptable to the Determination Agent;

"Fund Business Day" means, in respect of any Fund Interest and the related Fund, either (a) where the Reference Price for such Fund Interest is "Reported Net Asset Value", each of a Scheduled Fund Valuation Date and any day on which the Fund or the primary Fund Administrator acting on behalf of the Fund is scheduled to effect subscription and redemption requests or (b) where the Reference Price for such Fund Interest is "Redemption Proceeds", a Scheduled Redemption Valuation Date;

"Fund Documents" means, in respect of any Fund and the related Fund Interest, the constitutive and governing documents, subscription agreements and other agreements of the related Fund specifying the terms and conditions relating to such Fund Interest (including, without limitation, the prospectus, information memorandum or other offering document issued by such Fund in connection with such Fund Interest), in each case and unless where otherwise specified, as amended and/or supplemented from time to time;

"Fund Event" means in the determination of the Determination Agent, the occurrence or announcement by the Fund or a Fund Service Provider at any time of any of the following events unless any such event is specified in the applicable Pricing Supplement as a Non-Applicable Fund Event:

- (a) *Nationalisation*: in respect of a Fund Interest and the related Fund, all the Fund Interests or all or substantially all the assets of the Fund are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof;
- (b) *Fund Insolvency Event*: in respect of a Fund Interest and the related Fund (i) the Fund and/or any Fund Service Provider (A) is dissolved or has a resolution passed for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger); (B) makes a general assignment or arrangement with or for the benefit of its creditors; (C)(1) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up

or liquidation by it or such regulator, supervisor or similar official, or (2) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in (1) above and either (x) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (y) is not dismissed, discharged, stayed or restrained in each case within 15 days of the institution or presentation thereof; (D) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (E) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 15 days thereafter; or (F) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in (A) through (E) above; or (without prejudice to the foregoing) (ii) by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Fund, (A) all the Fund Interests of that Fund are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Fund Interests of that Fund become legally prohibited from transferring them;

- (c) *NAV Trigger/Restriction Event*: in respect of any Fund Interest, (A) the Reported Fund Interest Value as of the last Fund Valuation Date of any month has decreased by a percentage equal to, or greater than, fifty per cent. of the Reported Fund Interest Value as of the Fund Valuation Date of the same month in the immediately preceding calendar year (or, if the first year of operation of the relevant Fund Interest, as of its highest Reported Fund Interest Value on the last Fund Valuation Date of any month during such first year); or (B) the related Fund has violated any leverage restriction that is applicable to, or affecting, such Fund or its assets by operation of any law, any order or judgment of any court or other agency of government applicable to it or any of its assets, the Fund Documents or any contractual restriction binding on or affecting the Fund or any of its assets;
- (d) *Fund Advisor Event*: in respect of any Fund Interest, as determined by the Determination Agent, (a) that at any time after the Trade Date, the total value of the assets managed by the relevant Fund Adviser (including in relation to the Fund) is equal to or less than 50,000,000 U.S. Dollars (or its equivalent) or (b) that over any period of twelve months, the total value of the assets managed by the relevant Fund Adviser (including in relation to the Fund) has decreased by fifty per cent. (whether due to redemptions or decrease in the value of such assets or otherwise) (c) any material breach by the Fund Adviser (or any of its Affiliates) of any Relevant Hedging Transaction between it and a Hedging Party;
- (e) *Changes to Fund or Fund Service Providers*: in respect of any Fund Interest and the related Fund: (i) any change in the organisation of the Fund or of any Fund Service Provider without the prior written consent of the Determination Agent including, without limitation, a change of control of, or a change of the main shareholders, managing directors or individual(s) designated as fund manager(s) in the Fund Documents as at the Trade Date (if any) of a Fund Service Provider, (ii) any Fund Service Provider ceasing to act in the relevant capacity in relation to the Fund unless immediately replaced in such capacity by a successor acceptable to the Determination Agent or (iii) any delegation or transfer by the Fund Adviser of any of its powers, duties or obligations under the Fund Documents to a third party without the prior written consent of the Determination Agent;
- (f) *Fund Modification*: in respect of any Fund Interest, any change, modification or termination of the related Fund Documents or of any rights attaching to the related Fund Interests (including without limitation any change or modification affecting management policy, the Fund Interest Currency, the Frequency of Fund Interest Valuation, the terms relating to subscription, transfer and/or redemption of such Fund Interest including any change to the form or schedule of payment or notice period) from those prevailing on the Trade Date (in the case of Single Fund Notes) or the date on which any Fund Interest issued by such Fund was first included in the

Basket of Funds (in the case of Fund Basket Notes) and which could reasonably be expected to affect the value of such Fund Interest or the rights or remedies of any holders thereof;

- (g) *Strategy Breach*: in respect of any Fund Interest, as determined by the Determination Agent, any breach of or non-compliance with any investment objective, investment restrictions or other strategy or investment guidelines or requirements, subscription and redemption provisions (including, without limitation, the days treated as Fund Business Days) or valuation provisions (including, without limitation, the method of determining the net asset value of the relevant Fund Interest), in each case as set out in the Fund Documents as in effect on the Trade Date or, if later, the date on which such Fund Interest was first included in the Basket of Funds (in the case of Fund Basket Notes) that is reasonably likely to affect the value of such Fund Interest or the rights or remedies of any holders thereof;
- (h) *Breach by Fund Service Provider*: in respect of any Fund Interest, the breach by any relevant Fund Service Provider of any obligation (including, without limitation, non-compliance with any investment guidelines relating to such Fund Interest), representation or warranties concerning the relevant Fund (including, without limitation, pursuant to any agreement with the Fund), which breach, if capable of remedy, has not been remedied within ten (10) calendar days of its occurrence;
- (i) *Regulatory Event*: (A) in respect of any Fund Interest, (1) any change in the legal, tax, accounting, or regulatory treatments of the relevant Fund or its Fund Advisor that is reasonably likely to have an adverse impact on the value of such Fund Interest or on any investor therein (as determined by the Determination Agent) or (2) the related Fund or any of its Fund Service Providers becoming subject to any investigation, proceeding, arbitration, litigation or official action by any relevant governmental, legal or regulatory authority involving the alleged violation of, or non-compliance with, applicable law or regulation in relation to any activities relating to or resulting from the operation of: (i) such Fund, or (ii) another fund where (in the opinion of the Determination Agent) such circumstances in respect of such other fund may have an adverse effect on the relevant Fund or (B) any event which would have the effect of: (i) imposing on the Issuer and/or any Affiliate or adversely modifying any reserve, funding arrangement, special deposit, or similar requirement that would be applicable to the Issuer and/or such Affiliate in relation to the Notes or any related hedging arrangement or (ii) changing the amount or cost of regulatory capital that would have to be maintained by the Issuer and/or any Affiliate in relation to the Notes or any related hedging arrangement, including, without limitation, any requirement under applicable law, regulation or other rule or requirement from time to time applicable to the Issuer and/or any Affiliate that requires any information-provision or other transparency requirements in respect of a Fund Interest, whether to keep constant the cost of regulatory capital that would have to be maintained by any such person in relation to the Notes or otherwise comply therewith, and the relevant Fund Service Provider fails to provide sufficient information in respect of a Fund Interest for any such person to satisfy such relevant obligations or (C) in respect of any Fund Interest and the related Fund (i) the withdrawal, cancellation, suspension or revocation of any registration, licence or approval of such Fund Interest or the related Fund by any governmental, legal or regulatory entity with authority over such Fund Interest or Fund; (ii) the withdrawal, suspension, cancellation or modification of any licence, consent, permit, authorisation or clearance required for the Fund or any one or more of its significant Fund Service Providers to carry out their activities as they are or should be carried out in compliance with applicable law or regulation; and/or (iii) the failure of such Fund Interest and/or the related Fund to comply with any applicable requirements from time to time applied by any relevant listing authority, stock exchange, quotation system and/or regulator that allow it to be used to determine amounts due under the Notes (or, in the case of (C)(i), (ii) or (iii), any official announcement indicating that any such circumstances may occur);
- (j) *Reporting Disruption*: in respect of any Fund Interest, (A) the occurrence of any event affecting such Fund Interest that, in the determination of the Determination Agent, would make it impossible or impracticable for the Determination Agent to determine the value of such Fund Interest and the Determination Agent does not expect such event to cease in the foreseeable future; (B) any failure of the related Fund to deliver, or cause to be delivered, or recipients in general to receive (1) information that such Fund has agreed to deliver, or cause to be delivered to the Determination Agent, the Issuer and/or any Hedging Party, as applicable, or (2) information that has been previously delivered to the Determination Agent, the Issuer and/or

any Hedging Party, as applicable, in accordance with such Fund's, or its authorised representative's, normal practice and that the Determination Agent deems necessary for it or the Issuer, as applicable, to monitor such Fund's compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to such Fund Interest; (C) the related Fund ceases, for any reason whatsoever (either directly or through any Fund Service Provider acting on its behalf for this purpose) to provide, publish or make available its net asset value on any Fund Reporting Date; or (D) a Fund Service Provider informs the Determination Agent, the Issuer and/or any Hedging Party that any Reported Net Asset Value of such Fund Interest should not be relied on (whether by reason of it being only a provisional or estimated net asset value or for any other reason) and/or, in the opinion of the Determination Agent, any Reported Net Asset Value is inaccurate (which, for the avoidance of doubt, includes without limitation circumstances where any net asset value reported by a Fund Service Provider to the Issuer, any Hedging Party and/or investors in Fund Interest generally differs from any net asset value published on any one or more publishing service), in each case which the Determination Agent considers to be material to the Notes;

- (k) *Compulsory Redemption or Assignment:* in respect of any Fund Interest, (i) the repurchase or redemption by the Fund of all or some of the Fund Interests otherwise than at the request of a holder of Fund Interests; or (ii) any event or circumstance (whether or not in accordance with the constitutive documents and investment guidelines of the Fund) which would mandatorily oblige a holder of Fund Interests to redeem, sell, assign or otherwise dispose of any Fund Interests and which the Determination Agent determines could affect a Hypothetical Investor;
- (l) *Closure to Subscriptions; Dealing Restrictions:* in respect of any Fund Interest, (A) the closure of the related Fund to new subscriptions of Fund Interests, or (B) the imposition of any dealing restrictions (including, without limitation, material amendments to relevant documentation, delay (partial or otherwise), suspension or termination (partial or otherwise) of subscription, redemption or settlement) relating to the Fund or transactions in Fund Interests by any Fund Service Provider, any Affiliate or agent of any Fund Service Provider, or any intermediary platform through which the Issuer or its Affiliates may contract (via a trading agreement or otherwise) in order to carry out transactions in Fund Interests;
- (m) *Disposals: Material Change: Merger:* in respect of any Fund Interest, (A) a disposal to any person(s) of all, or a material part, of the assets of (x) the related Fund, or (y) any significant Fund Service Provider, or (B) a material change in the business of the Fund or any significant Fund Service Provider, or (C) the merger, amalgamation or consolidation of the related Fund and/or such Fund Interest with (x) any other sub-fund or compartment of the Fund or (y) any other collective investment undertaking (or sub-fund or compartment of such other collective investment undertaking, including another fund), or (D) a reclassification or change of such Fund Interest which results in a transfer of or an irrevocable commitment to transfer all such Fund Interests outstanding to another entity or person, or (E) a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Fund Interests of the relevant Fund, which results in a transfer of or an irrevocable commitment to transfer all such Fund Interests (other than those Fund Interests owned or controlled by such other entity or person);
- (n) *Hedging Disruption: any of the following:*
 - (i) the Determination Agent reasonably determines that the Issuer or any Affiliate (a "**Hedging Party**") is unable (including without limitation by reason of illegality), or that it is impracticable for a Hedging Party, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) (each a "**Relevant Hedging Transaction**") such Hedging Party deems necessary or appropriate to hedge its exposure to price variations of the Fund Interest (in the case of Single Fund Notes) or the Basket of Funds (in the case of Fund Basket Notes) inherent in its obligations, in the case of the Issuer, under the Notes or, in the case of an Affiliate, under any transaction pursuant to which it hedges the Issuer's exposure to the Fund Interest (in the case of Single Fund Notes) or the Basket of Funds (in the case of Fund Basket Notes) under the Notes, or (B) realise, recover or remit to any person the proceeds of such transaction or asset; and/or

- (ii) the Determination Agent reasonably determines that it has become illegal for any Hedging Party to hold, acquire or dispose of Fund Interests relating to the Notes; and/or
- (iii) the Determination Agent reasonably determines that the Issuer would incur an increased cost in respect of the Relevant Hedging Transactions related to the performance of its obligation under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position); and/or
- (iv) the Determination Agent reasonably determines that any Hedging Party would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any Relevant Hedging Transaction, or (B) realise, recover or remit the proceeds of any such Relevant Hedging Transaction; unless any such materially increased amount is incurred solely due to the deterioration of the creditworthiness of the Hedging Party,
- (v) and such determinations by the Determination Agent may include, but are not limited to, the following: (A) any increased illiquidity in the market for the Fund Interest (in the case of Single Fund Notes) or the Basket of Funds (in the case of Fund Basket Notes) (as compared with circumstances existing on the Trade Date); or (B) a change in any applicable law (including, without limitation, any tax law) or the promulgation of, or change in, the interpretation of any court, tribunal or regulatory authority with competent jurisdiction of any applicable law (including any action taken by a taxing authority); or (C) the general unavailability of market participants who will so enter into a Relevant Hedging Transaction on commercially reasonable terms;
- (o) *Fraud*: in respect of any Fund Interest and the related Fund, the Fund is the object of a material fraud which may, in the determination of the Determination Agent, have an adverse effect on the Fund or the value of Fund Interests; or any act or omission of a Fund Service Provider constitutes fraud (including, but not limited to, theft, misappropriation, mispricing of holdings or concealment of trades), bad faith, wilful misconduct or negligence, as determined by the Determination Agent in its reasonable discretion;
- (p) *Force Majeure Event*: in respect of any Fund Interest and the related Fund, any Fund Service Provider fails to perform any of its obligations pursuant to the Fund Documents to the extent that such performance is prevented, hindered or delayed by a Force Majeure Event, where "**Force Majeure Event**" means any event due to any cause beyond the reasonable control of the applicable Fund Service Provider, such as unavailability of communications system, failure of or interruptions in power supply or network computer systems, sabotage, fire, flood, explosion, acts of God, civil commotion, riots, insurrection or war;
- (q) *Value Limitation*: the value of any Fund Interest held by the Issuer and its Affiliates is greater than 10 per cent. of the aggregate net asset value of the relevant Fund (whether or not all of such holding results from hedging transactions entered into in connection with the Notes) and including, where the excess holding results from a reduction in the aggregate net asset value of the relevant Fund;
- (r) *Delisting*: in respect of a Fund Interest, where there is or was intended to be an Exchange in respect of such Fund Interest that (A) such Exchange announces that pursuant to the rules of such Exchange, such Fund Interests cease (or will cease) being listed or publicly quoted on the Exchange for any reason and are not immediately re listed or re quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any Member State of the European Union), or (B) such Fund Interests are never so listed or quoted as intended and disclosed in the Fund Documents as at the Trade Date;
- (s) *Fund Accounting Event*: in respect of a Fund Interest and the related Fund, any (i) change in the currency in which the Fund Interest's accounts are denominated; or (ii) material adverse change in the accounting treatment of the Fund which does or could affect a Hypothetical Investor

and/or a Hedging Party and/or any actual or potential requirement to consolidate its accounts with any such entity;

- (t) *Fees or Charges Event*: in respect of a Fund (i) any charge of a transaction fee for subscription or redemption of Fund Interests; (ii) any imposition of any taxes or similar charges for subscription or redemption of Fund Interests (whether by the Fund or a Fund Adviser in respect of holders of Fund Interests generally or otherwise occurring in respect of any Hedging Party) and/or (iii) any material change in the applicable fee arrangement between a Fund Adviser and a Hedging Party (as compared with that arrangement as of the Trade Date), including the increase to the existing level of, or introduction of any new, fees, commissions or other expenses payable to any person, in each case as determined by the Determination Agent;
- (u) *Legal Action*: in respect of a Fund, litigation, dispute or legal proceedings against such Fund, or its investment adviser or any Fund Service Provider of such Fund that has a material adverse effect on the functioning, operations, inflows or outflows of such Fund;
- (v) *Cross-contamination*: in respect of a Fund, the occurrence of a cross-contamination or other failure to segregate effectively assets between different classes, series or sub-funds of such Fund; and/or
- (w) *Additional Fund Event*: any other event(s) specified as Fund Events in the applicable Pricing Supplement;

"**Fund Event Notice**" has the meaning given to that term in Condition 16.4 (*Fund Events*);

"**Fund Interest**" means, in respect of a Fund, a share, unit or other interest in respect of such Fund, as specified in the applicable Pricing Supplement;

"**Fund Interest Currency**" means, in respect of a Fund Interest, the currency in which such Fund Interest is denominated on the Trade Date as set out in the Fund Documents;

"**Fund Reporting Date**" means, in respect of a Fund Interest and a Fund Valuation Date, the date on which the Reported Fund Interest Value of such Fund Interest as determined as of such Fund Valuation Date is reported (as provided in the definition of Reported Fund Interest Value);

"**Fund Service Provider**" means, in respect of a Fund, any person who is appointed to provide services, directly or indirectly, to that Fund, whether or not specified in the Fund Documents or any successor acceptable to the Determination Agent, including without limitation any Fund Adviser, Fund Administrator, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent or domiciliary agent;

"**Fund Valuation Date**" means, in respect of a Fund Interest, the date as of which the related Fund (or its Fund Service Provider that generally determines such value) determines the value of such Fund Interest or, if the related Fund only reports its aggregate net asset value, the date as of which such Fund determines its aggregate net asset value;

"**Hedging Party**" has the meaning given in the definition of "**Fund Event**" above;

"**Hypothetical Investor**" means, in respect of a Fund Interest, a hypothetical investor in such Fund Interest deemed to have (a) the benefits and obligations, as provided under the Fund Documents, of an investor holding, as of the Trade Date, an interest in the relevant Fund in an amount equal to the relevant number or relevant amount of such Fund Interest; (b) in the case of any deemed redemption of such Fund Interest, to have submitted to the relevant Fund on the relevant Redemption Notice Date, a duly completed notice requesting redemption of the relevant number of such Fund Interests; and (c) in the case of any deemed investment in such Fund Interest, to have submitted, on the Trade Date, a duly completed notice to the relevant Fund, requesting subscription to the relevant number of Fund Interests;

"**Observation Date**" means each date specified as such in the applicable Pricing Supplement, provided that if any such date is (i) not a Fund Business Day and/or (ii) a Disrupted Day, the relevant Observation Date shall be determined in accordance with the provisions of Condition 16.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"Potential Adjustment Event" means, in respect of any Fund Interest, any of the following events in the determination of the Determination Agent:

- (a) a subdivision, consolidation or reclassification of the relevant amount of Fund Interest, or a free distribution or dividend of any such Fund Interest to existing holders by way of bonus, capitalisation or similar issue;
- (b) a distribution, issue or dividend to existing holders of the relevant Fund Interest of (A) an additional amount of such Fund Interest, or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Fund equally or proportionately with such payments to holders of such Fund Interest, or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Fund as a result of a spin-off or other similar transaction, or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Determination Agent;
- (c) an Extraordinary Dividend;
- (d) a repurchase by the Fund of relevant Fund Interests whether the consideration for such repurchase is cash, securities or otherwise, other than in respect of a redemption of Fund Interests initiated by an investor in such Fund Interests; or
- (e) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Fund Interests;

"Redemption Notice Date" means, in respect of a Fund Interest and a Reference Date or Averaging Date, the date specified as such in the applicable Pricing Supplement or, if no date is so specified, the last date on which a Hypothetical Investor in such Fund Interest would be permitted, pursuant to the Fund Documents of the related Fund, to submit a redemption notice that would be timely for a redemption as of the Scheduled Redemption Valuation Date for which the Scheduled Redemption Payment Date falls on or immediately prior to such Reference Date or Averaging Date;

"Redemption Proceeds" means, in respect of the relevant amount of any Fund Interest, the redemption proceeds that in the determination of the Determination Agent would be paid by the related Fund to a Hypothetical Investor who, as of the relevant Redemption Valuation Date, redeems such amount of Fund Interest (for the avoidance of doubt after deduction of any tax, levy, charge, assessment or fee of any nature that, in the determination of the Determination Agent, would (or would be very likely to) be withheld or deducted from such amount); provided that (a) any such proceeds that would be paid in property other than cash shall be deemed to have a value of zero and (b) if the Hypothetical Investor would be entitled to elect payment of such redemption proceeds to be made either in the form of cash or other property, then the Hypothetical Investor shall be deemed to have elected cash payment;

"Redemption Valuation Date" means, in respect of a Fund Interest and any Scheduled Redemption Valuation Date, the date as of which the related Fund (or its Fund Service Provider that generally determines such value) determines the net asset value of such Fund Interest for purposes of calculating the redemption proceeds to be paid to a Hypothetical Investor that has submitted a valid notice for redemption on or before the related Redemption Notice Date;

"Reference Date" means, for the purposes of Condition 16.1 (*Reference Dates, Averaging Dates and Market Disruption*), each Valuation Date, Observation Date, Strike Date or Determination Date (as applicable) specified in the applicable Pricing Supplement, or otherwise, any date construed to be a Reference Date in accordance with the Conditions;

"Reference Price" means, in respect of a Fund Interest and the Valuation Time on any Valuation Date or Averaging Date, either (a) where "Reported Net Asset Value" is specified in the applicable Pricing Supplement for such Fund Interest, the Reported Net Asset Value of such Fund Interest for the related Fund Valuation Date falling on such Reference Date or Averaging Date, as the case may be; or (b) where "Redemption Proceeds" is specified in the applicable Pricing Supplement for such Fund Interest, an amount equal to the Redemption Proceeds relating to such Fund Interest that in the determination of the Determination Agent would be received by a Hypothetical Investor in such Fund Interest in respect of a

redemption of Fund Interests to be effected as of the Scheduled Redemption Valuation Date relating to such Reference Date or Averaging Date, as the case may be;

"Removal Value" means, in respect of an Affected Fund Interest, the value calculated by the Determination Agent in the same manner as would be used in determining the Reference Price of Fund Interests in the related Fund, but assuming where the Reference Price is Redemption Proceeds that a valid notice requesting redemption of Fund Interests in such Fund has been submitted to such Fund on the Fund Business Day next following delivery of the relevant Fund Event Notice and, where the Removal Value is required to be converted into the Specified Currency or the currency of the Successor Fund Interest it shall be so converted by the Determination Agent at such time and by reference to such sources as it deems appropriate;

"Reported Net Asset Value" means, in respect of any Fund Interest and a Fund Reporting Date relating to such Fund Interest, the official net asset value per Fund Interest as of the related Fund Valuation Date or, if the related Fund reports only its aggregate net asset value, the portion of such Fund's aggregate net asset value relating to a Fund Interest as of the related Fund Valuation Date, in each case as reported on the Fund Reporting Date relating to such Fund Valuation Date by the Fund Service Provider that generally reports such value on behalf of the Fund to its investors or a publishing service;

"Scheduled Averaging Date" means an original date (following any adjustment (if applicable) pursuant to paragraph (a) or (b) in the definition of "Averaging Date") that, but for such day being a Disrupted Day, would have been an Averaging Date;

"Scheduled Fund Valuation Date" means, in respect of a Fund Interest, the date as of which the related Fund (or its Fund Service Provider that generally determines such value) is scheduled, according to its Fund Documents (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Interests), to determine the value of such Fund Interest or, if the related Fund only reports its aggregate net asset value, the date as of which such Fund determines its aggregate net asset value;

"Scheduled Redemption Payment Date" means, in respect of a Fund Interest and any Scheduled Redemption Valuation Date, the date by which the related Fund is scheduled to have paid, according to its Fund Documents, all or a specified portion of the Redemption Proceeds to an investor that has submitted a timely and valid notice requesting redemption of such Fund Interest as of such Scheduled Redemption Valuation Date;

"Scheduled Redemption Valuation Date" means, in respect of a Fund Interest, the date as of which the related Fund (or its Fund Service Provider that generally determines such value) is scheduled, according to its Fund Documents (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Interests), to determine the net asset value of such Fund Interest for the purposes of calculating the redemption proceeds to be paid to an investor that has submitted a valid and timely notice for redemption of Fund Interests based on the value determined as of such date; the Scheduled Redemption Valuation Date relating to any Reference Date or Averaging Date, as the case may be, shall be the date specified as such in the applicable Pricing Supplement or, if no such date is specified, the Scheduled Redemption Valuation Date for which the Scheduled Redemption Payment Date falls on or immediately prior to such Reference Date or Averaging Date, as the case may be;

"Scheduled Reference Date" means, for the purposes of Condition 16.1 (*Reference Dates, Averaging Dates and Market Disruption*), any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Reference Date;

"Strike Date" means such date as specified in the applicable Pricing Supplement, provided that if any such date is (i) not a Fund Business Day and/or (ii) a Disrupted Day, the relevant Strike Date shall be determined in accordance with the provisions of Condition 16.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"Valid Date" means a Fund Business Day that is not a Disrupted Day and on which another Averaging Date in respect of the relevant Reference Date does not or is not deemed to occur;

"**Valuation Date**" means each date specified as such in the applicable Pricing Supplement, provided that if any such date is (i) not a Fund Business Day and/or (ii) a Disrupted Day, the relevant Valuation Date shall be determined in accordance with the provisions of Condition 16.1 (*Reference Dates, Averaging Dates and Market Disruption*); and

"**Valuation Time**" means the time on or in respect of the Reference Date or Averaging Date at which the applicable Reference Price is scheduled to be determined in accordance with the Fund Documents.

17. Provisions relating to Futures Contract-Linked Notes

This Condition 17 (*Provisions relating to Futures Contract-Linked Notes*) is applicable only in relation to Notes specified in the applicable Pricing Supplement as being Single Futures Contract-Linked Notes or Futures Contract Basket-Linked Notes.

17.1 *Reference Dates, Averaging Dates and Market Disruption*

- (a) If a Reference Date is not a Scheduled Trading Day, the relevant Reference Date shall be the next succeeding Scheduled Trading Day or, if either "Common Scheduled Trading Days and Common Disrupted Days" or "Common Scheduled Trading Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, the next succeeding Common Scheduled Trading Day.
- (b) Subject to Condition 17.1(d) (*Reference Dates, Averaging Dates and Market Disruption*) below, if any Scheduled Reference Date is a Disrupted Day, then:
 - (i) in the case of a Single Futures Contract-Linked Note, the relevant Reference Date shall be the earlier of (i) the first succeeding Scheduled Trading Day that is not in the determination of the Determination Agent a Disrupted Day and (ii) the Reference Cut-Off Date (notwithstanding that such Scheduled Trading Day is a Disrupted Day).
 - (ii) in the case of a Futures Contract Basket-Linked Note:
 - (A) where "Individual Scheduled Trading Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, if the Determination Agent determines that any Scheduled Reference Date is a Disrupted Day in respect of any Basket Component, then:
 - (1) the Reference Date for each Basket Component in respect of which the Scheduled Reference Date is not a Disrupted Day shall be the Scheduled Reference Date for such Basket Component; and
 - (2) the Reference Date for any Basket Component in respect of which the Scheduled Reference Date is a Disrupted Day (each an "**Affected Basket Component**") shall be the earlier of (A) the first Scheduled Trading Day following the relevant Scheduled Reference Date that is not a Disrupted Day in respect of such Affected Basket Component; and (B) the Reference Cut-Off Date for such Affected Basket Component (notwithstanding that such day may not be a Scheduled Trading Day).
 - (B) where "Common Scheduled Trading Days and Common Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, if the Determination Agent determines that any Scheduled Reference Date is a Disrupted Day in respect of any Basket Component, then the Reference Date for each Basket Component shall be the earlier of (i) the first Common Scheduled Trading Day following the relevant Scheduled Reference Date that is not a Disrupted Day with respect to any Basket Component; and (ii) the Reference Cut-Off Date (notwithstanding that such day may not be a Common Scheduled Trading Day).
 - (C) where "Common Scheduled Trading Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, if the Determination Agent determines that any Scheduled Reference Date is a Disrupted Day in respect of any Basket Component, then:

- (1) the Reference Date for each Basket Component in respect of which the Scheduled Reference Date is not a Disrupted Day shall be the Scheduled Reference Date for such Basket Component; and
 - (2) the Reference Date for each Basket Component in respect of which the Scheduled Reference Date is a Disrupted Day (each an "**Affected Basket Component**") shall be the earlier of (A) the first Scheduled Trading Day following the relevant Scheduled Reference Date that is not a Disrupted Day in respect of such Affected Basket Component; and (B) the Reference Cut-Off Date for such Affected Basket Component (notwithstanding that such day may not be a Common Scheduled Trading Day or a Scheduled Trading Day).
- (iii) in the case of any Single Futures Contract-Linked Note or Futures Contract Basket-Linked Note (as the case may be), where a Reference Date falls on the relevant Reference Cut-Off Date pursuant to Condition 17.1(b)(ii), then:
 - (A) if such Reference Cut-Off Date is not a Disrupted Day for such Single Futures Contract-Linked Note or Futures Contract Basket-Linked Note (as the case may be), the Determination Agent shall determine the value of such Futures Contract as at the Determination Time on such Reference Cut-Off Date; or
 - (B) if such Reference Cut-Off Date is a Disrupted Day, in respect of Single Futures Contract-Linked Notes and Futures Contract Basket-Linked Notes, the Determination Agent shall determine, in its reasonable discretion, its good faith estimate of the value for such Futures Contract as of the Determination Time on such Reference Cut-Off Date.
- (c) Subject to Condition 17.1(d) (*Reference Dates, Averaging Dates and Market Disruption*) below, if Averaging Dates are specified in the applicable Pricing Supplement as being applicable, then, notwithstanding any other provisions of these Conditions (other than Condition 17.1(d) (*Reference Dates, Averaging Dates and Market Disruption*)), the following provisions will apply to the valuation of the relevant Futures Contract in relation to the relevant Reference Date:
 - (i) If, in respect of a Single Futures Contract-Linked Note, a Scheduled Averaging Date is determined by the Determination Agent to be a Disrupted Day, then if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is:
 - (A) "**Omission**", then such date will be deemed not to be a relevant Averaging Date in respect of such Reference Date for the purposes of determining the relevant level, price, value or amount provided that, if through the operation of this provision no Averaging Date would occur with respect to the relevant Reference Date, then Condition 17.1(b) (*Reference Dates, Averaging Dates and Market Disruption*) will apply for purposes of determining the relevant level, price, value or amount on the final Averaging Date in respect of that Reference Date as if such final Averaging Date were a Reference Date that was a Disrupted Day;
 - (B) "**Postponement**", then Condition 17.1(b) (*Reference Dates, Averaging Dates and Market Disruption*) above will apply for the purposes of determining the relevant level, price, value or amount on that date as if such date were a Reference Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date for the relevant Notes; or
 - (C) "**Modified Postponement**", then the Averaging Date shall be the earlier of (I) the first Valid Date following the Scheduled Averaging Date and (II) the Averaging Cut-Off Date, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date.
 - (ii) If, in respect of a Futures Contract Basket-Linked Note, a Scheduled Averaging Date in respect of a Reference Date is determined by the Determination Agent to be a Disrupted Day in respect of any Basket Component, then:

- (A) where "Individual Scheduled Trading Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement:
- (1) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Omission":
 - (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (b) such date shall not be an Averaging Date in respect of such Reference Date for any Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**"), provided that if through the operation of this provision there would not be any Averaging Date in respect of such Reference Date for the Affected Basket Component, then the sole Averaging Date for such Affected Basket Component shall be the earlier of (I) the first Scheduled Trading Day following the final Scheduled Averaging Date that is not a Disrupted Day in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component;
 - (2) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Postponement":
 - (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (b) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**") shall be the earlier of (I) the first Scheduled Trading Day following the Scheduled Averaging Date that is not a Disrupted Day in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component. Any day (including, for the avoidance of doubt, the Averaging Cut-Off Date) determined to be an Averaging Date as a result of the operation of this Condition 17.1 shall be an Averaging Date, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date; or
 - (3) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Modified Postponement":
 - (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (b) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**") shall be the earlier of (I) the first Valid Date following the Scheduled Averaging Date in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date;
- (B) where "Common Scheduled Trading Days and Common Disrupted Days" is specified to be applicable in the applicable Pricing Supplement:

- (1) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Omission", such date will be deemed not to be a relevant Averaging Date in respect of any Basket Component for the purposes of determining the relevant level, price, value or amount provided that, if through the operation of this provision there would be no Averaging Date in respect of such Reference Date, then the sole Averaging Date for each Basket Component shall be the earlier of (A) the first Common Scheduled Trading Day following the Scheduled Averaging Date that is not a Disrupted Day for any Basket Component and (B) the Averaging Cut-Off Date (notwithstanding the fact that such Averaging Cut-Off Date may not be a Common Scheduled Trading Day);
 - (2) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Postponement", then the Averaging Date for each Basket Component shall be the earlier of (A) the first Common Scheduled Trading Day following the Scheduled Averaging Date that is not a Disrupted Day in respect of any Basket Component and (B) the Averaging Cut-Off Date (notwithstanding the fact that such Averaging Cut-Off Date may not be a Common Scheduled Trading Day). Any day (including 17.1(b)(iii), for the avoidance of doubt, the Averaging Cut-Off Date) determined to be an Averaging Date as a result of the operation of this Condition 17.1(c)(ii)(B)(2) shall be an Averaging Date, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date; or
 - (3) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Modified Postponement", then the Averaging Date for each Basket Component shall be the earlier of (I) the first Common Valid Date following the Scheduled Averaging Date and (II) the Averaging Cut-Off Date (notwithstanding the fact that such Averaging Cut-Off Date may not be a Common Scheduled Trading Day), irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date;
- (C) where "Common Scheduled Trading Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement:
- (1) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Omission":
 - (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (b) such date shall not be an Averaging Date in respect of such Reference Date for any Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**"), provided that if through the operation of this provision there would not be any Averaging Date in respect of such Reference Date for the Affected Basket Component, then the sole Averaging Date for such Affected Basket Component shall be the earlier of (I) the first Scheduled Trading Day following the final Scheduled Averaging Date that is not a Disrupted Day in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component (notwithstanding the fact that such day may not be a Common Scheduled Trading Day);
 - (2) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Postponement":

- (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (b) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**") shall be the earlier of (I) the first Scheduled Trading Day following the Scheduled Averaging Date that is not a Disrupted Day in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component (notwithstanding the fact that such day not be a Common Scheduled Trading Day). Any day (including, for the avoidance of doubt, the Averaging Cut-Off Date) determined to be an Averaging Date as a result of the operation of this Condition 17.1(c)(ii)(C)(2)(b) shall be an Averaging Date, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date; or
- (3) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Modified Postponement":
 - (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (b) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**") shall be the earlier of (I) the first Valid Date (that is a Scheduled Trading Day) following the Scheduled Averaging Date in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date;
- (iii) If, in respect of any Single Futures Contract-Linked Note or Futures Contract Basket-Linked Note (as the case may be), an Averaging Date falls on the relevant Averaging Cut-Off Date pursuant to Condition 17.1(c)(ii) above:
 - (A) if such Averaging Cut-Off Date is not a Disrupted Day for such Single Futures Contract-Linked Note or Futures Contract Basket-Linked Note (as the case may be), the Determination Agent shall determine the value of such Futures Contract as at the Determination Time on such Averaging Cut-Off Date; or
 - (B) if such Averaging Cut-Off Date is a Disrupted Day in respect of Single Futures Contract-Linked Note or Futures Contract Basket-Linked Note (as the case may be), the Determination Agent shall determine, in its reasonable discretion, its good faith estimate of the value for such Futures Contract as of the Determination Time on such Averaging Cut-Off Date.
- (iv) If any Averaging Dates in relation to a Reference Date occur after that Reference Date as a result of the occurrence of a Disrupted Day, then (i) the relevant Interest Payment Date, Maturity Date or (ii) the occurrence of a Futures Contract Adjustment Event or an Additional Disruption Event shall be determined by reference to the last such Averaging Date as though it were that Reference Date.
- (d) If in respect of a Futures Contract and a Reference Date, a Scheduled Reference Date or Scheduled Averaging Date is specified to be the "Expiry Date" in the applicable Pricing Supplement and due to the Scheduled Reference Date or Scheduled Averaging Date (as the case may be) being a Disrupted Day (or for any other reason), the final settlement price has been announced and published on or prior to the Scheduled Reference Date or Scheduled Averaging Date (as the case may be), then the Reference Date or Averaging Date (as the case may be) for such Futures Contract shall fall on the Expiry Date and the

provisions of Conditions 17.1(b) (*Reference Dates, Averaging Dates and Market Disruption*) and (c) (*Reference Dates, Averaging Dates and Market Disruption*) above shall not apply to such Futures Contract and Scheduled Reference Date or Scheduled Averaging Date (as the case may be).

- (e) If an event or circumstance that would otherwise constitute or give rise to a Disrupted Day also constitutes a Futures Contract Adjustment Event, the Determination Agent shall determine whether such event or circumstance shall be treated as a Disrupted Day or a Futures Contract Adjustment Event.

17.2 ***Administrator/Benchmark Event or Disappearance of Futures Contract or Settlement Price:***

If the applicable Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and, on or prior to any Reference Date, (i) an Administrator/Benchmark Event and an Administrator/Benchmark Event Date occurs or (ii) a Disappearance of Futures Contract or Settlement Price occurs, in each case in respect of a relevant Futures Contract, then:

- (a) If the applicable Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and if an Alternative Pre-nominated Futures Contract has been specified in relation to such Futures Contract in the applicable Pricing Supplement, then:
 - (i) the Determination Agent shall attempt to determine an Adjustment Payment;
 - (ii) if the Determination Agent determines an Adjustment Payment,
 - (A) it shall notify the Issuer of the Adjustment Payment and if the Adjustment Payment is an amount that the Noteholder would (but for Condition 17.2(a)(ii)(C)(2)) be required to pay to the Issuer in respect of each Note, request the Issuer to notify the Determination Agent whether it intends to redeem the Notes pursuant to Condition 17.4(b) (*Redemption*). If the Issuer does not intend to redeem the Notes pursuant to Condition 17.4(b) (*Redemption*) then the following provisions of this Condition 17.2(a) (*Administrator/Benchmark Event or Disappearance of Futures Contract or Settlement Price*) shall apply;
 - (B) the terms of the Notes shall be amended so that references to the Futures Contract are replaced by references to the Alternative Pre-nominated Futures Contract;
 - (C) the Conditions shall be adjusted to implement the Adjustment Payment as follows:
 - (1) if the Adjustment Payment is an amount that the Issuer is required to pay in respect of each Note, the Determination Agent shall adjust the Conditions to provide for the payment of the Adjustment Payment on the immediately succeeding Interest Payment Date or if there is no such immediately succeeding Interest Payment Date, on the Maturity Date or other date when the Notes are redeemed in full; or
 - (2) if the Adjustment Payment is an amount that the Noteholder would (but for this Condition 17.2(a)(ii)(C)(2)) be required to pay to the Issuer in respect of each Note, the Determination Agent shall adjust the Conditions to provide for the reduction of the amounts due by the Issuer until the aggregate amount of such reductions is equal to the Adjustment Payment, (subject, in the determination of the Determination Agent, to any minimum redemption amount of the Notes which the Determination Agent determines is required pursuant to any applicable law or regulation (including, without limitation, any tax 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);

- (D) the Determination Agent shall make such other adjustments to the Conditions as it determines necessary or appropriate in order to account for the effect of the replacement of the Futures Contract with the Alternative Pre-nominated Futures Contract and/or to preserve as nearly as practicable the economic equivalence of the Notes before and after the replacement of the Futures Contract with the Alternative Pre-nominated Futures Contract; and
 - (E) the Determination Agent shall notify the Issuer, the Fiscal Agent and the Noteholders of any the replacement of the Futures Contract by the Alternative Pre-nominated Futures Contract, the Adjustment Payment and any other adjustments to the Conditions, giving summary details of the adjustment(s), provided that any failure to give such notice shall not affect the validity of the foregoing.
- (iii) If the Determination Agent is unable to determine an Adjustment Payment then Condition 17.4(b) (*Redemption*) shall apply.
 - (b) If the applicable Pricing Supplement does not specify that the Benchmark Trigger Provisions are applicable or, if the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable but does not specify an Alternative Pre-nominated Futures Contract in relation to the relevant Futures Contract, then Condition 17.4(b) (*Redemption*) shall apply.
 - (c) If it (i) is or would be unlawful at any time under any applicable law or regulation or (ii) would contravene any applicable licensing requirements, in each case for the Issuer, the Determination Agent or the Calculation Agent to perform the actions prescribed in this Condition 17.2 (*Administrator/Benchmark Event or Disappearance of Futures Contract or Settlement Price*) (or it would be unlawful or would contravene those licensing requirements were a determination to be made at such time), then Condition 17.4(b) (*Redemption*) shall apply.

17.3 *Futures Contract Adjustment Events:*

If so specified in the Pricing Supplement relating to any Series of Futures Contract-Linked Notes, the following shall constitute "**Futures Contract Adjustment Events**" for the purposes of such Series:

- (a) "**Price Source Disruption**", which means (i) the failure of the Futures Contract Sponsor to announce or publish the Settlement Price (or the information necessary for determining the Settlement Price) or (ii) the failure by the relevant Exchange to publish the Settlement Price;
- (b) "**Trading Restriction**", which means the material suspension of, or the material limitation imposed on, trading in (i) the Futures Contract on the Exchange or (ii) any relevant Futures Contract Underlier(s).
- (c) "**Disappearance or Non-commencement of Futures Contract or Settlement Price**", which means (i) the permanent discontinuation of the Futures Contract or of trading in the relevant Futures Contract on the relevant Exchange or (ii) the disappearance or permanent discontinuance or unavailability of a Settlement Price or (iii) trading in the relevant Futures Contract never commenced and, in any such case, no Successor Futures Contract exists provided that the scheduled expiry of a Futures Contract in accordance with the relevant contract specifications shall not constitute the Disappearance or Non-commencement of Futures Contract or Settlement Price;
- (d) "**Material Change in Formula**", which means the occurrence since the Trade Date of a material change or modification in the formula for or method of calculating the settlement price or other price of the relevant Futures Contract;
- (e) "**Material Change in Content**", which means the occurrence since the Trade Date of a material change or modification in the content, composition or constitution of the relevant Futures Contract;
- (f) "**Tax Disruption**", which means the imposition of, change in or removal of an excise, severance, sales, use, value added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, the relevant Futures Contract (other than a tax on, or measured by

reference to, overall gross or net income) by any government or taxation authority after the Trade Date, if the direct effect of such imposition, change or removal is to raise or lower the relevant level, price, value or amount on the day that would otherwise be a Reference Date from what it would have been without that imposition, change or removal.

- (g) **"Change of Exchange"**, which means that the Futures Contract is no longer negotiated on the Exchange and/or under a market-standard format as of the Trade Date but is negotiated on an exchange and/or under a format that is not acceptable to the Determination Agent.
- (h) **"Illiquidity Event"**, which means that in the determination of the Determination Agent, the liquidity of the Futures Contract has decreased significantly since the Trade Date, such decrease of liquidity being likely to have a material impact on any hedging arrangements of the Issuer and/or any of its Affiliates in connection with the Notes.

17.4 ***Adjustments for Futures Contract Adjustment Events:***

(a) ***Adjustment:***

If a Futures Contract Adjustment Event which is a Price Source Disruption, a Trading Disruption, a Material Change in Formula, a Material Change in Content, a Tax Disruption, a Change of Exchange or an Illiquidity Event occurs, the Determination Agent shall determine if such Futures Contract Adjustment Event has a material effect on the Notes and, if so, subject to Condition 17.4(b) (*Redemption*), shall:

- (i) make such adjustments to the Conditions and/or the applicable Pricing Supplement as the Determination Agent determines necessary or appropriate to account for the effect of such Futures Contract Adjustment Event and determine the effective date of each such adjustment; and/or
- (ii) substitute such Futures Contract with a new Futures Contract selected by the Determination Agent (which shall be a replacement futures contract using, in the determination of the Determination Agent, the same or a substantially similar formula and method of calculation as used in the calculation of the Futures Contract or a replacement futures contract selected by the Determination Agent in accordance with any other criteria specified in the applicable Pricing Supplement) and make such adjustments (if any) to the Conditions and/or the applicable Pricing Supplement as it deems necessary or appropriate in relation to such substitution. Such new futures contract shall be deemed to be a Futures Contract in place of the Futures Contract the subject of the Futures Contract Adjustment Event.

If the Determination Agent determines that no calculation, adjustment and/or substitution can reasonably be made pursuant to the above, Condition 17.4(b) (*Redemption*) shall apply.

(b) ***Redemption:***

If either:

- (i) a Futures Contract Adjustment Event which is a Disappearance of Futures Contract or Settlement Price occurs or an Administrator/Benchmark Event and an Administrator/Benchmark Event Date occurs and:
 - (A) the Pricing Supplement does not specify that the Benchmark Trigger Provisions are applicable;
 - (B) the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable but does not specify an Alternative Pre-nominated Futures Contract;
 - (C) the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and specifies an Alternative Pre-nominated Futures Contract but the Determination Agent is unable to determine the Adjustment Payment;
 - (D) the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and specifies an Alternative Pre-nominated Futures Contract and the Determination Agent determines that the Adjustment Payment would be an amount that the

Noteholder would (but for Condition 17.2(a)(ii)(C)(2)) be required to pay to the Issuer in respect of each Note; or

- (E) it (a) would be unlawful at any time under any applicable law or regulation or (b) would contravene any applicable licensing requirements, in each case for the Determination Agent to calculate the relevant level, price, value or amount in accordance with Condition 17.4(a) (*Adjustment*); or
- (ii) any Futures Contract Adjustment Event (other than a Disappearance of Futures Contract or Settlement Price) occurs and the Determination Agent determines that no calculation, adjustment and/or substitution can reasonably be made pursuant to Condition 17.4(a) (*Adjustment*),

then the Issuer may, at any time thereafter and 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 the Early Redemption Amount.

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

If the Issuer determines that the relevant Notes shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to any variable relevant to the redemption, settlement or payment terms of the relevant Notes and/or any other adjustment, which change or adjustment shall be effective on such date as the Determination Agent shall determine. The Fiscal Agent shall provide notice to the Noteholders of any such change or adjustment in accordance with Condition 38.8 (*Notices*), giving summary details of the relevant change or adjustment, provided that any failure to give such notice shall not affect the validity of any such change or adjustment.

17.5 ***Correction of Futures Contract Prices:***

If any settlement price announced by the Futures Contract Sponsor or published by the Exchange and which is utilised by the Determination Agent for any calculation or determination (the "**Original Determination**") under the Notes is subsequently corrected and the correction (the "**Corrected Value**") is published by the Futures Contract Sponsor by such time (the "**Correction Cut Off Time**") as may be specified in the applicable Pricing Supplement (or, if none is so specified, at least 3 Business Days prior to the relevant Interest Payment Date, Maturity Date or any early redemption date of the Futures Contract-Linked Notes), then the Determination Agent will notify the Issuer and the Fiscal Agent of the Corrected Value as soon as reasonably practicable and shall determine the relevant value (the "**Replacement Determination**") using the Corrected Value. If the result of the Replacement Determination is different from the result of the Original Determination, to the extent that it determines to be necessary and practicable, the Determination Agent may adjust any relevant terms accordingly.

In the event there is any discrepancy between any settlement price published or announced by the Futures Contract Sponsor and the Exchange any which is used by the Determination Agent for any calculation or determination under the Notes and that is not otherwise corrected pursuant to this Condition 17.5 (*Correction of Futures Contract Prices*), the settlement price selected by the Determination Agent acting in good faith and a commercially reasonable manner shall prevail for the relevant day.

17.6 ***Additional Disruption Events:***

- (a) Following the occurrence of an Additional Disruption Event, the Issuer will, in its reasonable discretion, determine whether or not the relevant Notes shall continue or shall be redeemed early.
- (b) If the Issuer determines that the relevant Notes shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to the formula for the Final Redemption Amount, any Interest Amount and/or the relevant level, price, value or amount set out in the applicable Pricing Supplement, the number of Futures Contracts to which each Note relates, the number of Futures Contracts comprised in a Basket of Futures Contracts, the amount, the number of or type of shares, futures contracts or other securities which may be delivered under such Notes and, in any case, any other variable relevant to the redemption, settlement, or payment terms of the relevant Notes and/or any other adjustment (including without limitation, in relation to Futures

Contract Basket-Linked Notes, the cancellation of terms applicable in respect of any Futures Contracts affected by the relevant Additional Disruption Event), to account for the economic effect on the Notes of such Additional Disruption Event, which change or adjustment shall be effective on such date as the Determination Agent shall determine.

- (c) If the Issuer determines that the relevant Notes shall be redeemed early, then the Issuer shall give not less than five Business Days' notice to redeem the Notes and the Issuer's obligations under the Notes shall be satisfied in full upon payment in respect of each Note of an amount equal to Early Redemption Amount.
- (d) The Issuer shall as soon as reasonably practicable under the circumstances notify the Fiscal Agent and the Determination Agent of the occurrence of an Additional Disruption Event.
- (e) For the purposes hereof:

"Additional Disruption Event" means, with respect to any Series of Futures Contract Linked Notes, any or all of (i) a Change in Law, (ii) Hedging Disruption, (iii) Increased Cost of Hedging, (iv) Loss of Stock Borrow, (v) Increased Regulatory Capital and/or (vi) Insolvency Filing as have been specified in the applicable Pricing Supplement as an applicable Additional Disruption Event with respect to such Notes.

17.7 ***Definitions applicable to Futures Contract-Linked Notes:***

In relation to Futures Contract-Linked Notes, the following expressions have the meanings set out below:

"Adjustment Payment" means, in respect of any Note, the payment (if any) determined by the Determination Agent as is required 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 a Futures Contract by the Alternative Pre-nominated Futures Contract. The Determination Agent may determine that the Adjustment Payment is zero;

"Alternative Pre-nominated Futures Contract" means, in respect of a Futures Contract, the first of the indices, benchmarks or other price sources specified in the applicable Pricing Supplement as an "Alternative Pre-nominated Futures Contract" that is not subject to an Administrator/Benchmark Event;

"Averaging Cut-Off Date" means, in the case where Notes relate to a Futures Contract or Basket of Futures Contracts and in respect of a Scheduled Averaging Date for the purposes of Condition 17.1 (*Reference Dates, Averaging Dates and Market Disruption*) the date falling the Specified Number of Scheduled Trading Days or the Specified Number of Common Scheduled Trading Days (as the case may be) following the Scheduled Averaging Date, or if no such number is specified:

- (a) if "Common Scheduled Trading Days and Common Disrupted Days" in respect of a Basket of Futures Contracts is specified to be applicable in the Pricing Supplement, the eighth Common Scheduled Trading Day following such Scheduled Averaging Date; or
- (b) in any other case, the eighth Scheduled Trading Day following such Scheduled Averaging Date;

"Averaging Date" means, in respect of each Reference Date, either:

- (a) in the case of (i) a Single Futures Contract-Linked Note or (ii) a Futures Contract Basket-Linked Note where the applicable Pricing Supplement provides that "Individual Scheduled Trading Days and Individual Disrupted Days" shall be applicable, each date specified as such in the applicable Pricing Supplement, or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day for such (or the relevant) Futures Contract or Basket Component (as the case may be); or
- (b) in the case of a Futures Contract Basket-Linked Note, where the applicable Pricing Supplement provides that either "Common Scheduled Trading Days and Common Disrupted Days" or "Common Scheduled Trading Days and Individual Disrupted Days" shall be applicable, each date specified as such in the applicable Pricing Supplement, or if any such date is not a Common Scheduled Trading Day, the next following Common Scheduled Trading Day for such Basket of Futures Contracts,

provided that if any such day is a Disrupted Day, the Averaging Date shall be determined in accordance with the provisions of Condition 17.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"Basket" means in relation to any Futures Contract Basket-Linked Notes, the Futures Contracts specified in the applicable Pricing Supplement as comprising the Basket, in each case in the relative proportions specified in such Pricing Supplement;

"Basket Component" means, in relation to a particular Series of Futures Contract Basket-Linked Notes, each Futures Contract comprised in the relevant Basket of Futures Contracts;

"Basket of Futures Contracts" means, in relation to a particular Series, a basket comprising the Futures Contracts specified in the applicable Pricing Supplement in the relative proportions specified in such Pricing Supplement;

"Change in Law" means that, on or after the Trade Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (x) it has become illegal to hold, acquire or dispose of any relevant Futures Contracts, or (y) it will incur a materially increased cost in performing its obligations with respect to the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

"Common Scheduled Trading Day" means, in respect of a Futures Contract Basket-Linked Note, each day which is a Scheduled Trading Day for all the Basket Components;

"Common Valid Date" means, in respect of a Futures Contract Basket-Linked Note, a Common Scheduled Trading Day that is not a Disrupted Day for any Basket Component and on which another Averaging Date does not or is deemed not to occur;

"Determination Date" means, in relation to any determination, each date specified as such in the applicable Pricing Supplement, provided that if any such date is (i) not a Scheduled Trading Day and/or (ii) a Disrupted Day, the relevant Determination Date shall be determined in accordance with the provisions of Condition 17.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"Determination Time" means, in respect of a Futures Contract, the time at which the Settlement Price is announced or published (or, in the case of a Disrupted Day, scheduled to be announced or published in accordance with the terms of such Futures Contract);

"Disrupted Day" means any Scheduled Trading Day on which a Market Disruption Event has occurred or is continuing;

"Exchange" means, in respect of a Futures Contract relating to Single Futures Contract-Linked Notes or Futures Contract Basket-Linked Notes, each exchange or quotation system specified as such for such Futures Contract in the applicable Pricing Supplement or, if none is specified, the principal exchange or quotation system for trading in such Futures Contract, as determined by the Determination Agent, and (without prejudice to a Futures Contract Adjustment Event that is a Change of Exchange) any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Futures Contract has temporarily relocated, provided that the Determination Agent has determined that there is comparable liquidity relative to such Futures Contract on such temporary substitute exchange or quotation system as on the original Exchange;

"Exchange Disruption" means the Exchange fails to open for trading during any regular trading session that the Determination Agent considers material to the determination of the applicable Settlement Price for the relevant Futures Contract or any other event occurs that disrupts or impairs (as determined by the Determination Agent) the ability of market participants in general (i) to effect transactions in, comply with clearing obligations or obtain market values for, the Futures Contract on the Exchange, or (ii) to effect transactions in, comply with clearing obligations or obtain market values for, the Futures Contract Underlier(s), and in each case the Determination Agent determines that such event is material in relation to the Notes;

"Expiry Date" means, in respect of a Futures Contract and each day that is a Reference Date or an Averaging Date, the expiry date of such Futures Contract on which the Futures Contract Sponsor announces, and the Exchange publishes, the "final settlement price" of such Futures Contract;

"Failure to Announce or Publish" means (a) the failure by the relevant Futures Contract Sponsor to announce or publish the Settlement Price; or (b) the failure by the relevant Exchange to publish the Settlement Price provided that, if either of (a) or (b) occurs and the Determination Agent determines that the failure of the other announcement or publication to occur is not material for the purposes of the Notes, then such circumstances shall not constitute a Failure to Announce or Publish;

"Futures Contract" means any futures contract specified in the applicable Pricing Supplement as a Futures Contract;

"Futures Contract Sponsor" means, in respect of a Futures Contract, the corporation or other entity which (a) is responsible for setting and reviewing the contract specifications, rules and procedures and methods of calculations and adjustments, if any, related to such Futures Contract; and (b) announces (directly or through an agent) the settlement price of such Futures Contract on a regular basis;

"Futures Contract Underlier(s)" means, in respect of a Futures Contract, each index, rate, asset or reference item underlying such Futures Contract as specified in the applicable Pricing Supplement;

"Hedging Disruption" means that the Issuer is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations under the Notes, or (B) realise, recover or remit the proceeds of any such transactions or asset(s);

"Increased Cost of Hedging" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Notes or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s) provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging;

"Increased Regulatory Capital" means there would be a material increase (as compared with circumstances existing on the Trade Date) in the amount or cost of regulatory capital that would have to be maintained by the Issuer any/or any Affiliate in relation to the Notes and/or any related hedging arrangements, as determined by the Determination Agent;

"Market Disruption Event" means in respect of a Futures Contract, the occurrence or existence of (i) a Failure to Announce or Publish, (ii) a Trading Disruption, or (iii) an Exchange Disruption;

"Observation Date" means each date specified as such in the applicable Pricing Supplement, provided that if any such date is (i) not a Scheduled Trading Day and/or (ii) a Disrupted Day, the relevant Observation Date shall be determined in accordance with the provisions of Condition 17.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"Reference Cut-Off Date" means, in the case where Notes relate to a Futures Contract or a Basket of Futures Contracts and in respect of a Scheduled Reference Date for the purposes of Condition 17.1(b) (*Reference Dates, Averaging Dates and Market Disruption*), the date falling the Specified Number of Scheduled Trading Days or the Specified Number of Common Scheduled Trading Days (as the case may be) following the Scheduled Reference Date, or if no such number is specified:

- (a) if "Common Scheduled Trading Days and Common Disrupted Days" in respect of a Basket of Futures Contracts is specified to be applicable in the Pricing Supplement, the eighth Common Scheduled Trading Day following such Scheduled Reference Date; or
- (b) in any other case, the eighth Scheduled Trading Day, or, in respect of a Basket of Futures Contract, the eighth Scheduled Trading Day for the Affected Basket Component, following such Scheduled Reference Date;

"Reference Date" means, for the purposes of Condition 17.1 (*Reference Dates, Averaging Dates and Market Disruption*), each Valuation Date, Observation Date, Strike Date or Determination Date (as applicable) specified in the applicable Pricing Supplement, or otherwise, any date construed to be a Reference Date in accordance with the Conditions;

"Relevant Futures Contract Benchmark" means the Futures Contract or the Futures Contract Underlier;

"Scheduled Averaging Date" means an original date (following any adjustment (if applicable) pursuant to paragraph (a) or (b) of the definition of "Averaging Date") that, but for such day being a Disrupted Day, would have been a Reference Date;

"Scheduled Closing Time" means in respect of an Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of regular trading session hours;

"Scheduled Reference Date" means, for the purposes of Condition 17.1 (*Reference Dates, Averaging Dates and Market Disruption*), any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Reference Date;

"Scheduled Trading Day" means any day on which each Exchange is scheduled to be open for trading for their respective regular trading sessions notwithstanding that any such Exchange may close prior to its Scheduled Closing Time;

"Settlement Price" means, in respect of a Futures Contract and any day, the official "daily settlement price" or "final settlement price" on such day (in each case, however defined in the contract specifications of such Futures Contract or the relevant Exchange);

"Specified Number of Scheduled Trading Days" means the number specified as such in the applicable Pricing Supplement;

"Specified Number of Common Scheduled Trading Days" means the number specified as such in the applicable Pricing Supplement;

"Strike Date" means each date specified as such in the applicable Pricing Supplement, provided that if any such date is (i) not a Scheduled Trading Day and/or (ii) a Disrupted Day, the relevant Strike Date shall be determined in accordance with the provisions of Condition 17.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"Successor Futures Contract" means, in respect of a Futures Contract, a successor futures contract using, in the determination of the Determination Agent, the same or a substantially similar formula for or method of calculation as used in the calculation of such Futures Contract;

"Trading Disruption" means any suspension of or limitation imposed on trading by the Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or otherwise relating to the Futures Contract on the Exchange, which the Determination Agent determines to be material in relation to the Notes;

"Valid Date" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in respect of the Reference Date does not, or is not deemed to, occur; and

"Valuation Date" means each date specified as such in the applicable Pricing Supplement, provided that if any such date is (i) not a Scheduled Trading Day and/or (ii) a Disrupted Day, the relevant Valuation Date shall be determined in accordance with the provisions of Condition 17.1 (*Reference Dates, Averaging Dates and Market Disruption*).

18. Provisions relating to Credit Linked Notes

In respect of any Notes ("**Credit Linked Notes**") for which the Credit Linked Interest Note Provisions and/or Credit Linked Redemption Provisions are specified as applicable in the applicable Pricing Supplement, the Conditions shall be supplemented and modified by the terms and conditions set out in the applicable Pricing Supplement.

19. Provisions relating to Bond-Linked Notes

This Condition 19 (*Provisions relating to Bond-Linked Notes*) is applicable in respect of any Series of Notes ("**Bond-Linked Notes**") where "**Bond-Linked Redemption Provisions**" are specified in the applicable Pricing Supplement as being applicable.

19.1 *Conversion*

- (a) Following the occurrence of any Conversion, the Issuer will, in its reasonable discretion, determine whether or not the Notes will continue (and, if so, the Determination Agent will determine, in its reasonable discretion, any adjustments to be made) or be redeemed.
- (b) If the Issuer determines that the Notes shall continue, the Determination Agent may make such adjustment as it, in its reasonable discretion considers appropriate, including but not limited to, the Strike Price, the formula for the Redemption Amount set out in the applicable Pricing Supplement, and, in any case, any other variable relevant to the redemption, settlement, or payment terms of the relevant Notes and/or any other adjustment and determine, in its reasonable discretion, the effective date(s) of such adjustment.
- (c) If the Issuer 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 an amount in respect of each Note equal to the Early Redemption Amount.
- (d) For the purposes hereof:

"**Conversion**" means, as determined by the Determination Agent, acting in a commercially reasonable manner, in respect of any relevant Underlying Securities any irreversible conversion by the Underlying Security Issuer, of such Underlying Securities into other securities, any other financial instrument or cash or any notice of early redemption or repayment in whole or in part prior to its scheduled maturity date other than a notice in respect of any scheduled amortisation.

19.2 *Correction to published prices*

For the purposes of determining the Spot Price for any day, if applicable, as specified in the applicable Pricing Supplement for the purposes of calculating the Redemption Amount or any other amount in respect of a Bond-Linked Note, if the price published or announced on a given day and used or to be used by the Determination Agent to determine a Spot Price (the "**Original Determination**") is subsequently corrected and the correction (the "**Corrected Value**") is published or announced by the person responsible for that publication or announcement by such time as may be specified in the applicable Pricing Supplement (or, if none is so specified, within thirty days of the original publication or announcement), then the Determination Agent will notify the Issuer and the Fiscal Agent of the Corrected Value as soon as reasonably practicable and shall determine the relevant value (the "**Replacement Determination**") using the Corrected Value. If the result of the Replacement Determination is different from the result of the Original Determination, to the extent that it determines to be necessary and practicable, the Determination Agent may, acting in good faith and a commercially reasonable manner, adjust any relevant terms accordingly. The Fiscal Agent shall provide notice to the Noteholders of any such change or adjustment in accordance with Condition 36.9 (*Notices*), giving summary details of the relevant change or adjustment, provided that any failure to give such notice shall not affect the validity of any such change or adjustment.

19.3 *Additional Disruption Events*

- (a) Following the occurrence of an Additional Disruption Event, the Issuer will, in its reasonable discretion, determine whether or not the relevant Notes shall continue or be redeemed.
- (b) If the Issuer determines that the relevant Notes shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to any variable relevant to the redemption, settlement, or payment terms of the relevant Notes and/or any other adjustment which change or adjustment shall be effective on such date as the Determination Agent shall determine.

- (c) If the Issuer determines that the relevant 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 an amount in respect of each Note equal to the Early Redemption Amount.
- (d) The Issuer shall as soon as reasonably practicable under the circumstances notify the Fiscal Agent and the Determination Agent of the occurrence of an Additional Disruption Event.
- (e) For the purposes hereof:

"Additional Disruption Event" means with respect to any Series of Notes (unless otherwise specified in the applicable Pricing Supplement) a Change in Law, Hedging Disruption, Increased Cost of Hedging, Price Source Disruption and any further event or events as may be specified in the applicable Pricing Supplement as an Additional Disruption Event with respect to such Notes.

19.4 ***In relation to Bond-Linked Notes, the following expressions have the meanings set out below:***

"Change in Law" means that, on or after the Trade Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (i) it has become illegal to hold, acquire or dispose of Hedge Positions or (ii) it will incur a materially increased cost in performing its obligations with respect to the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

"Disrupted Day" means any day on which a Disruption Event has occurred or is continuing, as determined by the Determination Agent in its reasonable discretion;

"Disruption Event" means any closure of markets in trading of the Underlying Securities other than for ordinary public holidays and/or any restriction or suspension in trading of the Underlying Securities that, in the opinion of the Determination Agent, would have a material effect on the ability of market participants to effect transactions in such markets;

"Early Redemption Amount" means, unless otherwise specified in the applicable Pricing Supplement, an amount which the Determination Agent, acting in a commercially reasonable manner, determines is the fair market value to the Noteholder of a Note with terms that would preserve the economic equivalent of any payment (assuming satisfaction of each applicable condition precedent) to which the Noteholder would have been entitled under the Note but for the occurrence of the Conversion, less the proportion attributable to that Note 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.

"Exchange" means each securities exchange or trading market specified as such in the applicable Pricing Supplement (including any successor to that securities exchange or trading market) for so long as the Underlying Securities are listed or otherwise included in that securities exchange or trading market. If the specified Exchange ceases to list or otherwise include the Underlying Securities and the Underlying Securities are listed or otherwise included in any other securities exchange or trading market, the Determination Agent will, in its reasonable discretion, select an alternative securities exchange or trading market;

"Exchange Business Day" means, in respect of any Bond-Linked Note, any day that is a trading day on the Exchange (or on each Exchange if more than one is specified) other than a day on which trading on the Exchange is scheduled to close prior to its regular weekday closing time;

"Hedge Positions" means any purchase, sale, entry into or maintenance of one or more (a) positions or contracts in securities, commodities, options, futures, derivatives or foreign exchange, (b) stock loan transactions or (c) other instruments or arrangements (howsoever described) by a party in order to hedge, individually or on a portfolio basis, the Notes;

"Hedging Disruption" means that the Issuer is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or

asset(s) it deems necessary to hedge the risk of entering into and performing its obligations under the Notes, or (b) realise, recover or remit the proceeds of any such transactions or asset(s);

"Increased Cost of Hedging" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Notes or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s) provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging;

"Price Source" is as specified in the applicable Pricing Supplement;

"Price Source Disruption" means (A) the failure of the Price Source to announce or publish any relevant price in respect of the relevant Underlying Securities and/or (B) the temporary or permanent discontinuance or unavailability of the Price Source;

"Reference Cut-Off Date" means in the case of Bond-Linked Notes and any Scheduled Valuation Date, the date falling the Specified Number of Scheduled Trading Days following such Scheduled Valuation Date, or if no such number is specified, the date falling five Scheduled Trading Days following such Scheduled Valuation Date;

"Scheduled Trading Day" means in the case of Bond-Linked Notes, the day(s) specified as such in the applicable Pricing Supplement.

"Scheduled Valuation Date" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date;

"Spot Price" means, in respect of any Bond-Linked Note, unless otherwise specified in the applicable Pricing Supplement:

- (a) if the Strike Price is stated as an amount in the relevant currency, the price for the Underlying Securities, stated as an amount in the relevant currency, equal in amount to the nominal amount specified in the applicable Pricing Supplement of the relevant Underlying Securities to which one Note, as applicable relates; and
- (b) if the Strike Price is stated as a percentage of the nominal value of the Underlying Securities, the price of the Underlying Securities stated as a percentage of their nominal value,

in each case, as of the Valuation Time on any relevant Valuation Date, as determined by the Determination Agent in its reasonable discretion, which may without limitation and in its discretion be by reference to a Price Source;

"Valuation Date" means in the case of Bond-Linked Notes, the day(s) specified as such in the applicable Pricing Supplement, provided that if any such date is (a) not a Scheduled Trading Day and/or (b) a Disrupted Day, the relevant Valuation Date shall be the earlier of (i) first succeeding Scheduled Trading Day that is not in the determination of the Determination Agent a Disrupted Day and (ii) the Reference Cut-Off Date (notwithstanding that such Scheduled Trading Day is a Disrupted Day); and

"Valuation Time" means in the case of Bond-Linked Notes, the time specified as such in the applicable Pricing Supplement.

20. Provisions relating to ETN-Linked Notes

In respect of any Notes ("**ETN-Linked Notes**") for which the ETN-Linked Interest Note Provisions and/or ETN-Linked Redemption Provisions are specified as applicable in the applicable Pricing Supplement, the Conditions shall be supplemented and modified by the terms and conditions set out in the applicable Pricing Supplement.

21. Provisions relating to Rate-Linked Notes

This Condition 21 (*Provisions relating to Rate-Linked Notes*) is applicable in respect of any Series of Notes ("**Rate-Linked Notes**") where "Rate-Linked Interest Note Provisions" and/or "Rate-Linked Redemption Provisions" are specified in the applicable Pricing Supplement as being applicable.

21.1 *Screen Rate Determination*

Subject to the provisions of Condition 21.3 (*CMS Underlying Rate Determination*), Condition 21.4 (*Provisions specific to SOFR as Underlying Rate*), Condition 21.5 (*Provisions specific to SONIA as Underlying Rate*), Condition 21.6 (*Provisions specific to €STR as Underlying Rate*), Condition 21.7 (*Provisions specific to SARON as Underlying Rate*), Condition 21.8 (*Provisions specific to TONA as Underlying Rate*) Condition 21.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*), where such provisions are specified to apply in the applicable Pricing Supplement, Condition 21.10 (*Underlying CMS Underlying Rate - Effect of Index Cessation Event*) or Condition 21.11 (*General Fallback Arrangements*), if Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Underlying Rate(s) is/are to be determined, the Underlying Rate(s) applicable to the Notes in respect of each Underlying Rate Determination Date or Averaging Date (as applicable) will be determined by the Determination Agent on the following basis:

- (a) if the Underlying Rate is a composite quotation or customarily supplied by one entity, the Determination Agent will determine the Underlying Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Underlying Rate Determination Date;
- (b) in any other case, the Determination Agent will determine the arithmetic mean of the Underlying Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Underlying Rate Determination Date;
- (c) if, in the case of Condition 21.1(a) above, such rate does not appear on that page or, in the case of Condition 21.1(b) 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:
 - (i) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Underlying Rate at approximately the Relevant Time on the Underlying Rate 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
 - (ii) determine the arithmetic mean of such quotations; and
- (d) 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 Underlying 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 Reference Period or Redemption Reference Period (as applicable) for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Reference Period or Redemption Reference Period (as applicable) and in an amount that is representative for a single transaction in that market at that time,

and the Underlying Rate in respect of such Interest Reference Period or Redemption Reference Period (as applicable) shall be the rate or (as the case may be) the arithmetic mean so determined, 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 Reference Period, the Underlying Rate applicable to the Notes during such Interest Reference Period will be the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Reference Period.

21.2 *ISDA Determination*

Subject to the provisions of Condition 21.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*), where such provisions are specified to apply in the applicable Pricing Supplement, Condition 21.10 (*Underlying CMS Underlying Rate - Effect of Index Cessation Event*) or Condition 21.11

(*General Fallback Arrangements*), if ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Underlying Rate(s) is/are to be determined, the Underlying Rate applicable to the Notes for each Interest Reference Period or Redemption Reference Period (as applicable) will be the relevant ISDA Rate where "**ISDA Rate**" in relation to any Interest Reference Period or Redemption Reference Period (as applicable) means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Determination 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:

- (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the applicable Pricing Supplement;
- (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 Pricing Supplement;
- (iii) the relevant Fixing Day (as defined in the ISDA Definitions) is the date as specified in the applicable Pricing Supplement;
- (iv) the relevant Fixing Time (as defined in the ISDA Definitions) is the time as specified in the applicable Pricing Supplement;
- (v) the relevant Reset Date (as defined in the ISDA Definitions) is as specified in the applicable Pricing Supplement;
- (vi) if an Overnight Floating Rate Option (as defined in the ISDA Definitions) is specified as applicable in the relevant Pricing Supplement and:
 - (A) an Overnight Rate Compounding Method (as defined in the ISDA Definitions) is specified in the applicable Pricing Supplement:
 - (1) OIS Compounding is applicable if specified in the applicable Pricing Supplement and, if so, Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement; or
 - (2) Compounding with Lookback is applicable if specified in the applicable Pricing Supplement and, if so, (a) Lookback is the number of Applicable Business Days specified in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions and (b) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement;
 - (3) Compounding with Observation Period Shift is applicable if specified in the applicable Pricing Supplement and, if so, Set-in-Advance is applicable if specified as such in the applicable Pricing Supplement and, if so, (a) Set-in-Advance is applicable if specified as such in the applicable Pricing Supplement, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions, (c) Observation Period Shift Additional Business Days are the days, if any, specified as such in the applicable Pricing Supplement and (d) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement;

- (4) Compounding with Lockout is applicable if specified in the applicable Pricing Supplement and, if so, (a) Lockout is the number of Lockout Period Business Days specified in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions, (b) Lockout Period Business Days are the days specified as such in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions and (c) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement; or
 - (5) unless an Overnight Rate Compounding Method in subparagraphs (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 applicable Pricing Supplement:
 - (1) Overnight Averaging is applicable if specified in the applicable Pricing Supplement and, if so, Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement;
 - (2) Averaging with Lookback is applicable if specified in the applicable Pricing Supplement and, if so, (a) Lookback is the number of Applicable Business Days specified in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions and (b) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement;
 - (3) Averaging with Observation Period Shift is applicable if specified in the applicable Pricing Supplement and, if so, Set-in-Advance is applicable if specified as such in the applicable Pricing Supplement and, if so, (a) Set-in-Advance is applicable if specified as such in the applicable Pricing Supplement, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions, (c) Observation Period Shift Additional Business Days are the days, if any, specified as such in the applicable Pricing Supplement and (d) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement;
 - (4) Averaging with Lockout is applicable if specified in the applicable Pricing Supplement and, if so, (a) Lockout is the number of Lockout Period Business Days specified in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions, (b) Lockout Period Business Days are the days specified as such in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA

Definitions and (c) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement;

- (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; and
- (vii) if an Index Floating Rate Option (as defined in the ISDA Definitions) is specified as applicable in the relevant Pricing Supplement and an Index Method is specified in the applicable Pricing Supplement:
 - (A) Standard Index Method is applicable if specified in the applicable Pricing Supplement;
 - (B) Compounded Index Method is applicable if specified in the applicable Pricing Supplement; or
 - (C) Compounded Index Method with Observation Period Shift is applicable if specified in the applicable Pricing Supplement and, if so, (a) Set-in-Advance is applicable if specified as such in the applicable Pricing Supplement, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions and (c) Observation Period Shift Additional Business Days are the days, if any, specified as such in the applicable Pricing Supplement;
- (viii) in connection with the Index Method, 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 applicable Pricing Supplement; (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 Reference Period or Redemption Reference Period (as applicable); (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 last day of the relevant Interest Reference Period or Redemption Reference Period (as applicable); (6) "Termination Date" shall be deemed to be references to the last day of the final Interest Reference Period or Redemption Reference Period (as applicable); and (7) "Effective Date" shall be deemed to be references to the first day of the initial Interest Reference Period or Redemption Reference Period (as applicable); or
- (ix) Delayed Payment is applicable if specified in the applicable Pricing Supplement and the relevant delay is the number of Business Days specified in respect of Delayed Payment in the applicable Pricing Supplement;
- (x) Period End Date/ Termination Date adjustment for Unscheduled Holiday will apply if specified in the relevant Pricing Supplement to be applicable;
- (xi) Non-Representative (as defined in the 2021 ISDA Definitions) will apply if specified in the relevant Pricing Supplement to be applicable;
- (xii) Successor Benchmark and Successor Benchmark Effective Date (as defined in the 2021 ISDA Definitions) will be as specified in the applicable Pricing Supplement;
- (xiii) 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 21.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*), where such provision is

specified to apply in the applicable Pricing Supplement, or Condition 21.11 (*General Fallback Arrangements*) and the ISDA Definitions shall be construed accordingly;

- (xiv) Sections 1.2.2 (*Calculation Agent Standard*) and 1.2.4 (*Determinations by Calculation Agent*) of the ISDA Definitions are deemed to be deleted;
- (xv) 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 Pricing Supplement; and
- (xvi) 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.

Notwithstanding any other Conditions where the Floating Rate Option is "EUR-CNO TEC10", and unless "TEC10 Adjustment" is specified as "Not Applicable" in the applicable Final Terms, if in respect of any Interest Period the Determination Agent determines that the 10-year constant maturity French treasury rate (known as CNO TEC10) published by the Bank of France no longer represents the actual yield to maturity of a notional *Obligations assimilables du Trésor* ("OAT") with a maturity of exactly 10 years (based on executable prices available to the Determination Agent for OATs with a maturity most closely matching a 10-year maturity) (which event may occur in connection with or following any default or potential default of the Republic of France or unexpected volatility or illiquidity in markets in trading of OATs), then the ISDA Rate in respect of such Interest Period for the purposes of the Conditions shall be deemed to be the yield to maturity of a notional OAT with a maturity of exactly 10 years, as determined by the Determination Agent acting in good faith and a commercially reasonable manner by reference to bid prices for OATs with a maturity most closely matching a 10-year maturity and having regard to such pricing sources, methods and models (which may include, without limitation, any available firm or indicative prices for such OATs or internal valuation or recovery models) as the Determination Agent considers appropriate.

- 21.3 **CMS Underlying Rate Determination:** Subject to the provisions of Condition 21.10 (*Underlying CMS Underlying Rate - Effect of Index Cessation Event*), if CMS Underlying Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Underlying Rate(s) is/are to be determined, the Underlying Rate(s) applicable to the Notes for each Interest Reference Period or Redemption Reference Period (as applicable) will be the relevant CMS Underlying Rate determined in accordance with paragraph (a) or (b) below, as applicable.

(a) *Single CMS Underlying Rate*

If the CMS Underlying Rate is specified in the applicable Pricing Supplement to be "Single CMS Underlying Rate", the CMS Underlying Rate in respect of an Interest Reference Period or Redemption Reference Period (as applicable) or any relevant day will be equal to the CMS Underlying Rate for such Interest Reference Period or Redemption Reference Period (as applicable) or such relevant day multiplied by the Underlying Rate Participation Rate (if any is specified in the applicable Pricing Supplement in relation to such CMS Underlying Rate).

(b) *Spread CMS Underlying Rate*

If the CMS Underlying Rate is specified in the applicable Pricing Supplement to be "Spread CMS Underlying Rate", the CMS Underlying Rate in respect of an Interest Reference Period or Redemption Reference Period (as applicable) or any relevant day will be equal to the difference between (1) CMS Underlying Rate 1 for such Interest Reference Period or Redemption Reference Period (as applicable) or such relevant day multiplied by Underlying Rate Participation Rate 1 (if any is specified in the applicable Pricing Supplement in relation to such CMS Underlying Rate 1), minus (2) CMS Underlying Rate 2 for such Interest Reference Period or Redemption Reference Period (as applicable) or such relevant day multiplied by Underlying Rate Participation Rate 2 (if any is specified in the applicable Pricing Supplement in relation to such CMS Underlying Rate 2).

(c) *Determination of CMS Underlying Rate*

The CMS Underlying Rate in respect of an Interest Reference Period or Redemption Reference Period (as applicable) or any relevant day (as applicable) will be the Specified Swap Rate for swap transactions in the Reference Currency with a maturity of the Designated Maturity (expressed as a percentage rate per annum) (the "**Relevant Swap Rate**") which appears on the Relevant Screen Page as at the Relevant Time on the Underlying Rate Determination Date in respect of such Interest Reference Period or Redemption Reference Period (as applicable) or such relevant day, all as determined by the Determination Agent. If the Relevant Swap Rate does not appear on the Relevant Screen Page at the Relevant Time, the CMS Underlying Rate in respect of an Interest Reference Period or Redemption Reference Period (as applicable) or a relevant day (as applicable) will be determined by the Determination Agent in accordance with the first applicable Fallback Rate Determination that provides a CMS Underlying Rate, and if the applicable Pricing Supplement specifies:

- (i) "Fallback Screen Page" to be applicable, the Determination Agent will, acting in good faith and in a commercially reasonable manner, determine an alternative or successor page or publication to the Relevant Screen Page for the Relevant Swap Rate;
- (ii) "Mid-Market Quotations" to be applicable, the Determination Agent will determine the CMS Underlying Rate on the basis of the arithmetic mean of the Mid-Market Quotations provided by the Reference Banks at approximately the Relevant Time on the Underlying Rate Determination Date in respect of such Interest Reference Period or Redemption Reference Period (as applicable) or such day by requesting the principal Relevant Financial Centre office of each of the Reference Banks to provide Mid-Market Quotations. If at least five Mid-Market Quotations are provided, the Determination Agent will determine the arithmetic mean of such Mid-Market Quotations provided by discarding the highest of such Mid-Market Quotations (or in event of equality, one of the highest) and lowest of such Mid-Market Quotations (or in event of equality, one of the lowest). If four Mid-Market Quotations are provided, the Determination Agent will determine the arithmetic mean of such Mid-Market Quotations provided. If less than four Mid-Market Quotations are provided, the next Fallback Rate Determination specified in the applicable Pricing Supplement will apply, or if none is specified, Determination Agent Fallback will apply. All calculations of the arithmetic mean of the relevant number of Mid-Market Quotations provided pursuant to this paragraph will be rounded to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards; and
- (iii) "Determination Agent Fallback" to be applicable, the Determination Agent will, acting in good faith and in a commercially reasonable manner, determine the CMS Underlying Rate by using available and relevant public information and having regard to comparable benchmarks available.

If any Fallback Rate Determination(s) are specified in the applicable Pricing Supplement, then only that or those (as the case may be) Fallback Rate Determinations shall apply and if two or more Fallback Rate Determinations are specified, those Fallback Rate Determinations shall apply in the order as specified in the applicable Pricing Supplement, such that if the Determination Agent determines that the CMS Underlying Rate cannot be determined by applying a Fallback Rate Determination, then the next Fallback Rate Determination specified shall apply.

21.4 *Provisions specific to SOFR as Underlying Rate*

- (i) If Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Underlying Rate(s) is/are to be determined and SOFR is specified in the relevant Pricing Supplement as the Underlying Rate, the Underlying Rate(s) for an Interest Reference Period or Redemption Reference Period (as applicable) will be the relevant SOFR Benchmark, subject to a minimum of zero per cent.
- (ii) 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:

- (1) if SOFR Compound with Lookback ("**SOFR Compound with Lookback**") is specified as applicable in the relevant Pricing Supplement, the SOFR Benchmark for each Interest Reference Period or Redemption Reference Period (as applicable) 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 Reference Period or Redemption Reference Period (as applicable);

"**d₀**", for any Interest Reference Period or Redemption Reference Period (as applicable), means the number of U.S. Government Securities Business Days in the relevant Interest Reference Period or Redemption Reference Period (as applicable);

"**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 Reference Period or Redemption Reference Period (as applicable);

"**Lookback Days**" means the number of U.S. Government Securities Business Days specified in the applicable Pricing Supplement;

"**n_i**" for any U.S. Government Securities Business Day "**i**" in the relevant Interest Reference Period or Redemption Reference Period (as applicable), 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 Reference Period or Redemption Reference Period (as applicable), is equal to SOFR in respect of that day; and

"**SOFR_{i-xUSBD}**", for any U.S. Government Securities Business Day "**i**" in the relevant Interest Reference Period or Redemption Reference Period (as applicable), 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;

- (2) if SOFR Compound with Observation Period Shift ("**SOFR Compound with Observation Period Shift**") is specified as applicable in the relevant Pricing Supplement, the SOFR Benchmark for each Interest Reference Period or Redemption Reference Period (as applicable) 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 Reference Period or Redemption Reference Period (as applicable), 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 Reference Period or Redemption Reference Period (as applicable) to, but excluding, the date falling a number of U.S. Government Securities Business Days equal to the Observation Shift Days preceding the last day of the relevant Interest Reference Period or Redemption Reference Period (as applicable);

"**Observation Shift Days**" means the number of U.S. Government Securities Business Days specified in the applicable Pricing Supplement; and

"**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;

- (3) if SOFR Compound with Payment Delay ("**SOFR Compound with Payment Delay**") is specified as applicable in the relevant Pricing Supplement, the SOFR Benchmark for each Interest Reference Period or Redemption Reference Period (as applicable) 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 Reference Period or Redemption Reference Period (as applicable);

"**d₀**", for any Interest Reference Period or Redemption Reference Period (as applicable), means the number of U.S. Government Securities Business Days in the relevant Interest Reference Period or Redemption Reference Period (as applicable);

"**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 Reference Period or Redemption Reference Period (as applicable);

"**n_i**" for any U.S. Government Securities Business Day "**i**" in the relevant Interest Reference Period or Redemption Reference Period (as applicable), 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**"); and

"**SOFR_i**", for any U.S. Government Securities Business Day "**i**" in the relevant Interest Reference Period or Redemption Reference Period (as applicable), 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 Reference Period or Redemption Reference Period (as applicable), 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;

- (4) if SOFR Index Average ("**SOFR Index Average**") is specified as applicable in the relevant Pricing Supplement, the SOFR Benchmark for each Interest Reference Period or Redemption Reference Period (as applicable) 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):

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

where:

"**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 applicable Pricing Supplement preceding the last day of the relevant Interest Reference Period or Redemption Reference Period (as applicable) (or in the final Interest Reference Period or Redemption Reference Period (as applicable), the Maturity Date or redemption date); and

"**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 applicable Pricing Supplement preceding the first date of the relevant Interest Reference Period or Redemption Reference Period (as applicable);

If the values for SOFR Index_{Start} or SOFR Index_{End} are not published on or by the relevant Underlying Rate 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 Underlying Rate Determination Date with respect to the relevant Interest Reference Period or Redemption Reference Period (as applicable), in accordance with the formula set out in sub-paragraph (2) above of this Condition 21.4(ii) (*Provisions specific to SOFR as Underlying Rate*) and for such purpose, "Observation Shift Days" shall be the number of U.S. Government Securities Business Days specified for such purpose in the applicable Pricing Supplement. If a Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in paragraph (iii) below shall apply.

- (iii) Effect of Benchmark Transition Event

- (A) *Benchmark Replacement.* If the Issuer or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred 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.

- (B) *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.

Decisions and Determinations. Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 21.4(iii) (*Effect of Benchmark Transition Event*), 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.

21.5 *Provisions specific to SONIA as Underlying Rate*

- (i) If Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Underlying Rate(s) is/are to be determined and SONIA is specified in the relevant Pricing Supplement as the Underlying Rate, the Underlying Rate(s) for an Interest Reference Period or Redemption Reference Period (as applicable) will be the relevant SONIA Benchmark, subject to a minimum of zero per cent.
- (ii) 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:
- (1) if SONIA Compound with Lookback ("**SONIA Compound with Lookback**") is specified as applicable in the relevant Pricing Supplement, the SONIA Benchmark for each Interest Reference Period or Redemption Reference Period (as applicable) 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):

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{SONIA}_{i-\text{PLBD}} \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where:

"**d**" means the number of calendar days in the relevant Interest Reference Period or Redemption Reference Period (as applicable);

"**d₀**" for any Interest Reference Period or Redemption Reference Period (as applicable), means the number of London Banking Days in the relevant Interest Reference Period or Redemption Reference Period (as applicable);

"**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 Reference Period or Redemption Reference Period (as applicable);

"**Lookback Days**" means the number of London Banking Days specified in the applicable Pricing Supplement;

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

"SONIA_{i-pLBD}" for any London Banking Day "i" in the relevant Interest Reference Period or Redemption Reference Period (as applicable), is equal to 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;

- (2) if SONIA Compound with Observation Period Shift ("**SONIA Compound with Observation Period Shift**") is specified as applicable in the relevant Pricing Supplement, the SONIA Benchmark for each Interest Reference Period or Redemption Reference Period (as applicable) 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):

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{SONIA}_i \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where:

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

"d₀" for any Observation Period, means the number of 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;

"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 Reference Period or Redemption Reference Period (as applicable), 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 the Interest Reference Period or Redemption Reference Period (as applicable) to, but excluding, the date falling a number of London Banking Days equal to the Observation Shift Days preceding the last day of the relevant Interest Reference Period or Redemption Reference Period (as applicable);

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

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

- (3) if SONIA Compound with Payment Delay ("**SONIA Compound with Payment Delay**") is specified as applicable in the relevant Pricing Supplement, the SONIA Benchmark for each Interest Reference Period or Redemption Reference Period (as applicable) 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):

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{SONIA}_i \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where:

"d" means the number of calendar days in the relevant Interest Reference Period or Redemption Reference Period (as applicable);

"d₀" for any Interest Reference Period or Redemption Reference Period (as applicable), means the number of London Banking Days in the relevant Interest Reference Period or Redemption Reference Period (as applicable);

"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 Reference Period or Redemption Reference Period (as applicable);

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

"SONIA_i" for any London Banking Day "i" in the relevant Interest Reference Period or Redemption Reference Period (as applicable), 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 Reference Period or Redemption Reference Period (as applicable), 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;

- (4) if SONIA Index Average ("**SONIA Index Average**") is specified as applicable in the relevant Pricing Supplement, the SONIA Benchmark for each Interest Reference Period or Redemption Reference Period (as applicable) 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):

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

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 Pricing Supplement (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 Underlying Rate Determination Date, the SONIA Benchmark for the applicable Interest Reference Period or Redemption Reference Period (as applicable) for which the SONIA Index is not available shall be determined as set out under subparagraph (2) above of this Condition 21.5(ii) (*Provisions specific to SONIA as*

Underlying Rate) as if SONIA Compound with Observation Period Shift were specified as applicable in the relevant Pricing Supplement, and for these purposes: the Observation Shift Days in respect of the applicable Interest Reference Period or Redemption Reference Period (as applicable) 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 Pricing Supplement, as if such alternative elections had been made in the applicable Pricing Supplement);

"**SONIA Index_{End}**" means, in respect of an Interest Reference Period or Redemption Reference Period (as applicable), the SONIA Index value on the date that is the Relevant Number of London Banking Days preceding the relevant payment date relating to such Interest Reference Period or Redemption Reference Period (as applicable); and

"**SONIA Index_{Start}**" means, in respect of an Interest Reference Period or Redemption Reference Period (as applicable), the SONIA Index value on the date that is the Relevant Number of London Banking Days preceding the first date of the relevant Interest Reference Period or Redemption Reference Period (as applicable).

For the purposes of this Condition 21.5 (*Provisions specific to SONIA as Underlying Rate*), 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 21.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*) or 21.11 (*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.

21.6 *Provisions specific to €STR as Underlying Rate*

- (i) If Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which an Underlying Rate is to be determined and €STR is specified in the relevant Pricing Supplement as the Underlying Rate, the Underlying Rate for an Interest Reference Period or Redemption Reference Period (as applicable) will be the relevant €STR Benchmark, subject to a minimum of zero per cent.
- (ii) 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:
 - (1) if €STR Compound with Lookback ("**€STR Compound with Lookback**") is specified as applicable in the relevant Pricing Supplement, the €STR Benchmark for each Interest Reference Period or Redemption Reference Period (as applicable) 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):

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

where:

"**d**" means the number of calendar days in the relevant Interest Reference Period or Redemption Reference Period (as applicable);

"**d₀**" for any Interest Reference Period or Redemption Reference Period (as applicable), means the number of TARGET Settlement Days in the relevant Interest Reference Period or Redemption Reference Period (as applicable);

"**€STR_{i-pTBD}**" for any TARGET Settlement Day "**i**" in the relevant Interest Reference Period or Redemption Reference Period (as applicable), 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 Reference Period or Redemption Reference Period (as applicable);

"**Lookback Days**" means the number of TARGET Settlement Days specified in the relevant Pricing Supplement; and

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

- (2) if **€STR Compound with Observation Period Shift** ("**€STR Compound with Observation Period Shift**") is specified as applicable in the relevant Pricing Supplement, the **€STR Benchmark** for each Interest Reference Period or Redemption Reference Period (as applicable) 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 Reference Period or Redemption Reference Period (as applicable), 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 Reference Period or Redemption Reference Period (as applicable) to, but excluding, the date falling a number of TARGET

Settlement Days equal to the Observation Shift Days preceding the last day of such Interest Reference Period or Redemption Reference Period (as applicable); and

"**Observation Shift Days**" means the number of TARGET Settlement Days specified in the relevant Pricing Supplement;

- (3) if €STR Compound with Payment Delay ("**€STR Compound with Payment Delay**") is specified as applicable in the relevant Pricing Supplement, the €STR Benchmark for each Interest Reference Period or Redemption Reference Period (as applicable) 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 Reference Period or Redemption Reference Period (as applicable);

"**d₀**" for any Interest Reference Period or Redemption Reference Period (as applicable), means the number of TARGET Settlement Days in the relevant Interest Reference Period or Redemption Reference Period (as applicable);

"**€STR_i**" for any TARGET Settlement Day "**i**" in the relevant Interest Reference Period or Redemption Reference Period (as applicable), 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 Reference Period or Redemption Reference Period (as applicable);

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

Where "€STR Compound with Payment Delay" applies, for the purposes of calculating €STR with respect to the final Interest Reference Period or Redemption Reference Period (as applicable), 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;

- (4) if €STR Index Average ("**€STR Index Average**") is specified as applicable in the relevant Pricing Supplement, the €STR Benchmark for each Interest Reference Period or Redemption Reference Period (as applicable) 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):

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

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 Underlying Rate Determination Date, the €STR Benchmark for the applicable Interest Reference Period or Redemption Reference Period (as applicable) for which the €STR Index is not available shall be determined as set out under subparagraph (2) of this Condition 21.6(ii) (*Provisions specific to €STR as Underlying Rate*) above as if €STR Compound with Observation Period Shift were specified as applicable in the relevant Pricing Supplement, and for these purposes: the Observation Shift Days in respect of the applicable Interest Reference Period or Redemption Reference Period (as applicable) 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 Pricing Supplement, as if such alternative elections had been made in the applicable Pricing Supplement).

"**€STR Index_{End}**" means, in respect of an Interest Reference Period or Redemption Reference Period (as applicable), the €STR Index value on the date that is the Relevant Number of TARGET Settlement Days specified in the relevant Pricing Supplement preceding the relevant payment date relating to such Interest Reference Period or Redemption Reference Period (as applicable).

"**€STR Index_{Start}**" means, in respect of an Interest Reference Period or Redemption Reference Period (as applicable), the €STR Index value on the date that is the Relevant Number of TARGET Settlement Days preceding the first date of the relevant Interest Reference Period or Redemption Reference Period (as applicable).

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

For the purposes of this Condition 21.6 (*Provisions specific to €STR as Underlying Rate*), 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 21.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*) or 21.11 (*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.

21.7 *Provisions specific to SARON as Underlying Rate*

- (i) If Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which an Underlying Rate is to be determined and SARON is specified in the relevant Pricing Supplement as the Underlying Rate, the Underlying Rate for an Interest Reference Period or

Redemption Reference Period (as applicable) will be the relevant SARON Benchmark, subject to a minimum of zero per cent.

- (ii) 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:

- (1) if SARON Compound with Lookback ("**SARON Compound with Lookback**") is specified as applicable in the relevant Pricing Supplement, the SARON Benchmark for each Interest Reference Period or Redemption Reference Period (as applicable) shall be equal to the rate of return of a daily compound SARON interest investment 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):

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

Where:

"d" means the number of calendar days in the relevant Interest Reference Period or Redemption Reference Period (as applicable);

"d₀" for any Interest Reference Period or Redemption Reference Period (as applicable), means the number of Zurich Banking Days in the relevant Interest Reference Period or Redemption Reference Period (as applicable);

"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 Reference Period or Redemption Reference Period (as applicable);

"**Lookback Days**" means the number of Zurich Banking Days specified in the applicable Pricing Supplement;

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

"**SARON_{i-xZBD}**" for any Zurich Banking Day "i" in the relevant Interest Reference Period or Redemption Reference Period (as applicable), 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;

- (2) if SARON Compound with Observation Period Shift ("**SARON Compound with Observation Period Shift**") is specified as applicable in the relevant Pricing Supplement, the SARON Benchmark for each Interest Reference Period or Redemption Reference Period (as applicable) shall be equal to the rate of return of a daily compound SARON interest investment 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 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 Reference Period or Redemption Reference Period (as applicable), 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 Reference Period or Redemption Reference Period (as applicable) to, but excluding, the date falling a number of Zurich Banking Days equal to the Observation Shift Days preceding the last day of the relevant Interest Reference Period or Redemption Reference Period (as applicable);

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

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

- (3) if SARON Compound with Payment Delay ("**SARON Compound with Payment Delay**") is specified as applicable in the relevant Pricing Supplement, the SARON Benchmark for each Interest Reference Period or Redemption Reference Period (as applicable) shall be equal to the rate of return of a daily compound SARON interest investment 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 Reference Period or Redemption Reference Period (as applicable);

"**d₀**" for any Interest Reference Period or Redemption Reference Period (as applicable), means the number of Zurich Banking Days in the relevant Interest Reference Period or Redemption Reference Period (as applicable);

"**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 Reference Period or Redemption Reference Period (as applicable);

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

"**SARON_i**" for any Zurich Banking Day "**i**" in the relevant Interest Reference Period or Redemption Reference Period (as applicable), is equal to SARON in respect of that day "**i**".

Where "SARON Compound with Payment Delay" applies, for the purposes of calculating SARON with respect to the final Interest Reference Period or Redemption Reference Period (as applicable), 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;

- (4) if SAION Index Average ("**SAION Index Average**") is specified as applicable in the relevant Pricing Supplement, the SARON Benchmark for each Interest Reference Period or Redemption Reference Period (as applicable) 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):

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

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 Pricing Supplement (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 Swiss Exchange 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 Underlying Rate Determination Date, the SARON Benchmark for the applicable Interest Reference Period or Redemption Reference Period (as applicable) for which the SAION Index is not available shall be determined as set out under sub-paragraph (2) of this Condition 21.7(ii) (*Provisions specific to SARON as Underlying Rate*) as if SARON Compound with Observation Period Shift were specified as applicable in the relevant Pricing Supplement, and for these purposes the Observation Shift Days in respect of the applicable Interest Reference Period or Redemption Reference Period (as applicable) 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 Business Days specified for this purpose in the applicable Pricing Supplement), as if such alternative elections had been made in the applicable Pricing Supplement;

"**SAION Index_{End}**" means, with respect to an Interest Reference Period or Redemption Reference Period (as applicable), the SAION Index value on the date that is the Relevant Number of Zurich Banking Days preceding the relevant payment date relating to such Interest Reference Period or Redemption Reference Period (as applicable); and

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

For the purposes of this Condition 21.7 (*Provisions specific to SARON as Underlying Rate*), 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 21.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*) or 21.11 (*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.

21.8 *Provisions specific to TONA as Underlying Rate*

- (i) If Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which an Underlying Rate is to be determined and TONA is specified in the applicable Pricing Supplement as the Underlying Rate, the Underlying Rate for an Interest Reference Period or Redemption Reference Period (as applicable) will be the relevant TONA Benchmark, subject to a minimum of zero per cent.
- (ii) 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:
 - (1) if TONA Compound with Lookback ("**TONA Compound with Lookback**") is specified as applicable in the relevant Pricing Supplement, the TONA Benchmark for each Interest Reference Period or Redemption Reference Period (as applicable) 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):

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{TONA}_{i-\text{pTBD}} \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where:

"**d**" means the number of calendar days in the relevant Interest Reference Period or Redemption Reference Period (as applicable);

"**d₀**" for any Interest Reference Period or Redemption Reference Period (as applicable), means the number of Tokyo Banking Days in the relevant Interest Reference Period or Redemption Reference Period (as applicable);

"**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 Reference Period or Redemption Reference Period (as applicable);

"**Lookback Days**" means the number of Tokyo Banking Days specified in the relevant Pricing Supplement;

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

"**TONA_{i-pTBD}**" for any Tokyo Banking Day "i" in the relevant Interest Reference Period or Redemption Reference Period (as applicable), 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;

- (2) if TONA Compound with Observation Period Shift ("**TONA Compound with Observation Period Shift**") is specified as applicable in the relevant Pricing Supplement, the TONA Benchmark for each Interest Reference Period or Redemption Reference Period (as applicable) 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):

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{TONA}_i \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where:

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

"d₀" for any Observation Period, means the number of Tokyo Banking Days in the relevant Observation 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 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 Reference Period or Redemption Reference Period (as applicable), 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 Reference Period or Redemption Reference Period (as applicable) to, but excluding, the date falling a number of Tokyo Banking Days equal to the Observation Shift Days preceding the last day of the relevant Interest Reference Period or Redemption Reference Period (as applicable);

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

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

- (3) if TONA Compound with Payment Delay ("**TONA Compound with Payment Delay**") is specified as applicable in the relevant Pricing Supplement, the TONA Benchmark for each Interest Reference Period or Redemption Reference Period (as applicable) 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):

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{TONA}_i \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where:

"d" means the number of calendar days in the relevant Interest Reference Period or Redemption Reference Period (as applicable);

"**d₀**" for any Interest Reference Period or Redemption Reference Period (as applicable), means the number of Tokyo Banking Days in the relevant Interest Reference Period or Redemption Reference Period (as applicable);

"**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 Reference Period or Redemption Reference Period (as applicable);

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

"**TONA_i**" for any Tokyo Banking Day "**i**" in the relevant Interest Reference Period or Redemption Reference Period (as applicable), 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 Reference Period or Redemption Reference Period (as applicable), 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;

- (4) if TONA Index Average ("**TONA Index Average**") is specified as applicable in the relevant Pricing Supplement, the TONA Benchmark for each Interest Reference Period or Redemption Reference Period (as applicable) 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):

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

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 Pricing Supplement (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 Underlying Rate Determination Date, the TONA Benchmark for the applicable Interest Reference Period or Redemption Reference Period (as applicable) for which the TONA Index is not available shall be determined as set out under sub-paragraph (2) of this Condition 21.8(ii) (*Provisions specific to TONA as Underlying Rate*) as if TONA Compound with Observation Period Shift were specified as applicable in the relevant Pricing Supplement, and for these purposes: the Observation Shift Days in respect of

the applicable Interest Reference Period or Redemption Reference Period (as applicable) 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 Pricing Supplement, as if such alternative elections had been made in the applicable Pricing Supplement);

"**TONA Index_{End}**" means, with respect to an Interest Reference Period or Redemption Reference Period (as applicable), the TONA Index value on the date that is the Relevant Number of Tokyo Banking Days preceding the relevant payment date relating to such Interest Reference Period or Redemption Reference Period (as applicable); and

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

For the purposes of this Condition 21.8 (*Provisions specific to TONA as Underlying Rate*), 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 21.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*) or 21.11 (*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.

21.9 ***Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use***

If (i) Condition 21.10 (*Underlying CMS Underlying Rate - Effect of Index Cessation Event*) does not apply, (ii) the applicable Pricing Supplement specifies that the provisions of this Condition 21.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*) are applicable and (iii) unless otherwise specified in the applicable Pricing Supplement, where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Underlying 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 Underlying Rates Benchmark announcing that it has ceased or will cease to provide the Relevant Underlying 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 Underlying Rates Benchmark; or
- (b) a public statement or publication of information by the regulatory supervisor for the administrator of the Relevant Underlying Rates Benchmark, the central bank for the currency of the Relevant Underlying Rates Benchmark, an insolvency official with jurisdiction over the administrator of the Relevant Underlying Rates Benchmark, a resolution authority with jurisdiction over the administrator of the Relevant Underlying Rates Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator of the Relevant Underlying Rates Benchmark, which states that the administrator of the Relevant Underlying Rates Benchmark has ceased or will cease to provide the Relevant Underlying 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 Underlying Rates Benchmark; or

- (c) unless otherwise specified in the Pricing Supplement, an Administrator/Benchmark Event occurs in relation to a Relevant Underlying Rates Benchmark,

then the Determination Agent may use, as a substitute for the Relevant Underlying Rates Benchmark, and for each future Underlying Rate 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 Pricing Supplement 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 Pricing Supplement, 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 (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 Underlying Rates Benchmark with the Alternative Rate), as well as the applicable Business Day Convention, Underlying Rate 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 Underlying Rates Benchmark (which shall be the "Alternative Rate" for the purposes of these provisions), the Business Day Convention, the Underlying Rate 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 38 (*Notices*), to Noteholders to inform them of the occurrence of any of the events listed in Conditions 21.9(a) to 21.9(c) (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*) 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 21.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*), 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 21.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*)) (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 the Early Redemption Amount.

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 Pricing Supplement as the manner in which the Underlying 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 (including any adjustment spread) as well as the applicable Business Day Convention, Underlying Rate 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 38 (*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.

21.10 ***Underlying CMS Underlying Rate - Effect of Index Cessation Event***

This Condition 21.10 (*Underlying CMS Underlying Rate - Effect of Index Cessation Event*) applies where (i) the Relevant Underlying Rates Benchmark is a CMS Underlying Rate and (ii) the applicable Pricing Supplement specifies that the provisions of this Condition 21.10 (*Underlying CMS Underlying Rate - Effect of Index Cessation Event*) are applicable.

- (a) *Index Cessation.* If, as of an Underlying Rate Determination Date or any other relevant day on which a CMS Underlying Rate is to be determined, an Index Cessation Effective Date with respect to the applicable tenor of the then-current CMS Underlying Rate has occurred, then the CMS Underlying Rate in respect of such Underlying Rate Determination Date or other relevant day (as applicable) and each subsequent Underlying Rate Determination Date or other relevant day (as applicable) shall be the sum of (i) the Benchmark Replacement; and (ii) any adjustment spread (which may be a positive or negative value or zero), in each case determined on that Interest Determination Date or other relevant day (as applicable) by the Determination Agent acting in good faith and in a commercially reasonable manner. Following the occurrence of an Index Cessation Effective Date in respect of one or more Index Cessation Events, the determination of the Benchmark Replacement and any adjustment spread will be a one-time process and will apply to each following Underlying Rate Determination Date or other relevant day (as applicable).
- (b) *Early Redemption.* If the implementation of any Benchmark Replacement or Benchmark Replacement Conforming Changes results in a calculation of the CMS Underlying Rate that is not consistent with market practice as determined by the Determination Agent, 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:
 - (i) if "Early Redemption Amount (CMS Underlying Rate) – Fixed Redemption" is specified in the applicable Pricing Supplement, an amount per Calculation Amount (expressed as a percentage) as specified in the applicable Pricing Supplement;
 - (ii) if "Early Redemption Amount (CMS Underlying Rate) – Fixed Redemption Less Costs" is specified in the applicable Pricing Supplement, an amount per Calculation Amount (expressed as a percentage) as specified in the applicable Pricing Supplement less the reasonable cost to and/or the loss realised by, the Issuer and/or any Affiliate on unwinding any related hedging arrangements, in each case as calculated by the Determination Agent in its reasonable discretion;
 - (iii) if "Early Redemption Amount (CMS Underlying Rate) – Fair Market Value Less Costs" is specified in the applicable Pricing Supplement, an amount equal to 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), less the proportion attributable to that Note 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, in each case as calculated by the Determination Agent in its reasonable discretion; or

- (iv) if "Early Redemption Amount (CMS Underlying Rate) - Fair Market Value" is specified in the Pricing Supplement, 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 obligation under the Notes shall be satisfied in full upon payment of such amount.

- (c) *Decisions and Determinations.* Any determination, decision, selection or election that may be made by the Issuer, the Determination Agent or their respective designees, pursuant to this Condition 21.10 (*Underlying CMS Underlying Rate - Effect of Index Cessation Event*), including any determination with respect to a tenor, rate, spread 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 determination, decision, selection or election:

- (i) will be conclusive and binding absent manifest error;
- (ii) will be made in such person's sole discretion; and
- (iii) 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.
- (d) For the purposes of this Condition 21.10 (*Underlying CMS Underlying Rate - Effect of Index Cessation Event*), the following terms shall bear the following meanings:

"Benchmark Replacement" means the first alternative benchmark set forth in the order below that can be determined by the Determination Agent as of the Underlying Rate Determination Date or other relevant day on which a CMS Underlying Rate is to be determined, in each case next succeeding the relevant Index Cessation Effective Date (or, if the Index Cessation Effective Date occurs on the Underlying Rate Determination Date or other relevant day, that Underlying Rate Determination Date or other relevant day (as applicable)):

- (i) if an alternative reference rate, index or benchmark is specified in the Pricing Supplement for this purpose (an **"Alternative Pre-nominated Reference Rate"**), such Alternative Pre-nominated Reference Rate;
- (ii) the alternate rate of interest that has been selected or recommended by the relevant governmental body or agency with jurisdiction over the then-current CMS Underlying Rate or the administrator thereof as the replacement for the then-current CMS Underlying Rate for the applicable index maturity; or
- (iii) the alternate rate of interest that has been selected by the Determination Agent as the replacement for the then-current CMS Underlying Rate for the applicable index maturity giving due consideration to any industry-accepted rate of interest as a replacement for the then-current CMS Underlying Rate for floating rate notes denominated in the Index Currency at such time, including any alternate rate of interest recommended by the International Swaps and Derivatives Association, Inc. or any successor thereto.

In connection with the implementation of a Benchmark Replacement, the Determination Agent or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time.

"Benchmark Replacement Conforming Changes" means, with respect to any Benchmark Replacement, any changes (including changes to the definition of "Interest Reference Period", "Redemption Reference Period", the timing and frequency of determining rates and making payments of interest, and other administrative matters) that the Determination Agent or its designee determines may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Determination Agent or its designee determines that adoption of any portion of such market practice is not administratively feasible or if the Determination Agent or its designee determines that no market practice for use

of the Benchmark Replacement exists, in such other manner as the Determination Agent or its designee determines is reasonably necessary).

"CMS Underlying Rate" means, initially, the CMS Underlying Rate specified in the applicable Pricing Supplement; provided that if an Index Cessation Effective Date has occurred with respect to such rate or the then-current CMS Underlying Rate, then "CMS Underlying Rate" means the applicable Benchmark Replacement. For the avoidance of doubt, such Benchmark Replacement will replace the then-current CMS Underlying Rate for all purposes relating to the Notes.

"Index Cessation Effective Date" means, in respect of the then-current CMS Underlying Rate and one or more Index Cessation Events, the first date on which the CMS Underlying Rate would ordinarily have been published or provided and is no longer published or provided. If the CMS Underlying Rate ceases to be provided on an Underlying Rate Determination Date or other relevant day, but it was provided at the time at which it is to be observed pursuant to these Conditions, then the Index Cessation Effective Date will be the next day on which the rate would ordinarily have been published or provided.

"Index Cessation Event" means, in respect of the then-current CMS Underlying Rate:

- (i) a public statement or publication of information by or on behalf of the administrator of the CMS Underlying Rate announcing that it has ceased or will cease to provide the CMS Underlying Rate permanently or indefinitely; provided that, at the time of the statement or publication, there is no successor administrator or provider, as applicable, that will continue to provide the CMS Underlying Rate;
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the CMS Underlying Rate, the central bank for the currency of the CMS Underlying Rate, an insolvency official with jurisdiction over the administrator for the CMS Underlying Rate, a resolution authority with jurisdiction over the administrator for the CMS Underlying Rate or a court or an entity with similar insolvency or resolution authority over the administrator for the CMS Underlying Rate, which states that the administrator of the CMS Underlying Rate has ceased or will cease to provide the CMS Underlying Rate permanently or indefinitely; provided that, at the time of the statement or publication, there is no successor administrator or provider that will continue to provide the CMS Underlying Rate; or
- (iii) unless otherwise specified in the applicable Pricing Supplement, an Administrator/Benchmark Event (as defined in Condition 2 (*Interpretation*)) occurs with respect to the CMS Underlying Rate (with the CMS Underlying Rate being the Relevant Underlying Rates Benchmark for the purpose of the definition of "Administrator/Benchmark Event").

"Index Currency" means the currency in respect of which the relevant CMS Underlying Rate is calculated or expressed, as determined by the Determination Agent.

- (e) *Application to multiple CMS Underlying Rates: If either:*
 - (i) the CMS Underlying Rate is specified in the applicable Pricing Supplement to be "Spread CMS Rate"; or
 - (ii) the Notes otherwise reference more than one CMS Underlying Rate,

the foregoing provisions of this Condition 21.10 (*Underlying CMS Underlying Rate - Effect of Index Cessation Event*) shall apply separately for each CMS Underlying Rate so referenced (including each of CMS Underlying Rate 1 and CMS Underlying Rate 2 in the case where the CMS Underlying Rate is a "Spread CMS Underlying Rate") and for the purpose of construing such provisions, each of CMS Underlying Rate 1 and CMS Underlying Rate 2 shall be the **"CMS Underlying Rate"**. However, if an Index Cessation Effective Date has occurred in respect of one or more CMS Underlying Rate(s) (the **"Impacted CMS Underlying Rate(s)"**) but not all of the CMS Underlying Rate(s) referenced by the Notes (the **"Non-Impacted CMS Underlying Rate(s)"**), the Issuer or its designee may elect to treat each of the Non-Impacted

CMS Underlying Rate(s) as if an Index Cessation Effective Date had occurred in respect of such Non-Impacted CMS Underlying Rate and apply the foregoing provisions accordingly.

21.11 *General Fallback Arrangements*

- (a) The following provisions of this Condition 21.11 (*General Fallback Arrangements*) shall apply where:
 - (i) the Relevant Underlying Rates Benchmark is EURIBOR, SONIA, €STR, SARON or TONA;
 - (ii) such Relevant Underlying Rates Benchmark has been permanently discontinued;
 - (iii) the applicable Pricing Supplement specifies that the provisions of Condition 21.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*) do not apply; and
 - (iv) unless otherwise specified in the applicable Pricing Supplement, where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Underlying Rate is to be determined, application of any ISDA Bespoke Fallbacks specified in the relevant Floating Rate Option (as defined in the ISDA Definitions) following the permanent discontinuation of the Relevant Underlying Rates Benchmark fails to provide a means of determining the relevant Floating Rate (as defined in the ISDA Definitions).
- (b) If this Condition 21.11 (*General Fallback Arrangements*) applies then notwithstanding the terms set forth elsewhere in these Conditions, the Determination Agent will use, as a substitute for such Relevant Underlying Rates Benchmark and for each future Underlying Rate Determination Date, the alternative reference rate or index 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, as well as the applicable Business Day Convention, Underlying Rate 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, the Business Day Convention and the Underlying Rate Determination Dates in respect of the Notes, that is consistent with accepted market practice.
- (c) In the case where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Underlying 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 (including any adjustment spread) as well as the applicable Business Day Convention, Underlying Rate 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 38 (*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.

21.12 *Additional Disruption Events*

- (a) Following the occurrence of an Additional Disruption Event, the Issuer will, in its reasonable discretion, determine whether or not the relevant Notes shall continue or be redeemed early.
- (b) If the Issuer determines that the relevant Notes shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to any variable relevant to the redemption, settlement, or payment terms of the relevant Notes and/or any other adjustment which change or adjustment shall be effective on such date as the Determination Agent shall determine. The Fiscal Agent shall provide notice to the Noteholders of any such adjustment in accordance with Condition 38 (*Notices*), giving summary details of the adjustment, provided that any failure to give such notice shall not affect the validity of any such adjustment.

- (c) If the Issuer determines that the relevant Notes shall be redeemed early, then the Issuer shall give not less than five Business Days' notice to redeem the Notes and the Issuer's obligations under the Notes shall be satisfied in full upon payment of an amount in respect of each Note equal to the Early Redemption Amount as specified in the applicable Pricing Supplement.
- (d) The Issuer shall as soon as reasonably practicable under the circumstances notify the Fiscal Agent and the Determination Agent of the occurrence of an Additional Disruption Event.
- (e) For the purposes hereof:

"Additional Disruption Event" means, if specified as applicable in the applicable Pricing Supplement, with respect to any Series of Notes, a Change in Law, Hedging Disruption, Increased Cost of Hedging and any further event or events as may be specified in the applicable Pricing Supplement.

21.13 **Definitions applicable to Rate-Linked Notes**

Capitalised terms used but not otherwise defined in this Condition 21 (*Provisions relating to Rate-Linked Notes*) shall have the meanings given to them in Condition 2.1 (*Definitions*).

"Averaging Date" means, in respect of an Underlying Rate and an Underlying Rate Determination Date, each date specified as such or otherwise determined as provided in the applicable Pricing Supplement, provided that if any such date is not an Underlying Rate Business Day, such date shall be the next following day that is an Underlying Rate Business Day;

"Change in Law" means that, on or after the Trade Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (i) it has become illegal to hold, acquire or dispose of Hedge Positions or (ii) it will incur a materially increased cost in performing its obligations with respect to the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

"CMS Underlying Rate" means the rate specified as such in the applicable Pricing Supplement;

"CMS Underlying Rate" means the rate determined in accordance with the Condition 21.3 (*CMS Underlying Rate Determination*);

"CMS Underlying Rate 1" means the rate specified as such in the applicable Pricing Supplement and the terms "Relevant Swap Rate", "Reference Currency", "Designated Maturity", "Relevant Screen Page", "Relevant Time" and "Underlying Rate Determination Date" and any other relevant term will each be specified in the applicable Pricing Supplement under the heading "CMS Underlying Rate 1";

"CMS Underlying Rate 2" means the rate specified as such in the applicable Pricing Supplement and the terms "Relevant Swap Rate", "Reference Currency", "Designated Maturity", "Relevant Screen Page", "Relevant Time" and "Underlying Rate Determination Date" and any other relevant term will each be specified in the applicable Pricing Supplement under the heading "CMS Underlying Rate 2";

"Determination Agent Fallback" has the meaning given in 19.3 (*CMS Underlying Rate Determination*);

"Fallback Rate Determination" means, in respect of a CMS Underlying Rate, any of the following as specified in the applicable Pricing Supplement as an alternative basis for determining the CMS Underlying Rate: (i) Fallback Screen Page, (ii) Mid-Market Quotations, and (iii) Determination Agent Fallback;

"Fallback Screen Page" has the meaning given in 19.3 (*CMS Underlying Rate Determination*);

"Hedge Positions" means any purchase, sale, entry into or maintenance of one or more (i) positions or contracts in securities, commodities, options, futures, derivatives or foreign exchange, (ii) stock loan transactions or (iii) other instruments or arrangements (howsoever described) by a party in order to hedge, individually or on a portfolio basis, the Notes;

"Hedging Disruption" means that the Issuer is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations under the Notes, or (B) realise, recover or remit the proceeds of any such transactions or asset(s);

"Increased Cost of Hedging" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Notes or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s) provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging;

"Interest Reference Period" means, in respect of an Underlying Rate Determination Date or an Averaging Date, the period specified as such in the applicable Pricing Supplement;

"Mid-Market Quotations" means, in relation to the determination of any CMS Underlying Rate, the bid and offered rates for the Specified Fixed Leg, calculated on the Fixed Leg Day Count Basis, of a fixed-for-floating Reference Currency interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Reference Period or Redemption Reference Period (as applicable) or on any relevant day and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on the Floating Leg Day Count Basis, is equivalent to floating leg Floating Rate Option (as defined in the ISDA Definitions) with a designated maturity determined by the Determination Agent by reference to standard market practice and/or the ISDA Definitions;

"Redemption Reference Period" means, in respect of an Underlying Rate Determination Date or an Averaging Date, the period specified as such in the applicable Pricing Supplement;

"Reference Banks" has the meaning given in the applicable Pricing Supplement or, if none are specified, four major banks selected by the Determination Agent in the market that is most closely connected with the Underlying Rate. Where the applicable Pricing Supplement specifies "CMS Underlying Rate Determination" to be applicable, "Underlying Rate" shall be construed to include a CMS Underlying Rate. If more than one Underlying Rate is specified, "Underlying 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 Pricing Supplement;

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

- (a) each Underlying Rate (or, if applicable, the index, benchmark or other price source that is referred to in the Underlying Rate);
- (b) each Floating Rate Option (or, if applicable, the index, benchmark or other price source that is referred to in the Floating Rate Option); or
- (c) any other index, benchmark or other price source specified as a "Relevant Underlying Rates Benchmark" in the applicable Pricing Supplement;

"Underlying Rate" has the meaning given in the applicable Pricing Supplement;

"Underlying Rate Business Day" means, in respect of an Underlying Rate, a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in each Underlying Rate Jurisdiction in respect of such Underlying Rate;

"Underlying Rate Determination Date" has the meaning given in the applicable Pricing Supplement, 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 Underlying Rate Determination Date with respect to the final Interest Reference Period or Redemption Reference Period (as applicable) 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

and provided further that if any such date is not an Underlying Rate Business Day, the relevant Underlying Rate Determination Date shall be the next succeeding Underlying Rate Business Day

"Underlying Rate Jurisdiction" means, in respect of an Underlying Rate, the jurisdiction(s) specified in the applicable Pricing Supplement;

"Underlying Rate Participation Rate" means, in respect of any Underlying Rate (each a **"Relevant Underlying Rate"**) for a relevant day and/or an Interest Reference Period or Redemption Reference Period (as applicable), the amount or percentage rate specified as such in the applicable Pricing Supplement in respect of such Relevant Underlying Rate for such day and/or such Interest Reference Period or Redemption Reference Period (as applicable), or, if a Rate Table is set out in the applicable Pricing Supplement, each amount or percentage rate specified in the Rate Table in the column headed "Underlying Rate Participation Rate" in the row corresponding to such day, provided that, if the applicable Pricing Supplement specifies Underlying Rate Participation Rate to be not applicable, it shall be deemed to be equal to one. Where the applicable Pricing Supplement specifies more than one Underlying Rate Participation Rate for different Relevant Underlying Rates, the Underlying Rate Participation Rate will be construed to apply to each Relevant Underlying Rate for each relevant day and/or each Interest Reference Period or Redemption Reference Period (as applicable);

"Underlying Rate Participation Rate 1" means the rate specified as such in the applicable Pricing Supplement;

"Underlying Rate Participation Rate 2" means the rate specified as such in the applicable Pricing Supplement;

22. Provisions relating to Preference Share-Linked Notes

This Condition 22 (*Provisions relating to Preference Share-Linked Notes*) is applicable in respect of any Series of Notes (**"Preference Share-Linked Notes"**) where **"Preference Share-Linked Interest Provisions"** and/or **"Preference Share-Linked Redemption Provisions"** are specified in the applicable Pricing Supplement as being applicable.

22.1 *Rate of Interest*

If the Preference Share-Linked Notes bear interest, the rate or amount of interest payable shall be determined in the manner specified in the applicable Pricing Supplement.

22.2 *Redemption of Preference Share-Linked Notes*

Unless previously redeemed or purchased and cancelled, each Preference Share-Linked Note will be redeemed by the Issuer on the Maturity Date by payment of the Final Redemption Amount specified in the applicable Pricing Supplement.

22.3 *Early Redemption for Taxation Reasons*

If the Preference Share-Linked Notes are redeemed pursuant to this Condition 22.3 (*Early Redemption for Taxation Reasons*) or 22.4 (*Call Option*) (as applicable), each Preference Share-Linked Note shall be redeemed at the Early Preference Share Redemption Note Amount.

22.4 *Call Option*

If Call Option is specified in the applicable Pricing Supplement as being applicable the provisions of Condition 26.9 (*Redemption at the Option of Noteholders*) shall apply to the Preference Share-Linked Notes as if the words "in whole or, if so specified in the applicable Pricing Supplement, in part" in the second and third lines were replaced with the words "in whole (but not in part)".

22.5 *Early Redemption of Preference Share-Linked Notes*

Upon the occurrence of an Early Redemption Event, the Issuer shall, as soon as reasonably practicable following the occurrence of such Early Redemption Event, give notice to the Noteholders in accordance with Condition 38 (*Notices*) and will redeem all (but not some only) of the Preference Share-Linked Notes on the 10th Business Day following the date on which it is determined that an Early Redemption

Event has occurred, each Preference Share-Linked Note to be redeemed by payment of the Early Preference Share Redemption Note Amount.

22.6 ***Extraordinary Events***

If in the determination of the Determination Agent an Extraordinary Event occurs the Issuer shall, as soon as reasonably practicable following the occurrence of such Extraordinary Event give notice to the Noteholders in accordance with Condition 38 (*Notices*) and redeem all, but not some only, of the Preference Share-Linked Notes, each Preference Share-Linked Note being redeemed at the Early Redemption Amount on the 10th Business Day immediately following the date on which such determination is made by the Determination Agent.

22.7 ***Additional Disruption Events***

If in the determination of the Determination Agent an Additional Disruption Event occurs the Issuer shall, as soon as reasonably practicable following the occurrence of such Additional Disruption Event give notice to Noteholders in accordance with Condition 38 (*Notices*) and redeem all, but not some only, of the Preference Share-Linked Notes, each Preference Share-Linked Note being redeemed at the Early Redemption Amount on the 10th Business Day immediately following the date on which such determination is made by the Determination Agent.

22.8 ***Payments – General Provisions***

Condition 27.9 (*Unavailability of Currency*) shall not apply to the Preference Share-Linked Notes.

22.9 ***Definitions applicable to Preference Share-Linked Notes***

"**Additional Disruption Event**" means, with respect to any Series of Preference Share-Linked Notes, such of Change in Law, Hedging Disruption, Insolvency Filing and/or Increased Cost of Hedging as are applicable as specified in the applicable Pricing Supplement.

"**Change in Law**" means that, on or after the Trade Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (x) it has become illegal to hold, acquire or dispose of any Preference Share or (y) it will incur a materially increased cost in performing its obligations in relation to the Preference Share-Linked Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"**Early Preference Share Redemption Note Amount**" means, in respect of each Preference Share-Linked Note, an amount in the Specified Currency per Calculation Amount calculated by the Determination Agent equal to:

$$\text{Calculation Amount} \times \frac{\text{Preference Share Value}_{\text{early}}}{\text{Preference Share Value}_{\text{initial}}}$$

"**Early Redemption Event**" means that the Issuer or any of its affiliates has received notice from the Preference Share Issuer that the Preference Shares are to be redeemed early.

"**Early Redemption Valuation Date**" means the second Business Day immediately preceding the date for early redemption of the Preference Share-Linked Notes.

"**Extraordinary Event**" means a Merger Event, a Nationalisation, a Tender Offer and/or an Insolvency or such other event specified as such in the applicable Pricing Supplement.

"**Final Valuation Date**" means the date specified as such in the applicable Pricing Supplement or, if any date(s) for valuation of or any determination of the underlying asset or reference basis (or any part thereof) for the Preference Shares falling on or about such day is to be delayed in accordance with the terms and conditions of the Preference Shares by reason of a disruption or adjustment event, the Final Valuation Date shall be such delayed valuation or determination date(s), all as determined by the Determination Agent.

"Hedging Disruption" means that the Issuer is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Issuer issuing and performing its obligations with respect to the Preference Share-Linked Notes, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"Increased Cost of Hedging" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Preference Shares or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging.

"Initial Valuation Date" means the Issue Date or, if the date for valuation of or any determination of the underlying asset or reference basis (or any part thereof) for the Preference Shares falling on or about such day is to be delayed in accordance with the terms and conditions of the Preference Shares by reason of a disruption or adjustment event, the Initial Valuation Date shall be such delayed valuation or determination date(s), all as determined by the Determination Agent.

"Insolvency" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding up of or any analogous proceeding affecting Preference Share Issuer (A) all the Preference Shares are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Preference Shares become legally prohibited from transferring them.

"Insolvency Filing" means that Preference Share Issuer institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by Preference Share Issuer shall not be deemed an Insolvency Filing.

"Merger Date" means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Determination Agent.

"Merger Event" means any (A) reclassification or change of the Preference Shares that results in a transfer of or an irrevocable commitment to transfer all of such Preference Shares outstanding to another entity or person, (B) consolidation, amalgamation, merger or binding share exchange of Preference Share Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which Preference Share Issuer is the continuing entity and which does not result in a reclassification or change of all of such Preference Shares outstanding), (C) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Preference Shares that results in a transfer of or an irrevocable commitment to transfer all such Preference Shares (other than such Preference Shares owned or controlled by such other entity or person), or (D) consolidation, amalgamation, merger or binding share exchange of Preference Share Issuer with or into another entity in which Preference Share Issuer is the continuing entity and which does not result in a reclassification or change of all such Preference Shares outstanding but results in the outstanding Preference Shares (other than Preference Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Preference Shares immediately following such event, in each case if the Merger Date is on or before the Maturity Date.

"Nationalisation" means that all the Preference Shares or all or substantially all the assets of Preference Share Issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

"Preference Share Issuer" means the company specified as such in the applicable Pricing Supplement, or, if no such company is specified, means, in respect of any Preference Shares, the issuer of, or other legal arrangement (including, if applicable, any relevant class or series) giving rise to the relevant Preference Share.

"Preference Share Value" means, in respect of any day, the fair market value of the Preference Share at the Valuation Time on such day, as determined by the Determination Agent.

"Preference Share Value_{early}" means the Preference Share Value on the Early Redemption Valuation Date.

"Preference Share Value_{final}" shall have the meaning given in the applicable Pricing Supplement.

"Preference Share Value_{initial}" means the Preference Share Value on the Strike Date.

"Preference Shares" means the preference shares specified as such in the applicable Pricing Supplement.

"Tender Offer" means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of Preference Share Issuer as determined by the Determination Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Determination Agent deems relevant.

"Valuation Date" means the date specified as such in the applicable Pricing Supplement or, if any date(s) for valuation of or any determination of the underlying asset or reference basis (or any part thereof) for the Preference Shares falling on or about such day is to be delayed in accordance with the terms and conditions of the Preference Shares by reason of a disruption or adjustment event, the Valuation Date shall be such delayed valuation or determination date(s), all as determined by the Determination Agent.

"Valuation Time" has the meaning given to it in the applicable Pricing Supplement or if not set out in the applicable Pricing Supplement, immediately following the time at which the final preference share redemption amount in respect of the Preference Shares is determined.

22.10 *Calculations and Determinations*

The Determination Agent will make the calculations and determinations as described in this Condition 22.10 (*Calculations and Determinations*) in such a manner as the Determination Agent determines is appropriate acting in good faith and in a commercially reasonable manner (having regard in each case to the criteria stipulated in the Conditions and the hedging arrangements in respect of the Preference Share-Linked Notes).

Notwithstanding that certain calculations, determinations and adjustments in this Condition 22.10 (*Calculations and Determinations*) may be expressed to be on a certain date, the Determination Agent may make such calculations, determinations and adjustments in respect of that date on a date after that date determined by it in its reasonable discretion.

Pursuant to this Condition 22.10 (*Calculations and Determinations*) the Determination Agent has a number of discretions. These are necessary since in certain circumstances it is not reasonably practicable or otherwise not appropriate for certain valuations to be carried out in relation to relevant reference assets and in these circumstances the Determination Agent also may exercise certain discretions.

The provisions of the second paragraph of this Condition 22.10 (*Calculations and Determinations*) will not apply to the calculation of the Final Redemption Amount or Early Redemption Amount.

22.11 *Rounding*

Condition 41 (*Rounding*) shall not apply to the Preference Share-Linked Notes.

23. Provisions relating to Autocallable Early Redemption Notes

In respect of any Series of Notes for which the Autocallable Early Redemption provisions are specified as applicable in the applicable Pricing Supplement, the Conditions shall be supplemented and modified by the terms and conditions set out in the applicable Pricing Supplement.

Unless otherwise specified in the applicable Pricing Supplement, if the Determination Agent determines that an Autocallable Early Redemption Event has occurred in respect of an Autocallable Early Redemption Observation Date or such other relevant date or during such relevant period as specified in the applicable Pricing Supplement, the Notes will be redeemed at the Autocallable Early Redemption Amount per Note on the relevant Autocallable Early Redemption Date.

If "Autocall Override" is specified in the applicable Pricing Supplement, notwithstanding anything else in the Conditions, in the event that an Autocallable Early Redemption Event occurs, the provisions of this Condition 23 (*Provisions relating to Autocallable Early Redemption Notes*) shall prevail over the provisions of Condition 26.1 (*Redemption and Purchase – Scheduled Redemption*) such that (a) the Notes will be redeemed at the Autocallable Early Redemption Amount per Note on the relevant Autocallable Early Redemption Date as provided in this Condition 23 (*Provisions relating to Autocallable Early Redemption Notes*) and (b) the Final Redemption Amount will not be paid on the Maturity Date and no redemption by delivery of the Physical Delivery Amount on the Physical Settlement Date will occur (as applicable).

24. Inconvertibility Events

(A) If, in respect of any Series of Notes, the applicable Pricing Supplement specifies that "Inconvertibility Event Provisions A" are applicable, this sub-Condition (A) of this Condition 24 (*Inconvertibility Events*) shall apply in respect of such Notes.

If, at any time during the term of such Series, the Determination Agent determines, acting in good faith and a commercially reasonable manner, that an Inconvertibility Event has occurred, it will inform the Issuer of such event. Following the determination of an Inconvertibility Event, the Issuer may, at its reasonable discretion, elect any of the following (or take no action):

- (a) If "Converted Payment" is specified in the applicable Pricing Supplement: to continue making any payments due under such Notes until the Maturity Date, in which case, any amount due under such Notes shall be converted from the Relevant Currency into the Inconvertibility Specified Currency at the Fallback FX Spot Rate determined by the Determination Agent in its reasonable discretion; or
- (b) If "Early Redemption" is specified in the applicable Pricing Supplement: to early terminate the Notes on a specified date notified by the Issuer to the holder (such date, the "**Inconvertibility Early Redemption Date**"), in which case the Notes shall early redeem at the Inconvertibility Early Redemption Amount on such Inconvertibility Early Redemption Date. The Issuer's obligations under the Notes shall be satisfied in full upon payment of such amount; or
- (c) If "Suspended Payment" is specified in the applicable Pricing Supplement: to suspend the payment until as many Business Days after the Inconvertibility Event has ceased as specified in the notice,

provided that the Issuer may, at any time from and including the Trade Date to and including the Maturity Date, subsequent to the despatch of a notice electing one of the selected options other than "Early Redemption", dispatch a second notice electing "Early Redemption", **provided that** such option was also specified as applicable in the applicable Pricing Supplement, in which case the Notes will be redeemed in accordance with the terms of "Early Redemption" above and the date specified in such notice will be the Inconvertibility Early Redemption Date.

The Issuer shall notify the holders of any such determination of an Inconvertibility Event and any action it elects to take in accordance with the foregoing, provided that failure to deliver such notice or the failure of the recipient to receive such notice will not affect the validity of the determination or the Issuer's election or its ability to make payments according to the option it selected.

- (d) For the purpose of this sub-Condition (A) of this Condition 24 (*Inconvertibility Events*):

"**Fallback FX Spot Rate**" has the meaning given in the applicable Pricing Supplement (which, in the case of Currency-Linked Notes, may be the rate determined by the application of the application of any applicable Currency Disruption Fallback pursuant to Condition 13.5 (*Provisions relating to Currency-Linked Notes – Currency Disruption Fallbacks*)).

"**Inconvertibility Early Redemption Amount**" means, in respect of any Note, any of:

- (i) an amount as specified in the applicable Pricing Supplement;
- (ii) if "Early Redemption Amount Less Costs" is specified in the Pricing Supplement, an amount equal to (i), the Early Redemption Amount (as defined in Condition 2.1 (*Definitions*)), (ii) converted from the Relevant Currency into the Inconvertibility Specified Currency at the exchange rate (expressed as a number of the Relevant Currency per one unit of the Inconvertibility Specified Currency) determined by the Determination Agent in its reasonable discretion for settlement on or about the relevant payment date and (iii) less the reasonable cost to and/or the loss realised by, the Issuer and/or any Affiliate in respect of break funding costs for the Issuer term financing associated with such early redemption of the Note, in each case as calculated by the Determination Agent in its reasonable discretion;
- (iii) if "Early Redemption Amount" is specified in the applicable Pricing Supplement, an amount equal to the Early Redemption Amount (as defined in Condition 2.1 (*Definitions*)) converted from the Relevant Currency into the Inconvertibility Specified Currency at the exchange rate (expressed as a number of the Relevant Currency per one unit of the Inconvertibility Specified Currency) determined by the Determination Agent in its reasonable discretion for settlement on or about the relevant payment date, as calculated by the Determination Agent in its reasonable discretion;
- (iv) if "Fair Market Value Less Costs (Inconvertibility)" is specified in the Pricing Supplement, an amount, in the Inconvertibility Specified Currency, equal to 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 Inconvertibility Early Redemption Date), less the proportion attributable to that Note 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 or in respect of break funding costs for the Issuer's term financing associated with such early redemption of the Note, in each case as calculated by the Determination Agent in its reasonable discretion; or
- (v) if "Fair Market Value (Inconvertibility)" is specified in the applicable Pricing Supplement, an amount, in the Inconvertibility Specified Currency, equal to the fair market value of such Notes, 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 Inconvertibility Early Redemption Date), as calculated by the Determination Agent in its reasonable discretion.

An "**Inconvertibility Event**" shall be deemed to have occurred if from (and including) the Trade Date to (and including) the Maturity Date, any event or circumstance occurs that generally makes it, in the reasonable discretion of the Determination Agent, impossible, unlawful or impracticable for the Issuer, the Determination Agent or any of its affiliates for any reason beyond its or their reasonable control:

- (a) to convert the Relevant Currency into the Inconvertibility Specified Currency or the Inconvertibility Specified Currency into the Relevant Currency (whether directly or through a cross exchange rate) through customary legal channels; or
- (b) to determine the rate of conversion of the Inconvertibility Specified Currency into the Relevant Currency or the Relevant Currency into the Inconvertibility Specified Currency; or

- (c) to transfer, or make a payment in, or delivery of, the Relevant Currency from or to, outside, or inside, of the Relevant Jurisdiction, in each case under (a), (b) or (c), in an amount up to the Aggregate Nominal Amount or the relevant Interest Amount; or
- (d) to determine a rate at which any Relevant Currency can be lawfully exchanged for U.S. Dollars; or
- (e) to convert any Relevant Currency into U.S. Dollars; or
- (f) to exchange or repatriate any funds outside of any jurisdiction in which any Relevant Underlying(s) or its or their components, is issued; or
- (g) for the Issuer or any of its affiliates to hold, purchase, sell or otherwise deal in any Notes, or any other property in order for the Issuer or any of its affiliates to perform any related hedging arrangement, or for the purposes of the Issuer or the Issuer's obligations in respect of any Notes.

"Inconvertibility Specified Currency" means the currency specified in the Pricing Supplement and, if none is indicated, the Specified Currency.

"Relevant Currency" means the currency as specified in the Pricing Supplement, and, if none is specified, the currency in which any of the securities which comprise the Relevant Underlying(s) is denominated, or the currency of the Relevant Underlying, or any of the Relevant Underlyings, or the currency in which any of their underlying components is denominated, or any other currency or currencies as specified in the Pricing Supplement.

"Relevant Jurisdiction" means the jurisdiction as specified in the Pricing Supplement.

"Relevant Underlying" means, in relation to the Notes, any of the Share, Index, ETF Interest, Commodity, Commodity Index, ETN, Fund or other item underlying such Notes (and **"Relevant Underlyings"** means all of them).

(B) If, in respect of any Series of Notes, the applicable Pricing Supplement specifies that "Inconvertibility Event Provisions B" are applicable, this sub-Condition (B) of this Condition 24 (Inconvertibility Events) shall apply in respect of such Notes.

- (a) If, at any time during the term of such Series, the Determination Agent determines, acting in good faith and a commercially reasonable manner, that an Inconvertibility Event has occurred, it will inform the Issuer of such event. Following the determination of an Inconvertibility Event, the Issuer shall suspend payment (and any valuation(s) in respect of any Relevant Underlying(s) required to be performed under the applicable Conditions in order to determine the relevant payment amount to be made under the Notes until the day that is two Business Days (or such other number of Business Days notified by the Issuer to holders) after the Inconvertibility Event has ceased to exist, provided that, if "Converted Payment" is specified to apply in the Inconvertibility Event Notice (as defined below), the Issuer shall continue making any payments due under such Notes until the Maturity Date, in which case, any amount due under such Notes shall be converted from the Relevant Currency into the Inconvertibility Specified Currency at the Fallback FX Spot Rate determined by the Determination Agent in its reasonable discretion.

Nothing in the foregoing paragraph shall prevent the Issuer from early terminating the Notes on the date specified in the Inconvertibility Event Notice (such date, the **"Inconvertibility Early Redemption Date"**), in which case the Notes shall early redeem at the Inconvertibility Early Redemption Amount specified in the Inconvertibility Event Notice on such Inconvertibility Early Redemption Date. The Issuer's obligations under the Notes shall be satisfied in full upon payment of such amount.

The Issuer shall notify the holders of any such determination of an Inconvertibility Event at any time following the occurrence of an Inconvertibility Event (such notice, the **"Inconvertibility Event Notice"**), provided that failure to deliver the Inconvertibility Event Notice or the failure of the recipient to receive the Inconvertibility Event Notice will not affect the validity of the determination.

- (b) For the purpose of this sub-Condition (B) of this Condition 24 (*Inconvertibility Events*):

"**Fallback FX Spot Rate**" has the meaning given in the Inconvertibility Event Notice.

"**Inconvertibility Early Redemption Amount**" means, in respect of any Note, any of:

- (i) an amount as specified in the Inconvertibility Event Notice;
- (ii) if "Early Redemption Amount Less Costs" is specified in the Inconvertibility Event Notice, an amount equal to (i), the Early Redemption Amount (as defined in Condition 2.1 (*Definitions*)), (ii) converted from the Relevant Currency into the Inconvertibility Specified Currency at the exchange rate (expressed as a number of the Relevant Currency per one unit of the Inconvertibility Specified Currency) determined by the Determination Agent in its reasonable discretion for settlement on or about the relevant payment date and (iii) less the reasonable cost to and/or the loss realised by, the Issuer and/or any Affiliate in respect of break funding costs for the Issuer term financing associated with such early redemption of the Note, in each case as calculated by the Determination Agent in its reasonable discretion;
- (iii) if "Early Redemption Amount" is specified in the Inconvertibility Event Notice, an amount equal to the Early Redemption Amount (as defined in Condition 2.1 (*Definitions*)) converted from the Relevant Currency into the Inconvertibility Specified Currency at the exchange rate (expressed as a number of the Relevant Currency per one unit of the Inconvertibility Specified Currency) determined by the Determination Agent in its reasonable discretion for settlement on or about the relevant payment date, as calculated by the Determination Agent in its reasonable discretion;
- (iv) if "Fair Market Value Less Costs (Inconvertibility)" is specified in the Inconvertibility Event Notice, an amount, in the Inconvertibility Specified Currency, equal to 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 Inconvertibility Early Redemption Date), less the proportion attributable to that Note 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 or in respect of break funding costs for the Issuer's term financing associated with such early redemption of the Note, in each case as calculated by the Determination Agent in its reasonable discretion; or
- (v) if "Fair Market Value (Inconvertibility)" is specified in the Inconvertibility Event Notice, an amount, in the Inconvertibility Specified Currency, equal to the fair market value of such Notes, 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 Inconvertibility Early Redemption Date), as calculated by the Determination Agent in its reasonable discretion.

An "**Inconvertibility Event**" shall be deemed to have occurred if from (and including) the Trade Date to (and including) the Maturity Date, any event or circumstance occurs that generally makes it, in the reasonable discretion of the Determination Agent, impossible, unlawful or impracticable for the Issuer, the Determination Agent or any of its affiliates for any reason beyond its or their reasonable control:

- (a) to convert the Relevant Currency into the Inconvertibility Specified Currency or the Inconvertibility Specified Currency into the Relevant Currency (whether directly or through a cross exchange rate) through customary legal channels; or
- (b) to determine the rate of conversion of the Inconvertibility Specified Currency into the Relevant Currency or the Relevant Currency into the Inconvertibility Specified Currency; or
- (c) to transfer, or make a payment in, or delivery of, the Relevant Currency from or to, outside, or inside, of the Relevant Jurisdiction, in each case under (a), (b) or (c), in an amount up to the Aggregate Nominal Amount or the relevant Interest Amount; or

- (d) to determine a rate at which any Relevant Currency can be lawfully exchanged for U.S. Dollars; or
- (e) to convert any Relevant Currency into U.S. Dollars; or
- (f) to exchange or repatriate any funds outside of any jurisdiction in which any Relevant Underlying(s) or its or their components, is issued; or
- (g) for the Issuer or any of its affiliates to hold, purchase, sell or otherwise deal in any Notes, or any other property in order for the Issuer or any of its affiliates to perform any related hedging arrangement, or for the purposes of the Issuer or the Issuer's obligations in respect of any Notes.

"Inconvertibility Specified Currency" means the currency specified in the Inconvertibility Event Notice and, if none is indicated, the Specified Currency.

"Relevant Currency" means the currency as specified in the Inconvertibility Event Notice, and, if none is specified, the currency in which any of the securities which comprise the Relevant Underlying(s) is denominated, or the currency of the Relevant Underlying, or any of the Relevant Underlyings, or the currency in which any of their underlying components is denominated, or any other currency or currencies as specified in the Inconvertibility Event Notice.

"Relevant Jurisdiction" means the jurisdiction as specified in the Inconvertibility Event Notice.

"Relevant Underlying" means, in relation to the Notes, any of the Share, Index, ETF Interest, Commodity, Commodity Index, ETN, Fund or other item underlying such Notes (and **"Relevant Underlyings"** means all of them).

25. CNY Disruption Events

- (a) In the event that a CNY Disruption Event, as determined by the Determination Agent in its reasonable discretion, occurs on or prior to any date on which a payment is scheduled to be made under a CNY Note (including, but not limited to, an Interest Payment Date or the Maturity Date) and such CNY Disruption Event is continuing on such date (any such CNY Note so affected, an **"Affected CNY Note"**), the following terms will apply:
 - (i) first, payments under the Affected CNY Note shall be postponed to two Hong Kong Business Days after the date on which the CNY Disruption Event ceases to exist, unless that CNY Disruption Event continues to exist for 14 consecutive calendar days from the original date that, but for the occurrence of the CNY Disruption Event, would have been the date for such payments (which payment date may be, but is not limited to, an Interest Payment Date or the Maturity Date). In that case, the provisions of sub-paragraph (ii) below will apply on the day immediately following the lapse of such 14 calendar day period; and
 - (ii) second, the relevant payment obligations under the Affected CNY Note shall be replaced by an obligation to pay an amount equal to the amount that would be due in CNY under the Affected CNY Note converted into an amount in USD as calculated by the Determination Agent in its reasonable discretion. All the payments hereunder shall be made in USD on the relevant Non-Deliverable Substitute Settlement Date. For the avoidance of doubt, this sub-paragraph (ii) shall only apply to any payment which is scheduled to occur on a date (which may be, but is not limited to, the Maturity Date or an Interest Payment Date) that is affected by the CNY Disruption Event and shall not affect any payments falling due on any other dates.
- (b) Notwithstanding paragraph (a) above, the Issuer may early terminate the Notes on a specified date notified by the Issuer to the holders (such date, the **"CNY Disruption Early Redemption Date"**), in which case the Notes shall early redeem at the CNY Disruption Early Redemption Amount on such CNY Disruption Early Redemption Date. The Issuer's obligations under the Notes shall be satisfied in full upon payment of such amount.
- (c) For the purpose of this Condition 25 (*CNY Disruption Events*):

"CNY Disruption Early Redemption Amount" means, in respect of any Note, any of:

- (i) an amount in USD as specified in the relevant notice to holders;
- (ii) if "Early Redemption Amount Less Costs" is specified in the relevant notice to holders, an amount equal to (i) the amount that would be due in CNY under the Note converted into an amount in USD as calculated by the Determination Agent in its reasonable discretion, less (ii) less the reasonable cost to and/or the loss realised by, the Issuer and/or any Affiliate in respect of break funding costs for the Issuer term financing associated with such early redemption of the Note, in each case as calculated by the Determination Agent in its reasonable discretion;
- (iii) if "Early Redemption Amount" is specified in the relevant notice to holders, an amount equal to the amount that would be due in CNY under the Note converted into an amount in USD as calculated by the Determination Agent in its reasonable discretion;
- (iv) if "Fair Market Value Less Costs (CNY Disruption)" is specified in the relevant notice to holders, an amount in USD equal to 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 CNY Disruption Early Redemption Date), less the proportion attributable to that Note 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 or in respect of break funding costs for the Issuer's term financing associated with such early redemption of the Note, in each case as calculated by the Determination Agent in its reasonable discretion; or
- (v) if "Fair Market Value (CNY Disruption)" is specified in the relevant notice to holders, an amount in USD equal to the fair market value of such Notes, 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 CNY Disruption Early Redemption Date), as calculated by the Determination Agent in its reasonable discretion.

"CNY Disruption Event" means any of CNY Illiquidity, CNY Inconvertibility or CNY Non-Transferability.

"CNY Illiquidity" means, as determined by the Determination Agent in its reasonable discretion, the occurrence of any event that makes it impossible (where it had previously been possible) for the Issuer to obtain a firm quote of an offer price in respect of an amount in CNY equal to the then aggregate outstanding principal amount of the relevant Affected CNY Notes, any interest or any other amount to be paid under such Notes (the **"Relevant Disrupted Amount"**), during the term of such Notes, either in one transaction or a commercially reasonable number of transactions that, when taken together, is no less than such Relevant Disrupted Amount, in the general CNY exchange market in each Offshore CNY Center in order to perform its obligations under the Affected CNY Notes.

"CNY Inconvertibility" means, as determined by the Determination Agent in its reasonable discretion, the occurrence of any event that makes it impossible (where it had previously been possible) for the Issuer to convert an amount of CNY no less than the Relevant Disrupted Amount into or from USD in the general CNY exchange market in each Offshore CNY Center.

"CNY Non-Transferability" means, as determined by the Determination Agent in its reasonable discretion, the occurrence in each Offshore CNY Center of any event that makes it impossible (where it had previously been possible) for the Issuer to transfer CNY (A) between accounts inside the Offshore CNY Center, (B) from an account inside the Offshore CNY Center to an account outside such Offshore CNY Center and outside mainland China, or (C) from an account outside an Offshore CNY Center and outside mainland China to an account inside the Offshore CNY Center. For the purpose of CNY Non-Transferability and Hong Kong as an Offshore CNY Center only, a segregated Chinese Renminbi fiduciary cash account with the People's Bank of China and operated by Bank of China (Hong Kong) Limited shall be deemed to be an account inside Hong Kong.

"Hong Kong Business Day" means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which banking institutions are authorised or required by law or regulation to close in Hong Kong.

"Non-Deliverable Substitute Settlement Date" means, subject to adjustment in accordance with the provisions of Condition 25(a)(i) (*CNY Disruption Events*) and/or any Business Day Convention applicable to the terms of an Affected CNY Note, the day determined by the Determination Agent which shall be as soon as practicable following the date on which the relevant payment was scheduled to be made in respect of such Affected CNY Note, and which shall be in no event later than two (2) Hong Kong Business Days after the date on which the amount payable in USD in respect of such Affected CNY Note is determined by the Determination Agent pursuant to Condition 25(a)(i) (*CNY Disruption Events*).

"Offshore CNY Center" means Hong Kong, or such other CNY Center as specified in the applicable Pricing Supplement.

For the avoidance of doubt, references to "general CNY exchange market in each Offshore CNY Center" in the definitions of CNY Illiquidity and CNY Inconvertibility refers to purchase, sale, lending or borrowing of CNY for general purpose (including, but not limited to, funding), and therefore any purchase or sale of CNY where such CNY is required by relevant laws or regulations for settlement of any cross-border trade transaction with an entity in mainland China, or any purchase or sale of CNY for personal customers residing in each such Offshore CNY Center, would not be purchase or sale made in such general CNY exchange market.

26. Redemption and Purchase

26.1 *Scheduled Redemption*

Save in the case of Notes that are Credit Linked Notes or ETN-Linked Notes, unless previously redeemed, or purchased and cancelled, and unless otherwise specified in the applicable Pricing Supplement, (i) Cash Settlement Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 27 (*Payments – Registered Notes*), and (ii) Physical Settlement Notes shall be redeemed by delivery of the Physical Delivery Amount on the Physical Settlement Date, subject as provided in Condition 29 (*Physical Settlement*). Notes that are Credit Linked Notes shall be redeemed as set out in Condition 18 (*Provisions relating to Credit Linked Notes*), subject to any additional or alternative redemption/ payment provisions or modification contemplated in respect of such Notes specified in the applicable Pricing Supplement. Notes that are ETN-Linked Notes shall be redeemed as set out in Condition 20 (*Provisions relating to ETN-Linked Notes*), subject to any additional or alternative redemption/payment provisions or modification contemplated in respect of such Notes specified in the applicable Pricing Supplement.

26.2 *Tax Redemption – Morgan Stanley Notes, MSFL Notes and MSFII Notes*

Notes issued by Morgan Stanley, MSFL and MSFII may be redeemed in whole (but not in part), at the option of the relevant Issuer at any time prior to maturity, upon the giving of a notice of redemption as described below, not less than 10 Business Days prior to the date on which the Notes are to be redeemed, if the relevant Issuer determines in its reasonable discretion that, as a result of any change in or amendment to the laws, or any regulations or rulings promulgated under the laws, of the United States or of any political subdivision or taxing authority of or in the United States affecting taxation, or any change in official position regarding the application or interpretation of the laws, regulations or rulings referred to above, which change or amendment becomes effective on or after the date of the applicable Pricing Supplement in connection with the issuance of the Notes or any other date specified in the applicable Pricing Supplement, it or the Guarantor (if applicable) is or will become obligated to pay Additional Amounts with respect to the Notes as described in Condition 30 (*Taxation*). The early redemption amount will be specified in the applicable Pricing Supplement. The Issuer will give notice of any tax redemption in accordance with Condition 38 (*Notices*).

26.3 *Tax Redemption – MSI plc Notes, MSBV Notes, MSFII Notes and MSESE Notes*

MSI plc, MSBV Notes, MSFII Notes and MSESE Notes may be redeemed in whole (but not in part), at the option of the relevant Issuer at any time prior to maturity, upon the giving of a notice of redemption as described below, not less than 10 Business Days prior to the date on which the Notes are to be redeemed, if the Issuer determines, in its reasonable discretion, that it or the Guarantor is or will become required by law to make any withholding or deduction with respect to the Notes. The early redemption

amount will be specified in the applicable Pricing Supplement. The Issuer will give notice of any tax redemption in accordance with Condition 38 (*Notices*).

26.4 Prior to the relevant Issuer giving notice of redemption under Condition 26.2 (*Tax Redemption – Morgan Stanley Notes, MSFL Notes and MSFII Notes*) or 26.3 (*Tax Redemption – MSI plc Notes, MSBV Notes, MSFII Notes and MSESE Notes*), it will deliver to the Fiscal Agent:

- (a) 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 Fiscal Agent is the "**Redemption Determination Date**"); and
- (b) 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 10 Business Days prior to the date fixed for redemption. The date and the applicable redemption price will be specified in the notice.

26.5 ***Redemption at the Option of the Issuer***

Subject to Condition 26.6 (*Redemption at the Non-Discretionary Option of the Issuer*), if Call Option is specified in the applicable Pricing Supplement as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the applicable Pricing Supplement, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer's giving not less than the Minimum Call Notice Number of Day(s) nor more than the Maximum Call Notice Number of Day(s) notice to the Noteholders and, in the case of Uncertificated Notes, not less than 45 days' notice to the Euroclear Registrar (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 but unpaid interest (if any) to such date).

26.6 ***Redemption at the Non-Discretionary Option of the Issuer***

Notwithstanding anything to the contrary in Condition 26.5 (*Redemption at the Option of the Issuer*), if Non-discretionary Call Option is specified in the applicable Pricing Supplement as being applicable, the Notes shall be redeemed by the Issuer in whole, but not in part, on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) if, and only if, the output of a risk neutral valuation model on a Business Day that is at least five (5) but no greater than eight (8) Business Days prior to such Optional Redemption Date, as selected by the Determination Agent (the "**Optional Redemption Determination Date**"), taking as input: (i) prevailing reference market levels, volatilities and correlations, as applicable and in each case as of the Optional Redemption Determination Date and (ii) the Issuer's credit spreads as of the Trade Date(s) indicates, in the determination of the Determination Agent, that redeeming the Notes on such Optional Redemption Date would be economically more rational for the Issuer than not redeeming the Notes on such Optional Redemption Date. If the Issuer is required to redeem the Notes on any Optional Redemption Date in accordance with this Condition 26.6 (*Redemption at the Non-Discretionary Option of the Issuer*), the Issuer will give the Noteholders not less than five (5) Business Days' prior notice.

26.7 ***Model-based Redemption***

Notwithstanding anything to the contrary in Condition 26.5 (*Redemption at the Option of the Issuer*), if Model-based Redemption is specified in the applicable Pricing Supplement as being applicable, the Notes shall be redeemed by the Issuer in whole, but not in part, on any Model-based Redemption Date (Call) at the relevant Model-based Redemption Amount (Call), if and only if the output of the proprietary valuation model described below (the "**Valuation Model**") indicates, in the Determination Agent's reasonable opinion, that it would be economically more rational for the Issuer to redeem the Notes than not, as specified in Condition 26.7.2 (*Model-based Redemption*).

The Model-based Redemption Amount (Call) will be specified in the relevant Pricing Supplement and will be at least equal to Par, unless otherwise specified in the Pricing Supplement. The redemption of the Notes will be without prejudice to the rights of Noteholders to receive any other payment accrued at the Model-based Redemption Date (Call) based on the terms of the Notes.

26.7.1 *Valuation Model*

The Valuation Model is a Morgan Stanley Group proprietary valuation model. The inputs of the Valuation Model are market data relevant for determining the amount payable by the Issuer under the terms of the Notes, in particular:

- reference market levels and volatilities for the relevant underlying assets, including forward looking predictions of their curves;
- valuations of the correlation of the underlying assets; and
- any relevant currency exchange rate.

The Valuation Model also utilises, as a fixed parameter, the credit spread of the Issuer (and the Guarantor, if applicable) taken at the Trade Date. The model is a quantitative model and is subject to internal approvals, controls and verifications to ensure it performs the relevant calculations systematically. No discretionary amendments can be made to the methodology of the Valuation Model.

On any given day, the Valuation Model calculates the financial opportunity cost for the Issuer to redeem the Notes on the relevant Model-based Redemption Date (Call).

26.7.2 *Model-based Redemption*

The Notes will be redeemed, in whole but not in part, on a Model-based Redemption Date (Call) if the output of the Valuation Model determined by the Determination Agent at any time on a day that is no earlier than three (3) Business Days before and no later than a Model-based Redemption Determination Cut-off Date (Call) (any such date a "**Model-based Redemption Determination Date (Call)**") indicates, in the Determination Agent's reasonable opinion, that redeeming the Notes would be economically more rational for the Issuer than not redeeming the Notes. If so, the Issuer will notify Noteholders on the "**Model-based Redemption Notice Date (Call)**") which will not be less than five (5) Business Days' prior to the Model-based Redemption Date (Call) and Noteholders will be entitled to receive the Model-based Redemption Amount (Call).

An early redemption of the Notes will not automatically occur based solely on the performance of the underlying assets.

26.7.3 *Use of discretion*

The Determination Agent maintains discretion, which shall be exercised in good faith, in the interpretation of the outputs of the Valuation Model and on the date and time when such outputs are observed (provided that such date and time shall be no earlier than three (3) Business Days before and no later than a Model-based Redemption Determination Cut-off Date (Call)), and therefore maintains discretion with respect to the final decision to redeem the Notes.

26.8 *Partial Redemption*

- (a) if the Notes are to be redeemed in part only on any date in accordance with Condition 26.5 (*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 Fiscal Agent approves and in such manner as the Fiscal Agent considers appropriate, acting in good faith and a commercially reasonable manner, 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 26.5 (*Redemption at the Option of the Issuer*) shall specify the serial numbers of the Notes so to be redeemed; and
- (b) in respect of a partial redemption of Nordic Notes, the notice to Noteholders referred to in Condition 26.5 (*Redemption at the Option of the Issuer*) shall also specify the Nordic Notes or amounts of the Nordic

Notes to be redeemed and the Record Date in respect of the relevant Nordic Notes and the procedures for partial redemption laid down in the then applicable NCSD Rules will be observed.

26.9 *Redemption at the Option of Noteholders*

If the Put Option is specified in the applicable Pricing Supplement 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 26.9 (*Redemption at the Option of Noteholders*) the holder of a Note must, not less than the Minimum Put Notice Number of Day(s) nor more than the Maximum Put Notice Number of Day(s) before the relevant Optional Redemption Date (Put), deposit such Note with 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. In respect of Nordic Notes, the Put Notice shall not take effect against the Issuer before the date on which the relevant Nordic Notes have been transferred to the account designated by the relevant Nordic Issuing and Paying Agent and blocked for further transfer by the relevant Nordic Issuing and Paying Agent. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 26.9 (*Redemption at the Option of Noteholders*), 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 26.9 (*Redemption at the Option of Noteholders*), the depositor of such Note and not such Paying Agent shall be deemed to be the holder of such Note for all purposes.

26.10 *Early Redemption of Zero Coupon Notes*

Unless otherwise specified in the applicable Pricing Supplement, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to (a) the product of the Calculation Amount of such Note and (b) the percentage produced by:

- (a) if Compounded Zero Coupon is specified as applicable in the applicable Pricing Supplement, the following formula:

$$\text{Reference Price} \times (1 + \text{Accrual Yield})^n$$

- (b) if Linear Zero Coupon is specified as applicable in the applicable Pricing Supplement, the following formula:

$$\text{Reference Price} + \text{Reference Price} \times n \times \text{Accrual Yield}$$

Where "n" means the number of years from (and including) the Issue Date (or such other date as may be specified in the applicable Pricing Supplement as the "Accrued Value Commencement 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 and the calculation shall be made on the basis of such Day Count Fraction as may be specified in the applicable Pricing Supplement or, if none is so specified, a Day Count Fraction of 30/360.

26.11 *Purchase*

Morgan Stanley, MSI plc, MSBV, MSFL, MSFII, MSESE or any of their respective Affiliates may at any time purchase Notes in the open market or otherwise and at any price.

26.12 *Cancellation*

All Notes so redeemed shall, and all Notes so purchased by Morgan Stanley, MSI plc, MSBV, MSFL, MSFII, MSESE or any of their respective Subsidiaries may, at the reasonable discretion of the relevant

purchaser, be cancelled. All Notes so redeemed, and all Notes so purchased and cancelled, may not be reissued or resold.

26.13 ***Compliance with securities laws***

If any holder of any Regulation S/Rule 144A Note is determined not to be either (A) a QIB, or in the case of a Regulation S/Rule 144A Note issued by MSBV, a QIB/QP or (B) a non-U.S. person (as defined in Regulation S), the Issuer shall have the right to (i) force such holder to sell its interest in such Note, or sell such interest on behalf of such holder, to (A) a QIB, or in the case of a Regulation S/Rule 144A Note issued by MSBV, a QIB/QP pursuant to Rule 144A or (B) in an offshore transaction in accordance with Regulation S to a non-U.S. person who, following such transaction, receives a beneficial interest in the relevant Regulation S/Rule 144A Global Note or (ii) terminate and cancel such Note. If any holder of any Regulation S Note is determined to be a U.S. person (as defined in Regulation S), the Issuer shall have the right to force such holder to sell its interest in such Note, or sell such interest on behalf of such holder, to a person who is not a U.S. person (as defined in Regulation S) who, following such transaction, receives a beneficial interest in the relevant Regulation S Global Note or (ii) terminate and cancel such Note. In the case of any termination and cancellation of a Note as described above no amount shall be payable to the relevant Noteholder and the Issuer shall have no further obligations in respect of the Note.

27. **Payments – Registered Notes**

This Condition 27 (*Payments – Registered Notes*) is only applicable to Registered Notes.

27.1 ***Principal***

Subject to Condition 27.3 (*Payments of Principal and Interest in CNY*), 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 Fiscal Agent not later than the 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 Individual Note Certificates at the Specified Office of any Paying Agent.

27.2 ***Interest***

Subject to Condition 27.3 (*Payments of Principal and Interest in CNY*), 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 Fiscal Agent not later than the 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 Individual Note Certificates at the Specified Office of any Paying Agent.

27.3 ***Payments of Principal and Interest in CNY***

Notwithstanding Conditions 27.1 (*Principal*) and 27.2 (*Interest*), in respect of CNY Notes, no payment of principal or interest in CNY will be made by cheque and all payments to Noteholders will be made solely (i) for so long as the CNY Notes are represented by a Global Registered Note held with the common depositary for Clearstream Banking société anonyme and Euroclear Bank S.A./N.V. or any alternative clearing system, by transfer to a CNY bank account maintained outside the PRC, or (ii) for so long as the Notes are in definitive form, by transfer to a CNY bank account maintained outside the PRC, in each case in accordance with prevailing rules and regulations.

27.4 ***Payments Subject to Fiscal Laws***

All payments in respect of the Registered Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations, but without prejudice to the provisions of Condition 30 (*Taxation*); and (ii) any withholding or deduction required pursuant to an agreement described in section 1471(b) of the

United States Internal Revenue Code of 1986, as amended (the "**Code**") or otherwise imposed pursuant to sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto (in each case without prejudice to the provisions of Condition 30 (*Taxation*)). No commissions or expenses shall be charged to the Noteholders in respect of such payments.

27.5 *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 Individual 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 27 (*Payments – Registered Notes*) arriving after the due date for payment or being lost in the mail.

27.6 *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 an Individual Note Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Individual Note Certificate.

27.7 *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 close of business in the place of the Registrar's Specified Office on such number of days before the due date for such payment as is specified in the applicable Pricing Supplement (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 close of business on the relevant Record Date.

27.8 *Payments of Principal and Interest in respect of Nordic Notes*

Payments of principal, interest and/or any other amount payable under these Conditions in respect of Nordic Notes shall be made to the Noteholders recorded as such on the record date (as specified in the then applicable NCSD Rules) or such other business day falling closer to the due date as may then be stipulated in said Rules. Such day shall be the Record Date in respect of the Nordic Notes.

27.9 *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 Registered 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) (in which case an "**Unavailability of Currency Event**" shall be deemed to have occurred in respect of such Notes), 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:

- (a) of the Specified Currency for U.S. Dollars for settlement on the payment date;
- (b) in the aggregate amount of the Specified Currency payable to those holders or beneficial owners of Notes; and
- (c) 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 reasonable 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, the Guarantor (if applicable) and the Noteholders. The Exchange Rate Agent will be Morgan Stanley & Co. International plc, unless otherwise noted in the applicable Pricing Supplement. If the Exchange Rate Agent is not an affiliate of Morgan Stanley, it may be one of the dealers providing quotations.

For the avoidance of doubt, 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 to CNY Notes or 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.

27.10 ***Payments in respect of CMU Notes***

Payments of principal and interest in respect of CMU Notes will be made in accordance with the CMU Rules at the relevant time to the CMU for their distribution, on the order of the holder of the CMU Notes, to the person(s) for whose account(s) interests in the relevant CMU Note are credited as being held with the CMU at the close of business on the applicable Record Date and payment made in accordance thereof shall discharge the obligations of the Issuer in respect of that payment. Save in the case of final payment, no presentation of the relevant Global Registered Note shall be required for such purpose.

28. **Payments – Uncertificated Notes**

This Condition 28 (*Payments – Uncertificated Notes*) is only applicable to Uncertificated Notes.

28.1 ***Principal***

Subject as provided below, the Euroclear Registrar shall pay or cause to be paid payments of principal in respect of Uncertificated Notes to the relevant Noteholder's cash account, such payment to be made in accordance with the rules of the Operator.

28.2 ***Interest***

Payments of interest (if any) in respect of Uncertificated Notes will be discharged by payment (as shown in the records of the Operator) to the cash account of the relevant Noteholder.

28.3 ***General***

Each of the persons shown in the Operator register of eligible debt securities as the holder of a particular principal amount of Uncertificated Notes must look solely to the settlement bank or institution at which such person's cash account is held for such person's share of each such payment so made by or on behalf of the Issuer.

28.4 ***Payments Subject to Fiscal Laws***

All payments in respect of the Uncertificated Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations, but without prejudice to the provisions of Condition 30 (*Taxation*); and (ii) any withholding or deduction required pursuant to an agreement described in section 1471(b) of the United States Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto (in each case without prejudice to the provisions of Condition 30 (*Taxation*)). No commissions or expenses shall be charged to the Noteholders in respect of such payments.

28.5 *Payments on Payment Business Days*

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 on the due date for payment. A holder of an Uncertificated Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from the due date for a payment not being a Payment Business Day.

29. **Physical Settlement**

29.1 *Delivery Notice*

- (a) Each Noteholder in respect of Physical Settlement Notes, shall, on or before the scheduled date for redemption thereof (or such earlier date as the Issuer shall notify to the Fiscal Agent and/or Euroclear Registrar and the Noteholders is, in its determination, necessary for the Issuer, the Fiscal Agent and/or the Relevant Clearing System(s) and/or the Euroclear Registrar to perform their respective obligations hereunder) send to the Relevant Clearing System(s) (in accordance with the relevant operating procedures) or, in the case of Uncertificated Notes, the Euroclear Registrar, and the Fiscal Agent an irrevocable notice (the "**Delivery Notice**") in the form from time to time approved by the Issuer, which must:
- (i) specify the name and address of the Noteholder;
 - (ii) specify the number of Notes in respect of which he is the Noteholder;
 - (iii) except in the case of Uncertificated Notes, specify the number of the Noteholder's account at the Relevant Clearing System(s) to be debited with such Notes;
 - (iv) except in the case of Uncertificated Notes, irrevocably instruct and authorise the Relevant Clearing System(s) (A) to debit the Noteholder's account with such Notes on the Physical Settlement Date and (B) that no further transfers of the Notes specified in the Delivery Notice may be made;
 - (v) contain a representation and warranty from the Noteholder to the effect that the Notes to which the Delivery Notice relates are free from all liens, charges, encumbrances and other third party rights;
 - (vi) specify the number and account name of the account at the Clearing System(s) to be credited with the Physical Delivery Amount if Physical Settlement is applicable;
 - (vii) contain an irrevocable undertaking to pay the Redemption Expenses and (to the extent payable but unpaid) Taxes (if any) which, in each case, are determined by the Issuer to be payable and an irrevocable instruction to the Relevant Clearing System(s) to debit on or after the Physical Settlement Date the cash or other account of the Noteholder with the Relevant Clearing System(s) specified in the Delivery Notice with such Redemption Expenses and Taxes;
 - (viii) authorise the production of the Delivery Notice in any applicable administrative or legal proceedings;
 - (ix) in the case of Uncertificated Notes, specify the cash memorandum account of the Noteholder as shown in the records of the Operator from which the Redemption Expenses and Taxes in respect of such Notes will be paid to the Euroclear Registrar's account with the Operator against delivery of the Physical Delivery Amount and irrevocably agree to deliver such instructions to the Operator as may be requested by the Euroclear Registrar to give effect to the delivery and payments described above; and
 - (x) certify that the Notes are not being redeemed by or on behalf of a U.S. Person or a person within the United States and the Notes are not beneficially owned by a U.S. Person or a person within the United States (terms used in this Condition 29.1(a)(x) have the meanings in Regulation S).
- (b) A Delivery Notice, once delivered to the Relevant Clearing System(s) or the Euroclear Registrar shall be irrevocable and may not be withdrawn without the consent in writing of the Issuer. A Noteholder may not transfer any Note which is the subject of a Delivery Notice following delivery of such Delivery

Notice to the Relevant Clearing System(s) or the Euroclear Registrar, as the case may be. A Delivery Notice shall only be valid to the extent that the Relevant Clearing System(s) or the Euroclear Registrar, as the case may be, has not received conflicting prior instructions in respect of the Notes which are the subject of the Delivery Notice.

- (c) Failure to properly complete and deliver a Delivery Notice may result in such notice being treated as null and void. Any determination as to whether such notice has been properly completed and delivered as provided shall be made by the Relevant Clearing System(s) or the Euroclear Registrar, as the case may be, after consultation with the Fiscal Agent and shall be conclusive and binding on the Issuer and the Noteholder.
- (d) The Fiscal Agent shall promptly, on the Business Day following receipt of such notice, send a copy of the Delivery Notice to the Issuer or such person as the Issuer may previously have specified.

29.2 ***Delivery Obligation***

- (a) Subject to the other provisions of this Condition 29.2 (*Delivery Obligation*), the Issuer shall discharge its obligation to deliver the Physical Delivery Amount in respect of any Notes by delivering, or procuring the delivery of, the relevant Underlying Securities on the Physical Settlement Date to the Clearing System for credit to the account with the Clearing System specified in the Delivery Notice of the relevant Noteholder.
- (b) The number of Underlying Securities to be delivered to or for the account of each Noteholder on redemption of any Physical Settlement Notes shall be as determined in accordance with the applicable Pricing Supplement. The Issuer may pay a residual cash amount to each Noteholder representing any fractions of Underlying Securities comprising the Physical Delivery Amount.
- (c) After delivery to or for the account of a Noteholder of the relevant Physical Delivery Amount and for such period of time as the transferor or its agent or nominee shall continue to be registered in any clearing system as the owner of the Underlying Securities comprised in such Physical Delivery Amount (the "**Intervening Period**"), none of such transferor or any agent or nominee for the Issuer or such transferor shall (i) be under any obligation to deliver to such Noteholder or any other person any letter, certificate, notice, circular, dividend or any other document or payment whatsoever received by the Issuer or such transferor, agent or nominee in its capacity as holder of such Underlying Securities, (ii) be under any obligation to exercise any rights (including voting rights) attaching to such Underlying Securities during the Intervening Period, or (iii) be under any liability to such Noteholder or any other person in respect of any loss or damage which the Noteholder or any other person may sustain or suffer as a result, whether directly or indirectly, of the Issuer or such transferor, agent or nominee being registered in the Clearing System during such Intervening Period as legal owner of such Underlying Securities.
- (d) Any amounts in respect of dividends and interest on the Underlying Securities comprising the Physical Delivery Amount to be delivered will be payable to the party that would receive such amounts according to market practice for a sale of such Underlying Securities executed on the Exchange Business Day following the Determination Date in respect of the Notes. Any such amounts will be paid to or for credit to the account specified by the Noteholder in the relevant Delivery Notice. No right to dividends or interest on the Underlying Securities will accrue to Noteholders prior to the Determination Date.

29.3 ***Settlement Disruption of Physical Settlement***

- (a) This Condition 29.3 (*Settlement Disruption of Physical Settlement*) shall apply only where Physical Settlement is applicable.
- (b) The Determination Agent shall determine, acting in good faith and a commercially reasonable manner, whether or not at any time a Settlement Disruption Event has occurred in respect of Underlying Securities comprised in the Physical Delivery Amount (the "**Affected Securities**") and where it determines such an event has occurred and so has prevented delivery of such Affected Securities on the original day that but for such Settlement Disruption Event would have been the Physical Settlement Date, then the Issuer may determine, in its reasonable discretion, either (a) to pay such amount as in the opinion of the Determination Agent is appropriate in the circumstances by way of compensation for the non-delivery of such Affected Securities, in which event the entitlements of the respective Noteholders to receive such Affected Securities on redemption shall cease and the Issuer's obligations under the Notes shall be

satisfied in full upon payment of such amount or (b) that the Physical Settlement Date will be postponed to the first succeeding day on which delivery of such Affected Securities can take place through the Clearing System unless a Settlement Disruption Event prevents settlement on each of the 10 Clearing System Business Days immediately following the original date that, but for the Settlement Disruption Event, would have been the Physical Settlement Date (a "**Delayed Settlement Disruption Event**"). In the case of a Delayed Settlement Disruption Event, the Issuer may determine, in its reasonable discretion, (a) to pay such amount as in the opinion of the Determination Agent is appropriate in the circumstances by way of compensation for the non-delivery of such Affected Securities, in which event the entitlements of the respective Noteholders to receive such Affected Securities on redemption shall cease and the Issuer's obligations under the Notes shall be satisfied in full upon payment of such amount; (b) if such Affected Securities can be delivered in any other commercially reasonable manner, that the Physical Settlement Date will be postponed to the first day on which settlement of a sale of such Affected Securities executed on that 10th Clearing System Business Day customarily would take place using such other commercially reasonable manner of delivery (which other manner of delivery will be deemed the Clearing System for the purposes of delivery of such Affected Securities); or (c) if such Affected Shares cannot be delivered in any other commercially reasonable manner, that the Physical Settlement Date will be postponed until delivery can be effected through the Clearing System or in any other commercially reasonable manner.

- (c) For the purposes hereof "**Settlement Disruption Event**" means, as determined by the Determination Agent acting in good faith and a commercially reasonable manner, an event which is beyond the control of the Issuer or the transferor of any relevant Underlying Securities and as a result of which the Clearing System cannot receive or clear the transfer of such Underlying Securities.

29.4 ***Delivery Disruption of Physical Settlement***

- (a) This Condition 29.4 (*Delivery Disruption of Physical Settlement*) shall apply only where Physical Settlement is applicable.
- (b) If the Determination Agent determines, acting in good faith and a commercially reasonable manner, that a Delivery Disruption Event has occurred, the Determination Agent shall notify the Issuer who shall promptly, and in any event not more than 15 Business Days after the Issuer has received such notification from the Determination Agent, notify the Noteholders, and the Issuer will then deliver, or procure the delivery of, on the Physical Settlement Date such number of Underlying Securities comprised in the Physical Delivery Amount (if any) as it can deliver, or procure the delivery of, on that date and pay such amount as in the opinion of the Determination Agent is appropriate in the circumstances by way of compensation for the non-delivery of the remainder of the Underlying Securities comprised in the Physical Delivery Amount (assuming satisfaction of each applicable condition precedent) to which the Noteholders would have been entitled under the Notes but for the occurrence of such Delivery Disruption Event, in which event the entitlements of the respective Noteholders to receive Underlying Securities on redemption shall cease and the Issuer's obligations under the Notes shall be satisfied in full upon delivery of such number of Underlying Securities and payment of such amount.
- (c) Where this Condition 29.4 (*Delivery Disruption of Physical Settlement*) falls to be applied, insofar as the Determination Agent determines to be practical, acting in good faith and a commercially reasonable manner, the same shall be applied as between the Noteholders on a *pro rata* basis, but subject to such rounding down (whether of the amount of a payment or of a number of Underlying Securities to be delivered) and also to such other adjustments as the Determination Agent, acting in good faith and a commercially reasonable manner, determines to be appropriate to give practical effect to such provisions.
- (d) For the purposes hereof "**Delivery Disruption Event**" means, as determined by the Determination Agent, acting in good faith and a commercially reasonable manner, the failure or inability, due to illiquidity in the market for the Underlying Securities comprised in the Physical Delivery Amount, by or of the Issuer to deliver, or procure the delivery of, on the Physical Settlement Date all the Underlying Securities comprised in the Physical Delivery Amount to be delivered on that date.

29.5 ***Additional Definitions***

For the purposes of this Condition 29 (*Physical Settlement*):

"Clearing System" means, in respect of an Underlying Security relating to a Physical Settlement Note, the clearing system specified as such for such security in the applicable Pricing Supplement or any successor to such clearing system as determined by the Determination Agent. If the Pricing Supplement do not specify a clearing system, the Clearing System will be the principal domestic system customarily used for settling trades in the relevant Underlying Securities. If the Clearing System ceases to settle trades in such Underlying Securities, the Determination Agent will, acting in good faith and in a commercially reasonable manner, select another method of delivery;

"Clearing System Business Day" means, in respect of a Clearing System, any day on which such Clearing System is (or, but for the occurrence of a Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions;

"Physical Delivery Amount" means in respect of any Series of Physical Settlement Notes, the Underlying Securities to be delivered by the Issuer to Noteholders on redemption of each Note, as provided in the applicable Pricing Supplement;

"Physical Settlement Date" means, in relation to Underlying Securities to be delivered, subject to Condition 29.3 (*Settlement Disruption of Physical Settlement*), in respect of any Notes, the date following the Maturity Date or any other applicable redemption date, as the case may be, which is the first day on which settlement of a sale of such Underlying Securities executed on that Maturity Date or other redemption date, as the case may be, customarily would take place through the Applicable Clearing System, unless otherwise specified in the applicable Pricing Supplement;

30. Taxation

30.1 **Additional Amounts:** If specified in the applicable Pricing Supplement, in respect of a Series of Notes, the relevant Issuer or Guarantor, if applicable, will, subject to certain exceptions and limitations set forth below, pay those additional amounts (the **"Additional Amounts"**) to any Noteholder who is a U.S. Alien as may be necessary in order that every net payment of the principal of and interest on the Note and any other amounts payable by or on behalf of the relevant Issuer or the Guarantor on the Note after withholding for or on account of any tax, assessment or governmental charge imposed upon or as a result of that payment by the United States or any political subdivision or taxing authority thereof or therein, will not be less than the amount provided for in the Note to be then due and payable under the Notes. For the avoidance of doubt, if not so provided in the applicable Pricing Supplement, Additional Amounts as provided in this Condition 30.1 (*Additional Amounts*) shall not be payable.

The relevant Issuer or Guarantor, if applicable, will not, however, be required to make any payment of Additional Amounts to any Noteholder for or on account of:

- (a) any tax, assessment or other governmental charge that would not have been so imposed but for:
 - (i) the existence of any present or former connection between the holder or beneficial owner, or between a fiduciary, settlor, beneficiary, member or shareholder of the holder or beneficial owner, if the holder or beneficial owner is an estate, a trust, a partnership or a corporation, and the United States and its possessions, including, without limitation, the holder or beneficial owner, or such fiduciary, settlor, beneficiary, member or shareholder, being or having been a citizen or resident of the United States or being or having been engaged in the conduct of a trade or business or present in the United States or having, or having had, a permanent establishment in the United States; or
 - (ii) the presentation by the Noteholder for payment on a date more than 15 days after the date on which payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;
- (b) any estate, inheritance, gift, sales, transfer, capital gains, corporation, income or personal property tax or any similar tax, assessment or governmental charge;
- (c) any tax, assessment or other governmental charge imposed by reason of the holder's or beneficial owner's past or present status as a personal holding company or controlled foreign corporation or passive foreign investment company with respect to the United States or as a corporation that accumulates earnings to avoid U.S. federal income tax or as a private foundation or other tax exempt organisation;

- (d) any tax, assessment or other governmental charge that is payable otherwise than by withholding from payments on or in respect of any Note;
- (e) any tax, assessment or other governmental charge that would not have been imposed but for the failure to comply with certification, information or other reporting requirements concerning the nationality, residence or identity of the holder or beneficial owner of that Note, if compliance is required by statute or by regulation of the United States or of any political subdivision or taxing authority thereof or therein as a precondition to relief or exemption from the tax, assessment or other governmental charge;
- (f) any withholding tax imposed under sections 1471 through 1474 of the Code or any agreement with the IRS pursuant to these Code sections, any applicable U.S. Treasury regulations promulgated thereunder or published administrative guidance implementing such sections and any analogous provisions of non-U.S. laws (including withholding resulting from any inter-governmental agreement or an individual agreement with a taxing authority in connection with such sections of the Code, regulations, guidance or laws);
- (g) any tax, assessment or other governmental charge imposed by reason of Section 871(m) of the Code, and any applicable U.S. Treasury regulations promulgated thereunder or published administrative guidance implementing such section;
- (h) any tax, assessment or other governmental charge imposed by reason of the holder's or beneficial owner's past or present status as the actual or constructive owner of 10 per cent. or more of the total combined voting power of all classes of stock entitled to vote of Morgan Stanley or as a direct or indirect subsidiary of Morgan Stanley;
- (i) any tax, assessment or other governmental charge imposed by reason of the holder of any Note and/or Coupon or beneficial owner not qualifying for the portfolio interest exemption or for an exemption with respect to coupon payments under the "other income" provision of a Qualifying Treaty; or
- (j) any combination of the items listed above.

In addition, the relevant Issuer or Guarantor, if applicable, will not be required to make any payment of Additional Amounts with respect to any Note presented for payment by or on behalf of a holder or beneficial owner who would have been able to avoid such withholding or deduction by presenting the relevant Note to another paying agent in a Member State of the European Union.

Nor will Additional Amounts be paid with respect to any payment on a Note to a U.S. Alien who is a fiduciary or partnership or other than the sole beneficial owner of that payment to the extent that payment would be required by the laws of the United States (or any political subdivision thereof) to be included in the income, for tax purposes, of a beneficiary or settlor with respect to the fiduciary or a member of that partnership or a beneficial owner who would not have been entitled to the Additional Amounts had that beneficiary, settlor, member or beneficial owner been the Noteholder.

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

30.2 ***Withholding Taxes***

Except as otherwise provided in the applicable Pricing Supplement, all payments of principal and interest by Morgan Stanley, MSI plc, MSBV, MSFL, MSFII, MSESE or the Guarantor shall be made free and clear of, and without withholding or deduction for, any present or future taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected withheld or assessed by the United Kingdom, The Netherlands, Jersey, Germany, the United States of America or any other jurisdiction, in each case, including any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. None of Morgan Stanley, MSI plc, MSFL, MSBV, MSFII, MSESE or the Guarantor shall be required to make any additional payments on account of any such withholding or deductions, except as provided for in Condition 30.1 (*Additional Amounts*) above.

30.3 *Implementation of Financial Transaction Tax*

If "Implementation of Financial Transaction Tax" is specified in the applicable Pricing Supplement to be applicable to any Series of Notes, then upon the occurrence of an Implementation of Financial Transaction Tax, the Issuer may (a) in its reasonable 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 (b) 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 Transaction Tax that has not been accounted for through the adjustment made pursuant to sub-paragraph (a) (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. If an event or circumstance which would otherwise constitute a Change in Law or Increased Cost of Hedging (where applicable) also constitutes an Implementation of Financial Transaction Tax, it will be treated as an Implementation of Financial Transaction Tax.

30.4 *Tax arrangement with the Withholding Tax Administration Agent in respect of CMU Notes issued by MSFL*

For so long as a Tranche of CMU Notes issued by MSFL is represented by a Global Registered Note and lodged with a sub-custodian for or registered with the CMU, the CMU Lodging and Paying Agent will, in respect of each Relevant Payment Date, obtain from the CMU a list of person(s) shown in the records of the CMU for whose account(s) interest(s) in such Global Registered Note are credited as being held with the CMU at the close of business on each Record Date corresponding to that Relevant Payment Date (the "**Record Date List**"). Each holder of such CMU Note or an interest therein shall upon request provide to the CMU Lodging and Paying Agent with the Holder Tax Identification Information and Holder FATCA Information.

Each holder of such CMU Note or an interest therein, by acceptance of such Note or such interest in such CMU Note, will be deemed to have agreed to provide the CMU Lodging and Payment Agent and the Withholding Tax Administration Agent with the Holder Tax Identification Information and Holder FATCA Information. In addition, each holder of such CMU Note will be required or deemed to understand and acknowledge that the CMU Lodging and Paying Agent has the right, under the Conditions, to withhold interest payable with respect to such CMU Note (without any corresponding gross-up) with respect to any beneficial owner of an interest in such CMU Note that fails to comply with the foregoing requirements, at the highest rate applicable to such payment regardless of any exemption from, or reduction in, such withholding otherwise available under relevant laws. Neither MSFL nor the Guarantor shall have any obligation to pay any additional amounts to compensate any Noteholder for such withholding or deduction.

The withholding or deduction of Tax will be made based solely on the Record Date List and none of MSFL, the Guarantor, any Agent or any other person shall have any obligation to verify or confirm that there is no change to the Record Date List in respect of a Relevant Payment Date after the relevant Record Date

31. **Events of Default**

31.1 If any of the following events (each, an "**Event of Default**") occurs and is continuing:

- (a) *Non-payment*: failure to pay any amount of principal in respect of the Notes within thirty days of the due date for payment thereof or failure to pay any amount of interest in respect of the Notes within thirty days of the due date for payment thereof; or
- (b) *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), and such order or effective resolution has remained in force and has not been rescinded, revoked or set aside for sixty days after the date on which such order is made or effective resolution is passed,

then Noteholders of not less than 25 per cent. in aggregate principal amount of the Notes may, by written notice addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, declare the Notes to be immediately (or, in the case of Nordic Notes, on such later date on which the relevant Nordic Notes have been transferred to the account designated by the relevant Nordic Issuing and Paying Agent and blocked for further transfer by such Agent) 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 Pricing Supplement) without further action or formality. Notice of any such declaration shall be given to the Noteholders promptly (in any event not more than 10 Business Days after such declaration is made).

In the case of MSBV Notes, MSFL Notes and MSFII Notes, nothing herein contained shall be deemed to authorise any Noteholder to exercise any remedy against the applicable Issuer or the Guarantor solely as a result of, or because it is related directly or indirectly to, the insolvency of the Guarantor or the commencement of any proceedings relative to the Guarantor under Title 11 of the United States Code, or the appointment of a receiver for the Guarantor under Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 or the commencement of any other applicable federal or state bankruptcy, insolvency, resolution or other similar law, or solely as a result of, or because it is related directly or indirectly to, a receiver, assignee or trustee in bankruptcy or reorganization, liquidator, sequestrator or similar official having been appointed for or having taken possession of the Guarantor or its property, or solely as a result of, or because it is related directly or indirectly to, the institution of any other comparable judicial or regulatory proceedings relative to the Guarantor, or to the creditors or property of the Guarantor. Notwithstanding the foregoing, Noteholders are authorised to exercise any remedy against the relevant Issuer as a result of an Event of Default described in Condition 31.1(b) (*Insolvency, etc.*).

31.2 ***Annulment of Acceleration and Waiver of Defaults***

In some circumstances, if any or all Events 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 the holders of a majority in principal amount of such Series of Notes (voting as one class) 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.

32. **Illegality and Regulatory Event**

32.1 If this Condition 32 (*Illegality and Regulatory Event*) is specified in the Pricing Supplement to be applicable to a Series of Notes, the Issuer shall have the right to redeem the Notes early (at the amount specified in the applicable Pricing Supplement), if it shall have determined, that:

- (a) its performance thereunder, or, if applicable, the Guarantor's performance of its obligation under the Guarantee, shall have become or will be unlawful in whole or in part as a result of compliance in good faith by the Issuer, or, if applicable, the Guarantor, 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**") (an "**Illegality Event**"); or
- (b) in respect of Notes issued by MSBV only, a Regulatory Event has occurred.

32.2 If this Condition 32 (*Illegality and Regulatory Event*) is specified in the Pricing Supplement to be applicable to a Series of Notes and, subject to the conditions set out in Condition 32.1 (*Illegality and*

Regulatory Event) above, the Issuer determines that the Notes shall be redeemed early in accordance with Condition 32.1 (*Illegality and Regulatory Event*), the Issuer shall give not less than five Business Days' notice to the Noteholders informing them that either an Illegality Event or, in respect of Notes issued by MSBV only, a Regulatory Event, as applicable, has occurred, as a result of which the Notes shall be redeemed early on the date specified for redemption in such notice. In such circumstances the Issuer will, if and to the extent permitted by applicable law, pay to each Noteholder in respect of each Note held by such Noteholder an amount determined by the Determination Agent, in its reasonable discretion, as representing either: (i) the fair market value of such Note immediately prior to such redemption (ignoring such Illegality Event or Regulatory Event) less the cost to the Issuer (or its Affiliates) of, or the loss realised by the Issuer (or its Affiliates) on, unwinding any related underlying hedging arrangements, the amount of such cost or loss being as determined by the Determination Agent in its reasonable discretion, if "Early Redemption Amount (Illegality and Regulatory Event) - Fair Market Value Less Costs" is specified in the Pricing Supplement; (ii) the fair market value of such Note immediately prior to such redemption (ignoring such Illegality Event or Regulatory Event), if "Early Redemption Amount (Illegality and Regulatory Event) – Fair Market Value" is specified in the Pricing Supplement; or (iii) the Calculation Amount of such Note, if "Early Redemption Amount (Illegality and Regulatory Event) - Par" is specified in the Pricing Supplement. The Issuer's obligations under the Notes shall be satisfied in full upon payment in respect of each Note of the amount determined by the Determination Agent to be payable in accordance with the provisions above, based on the elections made in the applicable Pricing Supplement.

- 32.3 The Issuer shall also, as soon as reasonably practicable under the circumstances, notify the Fiscal Agent and the Determination Agent of the occurrence of an Illegality Event or, in respect of Notes issued by MSBV only, a Regulatory Event, as applicable.

33. Prescription

33.1 *Prescription in respect of Registered Notes*

Claims for principal and interest on redemption in respect of Registered Notes shall become void unless the relevant Individual Note Certificates are surrendered for payment within 10 years of the appropriate Relevant Date.

33.2 *Prescription in respect of Nordic Notes*

Claims for principal in respect of the Swedish Notes shall become void unless made within a period of 10 years after the appropriate Relevant Date. Claims for interest in respect of the Swedish Notes shall become void unless made within a period of five years after the appropriate Relevant Date. Claims for principal and/or interest in respect of Finnish Notes shall become void unless made within a period of three years after the appropriate Relevant Date. Claims for principal in respect of Norwegian Notes shall become void unless made within a period of 10 years after the appropriate Relevant Date. Claims for interest in respect of the Norwegian Notes shall become void unless made within a period of three years after the appropriate Relevant Date. Claims for principal in respect of Danish Notes shall become void unless made within a period of 10 years after the appropriate Relevant Date. Claims for interest in respect of the Danish Notes shall become void unless made within a period of 3 years after the appropriate Relevant Date.

33.3 *Prescription in Respect of Uncertificated Notes*

Claims for principal and interest in respect of Uncertificated Notes shall become void unless made within a period of 10 years after the appropriate Relevant Date.

34. Replacement of Notes

If any Note or Individual Note Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Registrar, 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 or Transfer Agent in any particular place, the Paying Agent or Transfer 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 or Individual Note Certificates must be surrendered before replacements will be issued.

35. Agents

- 35.1 In acting under the Issue and Paying Agency Agreement and in connection with the Notes, the Agents 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. All calculation and determination functions required of the relevant Agent may be delegated to such persons as the relevant Agent 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 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 or the Issuer in connection with the exercise or non-exercise by any of them of their powers, duties and discretions for such purposes. 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.
- 35.2 In acting under the Euroclear Agreement, the Euroclear Registrar acts solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders.
- 35.3 The initial Agents and the Euroclear Registrar and their initial Specified Office are listed below on the inside back cover of this Offering Circular. The initial Calculation Agent is the Fiscal Agent. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and the Euroclear Registrar and to appoint a successor Fiscal Agent or Registrar or Calculation Agent or Euroclear Registrar and additional or successor paying agents; **provided, however**, that:
- (a) there shall at all times be a Fiscal Agent and in the case of Uncertificated Notes, Euroclear Registrar appointed in respect of the Notes;
 - (b) if a Calculation Agent is specified in the applicable Pricing Supplement, the Issuer shall at all times maintain a Calculation Agent;
 - (c) 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 and/or a Transfer Agent in any particular place, the Issuer shall maintain a Paying Agent and/or a Transfer Agent having its Specified Office in the place required by such listing authority, stock exchange and/or quotation system; and
 - (d) so long as there is any Tranche of Nordic Notes outstanding, there will at all times be an NCSD duly authorised as a central securities depository under the relevant NCSD Rules and a Nordic Issuing and Paying Agent in respect of the relevant Tranche of Nordic Notes.
 - (e) so long as there is any Tranche of CMU Notes outstanding, there will be at all times a CMU Lodging and Paying Agent.
- 35.4 Notice of any change in any of the Paying Agents or in their Specified Offices shall promptly and in any event not more than 15 Business Days after such change has been confirmed, be given to the Noteholders in accordance with Condition 38 (*Notices*).

36. Meetings of Noteholders and Modification

36.1 *Meetings of Noteholders*

The Issue and Paying Agency Agreement (or in the case of Uncertificated Notes, the Euroclear Agreement) contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the sanctioning by Extraordinary Resolution of a modification of any provision of these Conditions and, in the case of the Issue and Paying Agency Agreement, the meaning of each of Noteholder and holder for such purposes. Such a meeting may be convened by the Issuer 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 one more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, two or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented, provided, however, that in respect of Reserved Matters sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders, two or more Persons holding or representing not less than three quarters or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Notes form a quorum.

The Issue and Paying Agency Agreement provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Issue and Paying Agency Agreement by a majority consisting of not less than three quarters of the votes cast on such resolution, (ii) a resolution in writing signed by or on behalf of all holders of the Notes for the time being outstanding who are entitled to receive notice of a meeting in accordance with the Issue and Agency Agreement or (iii) consent given by way of electronic consents through the Relevant Clearing System(s) (in a form satisfactory to the Registrar) by or on behalf of the holders of not less than three quarters in principal amount of the Notes for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Noteholders. An Extraordinary Resolution passed by the Noteholders will be binding on all the Noteholders, whether or not they are present at any meeting, and whether or not they voted on the resolution.

36.2 ***Modification***

- (a) The Notes, these Conditions, the Guarantee and the Deeds of Covenant may be amended without the consent of the Noteholders where, in the reasonable opinion of the Issuer:
 - (i) the amendment is to correct a manifest error or to effect a modification which is of a formal, minor or technical nature;
 - (ii) the amendment is to cure any ambiguity or is to correct or supplement any defective provisions;
 - (iii) the amendment is to correct an error or omission such that, in the absence of such correction, the relevant terms proposed to be corrected would not otherwise represent the intended terms on which the relevant Notes were sold and have since traded; or
 - (iv) the amendment is not materially prejudicial to the interest of the Noteholders.
- (b) The parties to the Issue and Paying Agency Agreement, the Euroclear Agreement, the SEB Issuing and Paying Agent Agreement and the MSESE SEB Issuing and Paying Agent Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders, to any such modification unless it is of a type contemplated in Condition 36.2(a) above.

36.3 ***Interests of Noteholders***

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

36.4 ***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.

37. ***Further Issues***

Any of the Issuers may from time to time, without the consent of the Noteholders, 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.

38. Notices

38.1 *Registered Notes*

Notices to holders of Registered Notes in definitive form 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. Notices to holders of Registered Notes in global form shall be sent to them by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other Relevant Clearing System for communication by them to the holders of the Notes. In addition, subject as provided in Condition 38.3, Condition 38.4 and Condition 38.5 below (in each case as applicable), any such notices shall be published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Registered Notes are for the time being listed or by which they have been admitted to trading including publication on the website of the relevant stock exchange or relevant authority if required by those rules.

38.2 *Nordic Notes*

All notices to holders of Finnish or Swedish Notes shall be valid if so published or mailed to their registered addresses appearing on the relevant NCSD Register. All notices to holders of Norwegian Notes shall be valid if mailed by the Norwegian CSD in accordance with the relevant NCSD Rules. All notices to holders of Danish Notes shall be valid if mailed by the Danish CSD in accordance with the relevant NCSD Rules. In addition, subject as provided in Condition 38.3, Condition 38.4 and Condition 38.5 below (in each case as applicable), any such notices shall be published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Nordic Notes are for the time being listed or by which they have been admitted to trading including publication on the website of the relevant stock exchange or relevant authority if required by those rules.

38.3 *Notes admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market*

In relation to Notes admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market, notices to Noteholders will be published in accordance with the rules of Euronext Dublin.

38.4 *Notes admitted to the Official List of the Luxembourg Stock Exchange and trading on the Euro MTF market*

In relation to Notes admitted to the Official List of the Luxembourg Stock Exchange and trading on the Luxembourg Stock Exchange's Euro MTF market, notices will be valid if published in a daily newspaper of general circulation in Luxembourg and/or on the website of the Luxembourg Stock Exchange (www.luxse.com). Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

38.5 *Notes listed and traded on SIX Swiss Exchange*

In relation to Notes admitted to listing and trading on the SIX Swiss Exchange, notices regarding the Notes and the Issuer and the Guarantor (if any) will be valid if published on the website of the SIX Swiss Exchange (<https://www.ser-ag.com/en/resources/notifications-market-participants/official-notices.html#/>). Any such notice will be deemed to have been given on the date of the publication.

38.6 *Uncertificated Notes*

Notices to holders of Uncertificated Notes shall be sent to the address of the Noteholder appearing in the Record on the second Business Day immediately prior to despatch of such notice, by first class post or, if such address is not in the United Kingdom, by airmail post (any such notice to be delivered or sent at the risk of the relevant Noteholder). In addition, subject as provided in Condition 38.3, Condition 38.4 and Condition 38.5 above (in each case as applicable), any such notices shall be published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Uncertificated Notes are for the time being listed or by which they have been admitted to trading including publication on the website of the relevant stock exchange or relevant authority if required by those rules.

38.7 Unlisted Notes

Notices to Noteholders of non-listed Notes may be published, as specified in the applicable Pricing Supplement, in newspapers, on a website or otherwise.

38.8 Notwithstanding any other provision in the Conditions, any failure by the Issuer, the Calculation Agent, the Determination Agent or any other party to provide Noteholders or any stock exchange on which the Notes are listed or admitted to trading with any notice due to be given to Noteholders or published on any such stock exchange in accordance with the Conditions shall not of itself affect the validity of the determination, adjustment, event or any other occurrence to which such notice relates.

38.9 If an adjustment is made, or any other action is taken, by the Determination Agent under any one or more of the following Conditions: 11.2(d), 11.2(e), 11.3(a), 11.3(b), 11.4(a)(ii), 11.4(b)(ii), 11.5(b), 11.6(b), 11.7(c), 11.8(c), 12.1, 12.7(d), 12.8(a), 13.8(b), 14.6(b), 15.8, 16.4(b), 16.5, 17.4(b) or 21.12(b), the Determination Agent shall notify the Issuer and the Fiscal Agent of such adjustment. The Fiscal Agent shall, on behalf of and on instruction of the Issuer, provide notice (which notice shall, for the avoidance of doubt, be in the form provided to it by or on behalf of the Issuer) to the Noteholders of the relevant adjustment within 15 Business Days of receipt of such notification from the Determination Agent.

38.10 CMU Notes

In relation to notices to holders of CMU Notes, rather than by mailing to the addresses on the Register as required by the Conditions, any such notice shall be deemed to have been given to the holders of CMU Notes on the day on which such notice is delivered to the CMU. In addition, subject as provided in Condition 38.3, Condition 38.4 and Condition 38.5 above (in each case as applicable), any such notices shall be published in a manner which complies with the rules of any stock exchange or other relevant authority on which the CMU Notes are for the time being listed or by which they have been admitted to trading including publication on the website of the relevant stock exchange or relevant authority if required by those rules.

39. Losses

In no event shall the Issuer or the 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.

40. Currency Indemnity

40.1 If any sum due from the Issuer in respect of the Notes 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 Fiscal 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.

40.2 This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

41. Rounding

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the applicable Pricing Supplement), (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).

42. Redenomination, Renominalisation and Reconventioning

42.1 Application

This Condition 42 (*Redenomination, Renominalisation and Reconventioning*) is applicable to the Notes only if it is specified in the applicable Pricing Supplement as being applicable.

42.2 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, on giving at least 15 Business Days' prior notice to the Noteholders and the Paying Agents (or, in the case of the Uncertificated Notes, the Euroclear Registrar), 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.

42.3 Redenomination

Notwithstanding the other provisions of these Conditions, with effect from the Redenomination Date, 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 Union regulations); provided, however, that, if the Issuer determines, with the agreement of the Fiscal 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, and in any event within not more than 15 Business Days of the Issuer making such determination, notify the Noteholders, 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;

42.4 Interest

Following redenomination of the Notes pursuant to this Condition 42 (*Redenomination, Renominalisation and Reconventioning*), 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 for payment by the relevant holder.

42.5 Interest Determination Date

If the Floating Rate Note Provisions are specified in the applicable Pricing Supplement as being applicable and Screen Rate Determination is specified in the applicable Pricing Supplement 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.

43. Substitution

43.1 Substitution of Issuer with Morgan Stanley Group entities

Subject to the conditions set out in this Condition 43 (*Substitution*), but without the consent of Noteholders, each Issuer may, where the Issuer is:

- (a) Morgan Stanley, substitute a subsidiary of Morgan Stanley in place of Morgan Stanley as principal debtor under the Notes, provided that any Notes in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of Morgan Stanley as to the payment of principal of, premium, interest and supplemental amounts,

if any, and any Additional Amounts on those Notes when and as the same will become due and payable, whether at maturity or otherwise, and provided further that under the terms of the guarantee, Noteholders will not be required to exercise their remedies against the substitute prior to proceeding directly against Morgan Stanley (as guarantor);

- (b) MSI plc, substitute Morgan Stanley or a subsidiary of Morgan Stanley in place of MSI plc as principal debtor under the Notes, provided that, unless Morgan Stanley is the substitute issuer, any Notes in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of MSI plc as to the payment of principal of, premium, interest and supplemental amounts, if any, and any Additional Amounts on those Notes when and as the same will become due and payable, whether at maturity or otherwise, and provided further that under the terms of the guarantee, Noteholders will not be required to exercise their remedies against the substitute prior to proceeding directly against MSI plc (as guarantor);
- (c) MSBV, substitute Morgan Stanley or a subsidiary of Morgan Stanley in place of MSBV as principal debtor under the Notes, provided that, unless Morgan Stanley is the substitute issuer, any Notes in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of Morgan Stanley as to the payment of principal of, premium, interest and supplemental amounts, if any, and any Additional Amounts on those Notes when and as the same will become due and payable, whether at maturity or otherwise, and provided further that under the terms of the guarantee, Noteholders will not be required to exercise their remedies against the substitute prior to proceeding directly against Morgan Stanley (as guarantor);
- (d) MSFL, substitute Morgan Stanley or a subsidiary of Morgan Stanley in place of MSFL as principal debtor under the Notes, provided that, unless Morgan Stanley is the substitute issuer, any Notes in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of Morgan Stanley as to the payment of principal of, premium, interest and supplemental amounts, if any, and any Additional Amounts on those Notes when and as the same will become due and payable, whether at maturity or otherwise, and provided further that under the terms of the guarantee, Noteholders will not be required to exercise their remedies against the substitute prior to proceeding directly against Morgan Stanley (as guarantor);
- (e) MSFII, substitute Morgan Stanley or a subsidiary of Morgan Stanley in place of MSFII as principal debtor under the Notes, provided that, unless Morgan Stanley is the substitute issuer, any Notes in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of Morgan Stanley as to the payment of principal of, premium, interest and supplemental amounts, if any, and any Additional Amounts on those Notes when and as the same will become due and payable, whether at maturity or otherwise, and provided further that under the terms of the guarantee, Noteholders will not be required to exercise their remedies against the substitute prior to proceeding directly against Morgan Stanley (as guarantor); or
- (f) MSESE, substitute Morgan Stanley or a subsidiary of Morgan Stanley in place of MSESE as principal debtor under the Notes, provided that, unless Morgan Stanley is the substitute issuer, any Notes in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of MSESE as to the payment of principal of, premium, interest and supplemental amounts, if any, and any Additional Amounts on those Notes when and as the same will become due and payable, whether at maturity or otherwise, and provided further that under the terms of the guarantee, Noteholders will not be required to exercise their remedies against the substitute prior to proceeding directly against MSESE (as guarantor).

43.2 ***Substitution of Issuer or Guarantor with non-Morgan Stanley Group entities***

If this Condition 43.2 (*Substitution of Issuer or Guarantor with non-Morgan Stanley Group entities*) is specified in the Pricing Supplement to be applicable to a Series of Notes, subject to the conditions set out in this Condition 43 (*Substitution*), including the rights of Noteholders under Condition 43.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*), but without the

consent of Noteholders, the Issuer or the Guarantor (in the case of MSBV, MSFL or MSFII Notes) may, in the event that the Issuer or the Guarantor (as the case may be) has determined that any of the following events has occurred in respect of the Issuer or the Guarantor (as the case may be): an insolvency, receivership or equivalent event under the jurisdiction of the Issuer or the Guarantor (as the case may be); a divestment mandated for regulatory reasons; any action being required to satisfy any regulatory licensing requirements; or a change of control (each a "**Substitution Event**"), substitute for itself any entity which is not a Morgan Stanley Group entity, provided that such entity has a long term credit rating from at least one rating agency of standard application on the international capital markets (including but not limited to S&P, Moody's and Fitch) which is at least as high as the long term credit rating of the relevant Issuer or Guarantor (as the case may be) being substituted immediately prior to the occurrence of the relevant Substitution Event. Notwithstanding the foregoing, for any Series of Notes in respect of which Morgan Stanley is the Issuer, Morgan Stanley may not be substituted as Issuer with any entity which is not a Morgan Stanley Group entity within one year of the Issue Date of such Notes.

43.3 **Conditions to substitution**

Substitution of an Issuer or Guarantor for another entity (the "**Substitute**") as provided in Condition 43.1 (*Substitution of Issuer with Morgan Stanley Group entities*) or 43.2 (*Substitution of Issuer or Guarantor with non-Morgan Stanley Group entities*) above (as applicable) are subject to the following conditions:

- (a) the Substitute becoming party to the Issue and Paying Agency Agreement with any appropriate consequential amendments, as if it had been an original party to it in place of the relevant Issuer or the Guarantor (as the case may be);
- (b) the Substitute is validly existing under the laws under which it is established or incorporated, has capacity to assume all rights, obligations and liabilities under the Notes, receipts, coupons and Guarantee, as applicable, and has obtained all necessary corporate authorisations to assume all such rights, obligations and liabilities under the Notes or Guarantee (as applicable);
- (c) the Substitute has obtained all necessary governmental or regulatory approvals and consents for the performance by it of its obligations in connection with the Notes or Guarantee (as applicable) and that all such approvals and consents are in full force and effect and that the Substitute and the Notes comply with all applicable requirements of the Securities Act;
- (d) in the case of substitution of an Issuer or Guarantor pursuant to Condition 43.1 (*Substitution of Issuer with Morgan Stanley Group entities*) above only:
 - (i) the Substitute and the relevant Issuer having obtained (a) legal opinions from independent legal advisors of recognised standing in the country of incorporation of the Substitute and in England that the obligations of the Substitute, in the case of a substitution of an Issuer, under the Notes and the relevant Deed of Covenant, or, in New York in the case of a substitution of the Guarantor under the Deed of Guarantee, are legal, valid and binding obligations of the Substitute and (b) in the case of the substitution of the Issuer which is MSBV, MSFL or MSFII (or any substitute thereof), a legal opinion from an independent legal advisor in New York, of recognised standing, that the Deed of Guarantee will apply to the Substitute mutatis mutandis as it applies to the Issuer prior to the substitution and will constitute legal, valid and binding obligations of the Guarantor, in respect of the Substitute, provided that no opinion as referred to in this paragraph (d) shall be required where the Substitute is the Guarantor with respect to MSBV Notes, MSFL Notes or MSFII Notes; and
 - (ii) if the relevant Notes are rated at the relevant time, the Substitute has obtained, prior to the substitution date, acknowledgement from the relevant rating agencies that the substitution will not result in whole or in part in a withdrawal, downgrading, placement in creditwatch or negative outlook of the Notes;
- (e) the Fiscal Agent has confirmed to the relevant Issuer or Guarantor (as the case may be) that it has completed its relevant "know your customer" requirements on the proposed Substitute;
- (f) such substitution being permitted by the rules of any stock exchange on which the Notes are listed and each such stock exchange confirming that, following the proposed substitution of the Substitute, the Notes will continue to be listed on such stock exchange;

- (g) no payment in respect of the Notes, receipts and coupons is overdue at the relevant time;
- (h) at the time of any such substitution, the Substitute is in a position to fulfil all payment obligations arising from or in connection with the Notes in freely convertible and transferable lawful money without the necessity of any taxes or duties to be withheld at source, and to transfer all amounts which are required therefor to the Fiscal Agent without any restrictions;
- (i) if appropriate, the Substitute appointing a process agent as its agent in England to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Notes;
- (j) in respect of Notes which benefit from the Guarantee, such Notes shall continue to benefit from the Guarantee following substitution of the Issuer, pursuant to Condition 43.1 (*Substitution of Issuer with Morgan Stanley Group entities*) and the terms of the Guarantee; and
- (k) in respect of Nordic Notes, the relevant NCSD has given its consent to the substitution.

For the avoidance of doubt, nothing will preclude the substitution of the Issuer with the Guarantor.

43.4 ***Reference in the Conditions to the Issuer or the Guarantor (as the case may be)***

In the event of a substitution pursuant to this Condition 43 (*Substitution*), any reference in the Conditions to the relevant Issuer or the Guarantor (as the case may be) shall be construed as a reference to the entity substituted.

43.5 ***Notification to Noteholders of substitutions with Morgan Stanley Group entities***

The relevant Issuer shall as soon as reasonably practicable and in any event not more than 15 Business Days after the date on which a substitution pursuant to Condition 43.1 (*Substitution of Issuer with Morgan Stanley Group entities*) has taken place, notify Noteholders of such substitution in accordance with Condition 38 (*Notices*).

43.6 ***Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities***

- (a) With respect to the right of substitution referred to in Condition 43.2, (*Substitution of Issuer or Guarantor with non-Morgan Stanley Group entities*) the Issuer shall provide 60 calendar days' notice of any substitution under such Condition to Noteholders in accordance with Condition 38 (*Notices*). Noteholders who object to the substitution will have the right to require the Issuer to redeem their Notes at a price determined in accordance with the provisions of this Condition 43.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*), by providing notice of their intention to exercise such right in the manner set out in this Condition 43.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*) (the "**Right to Redemption**").
- (b) The redemption of any Notes in respect of which the Right to Redemption has been exercised by Noteholders shall take place 10 Business Days prior to the relevant substitution becoming effective (the "**Substitution Redemption Date**"). The Issuer shall redeem any Notes in respect of which the Right to Redemption has been exercised at a price equal to (i) in the case of Notes the terms of which provide for the repayment in full of principal at maturity, the Replacement Value of such Notes or (ii) in every other case, the fair market value of such Notes on the day on which the relevant Right to Redemption Notice is deposited, in accordance with the provisions of this Condition 43.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*), as determined by the Determination Agent in its reasonable discretion, together with interest (if any) accrued to such date (to the extent that such interest is not otherwise taken into account in determining the fair market value of such Notes).

For the purpose of this Condition 43.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*), "**Replacement Value**" means an amount determined by the Determination Agent, acting in good faith and in a commercially reasonable manner, as at the day on which the relevant Right to Redemption Notice is deposited in accordance with the provisions of this Condition 43.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*) to be the amount that a Qualified Financial Institution would charge to assume all of the Issuer's payment and other obligations with respect to the Notes as if the relevant Substitution Event described in Condition 43.2 (*Substitution of Issuer or Guarantor with non-Morgan Stanley Group entities*) and the substitution described in this

Condition 43 (*Substitution*) had not occurred or to undertake obligations that would have the effect of preserving the economic equivalent of any payment by the Issuer to the Noteholder with respect to the Notes.

- (c) In order to exercise the option contained in this Condition 43.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*) the holder of a Note (other than an Uncertificated Note) must, not less than 15 Business Days before the date on which the substitution is due to take place (the "**Substitution Date**"), deposit such Note (together with all unmatured Coupons relating thereto) with the Registrar, and a duly completed Right to Redemption Notice in the form obtainable from any Paying Agent. The Paying Agent with which a Note is so deposited shall deliver a duly completed Right to Redemption Receipt to the depositing Noteholder. In respect of Nordic Notes, the Right to Redemption Notice shall not take effect against the Issuer before the date on which the relevant Nordic Notes have been transferred to the account designated by the Nordic Issuing and Paying Agent and blocked for further transfer by the relevant Nordic Issuing and Paying Agent. No Note, once deposited with a duly completed Right to Redemption Notice in accordance with this Condition 43.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*), may be withdrawn; provided, however, that if, prior to the relevant Substitution Redemption Date, any such Note becomes due and payable or, upon due presentation of any such Note on the relevant Substitution Redemption Date, 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 Right to Redemption Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Right to Redemption Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 43.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*), the depositor of such Note and not such Paying Agent shall be deemed to be the holder of such Note for all purposes.
- (d) In order to exercise the option contained in this Condition 43.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*) the holder of an Uncertificated Note must, not less than 15 Business Days before the relevant Substitution Date, deposit with the Euroclear Registrar a duly completed Right to Redemption Notice in the form obtainable from the Euroclear Registrar. The Euroclear Registrar with which a Right to Redemption Notice is so deposited shall deliver a duly completed Right to Redemption Receipt to the depositing Noteholder. Once deposited a duly completed Right to Redemption Notice may not be withdrawn; provided, however, that if, prior to the relevant Substitution Redemption Date, the related Note becomes due and payable or, upon the relevant Substitution Redemption Date, payment of the redemption moneys is improperly withheld or refused, the Euroclear Registrar shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Right to Redemption Notice and the relevant depositing Noteholder and not the Euroclear Registrar shall be deemed to be the holder of such Note for all purposes in such case.
- (e) Notwithstanding the foregoing, in respect of any Series of Notes for which Morgan Stanley is the Issuer, Noteholders shall only have the right to submit a Right to Redemption Notice from the date which is one calendar year after the Issue Date of such Notes.
- (f) Any payments made to Noteholders in accordance with this Condition 43.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*) shall be made in accordance with the provisions of Condition 27 (*Payments – Registered Notes*) or Condition 28 (*Payments – Uncertificated Notes*), as applicable.

43.7 **Tax Consequences of substitution**

If the Issuer substitutes an entity in place of the Issuer as principal debtor under the Notes, the tax consequences (including the withholding tax consequences) of holding the Notes may change. Except as provided in Condition 30.1 (*Additional Amounts*), if withholding is required on the Notes, no additional amounts will be required to be paid.

44. **Representations and Acknowledgements by Noteholders**

- 44.1 Each Noteholder shall be deemed to represent and acknowledge to the Issuer on acquiring any Notes that:

- (a) neither the Issuer nor any Affiliate or any of their agents is acting as a fiduciary for it or provides investment, tax, accounting, legal or other advice in respect of the Notes and that such Noteholder and its advisors are not relying on any communication (written or oral and including, without limitation, opinions of third party advisors) of the Issuer or any Affiliate as (i) legal, regulatory, tax, business, investment, financial, accounting or other advice, (ii) a recommendation to invest in any Notes or (iii) an assurance or guarantee as to the expected results of an investment in the Notes (it being understood that information and explanations related to the terms and conditions of the Notes shall not be considered to be any such advice, recommendation, assurance or guarantee and should be independently confirmed by the recipient and its advisors prior to making any such investment);
 - (b) such Noteholder (i) has consulted with its own legal, regulatory, tax, business, investments, financial and accounting advisors to the extent that it has deemed necessary, and has made its own investment, hedging, and trading decisions based upon its own judgment and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the Issuer or any Affiliate or any of their agents and (ii) is acquiring the Notes with a full understanding of the terms, conditions and risks thereof and it is capable of and willing to assume those risks; and
 - (c) the Issuer and/or any Affiliates may have banking or other commercial relationships with issuers of any securities to which the Notes relate and may engage in proprietary trading in any securities, indices, futures contracts, commodities, fund interests or other property to which the Notes relate or options, futures, derivatives or other instruments relating thereto (including such trading as the Issuer and/or any Affiliate deem appropriate in their reasonable discretion to hedge the market risk on the Notes and other transactions between the Issuer and/or any Affiliates and any third parties), and that such trading (i) may affect the price or level thereof and consequently the amounts payable under the Notes and (ii) may be effected at any time, including on or near any Valuation Date, Reference Date or Averaging Date (as applicable).
- 44.2 If "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, each Noteholder in respect of the relevant Series of Notes shall be deemed to represent, acknowledge and undertake to the relevant Issuer on acquiring any Note (and such acknowledgements, representations and undertakings are deemed to be repeated on the Issue Date) that:
- (a) without prejudice to the generality of any applicable law, the Noteholder expressly consents to the disclosure by the Issuer or its Affiliates to the relevant authorities in the jurisdiction of the incorporation or organisation of the issuer of the relevant Shares (a "**Relevant Jurisdiction**"), the jurisdiction in which the Exchange is located (the "**Local Jurisdiction**"), a jurisdiction in which the SEHK is located (a "**CCS Jurisdiction**") or any jurisdiction of tax residence of the issuer of the Shares (a "**Tax Residence Jurisdiction**"), information relating to the Notes, including the name of the Noteholder in order for the Issuer or any of its Affiliates to comply with laws and regulations of the Relevant Jurisdiction, the Local Jurisdiction, the CCS Jurisdiction or Tax Residence Jurisdiction that are applicable to the Issuer or its Affiliate in connection with their dealings in the underlying;
 - (b) the Noteholder represents that, (A) in the case of an individual, either (x) it is not a person who is a citizen of or resident or domiciled in the PRC, or (y) it is a citizen of the PRC who is a resident of or is domiciled in a jurisdiction outside the PRC, or (B) in the case of an entity, either (x) it is not incorporated or registered under the laws of PRC or (y) it will purchase and hold the Program Securities pursuant to any program approved by, or approval of or registration with, any competent PRC regulator, or in such other manner as may be permitted in accordance with the laws and regulations of the PRC; and
 - (c) the Noteholder will use funds lawfully owned by it and located outside PRC to purchase the Notes unless it will purchase the Notes pursuant to any program approved by, or approval of or registration with, any competent PRC regulator.
- 44.3 If "QFII" is specified next to the name of the Exchange in the applicable Pricing Supplement, each Noteholder in respect of the relevant Series of Notes shall be deemed to represent, acknowledge and undertake to the relevant Issuer on acquiring any Note (and such acknowledgements, representations and undertakings are deemed to be repeated on the Issue Date) that:

- (a) Morgan Stanley & Co. International plc or its Affiliates may be required to satisfy a Regulatory Request and each such Noteholder consents to any such disclosure;
- (b) the beneficial owner of the Notes is not (1) a PRC Citizen resident in the PRC (excluding Hong Kong, Macau and Taiwan), (2) a PRC Citizen resident outside the PRC who is not a permanent resident of another country or permanent resident of Hong Kong, Macau or Taiwan unless otherwise permitted by the laws, administrative regulations and rules of the PRC, or (3) a Legal Person Registered in the PRC (as defined below) (except a Legal Person Registered in the PRC whose purchase of the Program Securities has been conducted pursuant to a program approved by, or approval of or registration with, any competent PRC regulator, or in such other manner as may be permitted in accordance with the laws and regulations of the PRC), (each a "**Domestic Investor**");
- (c) in the case where the beneficial owner of the Notes is a trustee for a trust, interests in the trust are not majority-owned by, and the management decision over the trust is not controlled by, one or more Domestic Investor(s). For the avoidance of doubt, in the case only where a trust's investments are being managed on a discretionary basis by an investment manager, such investment manager shall not be deemed to control such entity for the purposes of this representation by reason only of it being able to control the decision-making in relation to the entity's financial, investment and/or operating policies, provided that the foregoing representation does not apply to trusts or companies organized as investment schemes for public offering;
- (d) to the best of its knowledge, all amounts paid or to be paid by the beneficial owner of the Notes under the Notes did not and will not involve moneys financed by or sourced from any Domestic Investor in contravention of the laws and regulations of the PRC; and
- (e) the beneficial owner of the Notes is investing in such Notes as principal and not as agent of any person or entity.

Where:

"**Legal Person Registered in the PRC**" means an entity incorporated or organized in the PRC (excluding Hong Kong, Macau and Taiwan).

"**PRC**" means, for the purpose of the Offering Circular, the People's Republic of China (excluding Hong Kong, Macau and Taiwan).

"**PRC Citizen**" means any person holding a resident identification card of the PRC (excluding Hong Kong, Macau and Taiwan).

"**trust**" includes a trust fund or any similar arrangement where the legal title to the trust assets are held by a trustee or legal representative but the beneficial interests in the trust assets are held by beneficiaries; and "trustee" shall be construed accordingly.

45. Acknowledgement of Bail-in

THIS CONDITION 45 ONLY APPLIES TO MSESE NOTES

45.1 Agreement and acknowledgement with respect to the exercise of the Bail-In Power in respect of MSESE Notes:

- (A) Notwithstanding any other term of these Conditions or any other agreements, arrangements, or understanding between the Issuer and the Noteholders, each Noteholder acknowledges and accepts that amounts due under MSESE Notes may be subject to the exercise of the Bail-in Power by the Relevant Resolution Authority and acknowledges and accepts to be bound by any Bail-in Action and the effects thereof (including any variation, modification and/or amendment to the Conditions may be necessary to give effect to any such Bail-in Action), which may include, without limitation:
 - (1) reduction, in full or in part, of the amounts due under the MSESE Notes;

- (2) the cancellation of the MSESE Notes;
 - (3) the amendment or alteration of the term of the MSESE Notes or amendment of any amounts payable on the MSESE Notes, or the date on which any such amounts become payable, including by suspending payment for a temporary period; and/or
 - (4) a conversion of all, or a portion of, the amounts due under the MSESE Notes into shares or other instruments of ownership, in which case each Noteholder acknowledges and accepts that any such shares or other instruments of ownership may be issued to or conferred upon it as a result of the Bail-in Action.
- (B) Each Noteholder acknowledges and accepts that this provision is exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understanding between the Issuer and the Noteholders relating to the subject matter of this Condition 45 (*Acknowledgement of Bail-in*) and that no further notice shall be required in to order to give effect to the matters described herein.
- (C) The acknowledgements and acceptances contained in (A) and (B) above will not apply if:
- (1) the Relevant Resolution Authority determines that the liabilities arising under the MSESE Notes may be subject to the exercise of the Bail-in Power pursuant to the law of the third country governing such liabilities or a binding agreement concluded with such third country and in either case the Bail-in Regulations have been amended to reflect such determination; and/or
 - (2) the Bail-in Regulations have been repealed or amended in such a way as to remove the requirement for the acknowledgements and acceptances contained in (A) and (B) above.

45.2 For the purposes of this Condition 45 (*Acknowledgement of Bail-in*):

- (A) **"Bail-in Action"** means the exercise of any Bail-in Power by the Relevant Resolution Authority in respect of all amounts due under the MSESE Notes.
- (B) **"Bail-in Power"** means any write-down or conversion power existing from time to time (including, without limitation, any power to amend or alter the maturity of eligible liabilities of an institution under resolution or amend the amount of interest payable under such eligible liabilities or the date on which interest becomes payable, including by suspending payment for a temporary period) under, and exercised in compliance with any laws, regulations, rules or requirements in effect in Germany (together, the **"Bail-in Regulations"**):
 - (1) relating to the transposition of the BRRD as amended from time to time, including but not limited to, the German Act on Recovery and Resolution of Institutions and Financial Groups (Recovery and Resolution Act) (*Gesetz zur Sanierung und Abwicklung von Instituten und Finanzgruppen (Sanierungs- und Abwicklungsgesetz – SAG)*) as amended from time to time (**"SAG"**), and the instruments, rules and standards created thereunder,
 - (2) constituting or relating to the SRM Regulation as amended from time to time, and
 - (3) any other laws, regulations, rules or requirements arising under German law, and the instruments, rules, and standards created thereunder,

in each case, pursuant to which the obligations of a regulated entity (or other affiliate of a regulated entity) can be reduced (including to zero), cancelled, modified or converted into shares, other securities, or other obligations of such regulated entity or any other person.

A reference to "regulated entity" is, with respect to the SAG, to any German CRR-credit institution, CRR-investment firm (as such terms are defined in Section 1 SAG) and related group

companies and, with respect to the SRM Regulation, to any entity referred to in Article 2 of the SRM Regulation.

- (C) **"BRRD"** means Directive 2014/59/EU of the European Parliament and of the Council on 15 July 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms.
- (D) **"Relevant Resolution Authority"** means any resolution authority authorized to exercise a Bail-in Power pursuant to the Bail-in Regulations from time to time.
- (E) **"SRM Regulation"** means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010.

46. Governing Law and Jurisdiction

46.1 *Governing Law*

Unless otherwise specified in the applicable Pricing Supplement, 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.

46.2 *Jurisdiction*

Each of Morgan Stanley, MSI plc, MSBV, MSFL, MSFII and MSESE 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.

46.3 *Appropriate Forum*

Each of Morgan Stanley, MSBV, MSFL, MSFII and MSESE irrevocably waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and agrees not to claim that any such court is not a convenient or appropriate forum.

46.4 *Process Agent*

Each of Morgan Stanley, MSBV, MSFL, MSFII and MSESE agrees that the process by which any Proceedings in England are begun may be served on it by being delivered to (i) in the case of Morgan Stanley, MSBV, MSFII and MSESE, Morgan Stanley & Co. International plc, 25 Cabot Square, Canary Wharf, London E14 4QA or, if different, its registered office for the time being and (ii) in the case of MSFL, Morgan Stanley (UK) Limited, 25 Cabot Square, Canary Wharf, London E14 4QA or, if different, its registered office for the time being or (iii) at any address of the Issuer in Great Britain at which process may be served on it in accordance with Part 34 of the UK Companies Act 2006. If such Person is not or ceases to be effectively appointed to accept service of process on behalf of any Issuer, such Issuer shall, on the written demand of any Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, appoint another Person in England to accept service of process on its behalf and, failing such appointment within 15 days, any Noteholder shall be entitled to appoint such a Person by written notice addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent. Nothing in this Condition shall affect the right of any Noteholder to serve process in any other manner permitted by law.

47. Rights of the Issuer and Determination Agent are Cumulative

Each of the Issuer and the Determination Agent may have rights exercisable under different provisions of these Conditions arising from the occurrence of the same event. In such circumstances, the rights of the Issuer or the Determination Agent, as the case may be, shall be cumulative and the Issuer or the Determination Agent shall be entitled to exercise its rights under whichever provision (or provisions) of

these Conditions that may apply following the occurrence of the relevant event, as it may select in its discretion. The exercise by the Issuer or the Determination Agent of a right under one provision shall not preclude the exercise by the Issuer or the Determination Agent of a right under another provision.

48. 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.

**ANNEX TO THE TERMS AND CONDITIONS OF THE ENGLISH LAW NOTES:
SUPPLEMENTARY PROVISIONS FOR BELGIAN NOTES**

If "Supplementary Provisions for Belgian Notes" is specified as applicable in the applicable Pricing Supplement, the terms and conditions set out in this section "Supplementary Provisions for Belgian Notes" (the "**Belgian Supplemental Conditions (Notes)**") shall apply. In the event of any inconsistency between these Belgian Supplemental Conditions (Notes) and the Terms and Conditions of the English Law Notes, these Belgian Supplemental Conditions (Notes) shall prevail for the purposes of the English Law Notes. Capitalised terms not defined herein shall have the meanings given to them in the Terms and Conditions of the English Law Notes, unless specified otherwise.

1. Amendments in respect of early redemption amounts

- 1.1 Following the occurrence of an Early Redemption Event which is a Force Majeure Event, any provisions within the relevant Conditions relating to the amount to be paid by the Issuer on such early redemption shall be deemed to be deleted and replaced with the following:

"Upon redemption, the Issuer shall, if and to the extent permitted by applicable law and regulation, pay in respect of each Note an amount equal to 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), as calculated by the Determination Agent in its reasonable discretion."

- 1.2 Following the occurrence of an Early Redemption Event which is not a Force Majeure Event:

- (A) if Minimum Redemption Amount is specified as not applicable in the Pricing Supplement, any provisions within the relevant Conditions relating to the amount to be paid by the Issuer on such early redemption shall be deemed to be deleted and replaced with the following:

"Upon redemption, the Issuer shall pay in respect of each Note an amount equal to the sum of (i) 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) as calculated by the Determination Agent in its reasonable discretion, and (ii) the Issuer Costs Reimbursement Amount of such Note."; or

- (B) if Minimum Redemption Amount is specified as applicable in the Pricing Supplement, any provisions within the relevant Conditions relating to the notice that must be provided by the Issuer to the Noteholders in respect of such event, the timing of any early redemption, and the amount to be paid by the Issuer on such early redemption shall be deemed to be deleted and replaced with the following:

"The Issuer shall give notice (the "**Put Monetisation Notice**") as soon as reasonably practicable to the Noteholders stating that the Notes shall be redeemed on the Maturity Date and that the Issuer will pay in respect of each Note an amount equal to the Early Redemption Amount (Monetisation) on the Maturity Date, unless the Noteholder exercises its option to redeem some or all of the Notes on the Early Redemption Date (Put) at the relevant Early Redemption Amount (Put) by delivering an Early Redemption (Put) Option Notice, provided that such Early Redemption (Put) Option Notice is delivered by the Early Redemption (Put) Option Cut-Off Date. The Put Monetisation Notice shall state (i) brief details of the Early Redemption Event, (ii) the value of the Early Redemption Amount (Monetisation) and the Early Redemption Amount (Put) and (iii) a description of the procedure for a Noteholder to exercise its option (including the form of Early Redemption (Put) Option Notice), the Early Redemption (Put) Option Cut-Off Date and the manner in which payment will be made.

If the Issuer has given a Put Monetisation Notice, the holder of a Note may exercise its option to receive payment of the Early Redemption Amount (Put) on the Early Redemption Date (Put) in respect of some or all of the Notes.

In order to exercise its option, the holder of a Note (other than an Uncertificated Note) must before the relevant Early Redemption (Put) Option Cut-Off Date deposit the Individual Note Certificate with a Paying Agent, and a duly completed Early Redemption (Put) Option Notice. The Paying Agent with

which an Individual Note Certificate is so deposited shall deliver a duly completed Early Redemption (Put) Option Receipt to the depositing Noteholder. No Individual Note Certificate, once deposited with a duly completed Early Redemption (Put) Option Notice, may be withdrawn; **provided, however, that** if, prior to the relevant Early Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Early 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 Early Redemption (Put) Option Notice and shall hold such Individual Note Certificate at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Early Redemption (Put) Option Receipt.

In order to exercise its option, the holder of an Uncertificated Note must before the relevant Early Redemption (Put) Option Cut-Off Date deposit with the Euroclear Registrar a duly completed Early Redemption (Put) Option Notice. The Euroclear Registrar with which an Early Redemption (Put) Option Notice is so deposited shall deliver a duly completed Early Redemption (Put) Option Receipt to the depositing Noteholder. Once deposited a duly completed Early Redemption (Put) Option Notice may not be withdrawn; **provided, however, that** if, prior to the relevant Early Redemption Date (Put), the related Note becomes immediately due and payable or, upon the relevant Early Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the Euroclear Registrar shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Early Redemption (Put) Option Notice and the relevant depositing Noteholder and not the Euroclear Registrar shall be deemed to be the holder of such Note for all purposes in such case.

In relation to any Note in respect of which the Noteholder does not deliver an Early Redemption (Put) Option Notice to the Paying Agent or Euroclear Registrar, as applicable, by the Early Redemption (Put) Option Cut-Off Date, the Issuer shall on the Maturity Date pay the Early Redemption Amount (Monetisation) to the Noteholder. In relation to any Note in respect of which the Noteholder does deliver an Early Redemption (Put) Option Notice to the Paying Agent or Euroclear Registrar, as applicable, by the Early Redemption (Put) Option Cut-Off Date, the Issuer shall on the Early Redemption Date (Put) pay the Early Redemption Amount (Put) to the Noteholder.

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

The Noteholders will not be charged any costs by or on behalf of the Issuer solely in respect of the early redemption of the Notes."

1.3 The following definitions shall apply to this paragraph 1:

"Early Redemption Amount (Monetisation)" means, in respect of each Note, the amount determined by the Determination Agent in its reasonable discretion in accordance with the following formula:

$$\text{Minimum Redemption Amount} + (\text{Derivative Value} + \text{ICRA}) \times (1 + r)^n$$

where:

"Derivative Component" means, in respect of a Note, the option component or embedded derivative(s) in respect of the Note which provides exposure to the Relevant Underlying, the terms of which are fixed on the Trade Date of the Notes (as determined by the Determination Agent) in order to enable the Issuer to issue such Note at the relevant price and on the relevant terms;

"Derivative Value" means, in respect of a Note, the greater of zero and the value (if any) of the Derivative Component in respect of such Note (for the avoidance of doubt, taking into account any accrued unpaid interest), as calculated by the Determination Agent on the date the Issuer gives the Put Monetisation Notice by reference to such factor(s) as it determines appropriate at the relevant time and which may include the following, without limitation:

- (a) any relevant quotations or other relevant market data in the relevant market(s) which may include relevant rates, prices, yields, yield curves, volatilities, spreads, correlations and any options or other derivative pricing model; and

- (b) information of the type described in (i) above from internal sources of the Issuer or any of its affiliates if that information is of a type used by the Issuer in its regular course of business for the valuation of similar derivatives;

"ICRA" means the Issuer Costs Reimbursement Amount;

"**Minimum Redemption Amount**" means, in respect of each Note, the amount equal to the minimum level of the Final Redemption Amount of such Note payable on the Maturity Date;

"n" means the remaining term of the Notes expressed in years (or fractions thereof), calculated from (but excluding) the date the Issuer gives the Put Monetisation Notice to (and including) the Maturity Date, as determined by the Determination Agent in its reasonable discretion; and

"r" means the annualised interest rate that the Issuer (or, in the case of any Notes guaranteed by the Guarantor, the Guarantor) offers on the date that the Issuer gives the Put Monetisation Notice for a debt security with a maturity date that is the Maturity Date of the Notes, taking into account the credit risk of the Issuer (and, if applicable, the Guarantor), as determined by the Determination Agent in its reasonable discretion;

"**Early Redemption Amount (Put)**" means, in respect of each Note, an amount equal to the sum of (i) 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 and (ii) the Issuer Costs Reimbursement Amount of such Note;

"**Early Redemption Date (Put)**" means the date specified as such in Put Monetisation Notice;

"**Early Redemption Event**" means, in respect of a Series of Notes, the occurrence of an event permitting the Issuer to redeem the Notes in accordance with Condition 7.18 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*), Condition 7.19 (*CMS Reference Rate - Effect of Index Cessation Event*), Condition 11.2(d) (*Redemption for Index Adjustment Event*), Condition 11.2(f) (*Additional Disruption Events*), Condition 11.4(a) (*Merger Event or Tender Offer*), Condition 11.4(b) (*Nationalisation, Insolvency and Delisting*), Condition 11.5(c) (*Extraordinary ETF Events*), Condition 11.6(c) (*Additional Disruption Events*), Condition 11.7(c) (*Partial Lookthrough Depositary Receipt Provisions*), Condition 11.8(c) (*Full Lookthrough Depositary Receipt Provisions*), Condition 12.4(c) (*Administrator/Benchmark Events*), Condition 12.6(d) (*Commodity Index Disruption Events*), Condition 12.7(d) (*Redemption for Commodity Index Adjustment Event*), Condition 12.8(b) (*Additional Disruption Events*), Condition 13.6(a)(iii) (*Administrator/Benchmark Events*), Condition 13.8(c) (*Additional Disruption Events*), Condition 14.2(e) (*Cessation of Publication*), Condition 14.6(c) (*Additional Disruption Events*), Condition 15.3 (*Determination Agent Unable to Perform Actions*), Condition 15.8 (*Property Index Adjustment Event*), Condition 15.10 (*Additional Disruption Events*), Condition 16.4(b)(i) (*Fund Events*), Condition 17.4(b) (*Redemption*), Condition 17.6(c) (*Additional Disruption Events*), Condition 21.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*), Condition 21.10 (*Underlying CMS Underlying Rate - Effect of Index Cessation Event*), Condition 21.12(c) (*Additional Disruption Events*), Condition 22.3 (*Early Redemption for Taxation Reasons*), Condition 22.5 (*Early Redemption of Preference Share-Linked Notes*), Condition 22.6 (*Extraordinary Events*), Condition 22.7 (*Additional Disruption Events*), Condition 24(A)(b) (*Inconvertibility Events*), Condition 24(B)(a) (*Inconvertibility Events*), Condition 25(b) (*CNY Disruption Events*), Condition 26.2 (*Tax Redemption –*), Condition 26.3 (*Tax Redemption –*), and Condition 32.2 (*Illegality and Regulatory Event*);

"**Early Redemption (Put) Option Cut-Off Date**" means the date specified as such in the Put Monetisation Notice;

"**Early Redemption (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;

"**Early Redemption (Put) Option Receipt**" means: (i) a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of an Individual Note Certificate with such Paying Agent; or (ii) by the Euroclear Registrar to a depositing Noteholder upon deposit of an Early Redemption (Put) Option Notice, by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"Force Majeure Event" means any event or circumstance which definitively prevents the performance of the Issuer's (or the Determination Agent's) obligations under the Notes and for which the Issuer (or the Determination Agent) is not accountable including, without limitation, any unavailability of communications system, failure of or interruptions in power supply or network computer systems, sabotage, fire, flood, explosion, acts of God, civil commotion, riots, insurrection, war or illegality;

"Issuer Costs Reimbursement Amount" means, in respect of each Note, an amount equal to the product of:

- (i) the total costs of the Issuer (including, without limitation, structuring costs) paid by the original Noteholder as part of the Issue Price of the Note, as determined by the Determination Agent in its reasonable discretion; and
- (ii) the quotient of:
 - (A) the number of calendar days falling in the period commencing on, but excluding, the date on which the Issuer gives the relevant notice to be given by the Issuer pursuant to paragraph 1.2(A) or 1.2(B) and ending on, and including the Maturity Date of the Notes; and
 - (B) the number of calendar days falling in the period commencing on, but excluding, the Issue Date of the Notes and ending on, and including, the Maturity Date of the Notes.

2. Amendments in respect of "Additional Disruption Events"

- 2.1 The definition of "Additional Disruption Event" set out in Condition 11.6 (*Additional Disruption Events*) shall be deemed to be deleted and replaced with the following:

"Additional Disruption Event" means with respect to any Series of Notes (i) if specified as an Additional Disruption Event in the relevant Pricing Supplement, a Change in Law, (ii) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, each of China Connect Service Termination and China Connect Share Disqualification (in each case, unless otherwise specified in the applicable Pricing Supplement), (iii) if "(China Connect – ChiNext Shares)" and/or "(China Connect – STAR Shares)" is specified next to the name of the Exchange in the applicable Pricing Supplement, each of China Connect Service Termination, China Connect Share Disqualification and ChiNext and STAR Event (in each case, unless otherwise specified in the applicable Pricing Supplement) and (iv) if "QFII" is specified next to the name of the Exchange in the applicable Pricing Supplement, each of Change in QFII Status and Regulatory Request ADE (in each case, unless otherwise specified in the applicable Pricing Supplement).

- 2.2 The definitions of Condition 12.8 (*Additional Disruption Events*), Condition 13.8 (*Additional Disruption Events*), Condition 14.6 (*Additional Disruption Events*), Condition 15.10 (*Additional Disruption Events*), Condition 17.6 (*Additional Disruption Events*) and Condition 21.12 (*Additional Disruption Events*) shall each be deemed to be deleted and replaced by the following:

"Additional Disruption Event" means, with respect to a Series of Notes, if specified as an Additional Disruption Event in the relevant Pricing Supplement, a Change in Law."

- 2.3 The definition of "Disruption Event" for the purposes of Condition 16.6 (*Definitions applicable to Fund-Linked Notes*) shall be deemed to be deleted and replaced by the following:

"Disruption Event" means any of the following events as determined by the Determination Agent:

- (i) in respect of any Fund Interest, the failure of (i) a Scheduled Fund Valuation Date to be a Fund Valuation Date or any continued postponement or suspension of such Fund Valuation Date; and/or (ii) there to be a Fund Reporting Date and/or Reported Net Asset Value relating to the relevant Fund Valuation Date;
- (ii) in respect of any Fund Interest (i) there is a failure by the Fund to pay the full amount (whether expressed as a percentage or otherwise) of the Redemption Proceeds in the Fund Interest Currency with respect to the relevant amount of such Fund Interest scheduled to have been paid on or by such day according to the Fund Documents (without giving effect to any gating,

deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of such Fund Interests) or (ii) a Hypothetical Investor which had submitted a valid redemption notice in respect of such Fund Interest (in the case of a Single Fund Note) or each Fund Interest comprised in the Basket of Funds (in the case of a Fund Basket Note) on the last date permitted pursuant to the relevant Fund Documents would, in the reasonable opinion of the Determination Agent, not have received in full the Redemption Proceeds in respect of such redemption(s) on or before the date which is three Business Days prior to a related scheduled date for payment under the Notes; and/or

- (iii) any closure other than for ordinary public holidays and/or any restriction or suspension in trading of foreign exchange markets or money markets in a relevant Fund Interest Currency or Specified Currency that, in the opinion of the Determination Agent, would have a material effect on the ability market participants to effect transactions in such markets,

provided that if any event would otherwise be both a Disruption Event and Fund Event, such event shall be treated solely as a Fund Event."

- 2.4 The definition of "Additional Disruption Events" set out in Condition 22.9 (*Definitions applicable to Preference Share-Linked Notes*) shall be deemed to be deleted and replaced by the following:

"**Additional Disruption Event**" means, with respect to any Series of Preference Share-Linked Notes, if specified as Additional Disruption Events in the relevant Pricing Supplement, a Change in Law and/or an Insolvency Filing."

3. Amendments in respect of "Change in QFII Status"

- 3.1 The definition of "Change in QFII Status" set out in Condition 11.9 (*Definitions applicable to Equity and Proprietary Index-Linked Notes*) shall be deemed to be deleted and replaced by the following:

"**Change in QFII Status**" means that, on or after the Trade Date, due to any change in Morgan Stanley & Co. International plc's status or investment scope as a Qualified Foreign Institutional Investor ("**QFII**") under PRC law, the Issuer determines, in its sole and absolute discretion that (i) it has or will become illegal to hold, acquire or dispose of any relevant Share, Underlying Share or Component comprised in a relevant Index which is a share (as applicable) or of any financial instrument or contract providing exposure to any such Share, Underlying Share or Component (as applicable) or (ii) it becomes unlawful for it to perform its obligations with respect to the Notes.

4. Amendments in respect of "Change in Law"

- 4.1 The definitions of "Change in Law" set out in Condition 11.9 (*Definitions applicable to Equity and Proprietary Index-Linked Notes*), Condition 12.9 (*Definitions applicable to Commodity-Linked Notes*), Condition 13.9 (*Definitions applicable to Currency-Linked Notes*), Condition 14.8 (*Definitions Applicable to Inflation-Linked Notes*), Condition 15.11 (*Definitions Applicable to Property-Linked Notes*), Condition 17.7 (*Definitions applicable to Futures Contract-Linked Notes*;) and Condition 21.13 (*Definitions applicable to Rate-Linked Notes*) shall each be deemed to be amended by: (i) adding the words "excluding with respect to the Issuer's or any of its Affiliates' hedging arrangements with respect to the Notes" at the end of sub-paragraph (x) thereof; and (ii) deleting the words "(y) it will incur a materially increased cost in performing its obligations with respect to the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position)" and replacing them with the words "(y) it will significantly alter the economics of the relevant Notes that existed on the relevant Trade Date".
- 4.2 The definition of "Change in Law" set out in Condition 22.9 (*Definitions applicable to Preference Share-Linked Notes*) shall be deemed to be amended by (i) adding the words "excluding with respect to the Issuer's or any of its Affiliate's hedging arrangements with respect to the Notes" at the end of sub-paragraph (x) thereof; and (ii) deleting the words "(y) it will incur a materially increased cost in performing its obligations with respect to the Preference Share-Linked Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position)" and replacing them with the words "(y) it will significantly alter the economics of the relevant Notes that existed on the relevant Trade Date".

5. Amendments to the definition of Implementation of Financial Transaction Tax Event in Condition 2.1 (Definitions)

The definition of "Implementation of Financial Transaction Tax Event" in Condition 2.1 (*Definitions*) shall be deemed to be deleted and replaced by the following:

"Implementation of Financial Transaction Tax Event" means that, on or after the Trade Date of any 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 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 Shares or any other asset, **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."

6. Amendments to the definition of Regulatory Event in Condition 2.1 (Definitions)

The definition of "Regulatory Event" in Condition 2.1 (*Definitions*) shall be deemed to be deleted and replaced by the following:

"Regulatory Event" means that, at any time on or after the Trade Date, as a result of:

- (i) an implementation or adoption of, or change in, any applicable law, regulation, interpretation, action or response of a regulatory authority;
- (ii) the promulgation of, or any interpretation by any court, tribunal, government or regulatory authority with competent jurisdiction (a "Relevant Authority") of, any relevant law or regulation (including any action taken by a taxing authority); or
- (iii) the public or private statement or action by, or response of, any Relevant Authority or any official or representative of any Relevant Authority acting in an official capacity,

there is a reasonable likelihood of it becoming:

- (A) unlawful or impossible, for the Issuer and/or the Guarantor to maintain the Notes and/or to maintain other instruments issued under the Program and/or to perform its obligations under the Notes; and/or
- (B) necessary for the Issuer and/or the Guarantor to obtain a licence, authorisation or other approval for the continuation or maintenance of the business relating to or supporting the Notes."

7. Amendments to the definition of "Successor Share/ETF Interest" in Condition 11.4(a) (Merger Event or Tender Offer)

The definition of "Successor Share/ETF Interest" in Condition 11.4(a) (*Merger Event or Tender Offer*) shall be deemed to be deleted and replaced by the following:

"Successor Share/ETF Interest" means, in respect of an Affected Share/ETF Interest, (1) if specified in the applicable Pricing Supplement, any Eligible Share or Eligible ETF Interest, as applicable; (2) if no Eligible Share or Eligible ETF Interest, as applicable, is specified, the successor Share or ETF Interest, as applicable, as determined by the Determination Agent, using commercially reasonable efforts, taking into account any factors which the Determination Agent determines to be relevant, including (but not limited to) the existence of any other Share or ETF Interest, as applicable, that is linked to or is a constituent of the same underlying index or asset as the Affected Share/ETF Interest, liquidity of the proposed successor Share or ETF Interest, as applicable, the prevailing market conditions at the time the Determination Agent makes its determination and the circumstances of the relevant Extraordinary Event; or (3) if the Determination Agent determines that it is unable to determine a suitable successor Share or ETF Interest, as applicable, the Determination Agent may determine that, where the Affected Share/ETF

Interest is linked to the relevant underlying index (the "**Related Underlying Index**"), such Related Underlying Index (to the extent relevant) shall be the Successor Share/ETF Interest and the provisions applicable to Index-Linked Notes will apply to the relevant Notes with such adjustments as the Determination Agent determines to be appropriate."

8. Amendments to the definition of Extraordinary ETF Event in Condition 11.5 (*Extraordinary ETF Events*)

Sub-paragraph (viii) in the definition of "Extraordinary ETF Event" in Condition 11.5(e) (*Extraordinary ETF Events*) shall be deemed to be deleted and replaced by the following:

"(viii) (A) any relevant activities of or in relation to the ETF or any ETF Service Provider are or become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any present or future law, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, in any applicable jurisdiction (including, but not limited to, any cancellation, suspension or revocation of the registration or approval of the ETF by any governmental, legal or regulatory entity with authority over the ETF), (B) a relevant authorisation or licence is revoked, lapses or is under review by a competent authority in respect of the ETF or the ETF Service Provider or new conditions are imposed, or existing conditions varied, with respect to any such authorisation or licence, (C) the ETF is required by a competent authority to redeem any ETF Interests and/or (D) any change in the legal, tax, accounting or regulatory treatment of the ETF or any ETF Service Provider that is reasonably likely to have an adverse impact on the value of the ETF Interests or other activities or undertakings of the ETF or on the rights or remedies of any investor therein; or"

9. Amendments to Condition 11.5 (*Extraordinary ETF Events*)

The final paragraph of Condition 11.5 (*Extraordinary ETF Events*) shall be deemed to be deleted and replaced by the following:

"**Successor ETF Interest**" means, in respect of an Affected ETF Interest, (1) if specified in the applicable Pricing Supplement, any Eligible ETF Interest; (2) if no Eligible ETF Interest is specified, the successor ETF Interest as determined by the Determination Agent, using commercially reasonable efforts, taking into account any factors which the Determination Agent determines to be relevant, including (but not limited to) the existence of other ETFs that are linked to the same underlying index or asset as the Affected ETF Interest, liquidity of the proposed successor ETF Interest, the prevailing market conditions at the time the Determination Agent makes its determination; or (3) if the Determination Agent determines that it is unable to determine a suitable successor ETF Interest, the Determination Agent may determine that the relevant Notes, where the Affected ETF Interest will be linked to the relevant underlying index (the "**Related Underlying Index**") and such Related Underlying Index shall be the Successor ETF Interest and the provisions applicable to Single Index Notes or Index Basket Notes (as the case may be) will apply to the relevant Notes with such adjustments as the Determination Agent determines to be appropriate."

10. Adjustments to the Notes to account for the occurrence of a Fund Event pursuant to Condition 16.4 (*Fund Events*)

For the purposes of any adjustments that the Issuer may make pursuant to Condition 16.4 (*Fund Events*) to account for the occurrence of a Fund Event, notwithstanding any term to the contrary, including the penultimate paragraph of Condition 16.4(b)(iii), the Issuer shall not be permitted to take into account the value it may obtain for the transfer of any hedging arrangements in relation to the Notes. The Issuer, may, however, take into account for the purposes of such adjustments the value a third party on arms' length terms would be willing to pay for the relevant Affected Fund Interest (or the portion of a hypothetical derivative contract in so far as it relates to the relevant Affected Fund Interest and does not take into account the creditworthiness of any party thereto).

11. Amendments to Condition 16.6 (*Definitions applicable to Fund-Linked Notes*)

11.1 The definition of "Fund Events" shall be deemed to be amended by:

11.2 deleting sub-paragraph (c) of paragraph (d) (*Fund Adviser Event*), paragraphs (n) (*Hedging Disruption*) and (q) (*Value Limitation*);

11.3 deleting sub-paragraph (i) (*Regulatory Event*) and replacing it with the following:

- "(i) **Regulatory Event:** (A) in respect of any Fund Interest, (1) any change in the legal, tax, accounting, or regulatory treatments of the relevant Fund or its Fund Adviser that is reasonably likely to have an adverse impact on the value of such Fund Interest or on any investor therein (as determined by the Determination Agent) or (2) the related Fund or any of its Fund Service Providers becoming subject to any investigation, proceeding arbitration, litigation or official action by any relevant governmental, legal or regulatory authority involving the alleged violation of, or non-compliance with, applicable law or regulation in relation to any activities relating to or resulting from the operation: (i) of such Fund, or (ii) another fund where (in the opinion of the Determination Agent) such circumstances in respect of such other fund may have an adverse effect on the relevant Fund, (B) any event which would have the effect of changing the amount or cost of regulatory capital that would have to be maintained by the Issuer and/or any Affiliate in relation to the Notes as a result of a change in law or regulation or as a result of any requirement under applicable law, regulation or other rule or requirement from time to time applicable to the Issuer and/or any Affiliate that requires any information-provision or other transparency requirements in respect of a Fund Interest, whether to keep constant the cost of regulatory capital that would have to be maintained by any such person in relation to the Notes or otherwise comply therewith, and the relevant Fund Service Provider fails to provide sufficient information in respect of a Fund Interest for any such person to satisfy such relevant obligations or (C) in respect of any Fund Interest and the related Fund (i) the withdrawal, cancellation, suspension or revocation of any registration, licence or approval of such Fund Interest or the related Fund by any governmental, legal or regulatory entity with authority over such Fund Interest or Fund; (ii) the withdrawal, suspension, cancellation or modification of any licence, consent, permit, authorisation or clearance required for the Fund or any one or more of its significant Fund Service Providers to carry out their activities as they are or should be carried out in compliance with applicable law or regulation; and/or (iii) the failure of such Fund Interest and/or the related Fund to comply with any applicable requirements from time to time applied by any relevant listing authority, stock exchange, quotation system and/or regulator that allow it to be used to determine amounts due under the Notes (or, in the case of (C)(i), (ii) or (iii), any official announcement indicating that any such circumstances may occur);

11.4 deleting sub-paragraph (j) (*Reporting Disruption*) and replacing it with the following:

- "(j) **Reporting Disruption:** in respect of any Fund Interest, (A) the occurrence of any event affecting such Fund Interest that, in the determination of the Determination Agent, would make it impossible for the Determination Agent to determine the value of such Fund Interest and the Determination Agent does not expect such event to cease in the foreseeable future; (B) any failure of the related Fund to deliver, or cause to be delivered, or recipients in general to receive (1) information that such Fund has agreed to deliver, or cause to be delivered to the Determination Agent and/or the Issuer and/or any of the Issuer's Affiliates, as applicable, or (2) information that has been previously delivered to the Determination Agent and/or the Issuer and/or any of the Issuer's Affiliates, as applicable, in accordance with such Fund's, or its authorised representative's, normal practice and that the Determination Agent deems necessary for it or the Issuer, as applicable, to monitor such Fund's compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to such Fund Interest; (C) the related Fund ceases, for any reason whatsoever (either directly or through any Fund Service Provider acting on its behalf for this purpose) to provide, publish or make available its net asset value on any Fund Reporting Date; or (D) a Fund Service Provider informs the Determination Agent and/or the Issuer and/or any of the Issuer's Affiliates that any Reported Net Asset Value of such Fund Interest should not be relied on (whether by reason of it being only a provisional or estimated net asset value or for any other reason) and/or, in the opinion of the Determination Agent, any Reported Net Asset Value is inaccurate (which, for the avoidance of doubt, includes without limitation circumstances where any net asset value reported by a Fund Service Provider to the Issuer and/or any of the Issuer's Affiliates and/or investors in Fund Interest generally differs from any net asset value published on any one or more publishing service), in each case which the Determination Agent considers to be material to the Notes;"

11.5 deleting sub-paragraph (s) (*Fund Accounting Event*) and replacing it with the following:

"(s) **Fund Accounting Event:** in respect of a Fund Interest and the related Fund, any (i) change in the currency in which the Fund Interest's accounts are denominated; or (ii) material adverse change in the accounting treatment of the Fund which does or could affect a Hypothetical Investor and/or any of the Issuer's Affiliates (provided that such event significantly alters the economics of the Notes existing on the Trade Date as determined by the Determination Agent) and/or any actual or potential requirement to consolidate its accounts with any such entity;" and

11.6 deleting sub-paragraph (t) (*Fees or Charges Event*) and replacing it with the following:

"(t) **Fees or Charges Event:** in respect of a Fund (i) any material charge of a transaction fee for subscription or redemption of Fund Interests and/or (ii) any imposition of any taxes or similar charges for subscription or redemption of Fund Interests (whether by the Fund or a Fund Adviser in respect of holders of Fund Interests generally other than any charge or fee in existence on the Trade Date), including the increase to the existing level of, or introduction of any new, fees, commissions or other expenses payable to any person, which in each case significantly alters the economics of the Notes existing on the Trade Date as determined by the Determination Agent."

12. Amendments to the definition of Illiquidity Event in sub-paragraph (h) of Condition 17.3 (*Futures Contract Adjustment Events*)

The definition of Illiquidity Event in sub-paragraph (h) of Condition 17.3 (*Futures Contract Adjustment Events*) shall be deemed to be deleted in its entirety and references in the Conditions to "Illiquidity Event" shall not be applicable.

13. Amendments to Condition 22.10 (*Calculations and Determinations*)

13.1 Condition 22.10 (*Calculations and Determinations*) shall be deemed to be deleted and replaced by the following:

"22.10 **Calculations and Determinations:** The Determination Agent will make the calculations and determinations as described in this Condition 22.10 (*Calculations and Determinations*) in such a manner as the Determination Agent determines is appropriate acting in good faith and in a commercially reasonable manner (having regard in each case to the criteria stipulated in the Conditions).

Notwithstanding that certain calculations, determinations and adjustments in this Condition 22.10 (*Calculations and Determinations*) may be expressed to be on a certain date, the Determination Agent may make such calculations, determinations and adjustments in respect of that date on a date after that date determined by it in its reasonable discretion provided that shall not apply to the calculation of the Final Redemption Amount or Early Redemption Amount.

Pursuant to this Condition 22.10 (*Calculations and Determinations*) the Determination Agent has a number of discretions. These are necessary since in certain circumstances it is not reasonably practicable or otherwise not appropriate for certain valuations to be carried out in relation to relevant reference assets and in these circumstances the Determination Agent also may exercise certain discretions.

Where the Conditions provide that the Issuer or the Determination Agent may make determinations, modifications or adjustments in or at its discretion (or any similar wording) that relate to the essential characteristics (interpreted as set out below) of the Notes, the Issuer or the Determination Agent will make such determinations, modifications or adjustments acting in good faith and in a commercially reasonable manner and in such a manner that such determinations, modifications or adjustments do not create a significant imbalance (interpreted as set out below) between the rights and obligations of the Issuer compared to the Noteholders to the detriment of the Noteholders.

Notwithstanding anything else in the Conditions (but excluding any modification of the Conditions pursuant to Condition 26), the Issuer or the Determination Agent, as the case may be, may only modify or adjust the terms of the Notes in accordance with the Conditions (other

than modifications or adjustments that do not relate to essential characteristics of the Notes) or redeem the Notes prior to their Maturity Date in accordance with the Conditions, where such modification, adjustment or redemption is effected in compliance with the applicable provisions of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit économique*) dated 28 February 2013 (as amended and/or supplemented from time to time, the "CEL"), especially those pertaining to unfair contract terms.

The Issuer and the Determination Agent will comply with the provisions of the CEL applicable to the Notes especially those pertaining to unfair contract terms, in the application of the Conditions of the Notes. In such case, and notwithstanding anything to the contrary in the Conditions but without prejudice to the penultimate paragraph of this Condition 22.10 below, any provisions of the Conditions which are deemed unfair in whole or in part pursuant to the CEL shall not apply to the extent deemed unfair.

The Noteholders may not be charged any costs for the modification or adjustment of the Conditions and for the early redemption of the Notes before their Maturity Date.

For the purposes of these Belgian Supplemental Condition (Notes) and, where applicable, the Conditions, the questions (a) whether a determination, modification or adjustment referred to in this Condition 22.10 relates to the essential characteristics of the Notes, (b) whether the manner of making a determination, modification or adjustment creates a significant imbalance between the rights and obligations of the Issuer compared to the Noteholders to the detriment of the Noteholders, (c) whether a modification, adjustment or redemption referred to in this Condition 22.10 is effected in compliance with the provisions of the CEL, especially those pertaining to unfair terms, (d) whether any provisions of the Conditions are deemed unfair in whole or in part and whether the Issuer or the Determination Agent has complied with provisions of the CEL especially those pertaining to unfair contract terms, in the application of the Conditions of the Notes will be made in accordance with applicable Belgian law, in particular the CEL. Save as provided in the preceding sentence all other provisions of these Belgian Supplemental Condition (Notes) and the Conditions and any non-contractual obligations arising out of or in relation to them shall be governed by and construed in accordance with English law. If any part(s) of the Conditions or of any determination, modification or adjustment referred to in this Condition 22.10 are found to be (i) inapplicable, (ii) prohibited, (iii) unfair or (iv) otherwise non-compliant with Belgian law, including the CEL, in any applicable judicial proceeding for reasons referred to in this Condition 22.10 (each an "**Invalid Provision**"), then each part of such Invalid Provision which is found to be (i) inapplicable, (ii) prohibited, (iii) unfair or (iv) otherwise non-compliant with Belgian law shall be deemed to be removed and all remaining part(s) of the provisions of the Conditions or the relevant determination, modification or adjustment following such removal shall remain operative and binding on the Issuer and the Noteholders.

To the extent permitted by applicable law, all calculations made by the Issuer or the Determination Agent under the Conditions shall, in the absence of manifest error, be final, conclusive and binding on Noteholders. Neither the Issuer nor the Determination Agent assumes any obligation or relationship of agency or trust or of a fiduciary nature for or with any Noteholder."

14. Amendments to the definition of Inconvertibility Event in Condition 24(A) (*Inconvertibility Events*) and Condition 24(B) (*Inconvertibility Events*)

The definition of Inconvertibility Event in Condition 24(A) (*Inconvertibility Events*) and Condition 24(B) (*Inconvertibility Events*) shall be deemed to be deleted and replaced with the following:

"An "**Inconvertibility Event**" shall be deemed to have occurred if from (and including) the Trade Date to (and including) the Maturity Date, any event or circumstance occurs that generally makes it, in the reasonable discretion of the Determination Agent, impossible or unlawful for the Issuer, the Determination Agent or any of its Affiliates for any reason beyond their reasonable control:

- (i) to convert the Relevant Currency into the Inconvertibility Specified Currency or the Inconvertibility Specified Currency into the Relevant Currency (whether directly or through a cross exchange rate) through customary legal channels; or

- (ii) to determine the rate of conversion of the Inconvertibility Specified Currency into the Relevant Currency or the Relevant Currency into the Inconvertibility Specified Currency or
- (iii) to transfer, or make a payment in, or delivery of, the Relevant Currency from or to, outside, or inside, of the Relevant Jurisdiction, in each case under (i), (ii) or (iii), in an amount up to the total amount of payment due to be made by the Issuer under the Notes; or
- (iv) to determine a rate at which any Relevant Currency can be lawfully exchanged for U.S. Dollars; or
- (v) to convert any Relevant Currency into U.S. Dollars; or
- (vi) to exchange or repatriate any funds outside of any jurisdiction in which any of the Relevant Underlying, or each Basket Component, is issued; or
- (vii) for the Issuer or any of its Affiliates to hold, purchase, sell or otherwise deal in any Notes, or any other property for the purposes of the Issuer or the Issuer's obligations in respect of any Notes;"

15. Amendments to Condition 43 (*Substitution*)

- 15.1 Condition 43.1(b) (*Substitution of Issuer with Morgan Stanley Group entities*) shall be deemed to be deleted and replaced by the following:

"(b) MSI plc, substitute Morgan Stanley or a subsidiary of Morgan Stanley in place of MSI plc as principal debtor under the Notes, provided that, unless MSI plc is subject to a legal restructuring (including, without limitation, a voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceedings affecting MSI plc), any Notes in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of MSI plc as to the payment of principal of, premium, interest and supplemental amounts, if any, and any Additional Amounts on those Notes when and as the same will become due and payable, whether at maturity or otherwise, and provided further that under the terms of the guarantee, Noteholders will not be required to exercise their remedies against the substitute prior to proceeding directly against MSI plc (as guarantor);"

- 15.2 Condition 43.1(c) (*Substitution of Issuer with Morgan Stanley Group entities*) shall be deemed to be deleted and replaced by the following:

"(c) MSBV, substitute Morgan Stanley or a subsidiary of Morgan Stanley in place of MSBV as principal debtor under the Notes, provided that, unless MSBV is subject to a legal restructuring (including, without limitation, a voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceedings affecting MSBV), any Notes in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of MSBV as to the payment of principal of, premium, interest and supplemental amounts, if any, and any Additional Amounts on those Notes when and as the same will become due and payable, whether at maturity or otherwise, and provided further that under the terms of the guarantee, Noteholders will not be required to exercise their remedies against the substitute prior to proceeding directly against MSBV (as guarantor); or"

- 15.3 Condition 43.1(d) (*Substitution of Issuer with Morgan Stanley Group entities*) shall be deemed to be deleted and replaced by the following:

"(d) MSFL, substitute Morgan Stanley or a subsidiary of Morgan Stanley in place of MSFL as principal debtor under the Notes, provided that, unless MSFL is subject to a legal restructuring (including, without limitation, a voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceedings affecting MSFL), any Notes in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of MSFL as to the payment of principal of, premium, interest and supplemental amounts, if any, and any Additional Amounts on those Notes when and as the same will become due and payable, whether at maturity or otherwise, and provided further that under the terms of the guarantee, Noteholders will not be required to exercise their remedies against the substitute prior to proceeding directly against MSFL (as guarantor)."

- 15.4 Condition 43.1(e) (*Substitution of Issuer with Morgan Stanley Group entities*) shall be deemed to be deleted and replaced by the following:

"(e) MSFII, substitute Morgan Stanley or a subsidiary of Morgan Stanley in place of MSFII as principal debtor under the Notes, provided that, unless MSFII is subject to a legal restructuring (including, without limitation, a voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceedings affecting MSFII), any Notes in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of MSFII as to the payment of principal of, premium, interest and supplemental amounts, if any, and any Additional Amounts on those Notes when and as the same will become due and payable, whether at maturity or otherwise, and provided further that under the terms of the guarantee, Noteholders will not be required to exercise their remedies against the substitute prior to proceeding directly against MSFII (as guarantor)."

- 15.5 Condition 43.1(f) (*Substitution of Issuer with Morgan Stanley Group entities*) shall be deemed to be deleted and replaced by the following:

"(f) MSESE, substitute Morgan Stanley or a subsidiary of Morgan Stanley in place of MSESE as principal debtor under the Notes, provided that, unless MSESE is subject to a legal restructuring (including, without limitation, a voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceedings affecting MSESE), any Notes in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of MSESE as to the payment of principal of, premium, interest and supplemental amounts, if any, and any Additional Amounts on those Notes when and as the same will become due and payable, whether at maturity or otherwise, and provided further that under the terms of the guarantee, Noteholders will not be required to exercise their remedies against the substitute prior to proceeding directly against MSESE (as guarantor)."

- 15.6 Condition 43.2 (*Substitution of Issuer or Guarantor with non-Morgan Stanley Group entities*) and Condition 43.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*) shall be deemed to be deleted.

- 15.7 Condition 43.3 (*Conditions to substitution*) shall be deemed to be deleted and replaced by the following:

"41.3 *Conditions to substitution*

Substitution of an Issuer or Guarantor for another entity (the "**Substitute**") as provided in Condition 42.1 (*Substitution of Issuer with Morgan Stanley Group entities*) or 42.2 (*Substitution of Issuer or Guarantor with non-Morgan Stanley Group entities*) above (as applicable) are subject to the following conditions:

- (a) the Substitute becoming party to the Issue and Paying Agency Agreement with any appropriate consequential amendments, as if it had been an original party to it in place of the relevant Issuer or the Guarantor (as the case may be);
- (b) the Substitute is validly existing under the laws under which it is established or incorporated, has capacity to assume all rights, obligations and liabilities under the Notes, receipts, coupons and Guarantee, as applicable, and has obtained all necessary corporate authorisations to assume all such rights, obligations and liabilities under the Notes or Guarantee (as applicable);
- (c) the Substitute has obtained all necessary governmental or regulatory approvals and consents for the performance by it of its obligations in connection with the Notes or Guarantee (as applicable) and that all such approvals and consents are in full force and effect and that the Substitute and the Notes comply with all applicable requirements of the Securities Act;
- (d) the Fiscal Agent has confirmed to the relevant Issuer or Guarantor (as the case may be) that it has completed its relevant "know your customer" requirements on the proposed Substitute;

- (e) such substitution being permitted by the rules of any stock exchange on which the Notes are listed and each such stock exchange confirming that, following the proposed substitution of the Substitute, the Notes will continue to be listed on such stock exchange;
- (f) no payment in respect of the Notes, receipts and coupons is overdue at the relevant time;
- (g) at the time of any such substitution, the Substitute is in a position to fulfil all payment obligations arising from or in connection with the Notes in freely convertible and transferable lawful money without the necessity of any taxes or duties to be withheld at source, and to transfer all amounts which are required therefor to the Fiscal Agent without any restrictions;
- (h) if appropriate, the Substitute appointing a process agent as its agent in England to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Notes;
- (i) in respect of Notes which benefit from the Guarantee, such Notes shall continue to benefit from the Guarantee following substitution of the Issuer and/or the Guarantor (as the case may be), pursuant to this Condition 43.1 (*Substitution of Issuer or Guarantor with Morgan Stanley Group entities*);
- (j) the Substitute having a long term credit rating from at least one rating agency of standard application on the international capital markets (including but not limited to S&P, Moody's and Fitch) which is at least as high as the long term credit rating of the relevant Issuer or Guarantor (as the case may be) being substituted immediately prior to the occurrence of the relevant substitution;
- (k) the Substitute providing an indemnity in favour of the Noteholders in relation to any additional tax or duties or losses suffered by Noteholders due to a different tax or regulatory regime of the Substitute from that of the Issuer and in any case which arise and become payable solely as a result of the substitution of the Issuer for the Substitute; and
- (l) on the date of each substitution there being no Event of Default in existence and no event having occurred which remains in existence on such date which, in the absence of the relevant grace period, would otherwise constitute an Event of Default in relation to the Notes."

15.8 The second sentence of Condition 43.7 (*Tax Consequences of substitution*) shall be deemed to be deleted (it being understood that if the substitution causes a withholding to be required on the Notes this will be addressed by the indemnity referred to in Condition 42.3).

16. Amendments to the definition of Administrator/Benchmark Event in Condition 2.1 (*Definitions*)

The words "or any related hedging arrangements" shall be deemed to be deleted from each of paragraph (a) and paragraph (b) of the definition of "Administrator/Benchmark Event" set out in Condition 2.1 (*Definitions*).

**ANNEX TO THE TERMS AND CONDITIONS OF THE ENGLISH LAW NOTES:
CREDIT LINKED NOTES ANNEX**

This Annex shall apply if "Supplementary Provisions for Credit Linked Notes" is specified as applicable in the applicable Pricing Supplement.

RISK FACTORS

Credit risk of the Reference Entity

The Credit Linked Notes are linked to the credit of one or more Reference Entities (including any Successors). Payments under the Credit Linked Notes are dependent upon, among other things, the credit performance of the Reference Entities and the occurrence of an Event Determination Date in relation to a Credit Event which has occurred with respect to a Reference Entity. An investor's exposure to the Reference Entities will be to the full extent of their principal and interest (subject to whether "Capital Not At Risk" is specified as Applicable in the applicable Pricing Supplement) or, in the case of Tranching Index Credit Linked Notes, to the extent that the aggregate losses exceed the "attachment point". Although holders will not be a direct investor in obligations of the Reference Entities by virtue of holding the Credit Linked Notes, upon the occurrence of any specified Credit Event with respect to any specified Reference Entity, holders may still suffer significant losses at a time when losses may be suffered by a direct investor in obligations of such Reference Entity. In addition, even if losses are suffered by both a holder of Credit Linked Notes and a direct investor in obligations of the relevant Reference Entity, the holding of a Credit Linked Note may not reflect the impact of investing in an obligation of a Reference Entity, and losses in relation to the Credit Linked Notes could be considerably greater than would be suffered by a direct investor in the obligations of a Reference Entity and/or could arise for reasons unrelated to such Reference Entity. In addition, the terms of the deliverable obligations of the relevant Reference Entities may not be standard, and holders of that debt may therefore incur additional losses that are not reflected in the relevant Credit Linked Notes. This is of greater impact in the case where the Reference Entity is a sovereign. There are no common set of rules or practices that govern the manner in which a sovereign government, faced with deterioration in its fiscal position or the performance of its economy, may attempt to reach resolution with holders of its debt obligations. Due to, amongst other factors, the role of governments and international organisations as creditors, the ability of a sovereign to enact legislation that may affect holders of its debt obligations, and the role played by other governments, including those of the jurisdictions in which private creditors are located, the development of events is inherently unpredictable. As a result, specified Credit Events may not encompass all the circumstances in which holders of a sovereign Reference Entity's obligations may suffer credit-related losses. Investors should also note that not all Credit Events require an actual default with respect to the relevant Reference Entity's obligations. Thus, holders of Credit Linked Notes could bear losses based on deterioration in the credit of the Reference Entity even before the occurrence of an actual default.

Payment Risk

The payments in respect of the Credit Linked Notes are linked (amongst other things) to the performance and creditworthiness of the Reference Entity. The occurrence of a Credit Event is likely to result in a corresponding decrease in the amount payable or deliverable on redemption and may be reduced to zero (subject to whether "Capital Not At Risk" is specified as applicable in the relevant Pricing Supplement and, in the case of Tranching Index Credit Linked Notes, the aggregate losses exceeding the "attachment point"). The amount payable on early redemption of the Credit Linked Notes may also take into account factors including, without limitation, the prevailing interest rates and credit spreads. Only sophisticated investors who are experienced in financial matters, familiar with the credit linked instruments (including Credit Linked Notes and the Obligations of the Reference Entity upon which payments in respect of the Credit Linked Notes are dependent) and who can bear any losses associated therewith should consider purchasing the Credit Linked Notes.

Legal risks

Investors should note that a Credit Event may still occur even where (i) the Reference Entity/underlying obligor lacks capacity to enter into any obligation, (ii) there is any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any obligation or (iii) the Credit Event results from (a) any applicable law, order, regulation, decree or notice or change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body or (b) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority. Investors should note that such legal risks are borne by the investors and the occurrence of a Credit Event that arises directly or indirectly as a result of these matters will not prevent the occurrence of an Event Determination Date from occurring under the Credit Linked Notes and which may result in interest amounts (in full or in part) ceasing to accrue or be payable and/or in the early redemption of the Credit Linked Notes (in full or in part).

Jurisdictional differences and assessment of a Reference Entity

There can be limited publicly available information about certain Reference Entities particularly where the laws in the jurisdiction of the Reference Entity do not subject the Reference Entity to reporting requirements. Furthermore, certain Reference Entities are subject to accounting, auditing and financial reporting standards that may differ from those applicable in other jurisdictions, and the relevant ways in which the legal regime of a Reference Entity operates can result in differences in outcomes across various jurisdictions. The differences highlighted herein may make it more difficult to make an accurate assessment of the creditworthiness of certain Reference Entities, and these differences may have a significant effect on the recovery on an underlying debt obligation in the event of bankruptcy or reorganisation of a Reference Entity. For example, once a bankruptcy or insolvency proceeding has commenced under the laws of certain jurisdictions, it may not be permissible to trade or accelerate the debt of the relevant issuer.

In making any assessment with respect to the creditworthiness of any Reference Entity generally, investors should also take into account, amongst other factors, (i) the name of the Reference Entity given that there can be confusion among market participants with respect to similarly named entities within a corporate group or failure to monitor any recent name changes or Successors identified with respect to a particular Reference Entity, (ii) the obligor on any referenced obligation and its capacity, to the extent relevant for any Credit Linked Note, (iii) the characteristics of any obligation referenced such as whether it is senior or subordinated, senior non preferred, freely transferrable, secured or unsecured, a bond, loan or a payment obligation not related to borrowed money which may either meet or fail to meet certain requirements specified in the Credit Linked Note relevant to either the occurrence of a Credit Event or redemption following a Credit Event and (iv) where there are multiple Reference Entities, whether each Reference Entity is weighted equally or whether some Reference Entities have greater weightings than others, given a Reference Entity's weighting with respect to the relevant Credit Linked Notes determines the portion of the principal amount of the Credit Linked Notes that is attributable to that Reference Entity. Each of the above factors are important and should be taken into consideration when making a decision whether to invest in the Credit Linked Notes, as they may affect the creditworthiness of the Reference Entity in question and/or the value of, and return on, such Credit Linked Notes.

Reference Entity – No obligation to consider investors

A Reference Entity has no obligation to consider any investor's interest (as a holder of the Credit Linked Notes) as to any corporate (including, for example, merger, demerger or the repayment or transfer of indebtedness) or sovereign actions that might be undertaken and such actions could affect the value of the Credit Linked Notes and impact on the terms and conditions of such Credit Linked Notes. A Reference Entity may have an incentive to structure a transaction to produce a particular result for example, in order to induce holders of its debt obligations to take certain actions. In some cases, a Reference Entity may repay its outstanding liabilities or assign them to a different entity in a manner that does not give rise to the determination of a Successor to the Reference Entity. In such cases, with respect to that Reference Entity, there may no longer be any deliverable obligations (a circumstance commonly referred to as an "orphaning"), which may result in there being no appropriate Valuation Obligations for Cash Redemption to be effected or Deliverable Obligations for an Auction to be determined with respect to the relevant Reference Entity or Physical Redemption to be effected. Such actions may adversely affect the value of, and return on the Credit Linked Notes and in addition, the views of market participants may differ as to how certain terms should be interpreted in the context of such actions, or such terms may operate in a manner contrary to the expectations of investors.

Exposure to Credit Events and successions prior to the Trade Date or Issue Date

The Credit Event Backstop Date represents the first day of the credit protection period for a Series of Credit Linked Notes, and therefore, the first day on which investors will be exposed to the credit risk in respect of the relevant Reference Entity. Unless otherwise specified in the terms of the Credit Linked Notes, the default position under the Credit Linked Conditions is for the Credit Event Backstop Date to be determined on a rolling basis by reference to a look-back period of 60 calendar days from the Credit Event Resolution Request Date or the effective date of delivery of the Credit Event Notice and related Notice of Publicly Available Information, as applicable. Investors should accordingly note that such Credit Event Backstop Date may fall prior to the Trade Date or Issue Date, such that a Credit Event occurring prior to the Trade Date or Issue Date may result in a Credit Event being triggered under such Credit Linked Notes. Investors should also note that this will not be the case where the terms of the Credit Linked Notes expressly specify the Credit Event Backstop Date as the Trade Date or the Issue Date.

Credit Linked Notes may also be exposed to Successor determinations in respect of events occurring prior to the Trade Date or Issue Date as the Credit Linked Notes have a similar backstop date (referred to as "**Successor**

Backstop Date”), which is a look-back period of 90 calendar days prior to the date of a request to convene the relevant Credit Derivatives Determinations Committee to determine one or more Successors to the Reference Entity (or, if applicable, the effective date of a notice to the investor describing the relevant succession). In both cases, investors may be exposed to Credit Events or succession events that occurred significantly earlier than the Trade Date or issuance of the Credit Linked Notes. Where on or after 1 January 2014, an entity assumes all of the obligations (including at least one relevant obligation) of a Reference Entity which is not a sovereign, in circumstances where a Reference Entity has ceased to exist, or is in the process of being dissolved and has not issued or incurred any borrowed money obligation at any time since the legally effective date of the assumption (such entity, a “**Universal Successor**”), the look-back period of 90 calendar days will not apply.

Investors should conduct their own review of any recent developments with respect to any Reference Entity(ies) by consulting publicly available information. If, prior to the Trade Date or Issue Date, a request to convene a Credit Derivatives Determinations Committee (for the relevant region) to determine whether a Credit Event or Successor determination has occurred with respect to a Reference Entity has been made, details of such request will be published by the relevant CDS Information Publisher and may currently be found at <https://www.cdsdeterminationscommittees.org/>. Investors should note that details of a Credit Event or successor event occurring prior to the Trade Date or Issue Date may not always be available at the time of trading or issuance – in particular, if a Credit Derivatives Determinations Committee has not yet been convened to determine such matter as of the Trade Date or Issue Date, investors should note that one may still be convened after the Trade Date or Issue Date (in respect of an event that has occurred before the Trade Date or Issue Date, due to application of the look-back period of up to 60 calendar days (in the case of a Credit Event, by operation of the Credit Event Backstop Date) or 90 calendar days (in the case of the determination of a Successor, by operation of the Successor Backstop Date) or any time (in the case of the determination of a Universal Successor, where applicable) before the date of a request to convene such Credit Derivatives Determinations Committee to make the relevant determinations). Equally, Credit Events and successions may occur but where issues are not raised within the requisite time period to the Credit Derivatives Determinations Committee to qualify for a Credit Event or a qualifying succession, the events will not impact the relevant Credit Linked Notes, subject to any further actions undertaken by the Determination Agent (where applicable and for example, delivery of a Credit Event Notice).

Historical performance may not predict future performance

Investors should note that the historical performance of a Reference Entity or similar entities is not indicative of its future performance and, accordingly, if contrary to historical performance, a Credit Event occurs, the Credit Linked Note may early redeem.

Investors should note that the historical performance of a Reference Entity or similar entities is not indicative of its future performance and, accordingly, if contrary to historical performance, a Credit Event occurs, the Credit Linked Note may early redeem.

Successor Reference Entities

Pursuant to the Credit Linked Conditions, a Reference Entity may be subject to replacement by one or more successors. In the event of multiple successors, each investor in the Credit Linked Notes will be subject to the credit risk of each successor and the creditworthiness of such successors may have an impact on the value of, and return on, the Credit Linked Notes.

The Determination Agent will be responsible for determining, as soon as reasonably practicable after delivery of a Successor Notice (describing a succession), the sovereign or entity, if any, that qualifies as the successor (provided that there has been no announcement that the Credit Derivatives Determinations Committee has already determined that there is no successor). The Credit Linked Conditions provide that if a Reference Entity has more than one successor, the terms of the Credit Linked Notes will be amended without consent of the investors, to reflect that the relevant Reference Entity has been succeeded by more than one successor and for the purposes of calculation, the affected outstanding nominal amount (or outstanding accreted nominal amount, if applicable) representing such Reference Entity will be divided equally among the successors.

Where an Event Determination Date occurs in respect of a successor (in the event of multiple successors), then the Credit Linked Notes redeem in part pursuant to the Credit Linked Conditions, notwithstanding that such Credit Linked Notes may be Single Name Credit Linked Notes. In respect of Credit Linked Notes which are not Zero Coupon Notes, following the occurrence of such Credit Event, the Credit Linked Notes shall remain outstanding in a reduced nominal amount and interest will accrue on such amount, subject to the adjustments determined by

the Determination Agent in its discretion, acting in a commercially reasonable manner, to reflect the economic effects of the identification of more than one successor, considered in the aggregate.

Investors should note that the Credit Linked Note may reference substantially different credit risks following the determination of one or more successors. These credit risks could potentially be greater or lesser than the credit risk of the original Reference Entity. Investors should also be aware that the determination of a successor will not necessarily result in the assumption of that obligation by the successor either at all or in the same proportion as the allocation of the notional amount of the original Credit Linked Note. Such changes to the Credit Linked Notes could adversely impact the value of the Credit Linked Notes.

Concentrated credit risk where Reference Entities are concentrated in the same sectors or regions

The credit risk to investors in Credit Linked Notes which are credit linked to multiple Reference Entities may be increased, amongst other things, as a result of the concentration of Reference Entities in a particular industry sector or geographic area, or the exposure of the Reference Entities to similar financial or other risks as other Reference Entities.

Although investors in Single Name Credit Linked Notes will have exposure to a single Reference Entity, investors should note that the risk factors set out above will equally apply to such Credit Linked Notes where multiple successors are identified in accordance with the Credit Linked Conditions.

Volatility

The Credit Linked Notes are complex financial instruments and are linked to the credit of the Reference Entity(ies). Changes in the market value of the Credit Linked Notes could be greater than the change in the market value of the obligations issued by the underlying Reference Entity(ies), and the market value of the Credit Linked Notes is subject to credit, liquidity and interest rate risk and will be affected by, amongst other things, (i) the actual or perceived creditworthiness and credit ratings of each Reference Entity and any guarantors or other supporters of its relevant obligations, (ii) expected rates of recovery on obligations of the Reference Entity, (iii) actions of a Reference Entity and its principal creditors, (iv) the nature of each Reference Entity's outstanding indebtedness, including its maturity and subordination structure and any guarantees or other support that the Reference Entity has provided to other entities, (v) the contractually specified credit-related events with respect to a Reference Entity that may trigger settlement of the Credit Linked Notes, (vi) optionality that a party may have, such as the ability to select the obligations of a Reference Entity that will be delivered or valued or to decide whether or not to trigger settlement, (vii) correlation among the credit spreads and/or default probabilities of the components of a basket or index, if applicable, (viii) market liquidity, (ix) the time remaining to the maturity or (x) economic, financial, political and regulatory or judicial events or conditions that affect a Reference Entity or its outstanding obligations, or the market for Credit Linked Notes or related financial markets, including credit spreads in the market. Such volatility could impact on the market value of the Credit Linked Notes (whether indicative or actionable) which may vary over time and may be significantly less than the Original Aggregate Nominal Amount (or if applicable, the Aggregate Accreted Nominal Amount) of the Credit Linked Notes as at the Issue Date in certain circumstances, and may even be zero.

Market liquidity

Various factors may affect the market liquidity for the Credit Linked Notes. Future regulation of Credit Linked Notes could limit market liquidity, as well as a Reference Entity's inclusion or exclusion from a standardised index, with exclusion from an index generally expected to result in diminished market liquidity.

In the case of Untranched Index Credit Linked Notes and Tranching Index Credit Linked Notes, certain tenors of the relevant credit index referenced by such Credit Linked Notes may be more liquid than others. The market liquidity of Untranching Index Credit Linked Notes and Tranching Index Credit Linked Notes may also vary significantly between the current series of the relevant credit index referenced by such Credit Linked Notes and prior series. The market liquidity of instruments based on a bespoke portfolio of Reference Entities, such as Linear Basket Credit Linked Notes, will generally be less than that of instruments linked to standardised indices and terms. The market liquidity of a single-name Reference Entity instruments, such as Single Name Credit Linked Notes, may be affected by the Reference Entity's inclusion or exclusion from a standardised credit index, with exclusion from a credit index generally expected to result in diminished market liquidity.

In addition, Credit Linked Notes with terms that differ from trading conventions may have substantially less market liquidity and price transparency. Consequently, market liquidity could vary during the term of a Credit

Linked Note and will affect the value of such Credit Linked Note. There is no assurance that the Issuer, the Guarantor, the Dealer, the Determination Agent or one or more of their affiliates will be able to provide prices with respect to the Credit Linked Notes or that a secondary market can develop with respect to the Credit Linked Notes.

Risks relating to the impact of the Credit Derivatives Determinations Committees on the Credit Linked Notes

The Credit Linked Notes will be subject to the announcements, determinations and resolutions of the Credit Derivatives Determinations Committees and the Determination Agent will make all necessary amendments to the terms of the Credit Linked Notes to give effect to a determination of the Credit Derivatives Determination Committee. The Credit Derivatives Determinations Committees are regional committees and each committee comprises certain significant participants in the credit derivatives market for a particular region. There are currently 5 regional Credit Derivatives Determinations Committees covering the Americas, Asia excluding Japan, Australia-New Zealand, EMEA (Europe), and Japan. Each regional Credit Derivatives Determinations Committee considers matters which generally relate to Reference Entities which are traded under transaction types for their region. The Credit Derivatives Determinations Committees may make announcements, determinations and resolutions which may have an adverse impact on the value of, and return (both quantum and timing of payments of interest and principal) on, Credit Linked Notes (including, without limitation, the determination of the occurrence of a Credit Event).

Investors should also be aware that there are certain instances where a Determination Agent's determination (including its determination of the occurrence of a Credit Event) may be overridden by a later determination of the Credit Derivatives Determinations Committee that is inconsistent with such earlier Determination Agent determination, as further set out in the Credit Linked Conditions. Any such reversal may adversely impact the value of the Credit Linked Notes.

Investors have no role in respect of the composition of the Credit Derivatives Determinations Committees

The DC Rules (which may be amended by a Credit Derivatives Determinations Committee) provide that eligible market participants may raise questions to the Credit Derivatives Determinations Committees which have the power to make binding decisions on critical issues such as, without limitation, whether a Credit Event has occurred, whether there is a Successor to a Reference Entity, which obligations of a Reference Entity are deliverable, whether or not an auction will be held and on matters of contractual interpretation relevant to the credit derivatives market generally. The Credit Derivatives Determinations Committees make determinations that are relevant to the majority of the credit derivatives market and to promote transparency and consistency.

The Issuer, the Guarantor, the Dealer, the Determination Agent or one or more of their affiliates has no duty to any investor to refer specific questions to the Credit Derivatives Determinations Committees.

Noteholders will have no role in the composition of the Credit Derivatives Determinations Committees. Separate criteria apply to the selection of dealer and non-dealer institutions to serve on the Credit Derivatives Determinations Committees ("**DC Member**"), and investors will have no role in establishing such criteria. In addition, the composition of the Credit Derivatives Determinations Committees will change from time to time as the term of a member institution may expire or a member institution may be required to be replaced. The process is governed by the DC Rules and investors will have no control over the process for selecting institutions to participate on the Credit Derivatives Determinations Committees.

To the extent provided for in the Credit Linked Notes, the determinations of the Credit Derivatives Determinations Committees will be final and binding with respect to specific matters set out in the terms and conditions of the Credit Linked Notes, where relevant. See the risk factor titled "Risks relating to the impact of the Credit Derivatives Determinations Committees on the Credit Linked Notes" for further detail.

No notification of Credit Derivatives Determinations Committees resolutions

Notices of issues submitted to the Credit Derivatives Determinations Committees, meetings convened to deliberate such questions and the results of binding votes of the Credit Derivatives Determinations Committees will be published by the relevant CDS Information Publisher. Neither the Issuer, the Guarantor, the Dealer, the Determination Agent nor any one or more of their affiliates shall be obliged to inform investors of such updates as published from time to time. Investors should carefully monitor the matters under consideration by the Credit Derivatives Determinations Committees and their determinations - notwithstanding that an investor may be unaware of information relating to determinations of a Credit Derivatives Determinations Committee as published

by the relevant CDS Information Publisher, such determinations may affect the Credit Linked Notes (including redemption and suspension or reduction of interest payments).

Impact of a Credit Event on principal and interest

Following a Credit Event which is a Governmental Intervention or certain Restructuring Credit Events, an Asset Package Credit Event may occur and the amount of principal payable may be determined based on the value of a package of assets which a relevant obligation of a Reference Entity has been converted into or exchanged for (which may be worth significantly less than the principal amount of such original obligation of such Reference Entity or, where such original obligation has been expropriated for no compensation, may be zero). Prospective investors in such Credit Linked Notes should be aware that depending on the terms thereof (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest or delivery of any specified assets may occur at a different time than expected and (iii) they may lose all or a substantial portion of their investment.

The occurrence of a Credit Event in relation to any Reference Entity from time to time may result in either full or partial redemption of the Credit Linked Notes on the relevant Credit Event Redemption Date which will depend on whether "Credit Recovery on Maturity" or "Credit Recovery Following Credit Event" applies. Any recovery (which could be zero and, in the case of Tranching Index Credit Linked Notes, to the extent that such recovery falls within the tranche to which the Tranching Index Credit Linked Notes are exposed) will be payable to the investor but the investor will be exposed to all losses (in the case of Tranching Credit Linked Notes, to the extent that such losses fall within the tranche to which the Tranching Index Credit Linked Notes are exposed), which will reduce its principal redemptions. Where "Physical Redemption" is specified as the Credit Event Redemption Method in the relevant Pricing Supplement, the occurrence of a Credit Event may result in the redemption of the Credit Linked Notes based on the delivery of certain direct or indirect obligations of the affected Reference Entity, which may have a market value which is substantially less than their nominal amount.

Unless "Interest Accrual on Maturity" applies in the relevant Pricing Supplement, investors should note that following the occurrence of a Relevant Event Determination Date, interest will cease to accrue on a specified portion of the relevant Credit Linked Notes (i) if "No Interest Accrual on Default" applies in the relevant Pricing Supplement, from the Interest Payment Date immediately preceding the Relevant Event Determination Date (or where there is no Interest Payment Date immediately preceding the Relevant Event Determination Date, the Interest Commencement Date) or (ii) if "Interest Accrual on Default" applies in the relevant Pricing Supplement, on the first day immediately following the Relevant Event Determination Date.

The Issuer may also suspend interest in certain circumstances where (a) an Applicable DC Credit Event Question has been submitted in respect of which a DC Resolution has not been published or the Credit Derivatives Determinations Committee has not resolved whether it will convene a meeting to Resolve the Applicable DC Credit Event Question or (b) where the Determination Agent has determined that a Credit Event could occur but no Credit Event Notice has been provided to the Issuer and/or the Noteholders. In such circumstances, investors should note that the Issuer would suspend the maximum amount of interest payable assuming (i) the Credit Event had occurred, (ii) the relevant Credit Event will not be an M(M)R Restructuring and (iii) where "Fixed Recovery Redemption" is applicable, taking into account, where the amount to be withheld requires calculation of any recovery amount, the Fixed Recovery Percentage. Such suspension of interest shall be effected even though no Relevant Event Determination Date has actually occurred.

Investors should be aware that payment of any interest wrongly suspended will be repayable in accordance with the terms and conditions of the Credit Linked Notes and where insufficient interest has been suspended (the absolute value of such interest shortfall constituting the Interest Suspension Shortfall Amount), such Interest Suspension Shortfall Amount shall be claimed by the Issuer from any future amount(s) payable or assets Delivered upon the redemption or, where applicable, write down in full of the relevant Credit Linked Notes (whether at maturity or upon early redemption). The Issuer, however, will have no further claims against any investors for any Interest Suspension Shortfall Amount which cannot be deducted in full or in part (on account of the relevant redemption amount being insufficient or subject to "Capital Not At Risk" being specified as applicable).

Interest (if applicable) shall continue to be suspended until the relevant Credit Derivatives Determinations Committee makes the relevant announcements or the Determination Agent determines that no Relevant Event Determination Date can occur. In such circumstances, investors should note that they may not receive any interest for multiple Interest Periods.

Interest will otherwise continue to accrue as usual on any remaining portion of the Credit Linked Note unaffected by the Relevant Credit Event. If "Interest Accrual on Maturity" and "Credit Recovery on Maturity" are applicable,

interest will continue to accrue on the Credit Linked Notes in accordance with the terms and conditions of the Credit Linked Notes, notwithstanding the occurrence of a Credit Event and the corresponding Relevant Event Determination Date.

Investors will have no recourse against any of the institutions serving (which could include the Issuer, the Dealer, the Determination Agent or the Calculation Agent) on the Credit Derivatives Determinations Committees

DC Members (which could include the Issuer, the Dealer, the Calculation Agent, the Determination Agent or one or more of their affiliates) do not owe any duty to Noteholders to refer specific questions to the Credit Derivatives Determinations Committees. Noteholders will be prevented from pursuing legal claims with respect to actions taken by such DC Member in its capacity as such under the DC Rules. DC Members have no duty to investigate, supplement or verify the accuracy of information on which a determination is based. In addition, the Credit Derivatives Determinations Committees are not obligated to follow previous determinations or to apply principles of interpretation such as those that might guide a court in interpreting contractual provisions. Therefore, investors should be aware that a Credit Derivatives Determinations Committee could reach a conflicting determination for a similar set of facts, which may impact the Credit Linked Notes in a manner that was not originally contemplated by investors.

Requirement for publicly available information

The Credit Linked Notes may specify that only publicly available information regarding a relevant event may be used to trigger or modify the transaction. In cases where the applicable Credit Derivatives Determinations Committee determines a Credit Event has occurred based on publicly available information, such decision will also apply to the Credit Linked Notes. However, there may be instances where the respective Credit Derivatives Determinations Committee has not considered any request for the convening of its committee to consider whether or not a Credit Event has occurred in respect of a Reference Entity. In such instance, the Determination Agent, may, in its sole and absolute discretion, evaluate the validity of any publicly available information with due regard to whether such information has been made public without the violation of any law, agreement, understanding or other restriction regarding the confidentiality of such information. Also, the Credit Linked Conditions contain standards as to what constitutes publicly available information. If a Credit Event or a succession occurs, amongst other events, but the requisite public information about the event is not available within the applicable time periods, then the event will not apply in respect of the Credit Linked Notes.

Investors should note that in certain circumstances it may be difficult to verify the occurrences of certain Credit Events as a party in possession of such information which may evidence such Credit Event may be contractually prohibited from disclosing information to another party by virtue of any credit agreement or other agreement with the Reference Entity, any underlying obligor, any affiliate of the Reference Entity or of the underlying Obligor or such party may be bound by or subject to a confidentiality obligation or agreement whereby the required information for verification may not be capable of disclosure without breaching such confidentiality undertakings. Furthermore, the Issuer and/or Determination Agent or any of their respective affiliates may be in possession of information in relation to the Reference Entity or an obligation thereof that is or may be material in the context of the Credit Linked Notes and may or may not be publicly available to Noteholders. Furthermore, the Issuer and/or the Determination Agent or any of their affiliates could publish research with respect to the Reference Entity. There is no obligation on the Issuer and/or the Determination Agent or any of their respective affiliates to disclose to Noteholders any such information. Accordingly, there may be circumstances when a Credit Event may not be capable of trigger under the Credit Linked Notes due to lack of publicly available information.

In addition, there can be no assurance that all events occurring prior to the Trade Date and Issue Date, including events that would affect the accuracy or completeness of the public filings of the Reference Entity or the value of the underliers, will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning an issuer could adversely affect the value of the Credit Linked Notes, its usefulness for any investor's intended purpose, and the timing or amount of payments or deliveries.

Risks associated with Auction Redemption following a Credit Event

If "Auction Redemption" is applicable with respect to the Credit Linked Notes, then the amounts payable under the Credit Linked Notes will be determined on the basis of the final price determined pursuant to the auction procedure set out in the relevant Credit Derivatives Auction Settlement Terms (then available at <https://www.cdsdeterminationscommittees.org/> (or any successor website)). In respect of specified obligations of the relevant Reference Entity, provided that the Credit Derivatives Determinations Committee determines that an applicable auction will be held, an auction final price determination date will occur. Credit losses determined

pursuant to a market auction process may be greater or less than the losses which would have been determined in the absence of the auction. In particular, the auction process may be affected by technical factors or operational errors, which would not otherwise apply or may be the subject of actual or attempted manipulation. The administrator(s) specified in the auction settlement terms conduct auctions. Investors are subject to the risk that where a final price is determined in accordance with an auction, this may result in a lower recovery value than an obligation of the Reference Entity would have had if such final price had been determined pursuant to alternative methods. In addition, the Credit Derivatives Determinations Committee may amend the form of auction settlement terms for a particular auction. The DC Rules provide for certain amendments by resolution of a convened Credit Derivatives Determinations Committee. Other amendments may be made subject to a public comment period; however, the DC Rules permit the Credit Derivatives Determinations Committee to forego a public comment period by supermajority action. Accordingly, there can be no assurance that the Credit Derivatives Auction Settlement Terms for a particular auction will be on similar terms to the form of auction settlement terms or the terms of previous auctions.

Where the only relevant Credit Event is a restructuring, several concurrent but separate auctions may occur with respect to the Reference Entity and such Credit Event. The auction settlement amount may be based on the price of one or more obligations of the Reference Entity having a final maturity date different from the restructured obligation.

Although auctions can generally be expected to be held for Reference Entities that are widely traded in the credit markets, there can be no assurance that an auction will be held for future Credit Events or that, if held, the auction will result in the determination of an auction final price. If an auction is not held or fails to result in the determination of an auction final price (as might occur if an auction is cancelled by the Credit Derivatives Determinations Committee due, for example, to an inability to obtain the requisite number of initial bids) and if “Auction Redemption” is applicable with respect to the Credit Linked Notes, then the “Fallback Redemption Method” (which, if applicable, is cash redemption) shall apply. In such circumstances of cash redemption, the final price will be determined pursuant to the valuation method specified in the Credit Linked Notes and Noteholders should have regard to the risk factor below entitled “Risks associated with Cash Redemption following a Credit Event”.

Investors should carefully assess and understand the elections specified in relation to the relevant Credit Linked Notes and the circumstances and/or events as described above, which may affect the value of, and return on, such Credit Linked Notes.

Risks associated with Cash Redemption following a Credit Event

If “Cash Redemption” applies to the Credit Linked Notes, then following the occurrence of a Credit Event, the Determination Agent will be required to seek quotations in respect of selected obligations of the Reference Entity in accordance with the terms and conditions of the Credit Linked Notes. Investors should be aware that such obligations may no longer exist and no qualifying substitute obligations may have been identified, such quotations may not be available, or the level of such quotations may be substantially reduced as a result of illiquidity in the relevant markets or as a result of factors other than the credit risk of the Reference Entity (for example, liquidity constraints affecting market dealers). Moreover, the market value of a Reference Entity’s obligations may be highly volatile in the period following a Credit Event. Accordingly, any quotations so obtained may be significantly lower than the value of the relevant obligation which would be determined by reference to (for example) the present value of related cash flows or the value that a party could obtain if it controlled the disposition of the obligations. Furthermore, the price of the selected obligations of the Reference Entity may be deemed to be zero in the event that no such quotations are available. Further, valuation of the selected obligations will be determined at a particular determination date and as such the recovery price which would be adopted in any loss amount or incurred loss amount that would be suffered by an investor following the occurrence of a Credit Event will reflect the value of relevant obligations at a given date. As such, the exposure to loss suffered by an investor or any principal write-down may be more than that ultimately realised by a holder of debt obligations of the Reference Entity, whether by means of enforcement of rights following a default or receipt of distributions following an insolvency or otherwise.

Further, where quotations are sought on an asset package, such asset package may contain assets which are hard to value and for which a valuation methodology may not be readily available or suitable, which may reduce the value of quotations or the availability of quotations that may otherwise have been obtained. Accordingly, investors should note that any quotations so obtained may be significantly lower than the value of the relevant obligation (or asset package) which would be determined by reference to (for example) the present value of related cash flows or the value that a party could obtain if it controlled the disposition of the obligations.

Risks relating to Physical Redemption following a Credit Event

Where “Physical Redemption” applies to Credit Linked Notes, the Issuer must select obligations of the Reference Entity that satisfy specified criteria and deliver those obligations to the investor in an amount determined in accordance with the terms of the Credit Linked Notes. Investors should be aware that physical redemption may not be possible to accomplish under some circumstances, including where the Issuer is unable to procure the specified or selected deliverable obligation(s) due to market dislocations or prior redemptions or refinancings by the Reference Entity, failure to receive necessary transfer consents (such as from a borrower or agent) or delays in receiving such consents, or court orders prohibiting transfers of an obligation. In such event, the terms of the Credit Linked Notes may provide the Issuer with alternative methods of settlement or permit partial cash settlement subject to certain conditions or specify other fallback consequences which may include redemption by way of payment of a cash amount. Further, where “Physical Redemption” applies and if all or any part of the Physical Redemption Assets that would be required to be Delivered to a Noteholder is not a whole integral multiple of the smallest unit of transfer for any such Physical Redemption Assets at the relevant time of Delivery, as determined by the Determination Agent, the Issuer will only Deliver the portion of the Physical Redemption Assets specified by the Issuer which is as large a size as possible but less than the full Physical Redemption Assets, after consideration of such smallest unit or units of transfer and application of rounding. The value of the undelivered obligations will be deemed to be zero and the Issuer’s obligations to an investor in respect of such portion shall be fully and effectively discharged in such circumstances.

Investors should understand the terms of the obligation and applicable securities laws as these may restrict their ability to take delivery of Deliverable Obligations. Investors should also note that delivery expenses will be taken into account in determining the Outstanding Principal Balance or Due and Payable Amount of the relevant Deliverable Obligations to be Delivered.

Outstanding Principal Balance

The outstanding principal balance of a deliverable obligation is determined by calculating (i) the amount of all principal payment obligations of a Reference Entity in respect of such obligation and subject to the Determination Agent’s determination to include (rather than exclude) accrued but unpaid interest, the relevant Reference Entity’s accrued but unpaid interest payment obligations, minus (ii) any unwind costs (if “Credit Unwind Costs” is specified as applicable in the relevant Pricing Supplement), any delivery expenses, any interest suspension shortfall amounts and any portion of such principal payment obligations that are subject to a contingency (other than certain permitted contingencies) or prohibited action (the amount determined in sub-paragraph (i) above less any amounts subtracted in accordance with sub-paragraph (ii) above, being the “**Non-Contingent Amount**”) and thereafter determining the lowest amount of the claim that could be validly asserted against a Reference Entity in respect of such Non-Contingent Amount if the obligation was redeemed or accelerated.

The quantum of the claim will be normally determined in accordance with any applicable law that reduce or discount the size of the claim to reflect the original issue price or accrued value of the obligation. Where the “2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)” and “Fallback Discounting” both apply and if certain other conditions are met (being (a) the Outstanding Principal Balance of an obligation is not reduced or discounted in accordance with applicable law and (b) the issue price of a Bond or the amount advanced under a Loan is less than 95 per cent. of the principal redemption amount or principal repayment amount (as applicable), and in respect of such Bond or Loan, there are no provisions relating to the accretion over time of the amount which would be payable on an early redemption or repayment of such Bond or Loan that are customary for such Bond or Loan, as applicable), the Outstanding Principal Balance would instead be the lesser of (i) the Non-Contingent Amount and (ii) an amount determined by straight line interpolation between (A) the issue price of the Bond or the amount advanced under the Loan and (B) the principal redemption amount or principal repayment amount, as applicable. In such circumstances, prospective investors should note that upon Delivery by the Issuer of impacted Deliverable Obligations the amount received by the investor would potentially be further reduced which could result in an anticipated par claim being treated as less than par.

Delivery of Loans

Where physical redemption applies and to the extent investors would be required to receive loans as deliverable obligations under a Credit Linked Note, investors should be familiar with the documentation and settlement practices of the relevant secondary loan trading markets and applicable laws and regulations (including the legal consequences of furnishing or receiving non-public information regarding a Reference Entity).

Provisions of the Reference Entity's credit agreements may affect a party's ability to deliver or receive loans, the economic consequences of doing so and whether loans meet deliverability criteria. Accordingly, investors should review such agreements carefully, including the provisions governing assignments, any collateral allocation mechanisms i.e., a mandatory exchange of obligations for other obligations under a credit agreement, not all of which may be deliverable and provisions that may require or entitle a lender to advance funds.

Payment/Delivery Failure Event – failure to deliver

Investors should note that a Payment/Delivery Failure Event will occur where certain relevant definitive Credit Linked Notes and/or the Physical Redemption Election Notice are not delivered or there is a failure by the Noteholder to duly execute, deliver and/or accept a transfer certificate or other transfer document on or before any Delivery Date and/or specify a date for transfer of the relevant Deliverable Obligation that is on or before any Delivery Date. In such case, investors should note that the obligations of the Issuer to procure Delivery of the Physical Redemption Assets and make any payment shall cease until such time, such event is cured whereupon deferred delivery shall apply or if "Fallback Cash Redemption" is specified to apply in the relevant Issue Terms, fallback cash settlement shall apply. Investors will not be entitled to any payment, whether of interest or otherwise, in the event of such deferred delivery or payment.

Fixed Recovery Redemption may be subject to a fixed recovery price

If "Fixed Recovery Redemption" applies to Credit Linked Notes and the Credit Event Redemption Amount or Cash Loss Amount of the Credit Linked Notes is calculated by reference to a fixed recovery price of the obligations of a Reference Entity(ies), the occurrence of a Credit Event may result in the recovery being materially lower than the prevailing price of the relevant obligations of the relevant Reference Entity.

Investors should note that redemption could occur with a Fixed Recovery Percentage set at zero per cent. (if the relevant Pricing Supplement specifies zero as the relevant percentage).

If the Fixed Recovery Percentage is zero, following the occurrence of a Relevant Event Determination Date, the Issuer's obligation in respect of the Applicable Proportion of the relevant Note shall be fully and effectively discharged. Investors should be aware that where the Fixed Recovery Percentage is zero, the loss amount in respect of the Affected Reference Entity will be 100 per cent. and, accordingly, no redemption amounts (in the case of Tranching Credit Linked Notes, to the extent that such losses fall within the tranche to which the Tranching Index Credit Linked Notes are exposed) will be payable or assets deliverable to the Noteholders. Investors will therefore bear the loss of their principal.

"Cheapest-to-Deliver" risk

In the case of "Cash Redemption" or "Physical Redemption", since the Determination Agent and/or the Issuer (as applicable, in accordance with the Credit Linked Conditions) has discretion to choose the portfolio of obligations to be delivered or valued following a Credit Event in respect of a Reference Entity, it is likely that the portfolio of obligations selected will be obligations of the Reference Entity with the lowest anticipated market value that are permitted to be selected pursuant to the terms of the Credit Linked Notes. This could result in a lower recovery value and hence greater losses for an investor. Obligations of differing maturities, currencies or payment priority (either contractual or under applicable insolvency law), among other characteristics, may diverge considerably in market value.

Similar considerations apply where "Auction Redemption" applies given that the representative transaction that is priced in an auction generally allows a choice of deliverable obligations from a final list established by the Credit Derivatives Determinations Committee whereby participating bidders provide two way prices.

Payments of the Credit Linked Notes may be deferred or suspended

Investors should note that in certain circumstances, for example where (i) the final Credit Event Redemption Date (or the Final Physical Redemption Cut-Off Date in relation to any Physical Redemption, as applicable) will only occur after the Scheduled Maturity Date, (ii) where the Determination Agent determines on or prior to the Scheduled Maturity Date that a potential Credit Event may occur (including Potential Failure to Pay if "Grace Period Extension" is specified as being applicable in the relevant Pricing Supplement or Potential Repudiation/Moratorium if "Repudiation/Moratorium" is specified as being applicable in the relevant Pricing Supplement), (iii) where a DC Credit Event Question has been submitted and a Credit Event Resolution Request Date may occur after the Scheduled Maturity Date but during the Notice Delivery Period which may result in a Relevant Event Determination Date occurring or (iv) a Credit Event Notice may be delivered after the Scheduled

Maturity Date within an effective delivery period which may result in a Relevant Event Determination Date occurring. In such circumstances, payment of the redemption amount of the Credit Linked Notes and/or interest on the Credit Linked Notes may be deferred for a material period in whole or part without compensation to an investor. In such circumstances, the Issuer is not obliged to take any action with respect to redemption in relation to the relevant Credit Linked Notes and no additional interest shall be payable to an investor in connection with such tolling or suspension of payments, including any final redemption amount.

If, following the occurrence of a Relevant Event Determination Date (but prior to the relevant Credit Event Redemption Date, Delivery Date or Valuation Date, as applicable), there is an Applicable DC Credit Event Meeting Announcement, all redemption timing requirements will toll and remain suspended until the date of the Applicable DC Credit Event Announcement or Applicable DC Credit Event Question Dismissal, as applicable. Once the relevant DC Credit Event Announcement or DC Credit Event Question Dismissal has occurred, the relevant timing requirements that pertain to settlement that have previously tolled or been suspended shall resume on the Business Day following such public announcement by the relevant CDS Information Publisher, with the Issuer having the benefit of the full day notwithstanding when the tolling or suspension began.

Payment/Delivery Failure Event – failure to pay

Investors should note that where it is impossible, impracticable or illegal for the Issuer to pay (due to an event beyond the control of the Issuer) or for a Noteholder to accept payment of (due to an event beyond the control of such Noteholder), required to be paid by the Issuer on the date intended for such payment, the obligation of the Issuer to pay the relevant amount scheduled to be paid will be postponed until such time that the event no longer exists or is cured but where the event continues to exist on the Payment Failure Cut-Off Date, no such payment will be made by the Issuer and the Issuer's obligations to the investor will be deemed to be fully discharged as of that date. Any postponement or deemed discharge of payment will not constitute an Event of Default and will not entitle the relevant investors to any additional interest or other payment as a result thereof.

Determination of Event Determination Dates and Credit Event Redemption Dates post Scheduled Maturity Date

Investors should note that an Event Determination Date which would give rise to a redemption could occur (i) as a result of notices being provided during the prescribed notice delivery period (being the period from, and including, the Trade Date to, and including, the 14th calendar day after the Extension Date (which may fall after the Scheduled Maturity Date in the case of a Potential Failure to Pay (and "Grace Period Extension" is applicable) or a Potential Repudiation/Moratorium)) or post dismissal additional period (which may occur after the Scheduled Maturity Date, being the period from and including the date of the Applicable DC Credit Event Question Dismissal to the 14th calendar day thereafter) or (ii) in some cases, as a result of a DC Credit Event Announcement following a Credit Event Resolution Request Date occurring on or prior to the last day of the notice delivery period (which may fall after the Scheduled Maturity Date), as a result of requests submitted after the Scheduled Maturity Date by market participants to the Credit Derivatives Determinations Committee for the relevant Credit Derivatives Determinations Committee to be convened to deliberate an issue.

The Scheduled Maturity Date of the Credit Linked Note may also be extended where the last relevant Credit Event Redemption Date, Final Physical Redemption Cut-Off Date (with respect to physical redemption) or a Payment Failure Cut-Off Date occurs after the Scheduled Maturity Date (including any final Partial Cash Redemption Date or final Fallback Cash Redemption Date, as applicable). In each of these circumstances, the scheduled maturity date of the Credit Linked Notes will be extended and investors should note that the final redemption amounts, if any would be payable on a date later than the Scheduled Maturity Date and no additional interest shall be payable to an investor in connection with such tolling or suspension of payments, including any final redemption amount.

Adjustments and amendments

Investors should note that the Credit Linked Notes may be subject to amendments without consent of the investors, where an Event Determination Date is deemed (i) to have occurred on a date that is different from the date that was originally determined to be the Event Determination Date; (ii) not to have occurred or (iii) to have occurred prior to a preceding Interest Payment Date.

Certain DC resolutions may reverse prior DC resolutions (including DC resolutions relating to Successors or Substitute Reference Obligations) or the occurrence of a Relevant Event Determination Date that has resulted in the occurrence of an Auction Final Price Determination Date, a Physical Redemption Date, redemption of the Credit Linked Notes in full, a Valuation Date or a Delivery Date, as applicable and depending on the

circumstances, may have the effect of reversing the economic impact for the Credit Linked Notes. Investors should be aware that in these circumstances, the Determination Agent will, in its sole and absolute discretion, make all necessary amendments or undertake all necessary actions to give effect to such reversal (including determining the adjustment payment, if any, that is payable to investors, and the date the adjustment payment is payable) and no accruals of interest, if any, shall be taken into account when calculating any such adjustment payment and when making such adjustments, no further consent of the Noteholder shall be required.

Further, investors should note that the Determination Agent may from time to time, without obtaining the consent of the Noteholders, amend provisions of the Credit Linked Conditions and the applicable Pricing Supplement in any manner which the Determination Agent determines (acting in a commercially reasonable manner) is necessary or desirable (i) to incorporate and/or reflect (a) further or alternative documents or protocols from time to time published by ISDA with respect to the documentation or redemption of Credit Linked Notes and/or (b) the operation or application of determinations by the Credit Derivatives Determinations Committees and/or (ii) to account for market practice to be reflected in the terms of the Credit Linked Notes. Any such amendment may affect the value of, and return on, the Credit Linked Notes.

Potential conflicts of interest

The Calculation Agent, the Determination Agent and one or more of their affiliates is a leading dealer in the credit derivatives market. If “Auction Redemption” is specified as the Credit Event Redemption Method in the relevant Pricing Supplement and is applicable under the Credit Linked Notes, and an auction is held in respect of a Reference Entity for which a Credit Event has occurred, there is a high probability that the Calculation Agent, the Determination Agent or one of their affiliates would act as a participating bidder in any such auction. In such capacity, it may take certain actions which may influence the final price determined pursuant to the auction, including, without limitation, (i) submitting bids, offers and physical settlement requests (either on its or their own behalf or on behalf of customers) with respect to the relevant deliverable obligations and (ii) providing rates of conversion to determine the applicable currency conversion rates to be used to convert any obligations that are not denominated in the auction currency into such currency for the purposes of the auction. In deciding whether to take any such action, or whether to act as a participating bidder in any auction, the Calculation Agent, the Determination Agent or one or more of their affiliates (as applicable) shall be under no obligation to consider the interests of any investors and the effects of their participation may have a material adverse effect on the value of a Credit Linked Note.

None of the Issuer, the Guarantor, the Dealer or any of their respective affiliates is currently a voting member on any Credit Derivatives Determinations Committee. However, prospective investors should note that they may subsequently become a voting member and will also be a party to transactions that rely on determinations of the Credit Derivatives Determinations Committee. The Issuer, the Guarantor, the Dealer and/or their respective affiliates may take actions that influence the decisions of the Credit Derivatives Determinations Committee. Such actions may be adverse to the interests of the Noteholders while benefiting the Issuer, the Guarantor, the Dealer and/or any of their respective affiliates. In taking any action relating to the Credit Derivatives Determinations Committee or performing any duty under the DC Rules, neither the Issuer, the Guarantor, the Dealer nor any of their respective affiliates has any obligation to consider the interests of the Noteholders and may act regardless of any conflict of interest due to its responsibilities under the Credit Linked Notes.

Prospective investors should also be aware the Credit Derivatives Determinations Committee will be able to make a broad range of determinations in accordance with the DC Rules that may be relevant to the Credit Linked Notes and materially affect the Noteholders. The Credit Derivatives Determinations Committee will be able to make determinations without action or knowledge by the Noteholders.

The Issuer, the Guarantor, the Dealer and/or the Determination Agent and/or their respective affiliates may also have an interest in data sources that publish credit indices and may participate, together with other dealers, in the process or advisory committees by which the credit index sponsor determines the composition of any credit index which is a Reference Index for Untranchured Index Credit Linked Notes or Tranchured Index Credit Linked Notes, as applicable, and makes certain other determinations with respect to the credit index, including the removal of Reference Entities or reference obligations from that credit index or to determine changes in the composition of credit indices. By virtue of such participation in each of the circumstances described above, none of the Issuer, the Guarantor, the Dealer, the Determination Agent nor any of their respective affiliates has any obligation to consider the interests of the Noteholders and may act regardless of any conflict of interest due to its responsibilities under the Credit Linked Notes.

The Issuer, the Guarantor, the Dealer, the Determination Agent or the Calculation Agent may have dealings and information in relation to Reference Entities

The Issuer, the Guarantor, the Dealer, the Determination Agent and/or the Calculation Agent and/or their respective affiliates may, now or in the future, deal in obligations of the Reference Entities, make equity investments in a Reference Entity, engage in business with a Reference Entity, its affiliates and its competitors or any other person or entity having obligations relating to a Reference Entity, including making loans to, or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business, including asset management or other advisory services, including merger and acquisition or bankruptcy-related advisory services. The Issuer, the Guarantor, the Dealer, the Determination Agent, the Calculation Agent and/or their respective affiliates may also participate in loan restructurings or recapitalisations that may affect the Credit Linked Note and any reference obligations. In such circumstances, the Issuer, the Guarantor, the Dealer, the Determination Agent and/or the Calculation Agent and/or their respective affiliates may act with respect to such dealings, business and advisory freely and without accountability to any investor in the same manner as if the Credit Linked Notes did not exist, and any such action might have an adverse effect on any investor (including, without limitation, any action that might give rise to a Credit Event).

The Issuer, the Guarantor, the Dealer, the Determination Agent and/or the Calculation Agent and/or their respective affiliates may be, whether by virtue of the types of relationships described above or otherwise, at any time, in possession of information in relation to any Reference Entity (or any obligations thereof) which is or may be material in the context of the Credit Linked Notes and which is or may not be known to the general public or Noteholders. The Credit Linked Notes do not create any obligation to disclose to Noteholders any such relationship or information (whether or not confidential), notwithstanding that any such relationship or information may have an adverse impact on the value of, and return on, the Credit Linked Notes.

The Credit Linked Notes do not represent an interest in obligations of Reference Entities

The Credit Linked Notes do not represent or convey any interest in any obligations of Reference Entities or any direct or indirect obligation of any Reference Entity to an investor. The Issuer is not an agent of any investor for any purpose and an investor will not have rights equivalent to those of a holder of debt obligations of a Reference Entity, such as voting rights or rights to receive consent fees or other distributions from a Reference Entity. For example, if a restructuring occurs with respect to a Reference Entity, the investor, unlike a holder of a Reference Entity's obligations, will have no right to challenge or participate in any element of the restructuring. If the Issuer is the owner of one or more obligations of a Reference Entity, it may exercise its voting or control rights or otherwise act in its capacity as holder of such obligations without regard to the interests of an investor, and such actions could adversely affect the Credit Linked Notes held by an investor. Consequently, the investor's purchase of the Credit Linked Notes may be riskier than a direct investment in the obligations of a Reference Entity. The purchase of a Credit Linked Note differs from an offering of new obligations by a Reference Entity in that none of the subscription moneys paid with respect to the Credit Linked Note will go to a Reference Entity. The Issuer in addition does not grant any security interest over any such obligations of the Reference Entity.

Operational risks and notices

The Credit Linked Notes may require that certain notices be given in order to exercise rights, realise value or protect and preserve interests under the Credit Linked Notes, including but not limited to notices to investors by the Issuer of the occurrence of a Credit Event or that describes a succession together with supporting information, the choice of obligations to be delivered or valued, certain potential Credit Events and the exercise of the right to utilise parallel auctions in the case of certain restructuring Credit Events and in the case of Physical Redemption, the provision of a Physical Redemption Election Notice by an investor.

Investors should have arrangements for delivering and receiving such notices and monitoring the actions of the relevant Credit Derivatives Determinations Committees, and be prepared to take the necessary or appropriate steps when it receives such notices or learn of such actions where an investor needs to take action pursuant to such notice. Failure to take the relevant steps or actions within the requisite time periods could adversely affect an investor's interests under a Credit Linked Note.

Investors should note that in some cases, determinations of a Credit Derivatives Determinations Committee may substitute for a required notice, modify the effect of a previously delivered notice or alter the period during which a notice may be delivered which may impact on timings of notices provided by the Issuer.

Investors should further note that where any notice is required to be delivered by the Issuer to investors, such notices shall be deemed to have been delivered to investors upon delivery of such notice to the Fiscal Agent by the Issuer. The failure of the Fiscal Agent to deliver any such notice to Noteholders shall not affect however (i) the effectiveness of any notice delivered by the Determination Agent to the Issuer and/or the Issuer to the Fiscal Agent (ii) the effectiveness of any determinations made by any of them or (iii) the right of the Issuer to redeem (whether in whole or in part) the Credit Linked Notes or to write down any aggregate principal notional of the Credit Linked Notes pursuant to and in accordance with the relevant Credit Linked Conditions.

Where the relevant notice is to be provided by the Issuer, the Determination Agent or the Fiscal Agent, investors should note that a failure by any of such parties to deliver the relevant notices or any decision by any of them not to deliver a Credit Event Notice to the investor shall not constitute an Event of Default under the relevant Credit Linked Notes.

Discretionary powers of the Determination Agent

Subject to the effect of certain DC Resolutions as further set out in the Credit Linked Conditions, the determination by the Determination Agent of a Credit Event or any other calculation or determination in respect of the Credit Linked Notes or of any state of affairs, circumstance, event or other matter, or the formation of any opinion or the exercise of any discretion required or permitted to be determined, formed or exercised by the Determination Agent shall (in the absence of manifest error) be final and binding on all persons (including the Issuer, the Fiscal Agent and any Noteholder). In performing its duties pursuant to the Credit Linked Notes and making any determinations expressed to be made by it, the Determination Agent may either act in its sole and absolute discretion or act in a commercially reasonable manner (as the case may be). Where the Determination Agent acts in its sole and absolute discretion, it is under no obligation to act in the interests of any investor, nor will it be liable to account for any profit or other benefit which may accrue to it as a result of such determinations. Any determinations made or actions taken by the Determination Agent may have a negative effect on the value of, and return on, the Notes.

Interpretation of terms

The terms of the Credit Linked Notes are subject to interpretation and further evolution. In some instances, the views of market participants may differ as to how the terms of specific credit provisions should be interpreted in the context of specific events, entities and obligations in comparison to that of a Credit Derivatives Determinations Committee or Determination Agent where applicable. Accordingly, the consequences resulting from the interpretation of various terms could vary in the context of the Credit Linked Notes and result in unexpected losses, redemption, write-down, reduction in interest and other economic impact for an investor.

Foreign exchange risks

Investors should note that in certain circumstances, a currency conversion may be required to effect certain determinations, calculations in relation to any payment or delivery obligation with respect to the Credit Linked Notes. Delivery of an underlying obligation denominated in a currency that is different from the settlement currency of the Credit Linked Notes will have effects similar to a currency conversion. Investors should note that with respect to any auction in connection with Auction Redemption, the relevant exchange rates to be applied with respect to the auction, where relevant will be set by the auction administrators prior to any auction final price determination date. In such circumstances, the Credit Linked Notes will have foreign exchange rate risk, which may have an adverse impact on the value of, and return on, the Credit Linked Notes.

Risks relating to Linear Basket Credit Linked Notes

With respect to Linear Basket Credit Linked Notes, investors should note that they could be exposed to significant losses which may result from changes in the market's perception of the credit quality of the underlying Reference Entities. The market's perception of the credit quality of the underlying Reference Entities may be highly volatile and may change very rapidly following the availability of new information. Investors should refer to the risk factors entitled "*Credit risk of the Reference Entity*", "*Jurisdictional differences and assessment of a Reference Entity*", "*Reference Entity – No obligation to consider investors*", "*Historical performance may not predict future performance*", and "*Concentrated credit risk where Reference Entities are concentrated in the same sectors or regions*". Investors should carefully review the list of Reference Entities that constitute the Linear Basket Credit Linked Notes and evaluate whether such exposure meets its stated objectives and is representative of the market to which exposure is required.

Investors should note that an investment in relation to a bespoke portfolio of Reference Entities may have significantly less liquidity than there is for an investment in an Untranch Index Credit Linked Note or a Tranch Index Credit Linked Note which is based on a standardised credit index and accordingly there may be no, or a limited, secondary market in such Credit Linked Notes.

Risks relating to Untranch Index Credit Linked Notes and Tranch Index Credit Linked Notes

Investors could be exposed to significant losses which may result from changes in the market's perception of the credit quality of the underlying Reference Entities within the relevant credit index specified as the Reference Index in respect of the Credit Linked Notes. The Reference Entities included in a Reference Index will typically have certain specified characteristics in common, such as type of obligor (e.g., corporate, municipal or sovereign); geographic region (e.g., North America, Europe, Asia or emerging markets); and/or credit rating category (e.g., investment grade or high yield). These characteristics may be relevant to the probability of a Credit Event occurring under the Untranch Index Credit Linked Notes or Tranch Index Credit Linked Notes, as applicable, as Credit Events may be more likely for Reference Entities with certain of these characteristics than for others. The market's perception of the credit quality of the underlying Reference Entities may be highly volatile and may change very rapidly following the availability of new information. The market for credit indices has been subject to significant distortions from time to time in the past as a result of the actions of one or a small number of market participants that may take large positions in a credit index. These distortions have in the past led, and may in the future lead, to a high degree of volatility, as well as a wide and potentially unsustainable divergence between the market price of credit default swaps referencing credit indices and the price that would be expected based on the market price of credit default swaps on the underlying Reference Entities. The Issuer, the Guarantor, the Dealer, the Determination Agent or one or more of their respective affiliates' trading activities may represent a significant portion of the market for a particular credit index and, the Issuer, the Guarantor, the Dealer, the Determination Agent or one or more of their respective affiliates may be a contributor to such volatility and distortions. Accordingly, investors should note that they could be exposed to the volatility with respect to the Reference Index which could have an impact on the market value of the Untranch Index Credit Linked Notes or Tranch Index Credit Linked Notes, as applicable, over time.

Given that the risks of a credit index will vary depending on the characteristics of the underlying Reference Entities, investors should carefully review the list of Reference Entities that constitute the Reference Index referenced in the applicable Pricing Supplement and evaluate whether such exposure meets its stated objectives and is representative of the market to which exposure is required. In addition, investors should understand that the Reference Entities in a credit index of investment grade Reference Entities may be investment grade rated only at inception of the credit index or relevant series of the credit index, and that such Reference Entities may be downgraded thereafter.

Investors should also note that there is no guarantee that there will be a liquid market for any particular credit index. A credit index sponsor may publish a new series of an underlying credit index from time to time (for example, every six months). Market liquidity is often concentrated in the most recent series and may decline for a given credit index when a new series of the credit index is published.

Investors should note that the credit index sponsor may calculate the published spread or price for a credit index based on a poll of dealers. The Issuer, the Guarantor, the Dealer, the Determination Agent or one or more of their affiliates may be one of the dealers polled by the credit index sponsor and, if so, the actions of the Issuer, the Guarantor, the Dealer, the Determination Agent or one or more of their respective affiliates in such circumstances could affect the published spread or price. In addition, the Issuer, the Guarantor, the Dealer, the Determination Agent or one or more of their respective affiliates may participate, together with other dealers, in the process or advisory committees by which the credit index sponsor determines the composition of a credit index and makes certain other determinations with respect to the credit index, including the removal of Reference Entities or reference obligations from such credit index. In taking any such actions, the Issuer, the Guarantor, the Dealer, the Determination Agent or one or more of their respective affiliates has no obligation to consider the interests of any investor under Untranch Index Credit Linked Notes or Tranch Index Credit Linked Notes, as applicable, for which such credit index is the Reference Index. Investors should therefore be aware that any such action by the Issuer, the Guarantor, the Dealer, the Determination Agent or one or more of their respective affiliates could affect such Reference Index and therefore also adversely affect the market value of the Untranch Index Credit Linked Notes or Tranch Index Credit Linked Notes, as applicable. See also "*Potential conflicts of interest*" above.

In addition, investors are exposed to losses arising from Credit Events in relation to Tranch Index Credit Linked Notes only to the extent that aggregate losses exceed the "attachment point" but remain less than the "exhaustion

point" of the tranche. The likelihood that an investor will be exposed to losses is therefore greater for more subordinated tranches (i.e. those with a lower attachment point in relation to tranche portfolio size).

In addition, Tranch Index Credit Linked Notes (other than the most senior tranches) are leveraged instruments because investors may incur losses on an accelerated basis relative to aggregate losses on the portfolio. Investors will not owe any payment for losses unless and until aggregate losses on the portfolio exceed the attachment point, but investors will be exposed to losses equal to the entire notional amount of the Tranch Index Credit Linked Notes if aggregate losses on the portfolio reach the exhaustion point. Therefore, the smaller the tranche size relative to the implied notional amount of the entire portfolio, the greater the degree of leverage. For any given portfolio of Reference Entities, the lower the attachment point and the greater the leverage, the greater the risk for the investor where acting as though it were a protection seller. However, this does not mean that the most senior tranches present low risks for protection sellers.

The value of such Tranch Index Credit Linked Notes will be influenced by the valuation factors described above in the risk factor entitled "*Volatility*" described above but in addition, the value of such Credit Linked Notes will be influenced by expectations about "default correlation," among other model-dependent factors. Default correlation refers to the likelihood of any given number of Reference Entities experiencing a Credit Event over any given time period. Changes in default correlation affect tranches of different seniority differently. In general, from the perspective of an investor acting as though it were a protection seller, holding all other factors constant: (i) a decrease in default correlation will decrease the value of the most junior tranche (i.e., the tranche with the lowest attachment point), because it will represent an increase in the expected probability of losses on that tranche; (ii) an increase in default correlation will decrease the value of the most senior tranche (i.e., the tranche with the highest attachment point), because it will represent an increase in the expected probability of losses on that tranche; and (iii) any increase or decrease in default correlation may either increase or decrease the value of mezzanine tranches (i.e., tranches between the most junior and most senior tranches), depending on a complex interplay of various factors.

The degree of default correlation among the Reference Entities in a given portfolio may be influenced by numerous factors, including whether the Reference Entities operate in similar industries or geographic regions and whether the Reference Entities have similar levels of leverage (i.e., debt relative to equity). Default correlation tends to increase during economic downturns and decrease during periods of economic growth. Accordingly, although the most senior tranches are generally less risky to a protection seller than the most junior tranches, in certain circumstances (including during an economic downturn), the most senior tranches will tend to lose value from the perspective of the protection seller at a faster rate than the most junior tranches. In circumstances where Reference Entities in a portfolio are widely affected, a protection seller under a senior tranche may incur losses equal to the entire notional amount, in which case the senior tranche will prove to have been no less risky than junior tranches. Default correlation may change significantly, and in some cases abruptly, with changes in market conditions.

Default correlation is difficult to estimate, and different market participants may calculate it in different ways and may change the ways in which they calculate it over time which may be adverse to an investor in a Tranch Index Credit Linked Note. Accordingly, the valuation of such Credit Linked Notes is subject to "model risk" (i.e., the risk that a valuation model does not accurately depict the value of a tranche or the relationship between tranche values) which may result in significant losses where certain strategies based on modelled relations between the values of tranches break down.

The terms and conditions of the Tranch Index Credit Linked Notes may provide for changes in the constituents of the credit index Index, as applicable, upon the occurrence of certain events, such as the determination of a Successor. These changes may affect the level of default correlation among the Reference Entities in the portfolio and, therefore, the value of such Credit Linked Notes.

Risks relating to Zero Coupon Credit Linked Notes

Credit Recovery on Maturity in respect of Accreting Recovery Zero Coupon Credit Linked Notes

Where "Accreting Recovery Zero Coupon Credit Linked Notes" and "Credit Recovery on Maturity" apply, as the Aggregate Accreted Nominal Amount is an amount which increases following each Period End Date, then the Aggregate Accreted Nominal Amount in respect of a Relevant Event Determination Date which occurs significantly earlier than the Scheduled Maturity Date, will be significantly lower than the Aggregate Accreted Nominal Amount that would have accrued by the Scheduled Maturity Date. In these circumstances, the Final Auction Redemption Amount, Final Cash Redemption Amount or Final Physical Redemption Assets (as

applicable) which is calculated, in part, by reference to the Outstanding Aggregate Accreted Nominal Amount (which is ultimately linked to the Aggregate Accreted Nominal Amount or (in the case of Basket Credit Linked Notes) the Reference Entity Accreted Nominal Amount for each Reference Entity, in each case as at the Period End Date on or immediately before the first Relevant Event Determination Date, as applicable, in respect of such Reference Entity) payable on the Scheduled Maturity Date will be significantly less than the amount payable if the Final Auction Redemption Amount, Final Cash Redemption Amount or Final Physical Redemption Assets (as applicable) had been calculated based on the Aggregate Accreted Nominal Amount or Reference Entity Accreted Nominal Amount for each Reference Entity, as applicable, as at the Scheduled Maturity Date.

Credit Event Redemption Amount in respect of Non-accreting Recovery Zero Coupon Credit Linked Notes

Where the Credit Linked Notes are Zero Coupon Notes but “Accreting Recovery Zero Coupon Credit Linked Notes” does not apply, then if a Relevant Event Determination occurs prior to the Scheduled Maturity Date, the Credit Event Redemption Amount will be calculated by reference to the Outstanding Nominal Amount (in the case of a Single Name Credit Linked Note) or Outstanding Reference Entity Nominal Amount in respect of the relevant Reference Entity (in the case of a Basket Credit Linked Note), without any accretion, and such amount shall be lower than the Credit Event Redemption Amount had “Accreting Recovery Zero Coupon Credit Linked Notes” applied to the Credit Linked Notes.

Characterisation as Securitisation

Prospective investors should note that, if and to the extent that any Tranching Index Credit Linked Notes were to be considered a "securitisation" within the meaning of the EU Securitisation Regulation and/or the UK Securitisation Regulation, the Issuer is of the view that, the exemption referred to in Article 6(6) of the EU Securitisation Regulation and the UK Securitisation Regulation applies in respect of the Credit Linked Notes on the basis that the Credit Linked Notes are based on a clear, transparent and accessible index.

For these purposes:

"EU Securitisation Regulation" means Regulation 2017/2402/EU and any implemented or delegated regulation, technical standards and guidance related thereto, as each may be amended, replaced or supplemented from time to time and including any additional similar regulation or successors thereof.

"UK Securitisation Regulation" means Regulation 2017/2402/EU as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 and regulations made thereunder and (i) any technical standards thereunder as may be effective from time to time and (ii) any guidance relating thereto as may from time to time be published by the United Kingdom Financial Conduct Authority and/or the Prudential Regulation Authority of the Bank of England (or, in each case, any successor thereto).

CREDIT LINKED CONDITIONS

If "Supplementary Provisions for Credit Linked Notes" is specified as applicable in the applicable Pricing Supplement, the Terms and Conditions of the English Law Notes shall be supplemented and modified by the following Credit Linked Conditions. In the event of any inconsistency between the Terms and Conditions of the English Law Notes and such Credit Linked Conditions, such Credit Linked Conditions shall prevail and the Terms and Conditions of the English Law Notes shall be amended accordingly. Capitalised terms not defined herein shall have the meanings given to them in the Terms and Conditions of the English Law Notes, unless specified otherwise.

1. Redemption of Credit Linked Notes:

1.1 Introduction

A Credit Linked Note refers to a Single Name Credit Linked Note, a Basket Credit Linked Note or a Tranching Index Credit Linked Note.

- (i) Single Name Credit Linked Notes are Credit Linked Notes pursuant to which the Issuer purchases credit protection from Noteholders in respect of any one Reference Entity and, accordingly, Noteholders are exposed to the credit risk of such Reference Entity only (subject to the Successor provisions set out in Credit Linked Condition 19 (*Successor Provisions*)).
- (ii) Basket Credit Linked Notes are Linear Basket Credit Linked Notes or Untranching Index Credit Linked Notes.

Basket Credit Linked Notes are Credit Linked Notes pursuant to which the Issuer purchases credit protection from Noteholders in respect of a basket of two or more Reference Entities and, accordingly, Noteholders are exposed to the credit risk of each such Reference Entity in proportion to its weighting in the basket (subject to the Successor provisions set out in Credit Linked Condition 19 (*Successor Provisions*)).

- (a) If the Basket Credit Linked Notes are Linear Basket Credit Linked Notes, the Reference Entities in the basket as of the Issue Date will be specified in the relevant Pricing Supplement.
 - (b) If the Basket Credit Linked Notes are Untranching Index Credit Linked Notes, the Reference Entities in the basket as of the Issue Date will be the entities comprised in the credit index specified in the relevant Pricing Supplement.
- (iii) Tranching Index Credit Linked Notes are Credit Linked Notes pursuant to which the Issuer purchases credit protection from Noteholders in respect of a specified tranche of Reference Entities comprising the credit index specified in the relevant Pricing Supplement and, accordingly, Noteholders are exposed to the credit risk of each such Reference Entity in proportion to its weighting in the basket (subject to the Successor provisions set out in Credit Linked Condition 19 (*Successor Provisions*)).

1.2 Interpretation

- (i) For the purposes of Basket Credit Linked Notes, all references to the "Reference Entity" in the Conditions and the Credit Linked Conditions will be construed to refer to the Reference Entity in respect of which the relevant determination falls to be made at any relevant time and all related provisions and determinations will be construed accordingly.
- (ii) For the purposes of Tranching Index Credit Linked Notes, all references to the "Reference Entity" in the Conditions and the Credit Linked Conditions will be construed to refer to the Reference Entity in respect of which the relevant determination falls to be made at any relevant time and all related provisions and determinations will be construed accordingly.

1.3 *Redemption on the Scheduled Maturity Date where no Relevant Credit Event has occurred*

Unless the Credit Linked Notes have been previously redeemed in full or purchased and cancelled by the Issuer, provided that a Relevant Event Determination Date has not occurred and subject to Credit Linked Condition 10 (*Scheduled Maturity Date Extension*), each outstanding Credit Linked Note shall be redeemed on the Scheduled Maturity Date at the Maturity Redemption Amount.

1.4 *Redemption following the occurrence of a Relevant Credit Event*

Unless previously redeemed in full or purchased and cancelled, if a Relevant Credit Event and a corresponding Relevant Event Determination Date has occurred, the Issuer will redeem such Credit Linked Notes (in whole or in part) in accordance with, as applicable, Credit Linked Condition 4 (*Single Name Credit Linked Notes and Credit Events*), Credit Linked Condition 5 (*Basket Credit Linked Notes and Credit Events*) or Credit Linked Condition 6 (*Tranched Index Credit Linked Notes and Credit Events*), each subject to Credit Linked Conditions 11 (*M(M)R Restructuring*), 18 (*Effect of DC Resolutions and Event Determination Dates*) and 19 (*Successor Provisions*).

Upon discharge by the Issuer of its payment or delivery obligations on the relevant Credit Event Redemption Date (or, if the Issuer does not have any payment or delivery obligations, upon the occurrence of the relevant Credit Event Redemption Date) pursuant to Credit Linked Conditions 12 (*Auction Redemption Terms*), 13 (*Cash Redemption Terms*), 14 (*Physical Redemption Terms*) or 15 (*Fixed Recovery Redemption Terms*), as applicable, or otherwise provided herein, the Issuer's obligations in respect of such portion of each Credit Linked Note affected by the Relevant Credit Event shall be discharged in full.

As a result of one or more Credit Events, Noteholders may receive less than the principal amount of a Credit Linked Note (and such amount may be zero). Any shortfall shall be borne by the Noteholders and no liability shall attach to the Issuer.

1.5 *Early redemption other than following the occurrence of a Relevant Credit Event*

If the Credit Linked Notes are redeemed early:

- (i) pursuant to Conditions 26.2 (*Tax Redemption – Morgan Stanley Notes, MSFL Notes and MSFII Notes*), 26.3 (*Tax Redemption – MSI plc Notes, MSBV Notes, MSFII Notes and MSESE Notes*), 26.5 (*Redemption at the Option of the Issuer*), 26.6 (as amended by Credit Linked Condition 1.6 (*Redemption at the Non-Discretionary Option of the Issuer*)), 26.8 (*Partial Redemption*), 26.9 (*Redemption at the Option of Noteholders*), 26.10 (*Early Redemption of Zero Coupon Notes*), 31 (*Events of Default*), 32 (*Illegality and Regulatory Event*) or any other provisions resulting in early redemption of the Notes under the Conditions;
- (ii) following, if applicable, a Merger Event pursuant to Credit Linked Condition 16 (*Redemption upon Merger Event*) (which, in the case of Basket Credit Linked Notes or Tranched Index Credit Linked Notes, redemption may be in part); or
- (iii) in respect of Single Name Credit Linked Notes and Linear Basket Credit Linked Notes, following, if applicable, the redemption in whole of the Reference Obligation pursuant to Credit Linked Condition 21.3 (*Reference Obligation Only Redemption*) (which, in the case of Linear Basket Credit Linked Notes, redemption may be in part),

each outstanding Credit Linked Note shall be redeemed (in whole or in part, as applicable) by payment of its Early Redemption Amount, Optional Redemption Amount (Call), Optional Redemption Amount (Put) or other early redemption amounts specified in the Conditions, as applicable, on the Optional Redemption Date (Call), Optional Redemption Date (Put) or Substitution Event Date or other early redemption date specified in the Conditions, as applicable, in each case, in accordance with the applicable Condition or Credit Linked Condition.

Where the Credit Linked Notes are also Zero Coupon Notes, the Redemption Amount (if such Zero Coupon Notes are redeemed before the Scheduled Maturity Date) is determined in accordance with Condition 26.10 (*Early Redemption of Zero Coupon Notes*) unless otherwise specified in the applicable Pricing Supplement.

Notwithstanding anything contained in these Credit Linked Conditions, if a Relevant Credit Event occurs immediately after an event triggering early redemption of the Credit Linked Notes (as described above

but excluding for these purposes any redemption under Condition 26.5 (*Redemption at the Option of the Issuer*), 26.6 (*Redemption at the Non-Discretionary Option of the Issuer*) or 26.8 (*Partial Redemption*), 26.9 (*Redemption at the Option of Noteholders*)), the occurrence of the Relevant Credit Event will be disregarded (to the extent that the relevant Credit Linked Notes have not already been redeemed in full and cancelled) and the Early Redemption Amount or other early redemption amounts specified in the Conditions, as applicable, payable to Noteholders will be determined on the basis of the event triggering early redemption of the Credit Linked Notes only (and not pursuant to the terms relating to redemption for the Relevant Credit Event).

1.6 *Redemption at the Non-Discretionary Option of the Issuer*

Condition 26.6 (*Redemption at the Non-Discretionary Option of the Issuer*) shall be replaced in its entirety by this Credit Linked Condition 1.6.

If “Non-discretionary Call Option” is specified as being applicable in the relevant Pricing Supplement and provided that no Relevant Event Determination Date has occurred, the Credit Linked Notes shall be redeemed by the Issuer in whole, but not in part, on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) if, and only if, the output of a risk neutral valuation model on a Business Day that is at least 27 but no greater than 30 Business Days prior to such Optional Redemption Date, as selected by the Determination Agent (the “**Optional Redemption Determination Date**”), taking as input: (i) prevailing reference market levels, volatilities and correlations, as applicable and in each case, as of the Optional Redemption Determination Date and (ii) the Issuer’s credit spreads as of the Trade Date(s) indicates, in the determination of the Determination Agent, that redeeming the Credit Linked Notes on such Optional Redemption Date (Call) would be economically more rational for the Issuer than not redeeming the Credit Linked Notes on such Optional Redemption Date (Call). If the Issuer is required to redeem the Credit Linked Notes on any Optional Redemption Date (Call) in accordance with this Credit Linked Condition 1.6, the Issuer will give the Noteholders not less than 5 Business Days’ prior notice.

Notwithstanding Credit Linked Condition 4.5 (*Redemption following a Credit Event*) or 5.5 (*Redemption following a Credit Event*), as applicable, if a potential Credit Event occurs or is outstanding as of the Optional Redemption Date (Call) then the Credit Linked Notes shall not redeem on such Optional Redemption Date (Call) and any notice given by the Issuer in accordance with this Credit Linked Condition 1.6 shall be deemed withdrawn.

2. **Interest or premium on Single Name Credit Linked Notes and Basket Credit Linked Notes**

This Credit Linked Condition 2 only applies in respect of Single Name Credit Linked Notes and Basket Credit Linked Notes and where “Interest on Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement.

Credit Linked Conditions 2.1 to 2.5 below shall not apply in respect of Non Credit Linked Interest Notes.

2.1 *Accrual of Interest where a Relevant Event Determination Date has not occurred*

Subject to Credit Linked Condition 2.3 (*Suspension of Interest following an Applicable DC Credit Event Question or a potential Credit Event*), and provided that (i) the Credit Linked Notes have not been previously redeemed in full or purchased and cancelled, (ii) a Relevant Event Determination Date has not occurred and (iii) the Credit Linked Notes are not Zero Coupon Notes, interest (if any) shall accrue on the Outstanding Aggregate Nominal Amount of the Credit Linked Notes in accordance with Condition 5 (*Fixed Rate Note Provisions*) in respect of Fixed Rate Notes or Condition 7 (*Floating Rate Note, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions*) in respect of Floating Rate Notes or Other Underlying Interest Linked Notes, as applicable (each as amended) to (but excluding) the Scheduled Maturity Date, subject to, as applicable, Credit Linked Condition 4 (*Single Name Credit Linked Notes and Credit Events*) or Credit Linked Condition 5 (*Basket Credit Linked Notes and Credit Events*).

Subject as provided in Credit Linked Condition 2.7 (*Accrual of Interest where the Redemption Amount, Credit Event Redemption Amount, Partial Cash Redemption Amount, Fallback Cash Redemption*

Amount or Asset Package Cash Redemption Amount is improperly withheld or refused) below, no interest shall accrue on any Credit Linked Note on or after the Scheduled Maturity Date.

2.2 *Suspension of Accrual of Interest following the occurrence of a Relevant Credit Event*

Notwithstanding anything to the contrary in Condition 5 (*Fixed Rate Note Provisions*) or 7 (*Floating Rate Note, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions*), as applicable, following the occurrence of a Relevant Credit Event and a corresponding Relevant Event Determination Date, the payment of interest (if any) in respect of the Applicable Proportion of each relevant Credit Linked Note on the relevant Interest Payment Date, as determined in accordance with and subject to, as applicable, Credit Linked Condition 4 (*Single Name Credit Linked Notes and Credit Events*) or Credit Linked Condition 5 (*Basket Credit Linked Notes and Credit Events*), will be suspended from (and including):

- (i) If “No Interest Accrual on Default” applies in the relevant Pricing Supplement, the Interest Payment Date immediately preceding the Relevant Event Determination Date (or, if no Interest Payment Date has occurred, the Interest Commencement Date); or
- (ii) if “Interest Accrual on Default” applies in the relevant Pricing Supplement, the first Business Day immediately following the Relevant Event Determination Date.

In such case, interest shall accrue on the Applicable Proportion of each relevant Credit Linked Note:

- (a) from (and including) the Interest Payment Date immediately preceding the Relevant Event Determination Date, or (where there is no Interest Payment Date immediately preceding the Relevant Event Determination Date), the Interest Commencement Date;
- (b) to (and including) the Relevant Event Determination Date.

Subject as provided in Credit Linked Condition 2.7 (*Accrual of Interest where the Redemption Amount, Credit Event Redemption Amount, Partial Cash Redemption Amount, Fallback Cash Redemption Amount or Asset Package Cash Redemption Amount is improperly withheld or refused*) below, no interest shall accrue on any Credit Linked Note on or after the Scheduled Maturity Date.

2.3 *Suspension of Interest following an Applicable DC Credit Event Question or a potential Credit Event*

Subject to Credit Linked Conditions 2.4 (*Payment of Suspended Interest following announcement by the relevant CDS Information Publisher or determination by the Determination Agent*), 2.5 (*Payment of Suspended Interest and reduction of future Interest following the occurrence of a Relevant Credit Event*) and 10 (*Scheduled Maturity Date Extension*), if, on or prior to an Interest Payment Date, the Determination Agent determines that, in its sole and absolute discretion:

- (i) an Applicable DC Credit Event Question has been submitted in respect of which a DC Resolution (including, but not limited to, a DC Credit Event Announcement, a DC No Credit Event Announcement or a DC Credit Event Question Dismissal) has not been published or the Credit Derivatives Determinations Committee has not resolved whether it will convene a meeting to Resolve the Applicable DC Credit Event Question; or
- (ii) a Relevant Credit Event and corresponding Relevant Event Determination Date could occur but no Credit Event Notice has been provided to the Issuer and/or the Noteholders (including, without limitation, a Potential Failure to Pay or a Potential Repudiation/Moratorium),

the payment of any interest in respect of the Applicable Proportion will be suspended as of the Interest Payment Date on or immediately preceding the Relevant Event Determination Date, or, where there is no Interest Payment Date, immediately preceding such Relevant Event Determination Date, the Interest Commencement Date, notwithstanding that a Relevant Event Determination Date has not then occurred.

The Issuer shall endeavour to give notice to the Noteholders in accordance with Credit Linked Condition 23 (*Notices*) as soon as reasonably practicable if any payment of interest on their Notes is suspended pursuant to this Credit Linked Condition 2.3.

For the purposes of this Credit Linked Condition 2.3, the Applicable Proportion of each relevant Credit Linked Note shall be calculated by the Determination Agent (a) on the assumption that (x) a Relevant Credit Event would result in a Relevant Event Determination Date, (y) the Relevant Credit Event will not be an M(M)R Restructuring and (z) where “Fixed Recovery Redemption” is applicable and any Auction Final Price, Final Price or amount of Physical Redemption Assets, as applicable, is required to determine the portion of the Credit Linked Notes subject to interest suspension, the Fixed Recovery Percentage will apply and (b) in accordance with Credit Linked Condition 4 (*Single Name Credit Linked Notes and Credit Events*) or Credit Linked Condition 5 (*Basket Credit Linked Notes and Credit Events*).

Except for such portion of interest that is suspended in respect of each Credit Linked Note, payment of any interest on the remaining portion of the relevant Credit Linked Note (which is unaffected by the Relevant Credit Event), if applicable, will be payable to Noteholders as usual on the relevant Interest Payment Date.

2.4 *Payment of Suspended Interest following announcement by the relevant CDS Information Publisher or determination by the Determination Agent*

If:

- (i) in connection with an Applicable DC Credit Event Question:
 - (a) an Applicable DC No Credit Event Announcement occurs; or
 - (b) an Applicable DC Credit Event Question Dismissal occurs or the relevant CDS Information Publisher announces that the Credit Derivatives Determinations Committee will not be convening to Resolve the relevant Applicable DC Credit Event Question; or
- (ii) the Determination Agent determines that a Relevant Event Determination Date can no longer occur,

as applicable, payment of the suspended interest will be made on the fifth Business Day following (A) in the case of Credit Linked Condition 2.4(i), the relevant announcement by the relevant CDS Information Publisher or date of the Applicable DC Credit Event Question Dismissal, as applicable or (B) in the case of Credit Linked Condition 2.4(ii), the date on which the Determination Agent determines that a Relevant Event Determination Date can no longer occur (taking into consideration, without limitation, any Notice Delivery Period and any Standard Exercise Cut-off Date or Non-Standard Exercise Cut-Off Date, as applicable).

For the avoidance of doubt, interest shall continue to be suspended until a relevant announcement by the relevant CDS Information Publisher (as described above) occurs or the Determination Agent determines that no Relevant Event Determination Date can occur. In such circumstances, Noteholders may not receive any interest for multiple Interest Periods and no liability shall attach to the Issuer for any such non-payment of interest.

2.5 *Payment of Suspended Interest and reduction of future Interest following the occurrence of a Relevant Credit Event*

If, a Relevant Event Determination Date occurs:

- (i) where the Determination Agent determines that the amount of interest suspended pursuant to Credit Linked Condition 2.3 (*Suspension of Interest following an Applicable DC Credit Event Question or a potential Credit Event*) is greater than the amount of interest that should have been suspended (taking into consideration the Applicable Proportion of the relevant Credit Linked Note affected by the Relevant Credit Event), the Issuer shall pay an amount equal to:
 - (a) the interest amount actually suspended; minus
 - (b) the interest amount that should have been suspended,

on the fifth Business Day following the date of such determination by the Determination Agent;
or

- (ii) where the Determination Agent, in its sole and absolute discretion, determines that the amount of interest suspended pursuant to Credit Linked Condition 2.3 (*Suspension of Interest following an Applicable DC Credit Event Question or a potential Credit Event*) is less than the amount of interest that should have been suspended (taking into consideration the Applicable Proportion of the relevant Credit Linked Note affected by the Relevant Credit Event), the Issuer shall deduct the absolute value of (x) the interest amount actually suspended minus (y) the interest amount that should have been suspended (the absolute value of such amount, the “**Interest Suspension Shortfall Amount**”) from future payments of Interest Amounts until the Interest Suspension Shortfall Amount is reduced to zero, provided that if there is an outstanding Interest Suspension Shortfall Amount at the time that the Credit Linked Notes are being redeemed or written down in full (whether at maturity or upon early redemption), such interest shall be deducted from any amount payable to Noteholders at such time, or where “Physical Redemption” applies, Delivery of the relevant assets shall take into account any reduction as is required to be effected.

For the avoidance of doubt, where the Interest Suspension Shortfall Amount cannot be deducted in full or in part (on account of the relevant redemption amount being insufficient or subject to “Capital Protection” being specified as being applicable in the relevant Pricing Supplement), the Issuer shall have no further claims against the Noteholders for any amounts not deducted.

2.6 *Determination of the nominal amount for Zero Coupon Notes following the occurrence of a Relevant Credit Event*

This Credit Linked Condition 2.6 applies only in relation to Credit Linked Notes which are Zero Coupon Notes.

- (i) In respect of Single Name Credit Linked Notes and following the occurrence of a Relevant Credit Event, the Determination Agent shall determine the following:
- (a) if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Aggregate Accreted Nominal Amount as at the Relevant Event Determination Date; or
 - (b) if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being not applicable in the relevant Pricing Supplement, the Outstanding Aggregate Nominal Amount as at the Relevant Event Determination Date.
- (ii) In respect of Basket Credit Linked Notes and following the occurrence of a Relevant Credit Event, the Determination Agent shall determine the following:
- (a) if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Reference Entity Accreted Nominal Amount and the Outstanding Aggregate Accreted Nominal Amount as at the Relevant Event Determination Date; or
 - (b) if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being not applicable in the relevant Pricing Supplement, the Outstanding Reference Entity Nominal Amount and the Outstanding Aggregate Nominal Amount as at the Relevant Event Determination Date.

2.7 *Accrual of Interest where the Redemption Amount, Credit Event Redemption Amount, Partial Cash Redemption Amount, Fallback Cash Redemption Amount or Asset Package Cash Redemption Amount is improperly withheld or refused*

If, upon due presentation of a Credit Linked Note, payment of such Credit Linked Note’s Redemption Amount, Credit Event Redemption Amount, *pro-rata* portion of the Partial Cash Redemption Amount, *pro-rata* portion of the Fallback Cash Redemption Amount or *pro-rata* portion of the Asset Package Cash Redemption Amount (as applicable) is improperly withheld or refused (such amount, the “**Unpaid Amount**”), then:

- (i) if the Credit Linked Notes are not Zero Coupon Notes, interest (if any) will continue to accrue on such Credit Linked Note in accordance with the second sentence of (a) Condition 5.3

(*Accrual of Interest*) in respect of Fixed Rate Notes or (b) Condition 7.2 (*Accrual of Interest*) in respect of Floating Rate Notes, each as amended; or

- (ii) if the Credit Linked Notes are Zero Coupon Notes, then notwithstanding anything to the contrary in Condition 8.2 (*Late payment on Zero Coupon Notes*), interest will accrue daily on the Unpaid Amount in respect of such Credit Linked Note at the daily rate for deposits in the currency in which such Unpaid Amount is due to be made (such rate to be determined by the Determination Agent and such interest to be compounded daily) from, and including, the due date for payment or delivery of the Unpaid Amount (before, as well as after judgment) to, but excluding, the earlier of:
 - (a) the date on which all sums due in respect of such Credit Linked Note up to that day are received by or on behalf of the relevant Noteholder; and
 - (b) the 15th Business Day after the Fiscal Agent has notified the relevant Noteholder that it has received all sums due in respect of such Credit Linked Note up to such 15th Business Day (except to the extent that there is any subsequent default in payment),

provided, in each case, that where “Credit Recovery on Maturity” is specified as being applicable in the relevant Pricing Supplement, then no interest shall accrue pursuant to this Credit Linked Condition 2.7 on such Credit Linked Note following the occurrence of a Relevant Credit Event.

3. Interest or premium on Trunched Index Credit Linked Notes

This Credit Linked Condition 3 only applies in respect of Trunched Index Credit Linked Notes and where “Interest on Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement.

Credit Linked Conditions 3.1 to 3.5 below shall not apply in respect of Maturity Interest Accrual Credit Linked Notes.

3.1 *Accrual of Interest where a Relevant Event Determination Date has not occurred*

Subject to Credit Linked Condition 3.3 (*Suspension of Interest following an Applicable DC Credit Event Question, a potential Credit Event or an Unsettled Credit Event*), and provided that (i) the Credit Linked Notes have not been previously redeemed in full or purchased and cancelled and (ii) a Relevant Event Determination Date has not occurred, interest (if any) shall accrue on the Outstanding Aggregate Tranche Nominal Amount of the Credit Linked Notes in accordance with Condition 5 (*Fixed Rate Note Provisions*) in respect of Fixed Rate Notes or Condition 7 (*Floating Rate Note, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions*) in respect of Floating Rate Notes or Other Underlying Interest Linked Notes, as applicable (each as amended) to (but excluding) the Scheduled Maturity Date, subject to Credit Linked Condition 6 (*Trunched Index Credit Linked Notes and Credit Events*).

Subject as provided in Credit Linked Condition 2.7 (*Accrual of Interest where the Redemption Amount, Credit Event Redemption Amount, Partial Cash Redemption Amount, Fallback Cash Redemption Amount or Asset Package Cash Redemption Amount is improperly withheld or refused*) below, no interest shall accrue on any Credit Linked Note on or after the Scheduled Maturity Date.

3.2 *Suspension of Accrual of Interest following the occurrence of a Relevant Credit Event*

Notwithstanding anything to the contrary in Condition 5 (*Fixed Rate Note Provisions*) or 7 (*Floating Rate Note, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions*), as applicable, following the occurrence of a Relevant Credit Event and a corresponding Relevant Event Determination Date, the payment of interest (if any) in respect of the Applicable Proportion of each relevant Credit Linked Note on the relevant Interest Payment Date, as determined in accordance with and subject to Credit Linked Condition 6 (*Trunched Index Credit Linked Notes and Credit Events*), will be suspended from (and including):

- (i) If “No Interest Accrual on Default” applies in the relevant Pricing Supplement, the Interest Payment Date immediately preceding the Relevant Event Determination Date (or, if no Interest Payment Date has occurred, the Interest Commencement Date); or
- (ii) if “Interest Accrual on Default” applies in the relevant Pricing Supplement, the first Business Day immediately following the Relevant Event Determination Date.

In such case, interest shall accrue on the Applicable Proportion of each relevant Credit Linked Note:

- (a) from (and including) the Interest Payment Date immediately preceding the Relevant Event Determination Date, or (where there is no Interest Payment Date immediately preceding the Relevant Event Determination Date), the Interest Commencement Date;
- (b) to (and including) the Relevant Event Determination Date.

Subject as provided in Credit Linked Condition 2.7 (*Accrual of Interest where the Redemption Amount, Credit Event Redemption Amount, Partial Cash Redemption Amount, Fallback Cash Redemption Amount or Asset Package Cash Redemption Amount is improperly withheld or refused*) below, no interest shall accrue on any Credit Linked Note on or after the Scheduled Maturity Date.

3.3 *Suspension of Interest following an Applicable DC Credit Event Question, a potential Credit Event or an Unsettled Credit Event*

Subject to Credit Linked Conditions 3.4 (*Payment of Suspended Interest following announcement by the relevant CDS Information Publisher or determination by the Determination Agent*), 3.5 (*Payment of Suspended Interest and reduction of future Interest following the occurrence of a Relevant Credit Event or determination of Loss Amount*) and 10 (*Scheduled Maturity Date Extension*), if, on or prior to an Interest Payment Date, the Determination Agent determines that, in its sole and absolute discretion:

- (i)
 - (a) an Applicable DC Credit Event Question has been submitted in respect of which a DC Resolution (including, but not limited to, a DC Credit Event Announcement, a DC No Credit Event Announcement or a DC Credit Event Question Dismissal) has not been published or the Credit Derivatives Determinations Committee has not resolved whether it will convene a meeting to Resolve the Applicable DC Credit Event Question;
 - (b) a Relevant Credit Event and corresponding Relevant Event Determination Date could occur but no Credit Event Notice has been provided to the Issuer and/or the Noteholders (including, without limitation, a Potential Failure to Pay or a Potential Repudiation/Moratorium); or
 - (c) an Unsettled Credit Event has occurred and is outstanding with respect to a Reference Entity; and
- (ii) the relevant Potential Incurred Loss Amount is greater than zero,

the payment of any interest in respect of the Applicable Proportion will be suspended as of the Interest Payment Date on or immediately preceding the Relevant Event Determination Date, or, where there is no Interest Payment Date, immediately preceding such Relevant Event Determination Date, the Interest Commencement Date, notwithstanding that a Relevant Event Determination Date has not then occurred.

The Issuer shall endeavour to give notice to the Noteholders in accordance with Credit Linked Condition 23 (*Notices*) as soon as reasonably practicable if any payment of interest on their Notes is suspended pursuant to this Credit Linked Condition 3.3.

For the purposes of this Credit Linked Condition 3.3, the Applicable Proportion of each relevant Credit Linked Note shall be calculated by the Determination Agent (a) on the assumption that (x) a Relevant Credit Event would result in a Relevant Event Determination Date, (y) the Relevant Credit Event will

not be an M(M)R Restructuring and (z) where “Fixed Recovery Redemption” is applicable and any Auction Final Price or Final Price, as applicable, is required to determine the portion of the Credit Linked Notes subject to interest suspension, the Fixed Recovery Percentage will apply and (b) in accordance with Credit Linked Condition 6 (*Tranched Index Credit Linked Notes and Credit Events*).

Except for such portion of interest that is suspended in respect of each Credit Linked Note, payment of any interest on the remaining portion of the relevant Credit Linked Note (which is unaffected by the Relevant Credit Event), if applicable, will be payable to Noteholders as usual on the relevant Interest Payment Date.

3.4 *Payment of Suspended Interest following announcement by the relevant CDS Information Publisher or determination by the Determination Agent*

If:

- (i) in connection with an Applicable DC Credit Event Question:
 - (a) an Applicable DC No Credit Event Announcement occurs; or
 - (b) an Applicable DC Credit Event Question Dismissal occurs or the relevant CDS Information Publisher announces that the Credit Derivatives Determinations Committee will not be convening to Resolve the relevant Applicable DC Credit Event Question; or
- (ii) the Determination Agent determines that a Relevant Event Determination Date can no longer occur,

as applicable, payment of the suspended interest will be made on the fifth Business Day following (A) in the case of Credit Linked Condition 3.4(i), the relevant announcement by the relevant CDS Information Publisher or date of the Applicable DC Credit Event Question Dismissal, as applicable or (B) in the case of Credit Linked Condition 3.4(ii), the date on which the Determination Agent determines that a Relevant Event Determination Date can no longer occur (taking into consideration, without limitation, any Notice Delivery Period and any Standard Exercise Cut-off Date or Non-Standard Exercise Cut-Off Date, as applicable).

For the avoidance of doubt, interest shall continue to be suspended until a relevant announcement by the relevant CDS Information Publisher (as described above) occurs or the Determination Agent determines that no Relevant Event Determination Date can occur. In such circumstances, Noteholders may not receive any interest for multiple Interest Periods and no liability shall attach to the Issuer for any such non-payment of interest.

3.5 *Payment of Suspended Interest and reduction of future Interest following the occurrence of a Relevant Credit Event or determination of Loss Amount*

If a Relevant Event Determination Date occurs or, as applicable, when the Loss Amount in respect of an Unsettled Credit Event is determined:

- (i) where the Determination Agent determines that the amount of interest suspended pursuant to Credit Linked Condition 3.3 (*Suspension of Interest following an Applicable DC Credit Event Question, a potential Credit Event or an Unsettled Credit Event*) is greater than the amount of interest that should have been suspended (taking into consideration the Applicable Proportion of the relevant Credit Linked Note affected by the Relevant Credit Event), the Issuer shall pay an amount equal to:
 - (a) the interest amount actually suspended; minus
 - (b) the interest amount that should have been suspended,
 on the fifth Business Day following the date of such determination by the Determination Agent; or

- (ii) where the Determination Agent, in its sole and absolute discretion, determines that the amount of interest suspended pursuant to Credit Linked Condition 3.3 (*Suspension of Interest following an Applicable DC Credit Event Question, a potential Credit Event or an Unsettled Credit Event*) is less than the amount of interest that should have been suspended (taking into consideration the Applicable Proportion of the relevant Credit Linked Note affected by the Relevant Credit Event), the Issuer shall deduct the absolute value of (x) the interest amount actually suspended minus (y) the interest amount that should have been suspended (the absolute value of such amount, the “**Interest Suspension Shortfall Amount**”) from future payments of Interest Amounts until the Interest Suspension Shortfall Amount is reduced to zero, provided that if there is an outstanding Interest Suspension Shortfall Amount at the time that the Credit Linked Notes are being redeemed or written down in full (whether at maturity or upon early redemption), such interest shall be deducted from any amount payable to Noteholders at such time.

For the avoidance of doubt, where the Interest Suspension Shortfall Amount cannot be deducted in full or in part, the Issuer shall have no further claims against the Noteholders for any amounts not deducted.

3.6 *Accrual of Interest where the Redemption Amount is improperly withheld or refused*

If, upon due presentation of a Credit Linked Note, payment of such Credit Linked Note’s Redemption Amount is improperly withheld or refused (such amount, the “**Unpaid Amount**”), then interest (if any) will continue to accrue on such Credit Linked Note in accordance with the second sentence of (a) Condition 5.3 (*Accrual of Interest*) in respect of Fixed Rate Notes or (b) Condition 7.2 (*Accrual of Interest*) in respect of Floating Rate Notes, each as amended, provided that no interest shall accrue pursuant to this Credit Linked Condition 3.6 on any Applicable Proportion of such Credit Linked Note on which interest has been suspended and ceased to accrue pursuant to Credit Linked Condition 3.2 (*Suspension of Accrual of Interest following the occurrence of a Relevant Credit Event*) and Credit Linked Condition 6 (*Tranched Index Credit Linked Notes and Credit Events*).

4. **Single Name Credit Linked Notes and Credit Events**

4.1 *Multiple Relevant Credit Events*

There may be more than one Relevant Credit Event and related Relevant Event Determination Date with respect to Single Name Credit Linked Notes in accordance with Credit Linked Conditions 11 (*M(M)R Restructuring*) and 19 (*Successor Provisions*).

4.2 *Applicable Proportion*

The Applicable Proportion of a Single Name Credit Linked Note will be equal to the product of:

- (i) the Outstanding Nominal Amount of such Single Name Credit Linked Note or, if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Accreted Nominal Amount of such Single Name Credit Linked Note; and
- (ii) where:
 - (a) the Relevant Credit Event is not an M(M)R Restructuring or no successor event has occurred, 100 per cent.; or
 - (b) where the Relevant Credit Event is an M(M)R Restructuring, an amount (expressed as a percentage) equal to (x) the Exercise Amount specified in the relevant Credit Event Notice relating to the relevant Reference Entity and Credit Event, divided by (y) the Outstanding Aggregate Nominal Amount of the Single Name Credit Linked Notes or, if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Aggregate Accreted Nominal Amount; or
 - (c) where the Relevant Credit Event is not an M(M)R Restructuring and partial redemption occurs pursuant to Credit Linked Condition 19 (*Successor Provisions*), an amount (expressed as a percentage) equal to (x) the Single Name Partial Nominal Amount,

divided by (y) the Outstanding Aggregate Nominal Amount of the Single Name Credit Linked Notes or, if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Aggregate Accreted Nominal Amount.

4.3 *Impact of Credit Event on Accrual of Interest*

- (i) Where either (x) “No Interest Accrual on Default” or (y) “Interest Accrual on Default” are specified as being applicable, notwithstanding anything to the contrary in Condition 5 (*Fixed Rate Note Provisions*) or Condition 7 (*Floating Rate Note, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions*), as applicable (each as amended), following the occurrence of a Relevant Event Determination Date:
 - (a) interest will cease to accrue on the Applicable Proportion of each Single Name Credit Linked Note in accordance with Credit Linked Condition 2.2 (*Suspension of Accrual of Interest following the occurrence of a Relevant Credit Event*); and
 - (b) interest will continue to accrue as usual on any remaining portion of each Single Name Credit Linked Note unaffected by the Relevant Credit Event in accordance with Condition 5 (*Fixed Rate Note Provisions*) in respect of Fixed Rate Notes or Condition 7 (*Floating Rate Note, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions*) in respect of Floating Rate Notes or Other Underlying Interest Linked Notes, as applicable (each as amended) to (but excluding in the case of (x) and (y) and including in the case of (z)) the earliest to occur of (x) the Scheduled Maturity Date, (y) the Optional Redemption Date (Call), Optional Redemption Date (Put), the Substitution Event Date or other early redemption date specified in the Conditions, as applicable, which results in the Single Name Credit Linked Notes being redeemed in full, and (z) the Relevant Event Determination Date corresponding to the relevant Credit Event Redemption Date which results in the Single Name Credit Linked Notes being redeemed in full.
- (ii) Where the Single Name Credit Linked Notes are Non Credit Linked Interest Notes, notwithstanding the occurrence of a Relevant Event Determination Date, interest will continue to accrue on each Single Name Credit Linked Note in accordance with Condition 5 (*Fixed Rate Note Provisions*) in respect of Fixed Rate Notes or Condition 7 (*Floating Rate Note, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions*) in respect of Floating Rate Notes or Other Underlying Interest Linked Notes, as applicable (each as amended).
- (iii) Further, if the Scheduled Maturity Date is defined in the relevant Pricing Supplement by reference to an Interest Payment Date, then the Scheduled Maturity Date shall be the date which would have been such Interest Payment Date notwithstanding that, due to the occurrence of a Credit Event, interest has ceased to accrue in accordance with Credit Linked Condition 2.2 (*Suspension of Accrual of Interest following the occurrence of a Relevant Credit Event*).

4.4 *Payment of Accrued Interest*

- (i) Where the Single Name Credit Linked Notes are Non Credit Linked Interest Notes, any interest accrued on the Single Name Credit Linked Notes in accordance with Credit Linked Condition 4.3(ii) (*Impact of Credit Event on Accrual of Interest*) shall be payable in accordance with Condition 5 (*Fixed Rate Note Provisions*) in respect of Fixed Rate Notes or Condition 7 (*Floating Rate Note, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions*) in respect of Floating Rate Notes or Other Underlying Interest Linked Notes, as applicable (each as amended) with interest in respect of the final Interest Period being paid on the Scheduled Maturity Date.

- (ii) Where “No Interest Accrual on Default” applies, no interest accrues on the Single Name Credit Linked Notes in accordance with Credit Linked Condition 2.2 (*Suspension of Accrual of Interest following the occurrence of a Relevant Credit Event*) from (and including) the Interest Payment Date immediately preceding the Relevant Event Determination Date (or if there is no Interest Payment Date, the Interest Commencement Date) to (and including) the Relevant Event Determination Date and interest in respect of the final Interest Period will be payable on the Interest Payment Date immediately preceding the Relevant Event Determination Date (or, if earlier, the Scheduled Maturity Date).
- (iii) Where “Interest Accrual on Default” applies, any interest accrued on the Single Name Credit Linked Notes in accordance with Credit Linked Condition 2.2 (*Suspension of Accrual of Interest following the occurrence of a Relevant Credit Event*) from (and including) the Interest Payment Date immediately preceding the Relevant Event Determination Date (or if there is no Interest Payment Date, the Interest Commencement Date) to (and including) the Relevant Event Determination Date shall be payable on:
 - (a) if “Credit Recovery following Credit Event” applies, the relevant Credit Event Redemption Date; or
 - (b) if “Credit Recovery on Maturity” applies, the Interest Payment Date immediately following the Relevant Event Determination Date, provided that if such date falls later than the date on which the Credit Linked Notes are redeemed in full, such earlier date on which the Credit Linked Notes are redeemed in full.

4.5 *Redemption following a Credit Event*

Without prejudice and subject to the application of Conditions 26 (*Redemption and Purchase*), 31 (*Events of Default*), 32 (*Illegality and Regulatory Event*) or any other early redemption provisions in the Conditions (the provisions of which shall prevail over this Credit Linked Condition 4.5 (*Redemption following a Credit Event*)) irrespective of whether the Credit Linked Notes have been redeemed in full (or purchased and cancelled) following such early redemption event, provided that any such early redemption events occur prior to the occurrence of the Relevant Event Determination Date, following the occurrence of a Relevant Event Determination Date, the Issuer will redeem the Applicable Proportion of each Single Name Credit Linked Note in accordance with the “Auction Redemption” Credit Event Redemption Method, the “Cash Redemption” Credit Event Redemption Method, the “Physical Redemption” Credit Event Redemption Method or the “Fixed Recovery Redemption” Credit Event Redemption Method, as specified in the relevant Pricing Supplement.

(i) **Auction Redemption**

Auction Redemption shall apply where “Auction Redemption” is specified as the Credit Event Redemption Method in the relevant Pricing Supplement.

(a) Credit Recovery following Credit Event

If each of (A) “Credit Recovery following Credit Event” and (B) Auction Redemption applies, then following the occurrence of a Relevant Event Determination Date, the Issuer shall redeem the Applicable Proportion of each Single Name Credit Linked Note on the Auction Redemption Date at the Auction Redemption Amount in accordance with Credit Linked Condition 12 (*Auction Redemption Terms*).

The outstanding portion of such Single Name Credit Linked Note (if any) as at the Scheduled Maturity Date shall, subject to Credit Linked Condition 10 (*Scheduled Maturity Date Extension*), be redeemed at the Outstanding Redemption Amount on the Scheduled Maturity Date.

(b) Credit Recovery on Maturity

If each of (A) “Credit Recovery on Maturity” and (B) Auction Redemption applies, then following the occurrence of a Relevant Event Determination Date, the Issuer shall redeem each Single Name Credit Linked Note on the Final Auction Redemption Date

at the Final Auction Redemption Amount in accordance with Credit Linked Condition 12 (*Auction Redemption Terms*).

(ii) **Cash Redemption**

Cash Redemption shall apply where (x) “Cash Redemption” is specified as the Credit Event Redemption Method in the relevant Pricing Supplement, or (y) Cash Redemption is applicable as the Fallback Redemption Method and Credit Linked Condition 12 (*Auction Redemption Terms*) requires the Issuer to redeem the Single Name Credit Linked Notes as if Cash Redemption had been specified as the Credit Event Redemption Method. Where Credit Linked Condition 14 (*Physical Redemption Terms*) applies and Cash Redemption is applicable as the Fallback Redemption Method, the fallback cash redemption terms in Credit Linked Condition 14.9 (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*) shall apply.

(a) Credit Recovery following Credit Event

If each of (A) “Credit Recovery following Credit Event” and (B) Cash Redemption applies, then following the occurrence of a Relevant Event Determination Date, the Issuer shall redeem the Applicable Proportion of each Single Name Credit Linked Note on the Cash Redemption Date at the Cash Redemption Amount in accordance with Credit Linked Condition 13 (*Cash Redemption Terms*).

The outstanding portion of such Single Name Credit Linked Note (if any) as at the Scheduled Maturity Date shall, subject to Credit Linked Condition 10 (*Scheduled Maturity Date Extension*), be redeemed at the Outstanding Redemption Amount on the Scheduled Maturity Date.

(b) Credit Recovery on Maturity

If each of (A) “Credit Recovery on Maturity” and (B) Cash Redemption applies, then following the occurrence of a Relevant Event Determination Date, the Issuer shall redeem each Single Name Credit Linked Note on the Final Cash Redemption Date at the Final Cash Redemption Amount in accordance with Credit Linked Condition 13 (*Cash Redemption Terms*).

(iii) **Physical Redemption**

Physical Redemption shall apply where (I) “Physical Redemption” is specified as the Credit Event Redemption Method in the relevant Pricing Supplement, (II) the Physical Redemption Conditions have been satisfied, (III) the Determination Agent has not made a Non-Delivery Determination, (IV) Morgan Stanley Finance LLC is not the Issuer and (V) if the Deliverable Obligation is a loan, the Single Noteholder is an institutional investor.

(a) Credit Recovery following Credit Event

If each of (A) “Credit Recovery following Credit Event” and (B) Physical Redemption applies, then following the occurrence of a Relevant Event Determination Date, the Issuer shall redeem the Applicable Proportion of each Single Name Credit Linked Note by Delivery to the Noteholder of the Physical Redemption Assets by the relevant Physical Redemption Date and payment to the Noteholder of any Partial Cash Redemption Amount, any Fallback Cash Redemption Amount and/or any Asset Package Cash Redemption Amount (where applicable) in accordance with Credit Linked Condition 14 (*Physical Redemption Terms*).

The outstanding portion of such Single Name Credit Linked Note (if any) as at the Scheduled Maturity Date shall, subject to Credit Linked Condition 10 (*Scheduled Maturity Date Extension*), be redeemed at the Outstanding Redemption Amount on the Scheduled Maturity Date.

(b) Credit Recovery on Maturity

If each of (A) “Credit Recovery on Maturity” and (B) Physical Redemption applies, then following the occurrence of a Relevant Event Determination Date, the Issuer shall redeem each Single Name Credit Linked Note by Delivery to the Noteholder of the Final Physical Redemption Assets by the Final Physical Redemption Date and payment to the Noteholder of any Partial Cash Redemption Amount, any Fallback Cash Redemption Amount and/or any Asset Package Cash Redemption Amount (where applicable) in accordance with Credit Linked Condition 14 (*Physical Redemption Terms*).

(iv) **Fixed Recovery Redemption**

Fixed Recovery Redemption shall apply where it is specified as the Credit Event Redemption Method in the relevant Pricing Supplement.

If Fixed Recovery Redemption applies, then following the occurrence of a Relevant Event Determination Date, the Issuer shall redeem the Applicable Proportion of each Single Name Credit Linked Note on the Cash Redemption Date at the Cash Redemption Amount (if “Credit Recovery following Credit Event” applies) or the Final Cash Redemption Date at the Final Cash Redemption Amount (if “Credit Recovery on Maturity” applies) in accordance with Credit Linked Condition 15 (*Fixed Recovery Redemption Terms*).

Where “Credit Recovery following Credit Event” applies, the outstanding portion of such Single Name Credit Linked Note (if any) as at the Scheduled Maturity Date shall, subject to Credit Linked Condition 10 (*Scheduled Maturity Date Extension*), be redeemed at the Outstanding Redemption Amount on the Scheduled Maturity Date.

5. Basket Credit Linked Notes and Credit Events

5.1 *Multiple Relevant Credit Events*

A Relevant Credit Event and related Relevant Event Determination Date may occur with respect to each Reference Entity in the basket and accordingly there may be more than one Relevant Credit Event and related Relevant Event Determination Date with respect to Basket Credit Linked Notes, provided that subject to the following paragraph, a Relevant Event Determination Date shall occur only once in respect of each such Reference Entity.

There may be more than one Relevant Credit Event and related Relevant Event Determination Date in respect of any such Reference Entity in accordance with Credit Linked Conditions 11 (*M(M)R Restructuring*) and 19 (*Successor Provisions*).

5.2 *Applicable Proportion*

The Applicable Proportion of a Basket Credit Linked Note will be equal to such Basket Credit Linked Note's *pro rata* share of the product of:

- (i) the Outstanding Reference Entity Nominal Amount in respect of the relevant Reference Entity or, if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Reference Entity Accreted Nominal Amount in respect of such Reference Entity; and
- (ii) where:
 - (a) the Relevant Credit Event is not an M(M)R Restructuring, 100 per cent.; or
 - (b) where the Relevant Credit Event is an M(M)R Restructuring, an amount (expressed as a percentage) equal to (x) the Exercise Amount specified or deemed specified in the relevant Credit Event Notice relating to the relevant Reference Entity and Credit Event, divided by (y) the Outstanding Reference Entity Nominal Amount in respect of such Reference Entity or, if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Reference Entity Accreted Nominal Amount.

5.3 *Impact of Credit Event on Accrual of Interest*

- (i) Where either (x) “No Interest Accrual on Default” or (y) “Interest Accrual on Default” are specified as being applicable, notwithstanding anything to the contrary in Condition 5 (*Fixed Rate Note Provisions*) or Condition 7 (*Floating Rate Note, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions*), as applicable (each as amended), following the occurrence of a Relevant Event Determination Date:
 - (a) interest will cease to accrue on the Applicable Proportion of each Basket Credit Linked Note in accordance with Credit Linked Condition 2.2 (*Suspension of Accrual of Interest following the occurrence of a Relevant Credit Event*); and
 - (b) interest will continue to accrue as usual on any remaining portion of each Basket Credit Linked Note unaffected by the Relevant Credit Event in accordance with Condition 5 (*Fixed Rate Note Provisions*) in respect of Fixed Rate Notes or Condition 7 (*Floating Rate Note, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions*) in respect of Floating Rate Notes or Other Underlying Interest Linked Notes, as applicable (each as amended) to (but excluding in the case of (x) and (y) and including in the case of (z)) the earliest to occur of (x) the Scheduled Maturity Date, (y) the Optional Redemption Date (Call), Optional Redemption Date (Put), the Substitution Event Date or other early redemption date specified in the Conditions, as applicable, which results in the Basket Credit Linked Notes being redeemed in full, and (z) the Relevant Event Determination Date corresponding to the relevant Credit Event Redemption Date which results in the Basket Credit Linked Notes being redeemed in full.
- (ii) Where the Basket Credit Linked Notes are Non Credit Linked Interest Notes, notwithstanding the occurrence of a Relevant Event Determination Date, interest will continue to accrue on each Basket Credit Linked Note in accordance with Condition 5 (*Fixed Rate Note Provisions*) in respect of Fixed Rate Notes or Condition 7 (*Floating Rate Note, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions*) in respect of Floating Rate Notes or Other Underlying Interest Linked Notes, as applicable (each as amended).
- (iii) Further, if the Scheduled Maturity Date is defined in the relevant Pricing Supplement by reference to an Interest Payment Date, then the Scheduled Maturity Date shall be the date which would have been such Interest Payment Date notwithstanding that, due to the occurrence of a Credit Event, interest has ceased to accrue in accordance with Credit Linked Condition 2.2 (*Suspension of Accrual of Interest following the occurrence of a Relevant Credit Event*).

5.4 *Payment of Accrued Interest*

- (i) Where the Basket Credit Linked Notes are Non-Credit Linked Interest Notes, any interest accrued on the Basket Credit Linked Notes in accordance with Credit Linked Condition 5.3(ii) (*Impact of Credit Event on Accrual of Interest*) shall be payable in accordance with Condition 5 (*Fixed Rate Note Provisions*) in respect of Fixed Rate Notes or Condition 7 (*Floating Rate Note, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions*) in respect of Floating Rate Notes or Other Underlying Interest Linked Notes, as applicable (each as amended) with interest in respect of the final Interest Period being paid on the Scheduled Maturity Date.
- (ii) Where “No Interest Accrual on Default” applies, no interest accrues on the Applicable Proportion of the Basket Credit Linked Note in accordance with Credit Linked Condition 2.2 (*Suspension of Accrual of Interest following the occurrence of a Relevant Credit Event*) from (and including) the Interest Payment Date immediately preceding the Relevant Event Determination Date (or if there is no Interest Payment Date, the Interest Commencement Date) to (and including) the Relevant Event Determination Date and interest in respect of the final Interest Period in relation to interest on such Applicable Proportion will be payable on the

Interest Payment Date immediately preceding the Relevant Event Determination Date (or, if earlier, the Scheduled Maturity Date).

- (iii) Where “Interest Accrual on Default” applies, any interest accrued on the Applicable Proportion of the Basket Credit Linked Note in accordance with Credit Linked Condition 2.2 (*Suspension of Accrual of Interest following the occurrence of a Relevant Credit Event*) from (and including) the Interest Payment Date immediately preceding the Relevant Event Determination Date (or if there is no Interest Payment Date, the Interest Commencement Date) to (and including) the Relevant Event Determination Date shall be payable on:
 - (a) if “Credit Recovery following Credit Event” applies, the relevant Credit Event Redemption Date; or
 - (b) if “Credit Recovery on Maturity” applies, the Interest Payment Date immediately following the Relevant Event Determination Date, provided that if such date falls later than the date on which the Credit Linked Notes are redeemed in full, such earlier date on which the Credit Linked Notes are redeemed in full.

5.5 *Redemption following a Credit Event*

Without prejudice and subject to the application of Conditions 26 (*Redemption and Purchase*), 31 (*Events of Default*), 32 (*Illegality and Regulatory Event*) or any other early redemption provisions in the Conditions (the provisions of which shall prevail over this Credit Linked Condition 5.5 (*Redemption following a Credit Event*)) irrespective of whether the Credit Linked Notes have been redeemed in full (or purchased and cancelled) following such early redemption event, provided that any such early redemption events occur prior to the occurrence of the Relevant Event Determination Date), following the occurrence of a Relevant Event Determination Date, the Issuer will redeem the Applicable Proportion of each Basket Credit Linked Note in accordance with the “Auction Redemption” Credit Event Redemption Method, the “Cash Redemption” Credit Event Redemption Method, the “Physical Redemption” Credit Event Redemption Method or the “Fixed Recovery Redemption” Credit Event Redemption Method, as specified in the relevant Pricing Supplement.

(i) **Auction Redemption**

Auction Redemption shall apply where “Auction Redemption” is specified as the Credit Event Redemption Method in the relevant Pricing Supplement.

(a) Credit Recovery following Credit Event

If each of (A) “Credit Recovery following Credit Event” and (B) Auction Redemption applies, then following the occurrence of a Relevant Event Determination Date, the Issuer shall redeem the Applicable Proportion of each Basket Credit Linked Note on the Auction Redemption Date at the Auction Redemption Amount in accordance with Credit Linked Condition 12 (*Auction Redemption Terms*).

The outstanding portion of such Basket Credit Linked Note (if any) as at the Scheduled Maturity Date shall, subject to Credit Linked Condition 10 (*Scheduled Maturity Date Extension*), be redeemed at the Final Auction Redemption Amount on the Scheduled Maturity Date.

(b) Credit Recovery on Maturity

If each of (A) “Credit Recovery on Maturity” and (B) Auction Redemption applies, then following the occurrence of a Relevant Event Determination Date, the Issuer shall redeem each Basket Credit Linked Note on the Final Auction Redemption Date at the Final Auction Redemption Amount in accordance with Credit Linked Condition 12 (*Auction Redemption Terms*).

(ii) **Cash Redemption**

Cash Redemption shall apply where (x) “Cash Redemption” is specified as the Credit Event Redemption Method in the relevant Pricing Supplement, or (y) Cash Redemption is applicable

as the Fallback Redemption Method and Credit Linked Condition 12 (*Auction Redemption Terms*) requires the Issuer to redeem the Basket Credit Linked Notes as if Cash Redemption had been specified as the Credit Event Redemption Method. Where Credit Linked Condition 14 (*Physical Redemption Terms*) applies and Cash Redemption is applicable as the Fallback Redemption Method, the fallback cash redemption terms in Credit Linked Condition 14.9 (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*) shall apply.

(a) Credit Recovery following Credit Event

If each of (A) “Credit Recovery following Credit Event” and (B) Cash Redemption applies, then following the occurrence of a Relevant Event Determination Date, the Issuer shall redeem the Applicable Proportion of each Basket Credit Linked Note on the Cash Redemption Date at the Cash Redemption Amount in accordance with Credit Linked Condition 13 (*Cash Redemption Terms*).

The outstanding portion of such Basket Credit Linked Note (if any) as at the Scheduled Maturity Date shall, subject to Credit Linked Condition 10 (*Scheduled Maturity Date Extension*), be redeemed at the Final Cash Redemption Amount on the Scheduled Maturity Date.

(b) Credit Recovery on Maturity

If each of (A) “Credit Recovery on Maturity” and (B) Cash Redemption applies, then following the occurrence of a Relevant Event Determination Date, the Issuer shall redeem each Basket Credit Linked Note on the Final Cash Redemption Date at the Final Cash Redemption Amount in accordance with Credit Linked Condition 13 (*Cash Redemption Terms*).

(iii) **Physical Redemption**

Physical Redemption shall apply where (I) “Physical Redemption” is specified as the Credit Event Redemption Method in the relevant Pricing Supplement, (II) the Physical Redemption Conditions have been satisfied, (III) the Determination Agent has not made a Non-Delivery Determination, (IV) Morgan Stanley Finance LLC is not the Issuer and (V) if the Deliverable Obligation is a loan, the Single Noteholder is an institutional investor.

(a) Credit Recovery following Credit Event

If each of (A) “Credit Recovery following Credit Event” and (B) Physical Redemption applies, then following the occurrence of a Relevant Event Determination Date, the Issuer shall redeem the Applicable Proportion of each Basket Credit Linked Note by Delivery to the Noteholder of the Physical Redemption Assets by the relevant Physical Redemption Date and payment to the Noteholder of any Partial Cash Redemption Amount, any Fallback Cash Redemption Amount and/or any Asset Package Cash Redemption Amount (where applicable) in accordance with Credit Linked Condition 14 (*Physical Redemption Terms*).

The outstanding portion of such Basket Credit Linked Note (if any) as at the Scheduled Maturity Date shall, subject to Credit Linked Condition 10 (*Scheduled Maturity Date Extension*), be redeemed at the Final Physical Redemption Assets on the Scheduled Maturity Date.

(b) Credit Recovery on Maturity

If each of (A) “Credit Recovery on Maturity” and (B) Physical Redemption applies, then following the occurrence of a Relevant Event Determination Date, the Issuer shall redeem each Basket Credit Linked Note by Delivery to the Noteholder of the Final Physical Redemption Assets by the Final Physical Redemption Date and payment to the Noteholder of any Partial Cash Redemption Amount, any Fallback Cash Redemption Amount and/or any Asset Package Cash Redemption Amount (where applicable) in accordance with Credit Linked Condition 14 (*Physical Redemption Terms*).

(iv) Fixed Recovery Redemption

Fixed Recovery Redemption shall apply where it is specified as the Credit Event Redemption Method in the relevant Pricing Supplement.

If Fixed Recovery Redemption applies, then following the occurrence of a Relevant Event Determination Date, the Issuer shall redeem the Applicable Proportion of each Basket Credit Linked Note on the Cash Redemption Date at the Cash Redemption Amount (if “Credit Recovery following Credit Event” applies) or the Final Cash Redemption Date at the Final Cash Redemption Amount (if “Credit Recovery on Maturity” applies) in accordance with Credit Linked Condition 15 (*Fixed Recovery Redemption Terms*).

Where “Credit Recovery following Credit Event” applies, the outstanding portion of such Basket Credit Linked Note (if any) as at the Scheduled Maturity Date shall, subject to Credit Linked Condition 10 (*Scheduled Maturity Date Extension*), be redeemed at the Final Cash Redemption Amount on the Scheduled Maturity Date.

6. Tranching Index Credit Linked Notes and Credit Events**6.1 Multiple Relevant Credit Events**

A Relevant Credit Event and related Relevant Event Determination Date may occur with respect to each Reference Entity in the basket and accordingly there may be more than one Relevant Credit Event and related Relevant Event Determination Date with respect to Tranching Index Credit Linked Notes, provided that subject to the following paragraph, a Relevant Event Determination Date shall occur only once in respect of each such Reference Entity.

There may be more than one Relevant Credit Event and related Relevant Event Determination Date in respect of any such Reference Entity in accordance with Credit Linked Conditions 11 (*M(M)R Restructuring*) and 19 (*Successor Provisions*).

6.2 Applicable Proportion

The Applicable Proportion of a Tranching Index Credit Linked Note in respect of an Affected Reference Entity and a Relevant Event Determination Date will be equal to such Tranching Index Credit Linked Note's pro rata share of the relevant Nominal Writedown Amount in respect of such Affected Reference Entity and Relevant Event Determination Date.

6.3 Impact of Credit Event on Accrual of Interest

(i) Where either (x) “No Interest Accrual on Default” or (y) “Interest Accrual on Default” are specified as being applicable, notwithstanding anything to the contrary in Condition 5 (*Fixed Rate Note Provisions*) or Condition 7 (*Floating Rate Note, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions*)), as applicable (each as amended), following the occurrence of a Relevant Event Determination Date:

- (a) interest will cease to accrue on the Applicable Proportion of each Tranching Index Credit Linked Note in accordance with Credit Linked Condition 3.2 (*Suspension of Accrual of Interest following the occurrence of a Relevant Credit Event*); and
- (b) interest will continue to accrue as usual on any remaining portion of each Tranching Index Credit Linked Note unaffected by the Relevant Credit Event in accordance with Condition 5 (*Fixed Rate Note Provisions*) in respect of Fixed Rate Notes or Condition 7 (*Floating Rate Note, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions*) in respect of Floating Rate Notes or Other Underlying Interest Linked Notes, as applicable (each as amended) to (but excluding) the earliest to occur of (x) the Scheduled Maturity Date and (y) the Optional Redemption Date (Call), Optional Redemption Date (Put), the Substitution Event Date or other early redemption date specified in the Conditions, as

applicable, which results in the Tranch Index Credit Linked Notes being redeemed in full.

- (ii) Where the Tranch Index Credit Linked Notes are Non Credit Linked Interest Notes, notwithstanding the occurrence of a Relevant Event Determination Date, interest will continue to accrue on each Tranch Index Credit Linked Note in accordance with Condition 5 (*Fixed Rate Note Provisions*) in respect of Fixed Rate Notes or Condition 7 (*Floating Rate Note, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions*) in respect of Floating Rate Notes or Other Underlying Interest Linked Notes, as applicable (each as amended).
- (iii) Further, if the Scheduled Maturity Date is defined in the relevant Pricing Supplement by reference to an Interest Payment Date, then the Scheduled Maturity Date shall be the date which would have been such Interest Payment Date notwithstanding that, due to the occurrence of a Credit Event, interest has ceased to accrue in accordance with Credit Linked Condition 3.2 (*Suspension of Accrual of Interest following the occurrence of a Relevant Credit Event*).

6.4 *Payment of Accrued Interest*

- (i) Where the Tranch Index Credit Linked Notes are Non Credit Linked Interest Notes, any interest accrued on the Tranch Index Credit Linked Notes in accordance with Credit Linked Condition 6.3(ii) (*Impact of Credit Event on Accrual of Interest*) shall be payable in accordance with Condition 5 (*Fixed Rate Note Provisions*) in respect of Fixed Rate Notes or Condition 7 (*Floating Rate Note, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions*) in respect of Floating Rate Notes or Other Underlying Interest Linked Notes, as applicable (each as amended) with interest in respect of the final Interest Period being paid on the Scheduled Maturity Date.
- (ii) Where “No Interest Accrual on Default” applies, no interest accrues on the Applicable Proportion of the Tranch Index Credit Linked Note in accordance with Credit Linked Condition 3.2 (*Suspension of Accrual of Interest following the occurrence of a Relevant Credit Event*) from (and including) the Interest Payment Date immediately preceding the Relevant Event Determination Date (or if there is no Interest Payment Date, the Interest Commencement Date) to (and including) the Relevant Event Determination Date and interest in respect of the final Interest Period in relation to interest on such Applicable Proportion (which, for the avoidance of doubt, is the last Interest Period before interest ceases to accrue thereon as aforesaid) will be payable on the Interest Payment Date immediately preceding the Relevant Event Determination Date (or, if earlier, the Scheduled Maturity Date).
- (iii) Where “Interest Accrual on Default” applies, any interest accrued on the Applicable Proportion of the Tranch Index Credit Linked Note in accordance with Credit Linked Condition 3.2 (*Suspension of Accrual of Interest following the occurrence of a Relevant Credit Event*) from (and including) the Interest Payment Date immediately preceding the Relevant Event Determination Date (or if there is no Interest Payment Date, the Interest Commencement Date) to (and including) the Relevant Event Determination Date shall be payable on the Interest Payment Date immediately following the Relevant Event Determination Date, provided that if such date falls later than the date on which the Credit Linked Notes are redeemed in full, such earlier date on which the Credit Linked Notes are redeemed in full.

6.5 *Redemption following a Credit Event*

Without prejudice and subject to the application of Conditions 26 (*Redemption and Purchase*), 31 (*Events of Default*), 32 (*Illegality and Regulatory Event*) or any other early redemption provisions in the Conditions (the provisions of which shall prevail over this Credit Linked Condition 6.5 (*Redemption following a Credit Event*) irrespective of whether the Credit Linked Notes have been redeemed in full (or purchased and cancelled) following such early redemption event, provided that any such early redemption events occur prior to the occurrence of the Relevant Event Determination Date), following the occurrence of a Relevant Event Determination Date, the Issuer will redeem each Tranch Index Credit Linked Note in accordance with the “Auction Redemption” Credit Event Redemption Method,

the “Cash Redemption” Credit Event Redemption Method or the “Fixed Recovery Redemption” Credit Event Redemption Method, as specified in the relevant Pricing Supplement.

(i) **Auction Redemption**

Auction Redemption shall apply where “Auction Redemption” is specified as the Credit Event Redemption Method in the relevant Pricing Supplement.

If Auction Redemption applies, then following the occurrence of a Relevant Event Determination Date, the Issuer shall redeem each Tranch Index Credit Linked Note on the Final Auction Redemption Date at the Final Auction Redemption Amount in accordance with Credit Linked Condition 12 (*Auction Redemption Terms*).

(ii) **Cash Redemption**

Cash Redemption shall apply where (x) “Cash Redemption” is specified as the Credit Event Redemption Method in the relevant Pricing Supplement, or (y) Cash Redemption is applicable as the Fallback Redemption Method and Credit Linked Condition 12 (*Auction Redemption Terms*) requires the Issuer to redeem the Tranch Index Credit Linked Notes as if Cash Redemption had been specified as the Credit Event Redemption Method.

If Cash Redemption applies, then following the occurrence of a Relevant Event Determination Date, the Issuer shall redeem each Tranch Index Credit Linked Note on the Final Cash Redemption Date at the Final Cash Redemption Amount in accordance with Credit Linked Condition 13 (*Cash Redemption Terms*).

(iii) **Fixed Recovery Redemption**

Fixed Recovery Redemption shall apply where it is specified as the Credit Event Redemption Method in the relevant Pricing Supplement.

If Fixed Recovery Redemption applies, then following the occurrence of a Relevant Event Determination Date, the Issuer shall redeem each Tranch Index Credit Linked Note on the Final Cash Redemption Date at the Final Cash Redemption Amount in accordance with Credit Linked Condition 15 (*Fixed Recovery Redemption Terms*).

7. Credit Event Notice and Notice of Publicly Available Information

7.1 If a Credit Event Notice and, if “Notice of Publicly Available Information” is specified to be applicable in the relevant Pricing Supplement, an effective Notice of Publicly Available Information is required to be delivered for an effective Notice Delivery Date and related Event Determination Date to occur, and accordingly, the Determination Agent shall deliver the Credit Event Notice and, if applicable, a Notice of Publicly Available Information to the Issuer and the Fiscal Agent. The Fiscal Agent shall, upon receipt of such notice(s), make such notice(s) available to the Noteholders in accordance with Credit Linked Condition 23 (*Notices*).

7.2 If a Credit Event Notice and where applicable, a Notice of Publicly Available Information is not required to be delivered in order for an Event Determination Date to occur, the Determination Agent shall give written notice not less than five Business Days prior to the date for redemption, as applicable, of the Credit Linked Notes (or a portion thereof) containing the same information required to be included in a Credit Event Notice and if applicable, a Notice of Publicly Available Information to the Issuer. The Fiscal Agent shall, upon receipt of such notice(s), make such notice(s) available to the Noteholders in accordance with Credit Linked Condition 23 (*Notices*).

7.3 Subject to Credit Linked Condition 18 (*Effect of DC Resolutions and Event Determination Dates*), the Determination Agent’s determination of a Credit Event and any other calculation or determination in respect of the Credit Linked Notes, will, in the absence of manifest error, be final, conclusive and binding on all persons (including, without limitation, the Issuer, the Fiscal Agent and each Noteholder).

7.4 None of the Issuer, the Determination Agent, the Fiscal Agent or one or more of their respective affiliates will have any liability whatsoever for the failure of the Determination Agent for any reason to determine that a Credit Event has occurred or with respect to the Determination Agent or the Issuer’s timing as to

when to deliver a Credit Event Notice and where applicable, a Notice of Publicly Available Information nor will they have any duty or responsibility to investigate or check whether any Credit Event has, or may have, occurred or may be continuing.

8. Relevant Time

8.1 *Event timing*

Subject to Credit Linked Condition 23 (*Notices*) and Credit Linked Condition 8.2 (*Payment timing*), in order to determine the day on which an event occurs for the purposes of these Credit Linked Conditions, the demarcation of days shall be made by reference to Greenwich Mean Time (or Tokyo time if the Determination Agent determines that Tokyo time is the market convention with respect to the relevant Reference Entity), irrespective of the time zone in which such event occurred. Any event occurring at midnight shall be deemed to have occurred immediately prior to midnight.

8.2 *Payment timing*

Notwithstanding the definition of “Credit Event Notice” and Credit Linked Condition 8.1 (*Event timing*), if a payment is not made by the relevant Reference Entity on its due date or, as the case may be, on the final day of the relevant Grace Period, then such failure to make a payment shall be deemed to have occurred on such day prior to midnight Greenwich Mean Time (or Tokyo time if the Determination Agent determines that Tokyo time is the market convention with respect to the relevant Reference Entity), irrespective of the time zone of its place of payment.

9. Event Determination Date – Adjustment Payment and Ordering of Events

9.1 *Occurrence of Event Determination Date*

Without prejudice to Credit Linked Conditions 18.1 (*Binding nature*) and 18.5 (*Overriding nature*), if, following the determination of an Event Determination Date, such Event Determination Date is deemed by the Determination Agent and/or the Issuer (x) to have occurred on a date that is different from the date that was originally determined to be the Event Determination Date, (y) not to have occurred, or (z) to have occurred prior to a preceding Interest Payment Date, then:

- (i) in respect of the event specified at (y) above only, where the Credit Linked Notes have not already been redeemed or written down in full, the redemption of the Credit Linked Notes shall be cancelled and the Credit Linked Notes shall continue in accordance with their terms as if the relevant Event Determination Date had not occurred; and
- (ii) in respect of any of the events specified at (x), (y) or (z) above, the Determination Agent will, in its sole and absolute discretion, determine (a) the adjustment payment, if any, that is payable to Noteholders to reflect any change that may be necessary to the amount previously calculated and/or paid in respect of the relevant Series; and (b) the date on which such adjustment payment is payable, if any and thereafter notify the Issuer of such adjustments. For the avoidance of doubt, no accruals of interest shall be taken into account when calculating any such adjustment payment, and in the case of (z) above, subject to Credit Linked Condition 2 (*Interest or premium on Single Name Credit Linked Notes and Basket Credit Linked Notes*) or Credit Linked Condition 3 (*Interest or premium on Tranche Index Credit Linked Notes*), as applicable.

The Issuer shall endeavour to give notice to the Noteholders in accordance with Credit Linked Condition 23 (*Notices*) of the occurrence of any of the foregoing events as soon as practicable thereafter without the consent of Noteholders being required to make the above adjustments.

9.2 *Ordering of Event Determination Date following multiple Credit Events*

If an Event Determination Date occurs in respect of more than one Reference Entity, if applicable, on the same day, the occurrence of the Event Determination Date will be determined chronologically in the order that either of the following events occurred with respect to such Reference Entity/ies:

- (i) the Credit Event Resolution Request Date (provided that if a Credit Event Resolution Request Date occurs in respect of more than one such Reference Entity on the same day, the first Reference Entity in respect of which the relevant CDS Information Publisher announces that

the relevant DC Credit Event Question was effective and the relevant Credit Derivatives Determinations Committee was in possession of the relevant Publicly Available Information with respect to such DC Credit Event Question will be deemed to have satisfied this condition first) (a “**DC-determined EDD**”); or

- (ii) the delivery of the Credit Event Notice (provided that if any of the relevant Credit Event Notices are delivered at the same time, in a sequential order determined by the Determination Agent) (a “**Notice-determined EDD**”),

provided that:

- (a) if a Notice-determined EDD is amended by the occurrence of a DC-determined EDD, the DC-determined EDD will govern;
- (b) if both (x) one or more DC-determined EDDs and (y) one or more Notice-determined EDDs occur on the same day, any such DC-determined EDD shall be deemed to have occurred prior to any such Notice-determined EDD, notwithstanding the exact time of the occurrence of such events on such day; and
- (c) if an M(M)R Restructuring has occurred and a Credit Event Notice is delivered following a DC Credit Event Announcement, the Relevant Credit Event and related Relevant Event Determination Date shall be construed as having occurred under Credit Linked Condition 9.1(i) (*Occurrence of Event Determination Date*) instead of Credit Linked Condition 9.2(ii) (*Ordering of Event Determination Date following multiple Credit Events*).

10. Scheduled Maturity Date Extension

Where the Determination Agent determines on or prior to the Scheduled Maturity Date, in its sole and absolute discretion, that:

- (i) one or more Reference Entities:
 - (a) may be subject to a Credit Event;
 - (b) is or may be subject to a Potential Failure to Pay, if “Grace Period Extension” is specified as being applicable in the relevant Pricing Supplement; or
 - (c) is or may be subject to a Potential Repudiation/Moratorium, if “Repudiation/Moratorium” is specified as being an applicable Credit Event in the relevant Pricing Supplement;
- (ii) a Credit Event Notice may be delivered after the Scheduled Maturity Date within an effective delivery period which may result in a Relevant Event Determination Date occurring;
- (iii) a Credit Event Resolution Request Date may occur after the Scheduled Maturity Date but during the Notice Delivery Period which may result in a Relevant Event Determination Date occurring;
- (iv) the final Credit Event Redemption Date in relation to any Relevant Credit Event or the Final Physical Redemption Cut-Off Date in relation to any Physical Redemption, as applicable, will only occur after the Scheduled Maturity Date (including any final Partial Cash Redemption Date or final Fallback Cash Redemption Date, as applicable); or
- (v) a Payment Failure Cut-Off Date in relation to a Payment/Delivery Failure Event may occur after the Scheduled Maturity Date,

and, in the case of Tranching Index Credit Linked Notes, that the aggregate Potential Incurred Loss Amount is greater than zero, it shall notify the Issuer and the Fiscal Agent. The Fiscal Agent (acting on behalf of the Issuer) shall then notify the Noteholders and the Credit Linked Notes then outstanding shall not be redeemed on the Scheduled Maturity Date but shall instead be redeemed on the Extended Maturity Date.

If any amount is payable on the Scheduled Maturity Date of a Credit Linked Note (including any interest payment) to which the provisions of this Credit Linked Condition 10 apply, such amount shall fall due on the Extended Maturity Date and shall be payable without any interest or other sum payable in respect of the postponement of the payment of such amount.

11. **M(M)R Restructuring**

For the avoidance of doubt, for the purposes of this Credit Linked Condition 11, the definitions of “Outstanding Aggregate Nominal Amount” and “Outstanding Aggregated Accreted Nominal Amount” (in the case of Single Name Credit Linked Notes) and “Outstanding Reference Entity Nominal Amount” and “Outstanding Reference Entity Accreted Nominal Amount” (in the case of Basket Credit Linked Notes or Tranched Index Credit Linked Notes) shall be construed in accordance with the provisions set out in Credit Linked Condition 19 (Successor Provisions) where apportionment of calculation amounts as a result of multiple successors being identified is to be applied.

11.1 *Credit Event Notice after an M(M)R Restructuring*

Upon the occurrence of an M(M)R Restructuring, the Determination Agent may deliver multiple Credit Event Notices with respect to such M(M)R Restructuring to the Issuer (who shall forward such notice(s) to the Fiscal Agent for onward delivery to the Noteholders), each such Credit Event Notice specifying the amount of (i) in the case of Single Name Credit Linked Notes, the Outstanding Aggregate Nominal Amount (or, if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Aggregate Accreted Nominal Amount as at the date of the Credit Event Notice) of the Credit Linked Notes; or (ii) in the case of Basket Credit Linked Notes or Tranched Index Credit Linked Notes, the Outstanding Reference Entity Nominal Amount (or, if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Reference Entity Accreted Nominal Amount as at the date of the Credit Event Notice) in respect of the Affected Reference Entity, in each case to which such Credit Event Notice applies as determined by the Determination Agent in its sole discretion which may be less than (as applicable) the Outstanding Aggregate Nominal Amount or Outstanding Aggregate Accreted Nominal Amount of such Credit Linked Notes or the Outstanding Reference Entity Nominal Amount or Outstanding Reference Entity Accreted Nominal Amount in respect of such Affected Reference Entity, (such amounts specified in the Credit Event Notice, the “**Exercise Amount**”), provided that if the Credit Event Notice does not specify an Exercise Amount, then (as applicable) the Outstanding Aggregate Nominal Amount or Outstanding Aggregate Accreted Nominal Amount of the Credit Linked Notes or the Outstanding Reference Entity Nominal Amount or Outstanding Reference Entity Accreted Nominal Amount in respect of the Affected Reference Entity immediately prior to the delivery of such Credit Event Notice as determined by the Determination Agent will be deemed to have been specified as the Exercise Amount.

Accordingly, notwithstanding anything to the contrary in these Credit Linked Conditions, where an M(M)R Restructuring has occurred and a Credit Event Notice has been delivered for an Exercise Amount that is less than (i) in the case of Single Name Credit Linked Notes, the Outstanding Aggregate Nominal Amount (or, if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Aggregate Accreted Nominal Amount) of the Credit Linked Notes; or (ii) in the case of Basket Credit Linked Notes, the Outstanding Reference Entity Nominal Amount (or, if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Reference Entity Accreted Nominal Amount) in respect of the Affected Reference Entity in respect of the Affected Reference Entity, in each case as at the date immediately prior to the delivery of such Credit Event Notice, the provisions of these Credit Linked Conditions shall be deemed to apply to a principal amount of the Credit Linked Notes (in the case of Single Name Credit Linked Notes) or an amount of the relevant Outstanding Reference Entity Nominal Amount (or Outstanding Reference Entity Accreted Nominal Amount, as applicable) (in the case of Basket Credit Linked Notes or Tranched Index Credit Linked Notes) equal to the Exercise Amount only and all the relevant provisions shall be construed accordingly.

11.2 *Redemption of Credit Linked Notes following partial exercise*

If a Credit Event Notice has been delivered in respect of an M(M)R Restructuring that specifies an Exercise Amount that is less than (a) in the case of Single Name Credit Linked Notes, the Outstanding Aggregate Nominal Amount (or, if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified

as being applicable in the relevant Pricing Supplement, the Outstanding Aggregate Accreted Nominal Amount) of the Credit Linked Notes; or (b) in the case of Basket Credit Linked Notes or Tranche Index Credit Linked Notes, the Outstanding Reference Entity Nominal Amount (or, if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Reference Entity Accreted Nominal Amount) in respect of the Affected Reference Entity, then:

- (i) the relevant provisions of Credit Linked Condition 4 (*Single Name Credit Linked Notes and Credit Events*), Credit Linked Condition 5 (*Basket Credit Linked Notes and Credit Events*) and Credit Linked Condition 6 (*Tranche Index Credit Linked Notes and Credit Events*), as applicable, relating to the redemption of Credit Linked Notes shall apply to the Exercise Amount, including for the purposes of calculating the relevant Credit Event Redemption Amount, the relevant Loss Amount or the Physical Redemption Assets to be Delivered to Noteholders, as applicable. In such circumstances, the Determination Agent may adjust such provisions of the Credit Linked Conditions and/or relevant Pricing Supplement as it determines appropriate to take account of this Credit Linked Condition 11, including the basis of the calculation of any Credit Event Redemption Amount, Loss Amount or the Physical Redemption Assets to be Delivered to Noteholders;
- (ii) following any payment of a relevant Credit Event Redemption Amount, determination of any relevant Loss Amount or Delivery of the Physical Redemption Assets to Noteholders, as applicable, or any other determination made in respect of any Exercise Amount, the Outstanding Aggregate Nominal Amount of the Credit Linked Notes or the Outstanding Reference Entity Nominal Amount for the relevant Affected Reference Entity, as applicable, shall (in all cases without double counting) be reduced by an amount equal to the Exercise Amount (or, if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Aggregate Accreted Nominal Amount or Outstanding Reference Entity Accreted Nominal Amount, as applicable, shall also be reduced accordingly). The Credit Linked Notes shall remain outstanding and in the case of Single Name Credit Linked Notes this shall be in an amount equal to the Outstanding Aggregate Nominal Amount (or, if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Aggregate Accreted Nominal Amount). Except in the case of Zero Coupon Notes or Non Credit Linked Interest Notes (to which Credit Linked Condition 4.3(ii) (*Impact of Credit Event on Accrual of Interest*), Credit Linked Condition 5.3(ii) (*Impact of Credit Event on Accrual of Interest*) or Credit Linked Condition 6.3(ii) (*Impact of Credit Event on Accrual of Interest*), as applicable, shall continue to apply), interest (if applicable) shall accrue on the Outstanding Aggregate Nominal Amount as provided for in Condition 5 (*Fixed Rate Note Provisions*) in respect of Fixed Rate Notes or Condition 7 (*Floating Rate Note, Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Rate-Linked and Fund-Linked Interest Note Provisions*) in respect of Floating Rate Notes or Other Underlying Interest Linked Notes, as applicable (each as amended), and the Determination Agent may thereafter deliver one or more further Credit Event Notices in respect of the relevant Affected Reference Entity and (as applicable) the Outstanding Aggregate Nominal Amount, Outstanding Aggregate Accreted Nominal Amount, Outstanding Reference Entity Nominal Amount or Outstanding Reference Entity Accreted Nominal Amount, to which the Credit Linked Conditions shall continue to apply; and
- (iii) the Determination Agent may adjust the provisions of these Credit Linked Conditions and/or the relevant Pricing Supplement in such manner as it may determine to be appropriate to account for such event.

11.3 Subsequent Credit Events

For the avoidance of doubt (in the case of a Single Name Credit Linked Note subject to multiple successor determinations), the fact that a Restructuring Credit Event has occurred in respect of a Reference Entity shall not preclude delivery of a Credit Event Notice in respect of any other Reference Entity.

11.4 Endorsement of Global Note Certificate to reflect partial redemption

If the provisions of this Credit Linked Condition 11 apply in respect of the Credit Linked Notes, on any redemption of part of each such Credit Linked Note, the relevant Credit Linked Note or, if the Credit Linked Notes are represented by a global note certificate (in registered form), such global note certificate, shall be endorsed to reflect such part redemption on the relevant Credit Event Redemption Date.

11.5 *Exercise Amount*

The Exercise Amount in connection with a Credit Event Notice describing an M(M)R Restructuring must be (i) an amount that is at least 1,000,000 units of the Settlement Currency (or, if Yen, 100,000,000 units) and an integral multiple thereof; or (ii) (a) in the case of Single Name Credit Linked Notes, the entire Outstanding Aggregate Nominal Amount of the Credit Linked Notes or if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, an amount in the Settlement Currency equal to the Outstanding Aggregate Accreted Nominal Amount; or (b) in the case of Basket Credit Linked Notes, the entire Outstanding Reference Entity Nominal Amount in respect of the Affected Reference Entity or if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, an amount in the Settlement Currency equal to the Outstanding Reference Entity Accreted Nominal Amount in respect of the Affected Reference Entity.

The Exercise Amount must be an amount not greater than (as applicable) such Outstanding Aggregate Nominal Amount, Outstanding Aggregate Accreted Nominal Amount, Outstanding Reference Entity Nominal Amount or Outstanding Reference Entity Accreted Nominal Amount.

The Exercise Amount shall be determined in the sole discretion of the Determination Agent.

12. **Auction Redemption Terms**

12.1 *Fallback Redemption*

Subject to Credit Linked Condition 18.4 (*Redemption Suspension*), if the Determination Agent determines with respect to a Credit Event and any relevant Applicable DC Credit Event Question, Applicable Resolution and/or Applicable Auction, that:

- (i) an Auction Cancellation Date has occurred;
- (ii) a No Auction Announcement Date has occurred (and, in circumstances where such No Auction Announcement Date occurs pursuant to this Credit Linked Condition 12.1 or paragraphs (ii) or (iii)(b) under the definition of “No Auction Announcement Date”, the Determination Agent has not exercised the Movement Option);
- (iii) a DC Credit Event Question Dismissal occurs; or
- (iv) a Relevant Event Determination Date was determined pursuant to the definition of “Standard Event Determination Date” or pursuant to paragraph (i) of the definition of “Non-Standard Event Determination Date”, and no Credit Event Resolution Request Date has occurred on or prior to the date falling three Business Days after such Relevant Event Determination Date, or
- (v) a Relevant Event Determination Date was determined pursuant to paragraph (ii)(b)(B)(II)(y) of the definition of “Non-Standard Event Determination Date”,

then the Fallback Redemption Method shall apply and the Issuer shall redeem each Credit Linked Note in accordance with Credit Linked Condition 13 (*Cash Redemption Terms*).

12.2 *Movement Option*

If the Determination Agent determines in respect of an M(M)R Restructuring that a No Auction Announcement Date has occurred pursuant to paragraph (b) or (c)(ii) of the definition of “No Auction Announcement Date”, the Determination Agent may elect in its sole and absolute discretion (with such discretion to be exercised as if the Determination Agent were the “Buyer” under a credit derivative transaction referencing the Reference Entity) to deliver a Notice to Exercise Movement Option to the Issuer (who will then send a subsequent notice to the Fiscal Agent for onward delivery to the Noteholders) at any time on or prior to the Movement Option Cut-off Date.

If a Notice to Exercise Movement Option is so delivered, then the relevant Auction Redemption Amount or Loss Amount, as applicable, shall be calculated on the basis of the Auction Final Price determined by reference to the relevant Parallel Auction identified by the Determination Agent in the Notice to Exercise Movement Option. If a Notice to Exercise Movement Option is delivered by the Determination Agent, all references in these Credit Linked Conditions to “Applicable Auction”, “Applicable Auction Settlement Terms”, “Auction Cancellation Date” and “Auction Final Price Determination Date” shall be deemed to be references to the “Parallel Auction”, “Parallel Auction Settlement Terms” and “Parallel Auction Cancellation Date” and the terms of these Credit Linked Conditions shall be construed accordingly.

If a Notice to Exercise Movement Option is not delivered, the Fallback Redemption Method shall apply and the Issuer shall redeem each Credit Linked Note in accordance with Credit Linked Condition 13 (*Cash Redemption Terms*).

12.3 *Auction Final Price of the Asset Package*

If an Asset Package Credit Event has occurred and the Auction Final Price for the Applicable Auction reflects the entire relevant Asset Package in respect of the Prior Deliverable Obligation(s) or Package Observable Bond(s), as applicable (including any cash forming part of the Asset Package and the Asset Market Value of any Non-Financial Instrument or Non-Transferable Instrument), the Auction Redemption Amount, Loss Amount and Final Auction Redemption Amount (as applicable), shall be determined using such Auction Final Price.

If an Asset Package Credit Event has occurred and the Auction Final Price for the Applicable Auction does not reflect the entire relevant Asset Package in respect of the Prior Deliverable Obligations or Package Observable Bond(s), as applicable (including any cash forming part of the Asset Package and the Asset Market Value of any Non-Financial Instrument or Non-Transferable Instrument), the Determination Agent shall make such adjustments as it deems necessary to preserve the economic effect of the Credit Linked Notes.

12.4 *Delivery of Auction Redemption Amount Notice*

Following the Auction Final Price Determination Date and regardless of whether “Credit Recovery on Maturity” or “Credit Recovery following Credit Event” applies in the case of Single Name Credit Linked Notes or Basket Credit Linked Notes, the Determination Agent shall deliver the Auction Redemption Amount Notice to the Issuer and the Issuer shall deliver the Auction Redemption Amount Notice to the Fiscal Agent no later than five Business Days following the Auction Final Price Determination Date. The Fiscal Agent shall then, as soon as reasonably practicable, deliver the Auction Redemption Amount Notice to the Noteholders in accordance with Credit Linked Condition 23 (*Notices*).

13. **Cash Redemption Terms**

13.1 *Determination of Final Price*

Subject to Credit Linked Condition 18.4 (*Redemption Suspension*), on the Valuation Date, the Determination Agent shall determine (i) the Final Price using the Valuation Obligation to be valued and, (ii) based on the then current market practice in the market of the Valuation Obligation, whether the Outstanding Principal Balance of the Valuation Obligation shall include or exclude accrued but unpaid interest and, if applicable, the amount thereof.

13.2 *Delivery of Cash Redemption Amount Notice*

The Determination Agent shall (regardless of whether “Credit Recovery on Maturity” or “Credit Recovery following Credit Event” applies), as soon as reasonably practicable, after obtaining all Quotations for a Valuation Date and determining the Final Price (such date of determination, the “**Final Price Determination Date**”), provide the Issuer with a Cash Redemption Amount Notice. The Issuer shall deliver the Cash Redemption Amount Notice to the Fiscal Agent no later than five Business Days following the Final Price Determination Date. The Fiscal Agent shall then, as soon as reasonably practicable, deliver the Cash Redemption Amount Notice to the Noteholders in accordance with Credit Linked Condition 23 (*Notices*).

If an Asset Package Credit Event has occurred, (i) valuation of a Prior Deliverable Obligation or Package Observable Bond may be satisfied by valuation of the related Asset Package and such Asset Package shall be treated as having the same currency and Outstanding Principal Balance as that of the Prior Deliverable Obligation or Package Observable Bond, as applicable, to which it corresponds immediately prior to the Asset Package Credit Event and (ii) if the Asset Package is zero, a Quotation shall be deemed to have been obtained for the Outstanding Principal Balance of the Prior Deliverable Obligation or Package Observable Bond, as applicable, equal to zero.

14. Physical Redemption Terms

14.1 Delivery of Physical Redemption Assets

- (i) Subject to Credit Linked Condition 18.4 (*Redemption Suspension*) and notwithstanding anything to the contrary in Condition 26 (Redemption and Purchase), and unless previously redeemed in full or purchased and cancelled, if Physical Redemption applies pursuant to Credit Linked Condition 4.5(iii) (*Physical Redemption*) or Credit Linked Condition 5.5(iii) (*Physical Redemption*), as applicable, the Applicable Proportion of each Credit Linked Note, shall, subject to and in accordance with this Credit Linked Condition 14, be redeemed by, in respect of the Single Noteholder: (a) Delivery by the Issuer or an Affiliate on behalf of the Issuer (at the risk of the Single Noteholder) of the Physical Redemption Assets specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, on or prior to the Physical Redemption Date in accordance with Credit Linked Condition 14.2 (*Physical Redemption Assets*), and (b) payment of the Partial Cash Redemption Amount or Fallback Cash Redemption Amount (if applicable) in accordance with Credit Linked Condition 14.9 (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*) or any Asset Package Cash Redemption Amount (where applicable) in accordance with Credit Linked Condition 14.10(iii) (*Asset Package Delivery*), pursuant to which the Issuer's obligations in respect of the redemption of the Applicable Proportion of each Credit Linked Note shall be fully and effectively discharged.
- (ii) In respect of Credit Linked Notes that are only partially redeemed, the remaining portion of each Credit Linked Note which is not so redeemed shall be redeemed on the later of (a) the later to occur of (A) the Scheduled Maturity Date and (B) the Extended Maturity Date, as applicable, at the Final Physical Redemption Assets, and (b) where the Credit Linked Notes early redeem in full, the Optional Redemption Date (Call), Optional Redemption Date (Put) or Substitution Event Date or other early redemption date pursuant to the Conditions, as applicable.
- (iii) In order for the Credit Linked Notes to be redeemed in accordance with this Credit Linked Condition 14:
 - (a) Upon the Issuer and the Fiscal Agent receiving a Credit Event Notice from the Determination Agent, the Fiscal Agent shall forward the relevant Credit Event Notice to the Single Noteholder in accordance with Credit Linked Condition 23 (*Notices*) as soon as practicable and, in any case, prior to the relevant Physical Redemption Date.
 - (b) Upon receiving the Credit Event Notice, the Single Noteholder may deliver a Valid Physical Redemption Election Notice to the Issuer, the Determination Agent and the Fiscal Agent, by no later than the fifth Business Day following a Relevant Event Determination Date, such notice containing the following details:
 - (A) specifying the Series number of the Credit Linked Notes which is the subject of the Physical Redemption Election Notice;
 - (B) including such details as are required for the transfer or assignment of the Physical Redemption Assets which may include, without limitation, the name, address and/or details of the Single Noteholder's account at Clearstream, Luxembourg or Euroclear, as applicable (the "**Relevant Clearing System**"), to be credited with such Physical Redemption Assets and/or any bank, broker or agent of the Single Noteholder to whom documents evidencing the transfer of Physical Redemption Assets to be delivered;

- (C) including such details as are required for the redemption of the Credit Linked Notes which may include, without limitation, (I) details of the Single Noteholder's account at Clearstream, Luxembourg or Euroclear and (II) an instruction to Euroclear or Clearstream, Luxembourg to block such Single Noteholder's account until Delivery (or payment, if applicable) is completed;
 - (D) specifying the name and details of the account to which the Partial Cash Redemption Amount, Fallback Cash Redemption Amount or Asset Package Cash Redemption Amount (in each case, if any) is to be credited;
 - (E) containing an acknowledgment that an amount equal to each Credit Linked Note's *pro rata* share of all Unwind Costs (if "Credit Unwind Costs" is specified as being applicable in the relevant Pricing Supplement), Delivery Expenses or Interest Suspension Shortfall Amount (in each case, if any) shall be deducted from the Outstanding Principal Balance or Due and Payable Amount;
 - (F) certifying, either (I) in respect of Credit Linked Notes represented by a Regulation S Global Note, that the beneficial owner of each such Credit Linked Note is not a U.S. Person, the Note is not being redeemed within the United States or on behalf of a U.S. Person and no cash, notes or other property have been or will be delivered within the United States or to, or for the account or benefit of, a U.S. Person in connection with any redemption thereof; or (II) in respect of Credit Linked Notes represented by a Rule 144A Global Note, that the beneficial owner of each such Credit Linked Note is a QIB;
 - (G) authorising the production of such certification in any applicable administrative or legal proceedings, as provided in the Issue and Paying Agency Agreement;
 - (H) if the Credit Linked Notes are in definitive form, including the definitive Credit Linked Notes; and
 - (I) providing a Euroclear or Clearstream, Luxembourg screenshot of the Single Noteholder's holdings.
- (iv) An executive director or managing director of the Issuer and the Fiscal Agent shall confirm to the Single Noteholder and notify the Determination Agent that such Physical Redemption Election Notice is a Valid Physical Redemption Election Notice, as soon as possible, and, in any case, prior to the relevant Physical Redemption Date. Following such notification, the Determination Agent shall provide a Notice of Physical Settlement to the Issuer and the Fiscal Agent for onward delivery to the Single Noteholder in accordance with Credit Linked Condition 23 (*Notices*) as soon as practicable and, in any case, prior to the relevant Physical Redemption Date.
- (v) The Determination Agent may, at any time, by delivery to the Issuer and the Fiscal Agent of a NOPS Amendment Notice, give notice that the Issuer is replacing, in whole or in part, the Deliverable Obligations specified in the Notice of Physical Settlement or a prior NOPS Amendment Notice, as applicable. Upon receipt, the Fiscal Agent shall deliver such notice to the Noteholder in accordance with Credit Linked Condition 23 (*Notices*).
- (vi) No Physical Redemption Election Notice may be withdrawn after receipt thereof by the Relevant Clearing System, the Issuer, the Determination Agent or the Fiscal Agent, as the case may be, except with the Issuer's written consent. After delivery of a Valid Physical Redemption Election Notice (a) such Single Noteholder shall be the only person entitled to delivery of its portion of the Physical Redemption Assets, and as such (b) the Single Noteholder may not transfer the Credit Linked Notes which are the subject of such notice.
- (vii) Failure to properly complete and deliver a Physical Redemption Election Notice may result in such notice being treated as null and void and deemed to not have been provided. Any

determination as to whether such notice has been properly completed and delivered as provided in these Credit Linked Conditions shall be made by the Determination Agent, the Issuer or the Fiscal Agent, on the Issuer's behalf, and shall be conclusive and binding on the Single Noteholder.

If no Valid Physical Redemption Notice has been delivered by the fifth Business Day following a Relevant Event Determination Date, Cash Redemption shall be deemed to apply instead pursuant to the fallback cash redemption terms in Credit Linked Condition 14.9 (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*).

- (viii) Delivery of the Physical Redemption Assets and payment of the Partial Cash Redemption Amount or Fallback Cash Redemption Amount (in each case, if any) in respect of the Single Noteholder shall be made by the Issuer in accordance with the details specified in the applicable Valid Physical Redemption Election Notice.

14.2 *Physical Redemption Assets*

- (i) Subject to this Credit Linked Condition 14.2, the Issuer may only Deliver or procure Delivery of the Deliverable Obligations specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable.
- (ii) Until the date on which the Physical Redemption Assets have been fully Delivered, the Issuer or any other person (including the Issuer's Affiliates) will continue to be the legal holder of the Deliverable Obligations comprising the Physical Redemption Assets. None of the Issuer nor any such other person will (a) be under any obligation to deliver or procure delivery to the Single Noteholder or any other person any letter, certificate, notice, circular or any other document or payment whatsoever received by the Issuer or that other person in its capacity as legal holder of such Deliverable Obligations, (b) be under any obligation to exercise or procure exercise of any or all rights (including voting rights) attaching to such Deliverable Obligations comprising the Physical Redemption Assets, (c) be under any liability to such Single Noteholder or any other person in respect of any loss or damage which such Single Noteholder or other person may sustain or suffer as a result, whether directly or indirectly, of the Issuer or any other person being the legal holder of such Deliverable Obligations comprising the Physical Redemption Assets, or (d) have any liability whatsoever to the Single Noteholder or any other person if, as a result of a Payment/Delivery Failure Event or pursuant to any of Credit Linked Conditions 14.3 (*Election to deliver alternative amount of Deliverable Obligations/Hedge Disruption Obligation*) to 14.8 (*Alternative Procedures Relating to Loans not Delivered*) (both inclusive) or Credit Linked Condition 14.10(v) (*Asset Package Delivery*), it is unable to effect Delivery of any Deliverable Obligations comprising the Physical Redemption Assets and the obligations hereunder shall be satisfied by partial cash settlement or fallback cash redemption (if applicable) or shall cease, and be deemed to be fully discharged in accordance with the Credit Linked Conditions.
- (iii) If the Determination Agent determines that all or any part of the Physical Redemption Assets that would be required to be Delivered to the Single Noteholder is not a whole integral multiple of the smallest unit of transfer for any such Physical Redemption Assets at the relevant time of Delivery, the Issuer will Deliver and such Single Noteholder will only be entitled to receive such portion of the Physical Redemption Assets specified by the Issuer which is as large a size as possible (as determined by the Determination Agent, after consideration of such smallest unit or units of transfer and application of rounding to such amount, whether upwards or downwards to the nearest unit of transfer, in its sole discretion). Any portion of the Physical Redemption Assets not so delivered shall be deemed to have a value of zero and the Issuer's obligations to the Single Noteholder in respect of such portion shall be fully and effectively discharged.

14.3 *Election to deliver alternative amount of Deliverable Obligations/Hedge Disruption Obligation*

Notwithstanding anything to the contrary in Credit Linked Condition 14.1 (*Delivery of Physical Redemption Assets*), the Issuer may elect to Deliver to the Single Noteholder Deliverable Obligations with an Outstanding Principal Balance or a Due and Payable Amount, as applicable (or the equivalent Currency Amount of any such amount), that is (x) greater than, or (y) less than, that which the Single Noteholder would otherwise have been entitled to receive by way of Physical Redemption Assets.

If:

- (i) the Issuer exercises its election pursuant to this Credit Linked Condition 14.3; or
- (ii) the Determination Agent determines that the Deliverable Obligations set out in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, cannot be Delivered due to an event (including, without limitation, any delay in settlement of any Applicable Auction) which results in the Issuer and/or its Affiliates not receiving the relevant Deliverable Obligations under its Hedge Positions (such obligations which cannot be Delivered, a “**Hedge Disruption Obligation**”),

the Issuer may attempt to continue to Deliver without prejudice to the provisions set out in Credit Linked Condition 14.1 (*Delivery of Physical Redemption Assets*) and the Determination Agent may (but is not obliged to) after taking into account costs to the Issuer, including the trading price of any alternative Deliverable Obligation, provide notice to the Issuer (which shall be forwarded to the Fiscal Agent for onward delivery to the Single Noteholder) that alternative Deliverable Obligation(s) will be delivered in lieu of any other Deliverable Obligation specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, satisfying on the Physical Redemption Date and the Delivery Date, each of the Deliverable Obligation Characteristics, if any, specified in the relevant Pricing Supplement and otherwise satisfying the requirements to constitute a Deliverable Obligation (and such instrument shall be deemed specified in the NOPS Amendment Notice which will be effective notwithstanding the fact that it is deemed specified after the Physical Redemption Date).

If no Delivery has been completed on or prior to the Latest Permissible Physical Settlement Date, Cash Redemption shall be deemed to apply instead pursuant to the fallback cash redemption terms in Credit Linked Condition 14.9 (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*) with respect to the Deliverable Obligations that cannot be Delivered and the Issuer shall pay to the Single Noteholder each Credit Linked Note’s *pro rata* share of the Fallback Cash Redemption Amount on the Fallback Cash Redemption Date. For such purpose, the Deliverable Obligations that cannot be Delivered (including the Hedge Disruption Obligations) shall constitute an “Undelivered Deliverable Obligation” for the purposes of the application of Credit Linked Condition 14.9 (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*).

14.4 *Partial Cash Redemption due to Impossibility or Illegality*

If, the Determination Agent, prior to the Delivery of the Deliverable Obligations in accordance with this Credit Linked Condition 14.1 (*Delivery of Physical Redemption Assets*) determines, in its sole discretion acting in good faith (such determination, a “**Non-Delivery Determination**”), that:

- (i) due to an event beyond the control of the Issuer, it is impossible or illegal for the Issuer to Deliver or procure an Affiliate to Deliver, or due to an event beyond the control of the Issuer it is impossible or illegal for the Single Noteholder to accept Delivery of, any of the Deliverable Obligations (other than a Prior Deliverable Obligation or a Package Observable Bond if an Asset Package Credit Event has occurred) specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, on the Physical Redemption Date (including, without limitation, failure of the relevant clearance system or due to any law, regulation or court order, but excluding market conditions or the failure to obtain any requisite consent with respect to the Delivery of Loans);
- (ii) it is not practicable for the Issuer to Deliver or procure that an Affiliate Delivers any of the Deliverable Obligations (other than a Prior Deliverable Obligation or a Package Observable Bond if an Asset Package Credit Event has occurred) specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, on the Physical Redemption Date, whether by reason of denomination of the relevant Deliverable Obligation, any transfer restriction on the relevant Deliverable Obligation or the nature or status of the Single Noteholder or any other reason;
- (iii) no obligations of the Reference Entity fall within the definition of “Deliverable Obligation” and are capable of being Delivered; or

- (iv) the Issuer and an Affiliate is otherwise unable to acquire or source all or some of the Deliverable Obligations necessary to give effect to physical redemption pursuant to this Credit Linked Condition 14,

then on or before such date:

- (a) the Issuer shall Deliver (or procure that an Affiliate Delivers) and the Single Noteholder shall take Delivery of any of the Deliverable Obligations specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, for which it is possible and legal to take Delivery; and
- (b) the Determination Agent shall provide a description in reasonable detail of the facts giving rise to such Non-Delivery Determination and, as soon as practicable thereafter, the Issuer shall Deliver (or procure that an Affiliate Delivers) and the Single Noteholder shall take Delivery of the Deliverable Obligations specified in the Notice of Physical Settlement or NOPS Amendment Notice as applicable which were not delivered on the Delivery Date.

The date on which the Deliverable Obligations specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, which were not Delivered and are subsequently Delivered shall be the date on which the Issuer is deemed to have completed Delivery of the Deliverable Obligations specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, relating to the Relevant Credit Event.

If following the occurrence of any such circumstances set out in Credit Linked Conditions 14.4(i) to (iv) (*Partial Cash Redemption due to Impossibility or Illegality*), the amount of Deliverable Obligations that are to be Delivered as specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, are not delivered to the Single Noteholder on or prior to the Latest Permissible Physical Settlement Date, then Cash Redemption in accordance with the partial cash redemption terms in Credit Linked Condition 14.9 (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*) shall apply with respect to the Deliverable Obligations that cannot be Delivered (the “**Undeliverable Obligations**”).

14.5 *Partial Cash Redemption of Consent Required Loans*

If:

- (i) the Deliverable Obligations specified in the Notice of Physical Settlement or NOPS Amendment Notice include Consent Required Loans that, due to the non-receipt of any requisite consents, are not, on the Physical Redemption Date, capable of being assigned or novated to the Single Noteholder, and such consents are not obtained or deemed given by the Latest Permissible Physical Settlement Date; and
- (ii) “Direct Loan Participation” is not specified as a Deliverable Obligation Characteristic in the relevant Pricing Supplement, or “Direct Loan Participation” is specified as a Deliverable Obligation Characteristic in the relevant Pricing Supplement and the relevant participation is not effected on or before the Latest Permissible Physical Settlement Date,

Cash Redemption pursuant to the partial cash redemption terms in Credit Linked Condition 14.9 (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*) shall be deemed to apply to the Credit Linked Notes with respect to the Deliverable Obligations specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, that consist of Consent Required Loans for which consents are not obtained or deemed given (the “**Undeliverable Loan Obligations**”).

14.6 *Partial Cash Redemption of Assignable Loans*

If:

- (i) the Deliverable Obligations specified in the Notice of Physical Settlement or NOPS Amendment Notice include Assignable Loans that, due to the non-receipt of any requisite consents, are not, on the Physical Redemption Date, capable of being assigned or novated to the Single

Noteholder, and such consents are not obtained or deemed given by the Latest Permissible Physical Settlement Date; and

- (ii) “Direct Loan Participation” is not specified as a Deliverable Obligation Characteristic in the relevant Pricing Supplement, or “Direct Loan Participation” is specified as a Deliverable Obligation Characteristic in the relevant Pricing Supplement and the relevant participation is not effected on or before the Latest Permissible Physical Settlement Date,

Cash Redemption pursuant to the partial cash redemption terms in Credit Linked Condition 14.9 (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*) shall be deemed to apply to the Credit Linked Notes with respect to the Deliverable Obligations specified in the Notice of Physical Settlement or last NOPS Amendment Notice, as applicable, that consist of Assignable Loans for which consents are not obtained or deemed given (the “**Unassignable Obligations**”).

14.7 *Partial Cash Redemption of Participations*

If the Deliverable Obligations include Direct Loan Participations and the relevant participation is not effected on or before the Latest Permissible Physical Settlement Date, Cash Redemption pursuant to the partial cash redemption terms in Credit Linked Condition 14.9 (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*) shall be deemed to apply to the Credit Linked Notes with respect to the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable that consist of Direct Loan Participations in respect of which the relevant participation is not effected (the “**Undeliverable Participations**”).

14.8 *Alternative Procedures Relating to Loans not Delivered*

- (i) If the Issuer has not Delivered or procured that an Affiliate has Delivered any Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, that are Loans (other than any Loan which (a) is a Prior Deliverable Obligation which the Issuer has notified the Fiscal Agent it intends to Deliver an Asset Package in lieu thereof, or (b) forms part of an Asset Package which the Issuer has notified the Fiscal Agent it intends to Deliver) on or prior to the date that is five Business Days after the relevant Physical Redemption Date (the “**Loan Alternative Procedure Start Date**”), Credit Linked Condition 14.8(ii) (*Alternative Procedures Relating to Loans not Delivered*) shall apply unless (A) “Reference Obligation Only” has been specified as the Deliverable Obligation Category in the relevant Pricing Supplement, (B) in the case of a Consent Required Loan, “Partial Cash Redemption of Consent Required Loans” is specified as being applicable in the relevant Pricing Supplement (in which case Credit Linked Condition 14.5 (*Partial Cash Redemption of Consent Required Loans*) shall apply), (C) in the case of an Assignable Loan, “Partial Cash Redemption of Assignable Loans” is specified as being applicable in the relevant Pricing Supplement (in which case Credit Linked Condition 14.6 (*Partial Cash Redemption of Assignable Loans*) shall apply), (D) in the case of a Direct Loan Participation, “Partial Cash Redemption of Participation” is specified as being applicable in the relevant Pricing Supplement (in which case Credit Linked Condition 14.7 (*Partial Cash Redemption of Participations*) shall apply) or (E) in any case, such failure to Deliver is due to an event described in Credit Linked Condition 14.4 (*Partial Cash Redemption due to Impossibility or Illegality*) (in which case Credit Linked Condition 14.4 (*Partial Cash Redemption due to Impossibility or Illegality*) shall apply).
- (ii) If the Issuer has failed to obtain the requisite consents to Deliver a Loan specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, at any time after the 15th Business Day following the Loan Alternative Procedure Start Date, the Issuer may (but is not obliged to) Deliver (or procure Delivery of), in lieu of all or part of such Loan and after taking into account costs to the Issuer, including the trading price of any alternative Deliverable Obligation, any, subject to Credit Linked Condition 20.1 (*Restructuring Maturity Limitation*) and 20.2 (*Modified Restructuring Maturity Limitation*), Bond that is Transferable and Not Bearer or any Assignable Loan, and having on both the Physical Redemption Date and the Delivery Date each of the Deliverable Obligation Characteristics (other than Consent Required Loan or Direct Loan Participation), if any, specified in the relevant Pricing Supplement and otherwise satisfying the requirements to constitute a Deliverable Obligation (and such instrument shall be deemed specified in the NOPS Amendment Notice which will be effective notwithstanding the fact that it is deemed specified after the Physical Redemption Date). In the

event that the Deliverable Obligations or other Deliverable Obligations to be delivered in lieu of all or part of such Loan are not Delivered on or prior to the Latest Permissible Physical Settlement Date, Cash Redemption shall be deemed to apply instead pursuant to the fallback cash redemption terms in Credit Linked Condition 14.9 (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*) with respect to the Loans specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, or alternative Deliverable Obligation, as determined by the Determination Agent and the Issuer shall pay the Single Noteholder each Credit Linked Note's *pro rata* share of the Fallback Cash Redemption Amount on the Fallback Cash Redemption Date. For such purpose, the Deliverable Obligations not Delivered shall constitute "Undelivered Deliverable Obligations" for the purposes of the application of Credit Linked Condition 14.9 (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*).

14.9 *Partial Cash Redemption Terms and Fallback Cash Redemption Terms*

The following terms apply for the purposes of the partial cash redemption terms referred to in Credit Linked Conditions 14.4 (*Partial Cash Redemption due to Impossibility or Illegality*) to 14.8 (*Alternative Procedures Relating to Loans not Delivered*) and for the purposes of the fallback cash redemption terms referred to in Credit Linked Condition 14.1(vii) (*Delivery of Physical Redemption Assets*) and Credit Linked Condition 17.2 (*Payment/Delivery Failure Event – failure to deliver*):

- (i) (a) If Cash Redemption is deemed to apply pursuant to this Credit Linked Condition, the Issuer shall pay in respect of the portion of the Physical Redemption Assets corresponding to the applicable Undeliverable Obligation, Undeliverable Loan Obligation, Undeliverable Participation or Unassignable Obligation (each an "**Undeliverable Deliverable Obligation**") the Partial Cash Redemption Amount on the Partial Cash Redemption Date (each as determined in accordance with this Credit Linked Condition 14.9), and (b) in respect of (A) the Physical Redemption Assets which cannot be delivered as described in Credit Linked Conditions 17.2 (*Payment/Delivery Failure Event – failure to deliver*), 14.3 (*Election to deliver alternative amount of Deliverable Obligations/Hedge Disruption Obligation*), 14.8 (*Alternative Procedures Relating to Loans not Delivered*), 14.10(iii) (*Asset Package Delivery*) or 14.10(v) (*Asset Package Delivery*) or (B) all the Physical Redemption Assets, if no Valid Physical Redemption Notice has been delivered by the fifth Business Day following a Relevant Event Determination Date as described in Credit Linked Condition 14.1(vii) (*Delivery of Physical Redemption Assets*) (each, an "**Undelivered Deliverable Obligation**"), the Issuer shall pay in respect of the portion of the Physical Redemption Assets corresponding to the applicable Undeliverable Deliverable Obligations, the Fallback Cash Redemption Amount on the Fallback Cash Redemption Date (each as determined in accordance with this Credit Linked Condition 14.9);
- (ii) "**Partial Cash Redemption Amount**" means an aggregate amount calculated by the Determination Agent in respect of all Undeliverable Deliverable Obligations, representing in respect of each Undeliverable Deliverable Obligation, an amount equal to the greater of (a) (A) the Outstanding Principal Balance, the Due and Payable Amount or the Currency Amount, as applicable, of such Undeliverable Deliverable Obligation (or in the case of an Asset Package, of the Prior Deliverable Obligation or Package Observable Bond), as the case may be, multiplied by (B) the Final Price with respect to such Undeliverable Deliverable Obligation, as determined by the Determination Agent (in its discretion, acting in a commercially reasonable manner), minus (C) if "Credit Unwind Costs" is specified as being applicable in the relevant Pricing Supplement, Unwind Costs, if any (but excluding any Unwind Costs already taken into account in calculating the principal amount of the relevant Physical Redemption Assets to deliver) and (b) zero;
- (iii) "**Partial Cash Redemption Date**" and "**Fallback Cash Redemption Date**" means the date as selected by the Determination Agent up to and including the date falling 10 Business Days following the Final Price Determination Date;
- (iv) "**Fallback Cash Redemption Amount**" has the same meaning as set out in "Partial Cash Redemption Amount", provided that each reference therein to "Undeliverable Deliverable Obligation" shall be deemed to be a reference to "Undelivered Deliverable Obligation";

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- (v) **“Reference Obligation”** means, in respect of the determination of the Partial Cash Redemption Amount, each Undeliverable Deliverable Obligation and in respect of the determination of the Fallback Cash Redemption Amount, each Undelivered Deliverable Obligation;
 - (vi) **“Valuation Date”** means the date that is two Business Days after the Latest Permissible Physical Settlement Date;
 - (vii) **“Valuation Method”** means the highest Quotation obtained by the Determination Agent (or in accordance with paragraph (ii) of the definition of “Quotation” in Credit Linked Condition 26 (*Definitions*)) with respect to any Valuation Date or, if fewer than two Full Quotations are obtained or a Weighted Average Quotation applies, in which case, Market Value;
 - (viii) **“Quotation Method”** means a method of quotation where only bid quotations shall be requested from Quotation Dealers;
 - (ix) **“Quotation Amount”** means, with respect to each type or issue of Undeliverable Deliverable Obligation or Undelivered Deliverable Obligation, an amount equal to the Outstanding Principal Balance or Due and Payable Amount (or, in either case, its equivalent in the relevant Obligation Currency which shall be converted by the Determination Agent in a commercially reasonable manner by reference to exchange rates in effect at the time that the relevant Quotation is being obtained), as applicable, of such Undeliverable Deliverable Obligation or Undelivered Deliverable Obligation, as applicable, as the case may be. The Determination Agent may in its discretion, acting in a commercially reasonable manner, round up or down the Quotation Amount for the purposes of seeking a Quotation;
 - (x) **“Valuation Time”** means the time specified as such in the relevant Pricing Supplement, or if no such time is specified, the time specified by the Determination Agent, which shall be as close as reasonably practicable to 11:00 a.m. in the principal trading market for transactions in the Undeliverable Deliverable Obligation or Undelivered Deliverable Obligation, as applicable, unless the Determination Agent determines that the principal trading market for transactions in the Undeliverable Deliverable Obligation or Undelivered Deliverable Obligation, as applicable, would be closed at such time or such transactions are not being conducted in sufficient volume (as determined by the Determination Agent in its discretion, acting in a commercially reasonable manner) at such time, in which event the Valuation Time shall be such other time as may be specified by the Determination Agent that such principal market is open;
 - (xi) **“Market Value”** means, with respect to an Undeliverable Deliverable Obligation or an Undelivered Deliverable Obligation, as applicable, on a Valuation Date, (a) if more than three Full Quotations are obtained the arithmetic mean of such Full Quotations, disregarding the Full Quotations having the same highest and lowest values (and, if more than one such Full Quotations have the same highest and lowest value, then one of such highest or lowest Full Quotations shall be disregarded); (b) if exactly three Full Quotations are obtained, the Full Quotation remaining after disregarding the highest and lowest Full Quotations (and, if more than one such Full Quotations have the same highest or lowest value, then one of such highest or lowest Full Quotations shall be disregarded); (c) if exactly two Full Quotations are obtained, the arithmetic mean of such Full Quotations; (d) if fewer than two Full Quotations are obtained and a Weighted Average Quotation is obtained then, subject to paragraph (b) of the definition of “Quotation” in Credit Linked Condition 14.9(xii) (*Quotation*), an amount that the Determination Agent shall determine on the next Business Day on which two or more Full Quotations or a Weighted Average Quotation are obtained; and (e) if fewer than two Full Quotations are obtained and no Weighted Average Quotation is obtained on the same Business Day on or prior to the tenth Business Day following the Valuation Date, the Market Value shall be any Full Quotation obtained from a Quotation Dealer at the Valuation Time on such tenth Business Day or, if no Full Quotation or Weighted Average Quotation is obtained, the Market Value shall be determined as provided in paragraphs (b) to (c) of the definition of “Quotation” in Credit Linked Condition 14.9(xii) (*Quotation*);
 - (xii) **“Quotation”** means each Full Quotation and the Weighted Average Quotation obtained and expressed as a percentage of either (x) if the Reference Obligation is not an Asset Package, the Reference Obligation’s Outstanding Principal Balance or Due and Payable Amount, as applicable, or (y) if the Reference Obligation is an Asset Package, the Outstanding Principal

Balance or Due and Payable Amount, as applicable, of the Prior Deliverable Obligation or Package Observable Bond to which the Asset Package relates, in each case, with respect to a Valuation Date in the manner that follows:

- (a) The Determination Agent shall attempt to obtain Full Quotations with respect to each Valuation Date from five or more Quotation Dealers. If the Determination Agent is unable to obtain two or more such Full Quotations on the Valuation Date, then on the next following Business Day (and, if necessary, on each Business Day thereafter until the tenth Business Day following the relevant Valuation Date) the Determination Agent shall attempt to obtain Full Quotations from five or more Quotation Dealers and, if two or more Full Quotations are not available, a Weighted Average Quotation.
- (b) If the Determination Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation on the same Business Day on or prior to the tenth Business Day following the Valuation Date, the Quotations shall be deemed to be any Full Quotation obtained from a Quotation Dealer at the Valuation Time on such tenth Business Day, or, if no Full Quotation is obtained, the Quotations shall be deemed to be zero.
- (c) The Determination Agent shall determine based on the then current market practice in the market of the relevant Undeliverable Obligation, Undeliverable Loan Obligation, Undeliverable Participation, Unassignable Obligation or Undelivered Deliverable Obligation, whether such Quotations shall include or exclude accrued but unpaid interest.

14.10 *Asset Package Delivery*

- (i) If an Asset Package Credit Event occurs then “Asset Package Delivery” will apply unless (a) such Asset Package Credit Event occurs prior to the Credit Event Backstop Date determined in respect of the Credit Event specified in the Credit Event Notice or DC Credit Event Announcement applicable to an Event Determination Date, (b) if the Reference Entity is a Sovereign, no Package Observable Bond exists immediately prior to such Asset Package Credit Event, or (c) the Reference Entity is a Sovereign and “2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)” is specified as “Applicable” in the relevant Pricing Supplement (even if such a Package Observable Bond has been published by ISDA).
- (ii) If Asset Package Delivery applies, (a) Delivery of a Prior Deliverable Obligation or a Package Observable Bond forming part of the Physical Redemption Assets which is specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, may be satisfied by Delivery of the related Asset Package, and such Asset Package shall be treated as having the same currency, Outstanding Principal Balance or Due and Payable Amount, as applicable, as the Prior Deliverable Obligation or Package Observable Bond to which it corresponds had immediately prior to the Asset Package Credit Event, (b) the definition of “Deliver” shall be deemed to apply to each Asset in the Asset Package, provided that if any such Asset is not a Bond, it shall be treated as if it were a Loan for this purpose, (c) if the Asset Package is zero, the Outstanding Amount of the Prior Deliverable Obligation or Package Observable Bond shall be deemed to have been Delivered in full three Business Days following the date on which the Issuer has notified the Fiscal Agent of the detailed description of the Asset Package that it intends to Deliver in accordance with the definition of “Notice of Physical Settlement”, (d) the Issuer may satisfy its obligation to make Delivery of the Prior Deliverable Obligation or Package Observable Bond in part by Delivery of each Asset in the Asset Package in the correct proportion and (e) if the relevant Asset is a Non-Transferable Instrument or Non-Financial Instrument, the Asset shall be deemed to be an amount of cash equal to the Asset Market Value, converted if necessary into the currency of denomination of the Credit Linked Notes at the prevailing market rate of exchange determined by the Determination Agent in its sole and absolute discretion.
- (iii) Notwithstanding the preceding paragraphs of this Credit Linked Condition 14.10 (*Asset Package Delivery*), the Issuer may elect in lieu of delivering all or any part of the Asset Package (such assets, the “**Non-Deliverable Asset Package**”) as Physical Redemption Assets to pay to

the Single Noteholder the Asset Market Value of the Non-Deliverable Asset Package, converted if necessary, into the currency of denomination of the Credit Linked Notes at the prevailing market rate of exchange determined by the Determination Agent in its sole and absolute discretion (such cash payment the “**Asset Package Cash Redemption Amount**”). Payment of the Asset Package Cash Redemption Amount shall be made on or before the tenth Business Day following determination of the Asset Market Value of the Non-Deliverable Asset Package and such date of payment shall be deemed to be the Physical Redemption Date.

- (iv) In determining the Asset Market Value, the Determination Agent may also deem Cash Redemption to apply pursuant to the fallback cash redemption terms in Credit Linked Condition 14.9 (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*) with respect to the Asset Package and the Issuer shall pay the Single Noteholder each Credit Linked Note’s *pro rata* amount of the Fallback Cash Redemption Amount on the Fallback Cash Redemption Date in satisfaction of its payment obligation with respect to the Asset Package Cash Redemption Amount. For such purpose, the related Asset Package shall constitute an “Undelivered Deliverable Obligation” for the purposes of the application of Credit Linked Condition 14.9 (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*) and the Latest Permissible Physical Settlement Date shall be the date the Determination Agent deems Cash Redemption to apply.
- (v) If the Issuer has not satisfied its obligation to make Delivery of the Prior Deliverable Obligation or Package Observable Bond in part by Delivery of each Asset in the Asset Package in the correct proportion on or prior to the Latest Permissible Physical Settlement Date, the Issuer may (but is not obliged to) instead Deliver (or procure Delivery of), after taking into account costs to the Issuer, including the trading price of any alternative Deliverable Obligation, any other Deliverable Obligation selected the Issuer and having on both the Physical Redemption Date and the Delivery Date each of the Deliverable Obligation Characteristics, if any, specified in the relevant Pricing Supplement and otherwise satisfying the requirements to constitute a Deliverable Obligation (and such Deliverable Obligation shall be deemed specified in a NOPS Amendment Notice which will be effective notwithstanding the fact that it is deemed specified after the Physical Redemption Date). If Delivery of the Asset Package or any other Deliverable Obligation in lieu of the same is not completed on or prior to the Latest Permissible Physical Settlement Date, Cash Redemption shall be deemed to apply instead pursuant to the fallback cash redemption terms in Credit Linked Condition 14.9 (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*) with respect to the Asset Package which has not been Delivered and the Issuer shall pay the Single Noteholder their Credit Linked Note’s *pro rata* share of the Fallback Cash Redemption Amount on the Fallback Cash Redemption Date.
- (vi) For such purpose, the entire Asset Package shall constitute an “Undelivered Deliverable Obligation” for the purposes of the application of Credit Linked Condition 14.9 (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*) and the Issuer shall pay the Single Noteholder the Fallback Cash Redemption Amount on the Fallback Cash Redemption Date.

15. Fixed Recovery Redemption Terms

15.1 Redemption Amount

Subject to Credit Linked Condition 18 (*Effect of DC Resolutions and Event Determination Dates*), unless previously redeemed in full or purchased and cancelled, if Fixed Recovery Redemption is specified as the Credit Event Redemption Method in the relevant Pricing Supplement, then following the occurrence of a Relevant Event Determination Date, the Applicable Proportion of each Credit Linked Note shall be redeemed or be written down in accordance with Credit Linked Condition 13 (*Cash Redemption Terms*), provided that:

- (i) the Final Price shall be deemed to be determined at the Fixed Recovery Percentage (specified in the relevant Pricing Supplement with respect to an Affected Reference Entity and the related Relevant Event Determination Date) and the Cash Redemption Amount or the Final Cash Redemption Amount, as applicable, shall be determined using such Fixed Recovery Percentage, as further set out in the definitions of “Cash Redemption Amount” and “Final Cash Redemption Amount” in Credit Linked Condition 26 (*Definitions*);

- (ii) the “Final Price Determination Date” shall be the date on which the Final Price is deemed to be determined at the Fixed Recovery Percentage; and
- (iii) Single Valuation Date will be deemed to have been specified as the applicable Valuation Date on which the Cash Redemption Amount or the Final Cash Redemption Amount, as applicable, shall be determined.

15.2 *Fixed Recovery Percentage of zero*

If the Fixed Recovery Percentage is zero, following the occurrence of a Relevant Event Determination Date, the occurrence of the relevant Cash Redemption Date or Final Cash Redemption Date, as applicable, shall fully and effectively discharge the Issuer’s obligation to redeem the Applicable Proportion of the relevant Note.

For the avoidance of doubt, in such circumstance, the loss amount in respect of an Affected Reference Entity will be deemed to be 100 per cent. and, accordingly, no amounts will be payable or assets deliverable to the Noteholders. The Noteholders will bear the loss of their principal with respect to such proportion of the Credit Linked Notes impacted by the Credit Event and no liability shall attach to the Issuer.

16. **Redemption upon Merger Event**

If “Redemption following Merger Event” is specified as being applicable in the relevant Pricing Supplement, in the event that the Issuer and/or the Determination Agent determines, in its discretion and acting in a commercially reasonable manner, that a Merger Event has occurred in respect of a Reference Entity (such Reference Entity a “**Merger Reference Entity**”), the Issuer may (but shall not be obliged to) redeem each Credit Linked Note, in the case of Basket Credit Linked Notes or Tranching Index Credit Linked Notes such redemption being in part by a portion equal to the Partial Amount, on an early redemption date to be notified to the Noteholders (such date, the “**Merger Event Early Redemption Date**”) at an amount equal to its *pro rata* share of the fair market value of the Credit Linked Notes or, as applicable, such portion thereof (such fair market value assessed as at the 2nd Business Day prior to the Merger Event Early Redemption Date), with such notice to be delivered not less than 15 nor more than 60 calendar days prior to the Merger Event Early Redemption Date in accordance with Credit Linked Condition 23 (*Notices*) (provided that if nothing is specified in the applicable Pricing Supplement, “Redemption following Merger Event” shall apply). The Determination Agent shall determine such early redemption amount acting in good faith and in a commercially reasonable manner, by reference to factors that the Determination Agent considers relevant, including without limitation, (i) the then prevailing interest rates, (ii) the value of each embedded derivative and (iii) the reasonable costs to the Issuer and/or its Affiliates of unwinding any related hedging arrangement.

17. **Payment/Delivery Failure Event**

17.1 *Payment/Delivery Failure Event – failure to pay*

If an event constituting a Payment/Delivery Failure Event under paragraph (i) of such definition has occurred and exists, subject to Credit Linked Condition 17.3 (*No additional interest*) below, the obligation of the Issuer to pay the relevant amount will be postponed until such time that the Payment/Delivery Failure Event no longer exists or is cured. Where such postponement applies, the Issuer shall give notice of such postponement to the Noteholders (“**Payment Failure Event Notice**”) as soon as reasonably practicable in accordance with Credit Linked Condition 23 (*Notices*).

Notwithstanding anything to the contrary in these Credit Linked Conditions, if the Issuer determines (in its discretion, acting in a commercially reasonable manner) that such Payment/Delivery Failure Event continues to exist for such number of Business Days specified in the Pricing Supplement or, if no number of Business Days is specified in the Pricing Supplement, 90 Business Days following the later to occur of (i) any scheduled payment date or the (ii) Scheduled Maturity Date or Extended Maturity Date, as applicable (the “**Payment Failure Cut-Off Date**”) in respect of an amount required to be paid in accordance with Credit Linked Condition 17.3 (*No additional interest*), no such payment will be made by the Issuer and the Issuer’s obligations to the Noteholder hereunder will be deemed to be fully discharged as of that date.

17.2 *Payment/Delivery Failure Event – failure to deliver*

If an event constituting a Payment/Delivery Failure Event under paragraph (ii) of such definition has occurred, the obligations of the Issuer to procure Delivery of the Physical Redemption Assets to such Noteholder shall, subject to Credit Linked Conditions 14.1 (*Delivery of Physical Redemption Assets*) and 18.4 (*Redemption Suspension*) cease and if “Fallback Cash Redemption” is specified to apply in the relevant Pricing Supplement, Cash Redemption shall be deemed to apply instead pursuant to the fallback cash redemption terms in Credit Linked Condition 14.9 (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*) with respect to the Physical Redemption Assets that cannot be Delivered on or prior to the Latest Permissible Physical Settlement Date and the Issuer shall pay each Noteholder each Credit Linked Note’s *pro rata* share of the Fallback Cash Redemption Amount on the Fallback Cash Redemption Date. For such purpose, the Physical Redemption Assets shall constitute an “Undelivered Deliverable Obligations” for the purposes of application of Credit Linked Condition 14.9 (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*).

If “Fallback Cash Redemption” is not specified to apply in the relevant Pricing Supplement and if such Payment/Delivery Failure Event continues to exist on the Latest Permissible Physical Settlement Date, the Issuer shall have no further liability or obligation whatsoever in respect of such Credit Linked Note and no obligation to deliver the Physical Redemption Assets on or after the Latest Permissible Physical Settlement Date. However, if the Payment/Delivery Failure Event ceases to exist or is cured prior to the Latest Permissible Physical Settlement Date, the obligation of the Issuer to Deliver the Physical Redemption Assets will be postponed to a date determined by the Issuer to be no later than 10 Business Days following the Latest Permissible Physical Settlement Date (the “**Final Physical Redemption Cut-Off Date**”).

17.3 *No additional interest*

Without prejudice to Credit Linked Condition 2.7 (*Accrual of Interest where the Redemption Amount, Credit Event Redemption Amount, Partial Cash Redemption Amount, Fallback Cash Redemption Amount or Asset Package Cash Redemption Amount is improperly withheld or refused*) or Credit Linked Condition 3.6 (*Accrual of Interest where the Redemption Amount is improperly withheld or refused*), as applicable, any postponement or deemed discharge of payment pursuant to this Credit Linked Condition 17 will not constitute a default hereunder (including for the purpose of the definition of “Events of Default”) and will not entitle the relevant Noteholder to any additional interest or other payment as a result thereof.

18. **Effect of DC Resolutions and Event Determination Dates**

18.1 *Binding nature*

Any DC Resolution of the relevant Credit Derivatives Determinations Committee will be binding with respect to the relevant Credit Linked Notes in accordance with these Credit Linked Conditions. The Determination Agent shall, within a reasonable time period, make all necessary amendments to the Conditions of the Credit Linked Notes and undertake all necessary actions to give effect to the adoption of the DC Resolution with respect to the relevant Credit Linked Notes. For the avoidance of doubt, any DC Resolution to not consider a matter shall not preclude the Determination Agent from making a determination on such matter.

18.2 *Event Determination Dates*

(i) Determinations by the Determination Agent

A Relevant Event Determination Date which is determined by the Determination Agent to apply to the Credit Linked Notes will be binding with respect to the relevant Credit Linked Notes.

(ii) Reversal of DC Credit Event Announcement

If a prior DC Resolution or the occurrence of an Event Determination Date is subsequently reversed prior to the relevant Auction Final Price Determination Date, a Physical Redemption Date, redemption of the Credit Linked Notes in full, a Valuation Date or a Delivery Date, a Credit Event shall be deemed not to have occurred with respect to the relevant Reference Entity for the purposes of these Credit Linked Conditions.

The Determination Agent shall, within a reasonable time period and in its sole and absolute discretion, make all necessary amendments to the Conditions of the Credit Linked Notes or undertake all necessary actions to give effect to such reversal with respect to the relevant Credit Linked Notes (including determining any adjustment payment, if any, and the date such adjustment payment is payable) and no accruals of interest, if any, shall be taken into account when calculating any such adjustment payment and when making such adjustments, no further consent of the Noteholders shall be required.

(iii) Multiple successor determinations

For the avoidance of doubt, where multiple successors have been determined in respect of a Reference Entity in accordance with Credit Linked Condition 19 (*Successor Provisions*), an Event Determination Date may occur in respect of each successor Reference Entity.

18.3 *Determinations in respect of Successors and Substitute Reference Obligations*

If a DC Resolution relating to Successors or Substitute Reference Obligations is subsequently reversed after the identification of a Successor or a Substitute Reference Obligation by the Determination Agent, such prior DC Resolution shall be disregarded for the purposes of these Credit Linked Conditions.

The Determination Agent shall, within a reasonable time period and in its sole and absolute discretion, make all necessary amendments to the Conditions of the Credit Linked Notes or undertake all necessary actions to give effect to such reversal with respect to the relevant Credit Linked Notes (including determining any adjustment payment, if any, and the date such adjustment payment is payable) and no accruals of interest, if any, shall be taken into account when calculating any such adjustment payment and when making such adjustments, no further consent of the Noteholders shall be required.

18.4 *Redemption Suspension*

If, following the occurrence of a Relevant Event Determination Date but prior to the relevant Credit Event Redemption Date, Delivery Date or, to the extent applicable, a Valuation Date in respect of a Reference Entity, there is an Applicable DC Credit Event Meeting Announcement, all timing requirements in these Credit Linked Conditions that pertain to redemption shall toll and remain suspended until the date of the Applicable DC Credit Event Announcement or Applicable DC Credit Event Question Dismissal, as applicable. During such suspension period, the Issuer is not obliged to take any action in connection with the settlement of such Credit Event or the redemption, if any, of the Credit Linked Notes. Once the relevant DC Credit Event Announcement or DC Credit Event Question Dismissal has occurred, the relevant timing requirements that pertain to redemption that have previously tolled or been suspended shall resume on the Business Day following such public announcement by the DC Secretary with the Issuer having the benefit of the full day notwithstanding when the tolling or suspension began. The Issuer shall deliver, or cause the Fiscal Agent to deliver, a notice (a “**Redemption Suspension Notice**”) in accordance with Credit Linked Condition 23 (*Notices*) to the Noteholders giving notice of any suspension of timing requirements pursuant to this Credit Linked Condition 18.

18.5 *Overriding nature*

If, following a determination by the Determination Agent (including its determination of the occurrence of a Credit Event), a later DC Resolution is made by the Credit Derivatives Determinations Committee that is inconsistent with such earlier Determination Agent determination by the earlier of:

- (i) (a) the first Valuation Date (where “Cash Redemption” is being specified as the Credit Event Redemption Method in the relevant Pricing Supplement or is applicable as the Fallback Redemption Method), (b) the Auction Final Price Determination Date (where “Auction Redemption” is specified as the Credit Event Redemption Method in the relevant Pricing Supplement) or (c) deadline for delivery of the Physical Redemption Election Notice (where “Physical Redemption” is being specified as the Credit Event Redemption Method in the relevant Pricing Supplement);
- (ii) the Credit Event Redemption Date;
- (iii) the Scheduled Maturity Date or if Scheduled Maturity Date Extension applies pursuant to Credit Linked Condition 10 (*Scheduled Maturity Date Extension*), Extended Maturity Date; and

(iv) the 90th day following written notice of such determination by the Determination Agent, then, in each case, such determination of the Determination Agent is deemed amended on and from the date of the DC Resolution, to that of the DC Resolution.

The Determination Agent shall, within a reasonable time period, make all necessary amendments to the Conditions of the Credit Linked Notes or undertake all necessary actions to give effect to the adoption of the DC Resolution with respect to the relevant Credit Linked Notes.

19. Successor Provisions

19.1 Eligible Successors

An entity may only be a Successor if:

- (i) either (a) the related Succession Date occurs on or after the Successor Backstop Date, or (b) such entity is a Universal Successor in respect of which the Succession Date occurred on or after 1 January 2014;
- (ii) the Reference Entity had at least one Relevant Obligation outstanding immediately prior to the Succession Date and such entity succeeds to all or part of at least one Relevant Obligation of the Reference Entity;
- (iii) where the Reference Entity is a Sovereign, such entity succeeded to the Relevant Obligations by way of a Sovereign Succession Event; and
- (iv) in respect of Untranched Index Credit Linked Notes or Tranching Index Credit Linked Notes, such entity is identified by the relevant Reference Index Sponsor on or following the Trade Date, where the relevant CDS Information Publisher has not publicly announced on or following the Trade Date that the relevant Credit Derivatives Determinations Committee has Resolved, in respect of a Successor Resolution Request Date, a Successor in accordance with the DC Rules.

19.2 Successor Determinations

The Determination Agent will be responsible for determining, as soon as reasonably practicable after delivery of a Successor Notice and with effect from the Succession Date, any Successor or Successors in accordance with the definition of “Successor”, provided that the Determination Agent will not make such determination if, at the time of the determination, the DC Secretary has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved that there is no Successor based on the relevant succession to Relevant Obligations.

The Determination Agent will make all calculations and determinations required to be made under this definition on the basis of Eligible Information and will notify the Issuer and the Fiscal Agent of any such calculation or determination as soon as practicable. In calculating the percentages used to determine whether an entity qualifies as a Successor under this Credit Linked Condition 19.2, if there is a Steps Plan, the Determination Agent shall consider all related successions in respect of such Steps Plan in aggregate as if forming part of a single succession.

Notwithstanding the above, the Determination Agent may, but is not obliged to, rely on the determination of any Credit Derivatives Determinations Committee as to whether any Successor has been identified.

19.3 Substitute Reference Obligations following a Successor Event

Where any one or more Successors have not assumed a Non-Standard Reference Obligation, a Substitute Reference Obligation will be determined, where the Determination Agent deems appropriate, in accordance with Credit Linked Condition 21.2 (*Substitute Reference Obligation*).

19.4 Transaction Types of Successor Reference Entities

If the Transaction Type applicable to a Successor differs from the Transaction Type of the Reference Entity in respect of which the Successor has been identified, notwithstanding such difference, the

Transaction Type of the Reference Entity in respect of which the Successor has been identified shall, with effect from the Succession Date, continue to apply to the Successor.

19.5 *Succession in respect of multiple Reference Entities simultaneously*

If two or more Reference Entities are subject to one or more successions simultaneously or the order of such succession cannot be determined from Eligible Information, then each such Reference Entity shall be deemed to have been subject to a separate succession, with all such successions occurring in the order determined by the Determination Agent.

19.6 *Single Successor*

Where the Determination Agent determines that there is a single Successor in respect of a Reference Entity, such Successor shall, with effect from the Succession Date, be a Reference Entity for the purpose of the Notes (and, for the avoidance of doubt, the Reference Entity in respect of which the Successor has been identified shall cease to be a Reference Entity with effect from the Succession Date unless it has also been identified as a Successor).

19.7 *Joint Potential Successors*

If two or more entities (each, a “**Joint Potential Successor**”) jointly succeed to a Relevant Obligation (the “**Joint Relevant Obligation**”) either directly or as a provider of a Relevant Guarantee (or, in respect of a Monoline Insurer Reference Entity, a Qualifying Policy), then (i) if the Joint Relevant Obligation was a direct obligation of the relevant Reference Entity, it shall be treated as having been succeeded to by the Joint Potential Successor (or Joint Potential Successors, in equal parts) which succeeded to such Joint Relevant Obligation as direct obligor or obligors, or (ii) if the Joint Relevant Obligation was a Relevant Guarantee (or, in respect of a Monoline Insurer Reference Entity, a Qualifying Policy), it shall be treated as having been succeeded to by the Joint Potential Successor (or Joint Potential Successors, in equal parts) which succeeded to such Joint Relevant Obligation as guarantor or guarantors (or, in respect of a Monoline Insurer Reference Entity, as provider of a Qualifying Policy), if any, or otherwise by each Joint Potential Successor in equal parts.

19.8 *Multiple Successors*

(i) *Single Name Credit Linked Notes*

Where the Credit Linked Notes are Single Name Credit Linked Notes and following a succession and related Succession Date in respect of a Reference Entity (such Reference Entity affected by a succession being a “**Single Name Succession Reference Entity**”), more than one Successor has been identified by the Determination Agent, (x) the Credit Linked Notes will be amended without the consent of the Noteholders to reflect the following terms (such amendments to be notified by the Fiscal Agent (acting on behalf of the Issuer) to the Noteholders in accordance with Credit Linked Condition 23 (*Notices*)) and (y) to the extent applicable, the Determination Agent shall apportion any outstanding nominal amount (or outstanding accreted nominal amount, if applicable) or any other relevant calculation amounts equally in relation to each Successor:

- (a) the Single Name Succession Reference Entity will no longer be a Reference Entity unless it is also a Successor;
- (b) each Successor will be a Reference Entity (each, a “**Single Name Successor Entity**”) and, accordingly, more than one Relevant Event Determination Date (and, accordingly, more than one Relevant Credit Event) may occur in respect of the Credit Linked Notes but, subject to Credit Linked Condition 11 (*M(M)R Restructuring*), once only in relation to each Successor;
- (c) where a Relevant Credit Event and related Relevant Event Determination Date occurs in respect of a Single Name Successor Entity:
 - (A) the Credit Linked Notes will not redeem in whole, but instead the relevant provisions of these Credit Linked Conditions shall be deemed to apply to the nominal amount (or, if “Accreting Recovery Zero Coupon Credit Linked

Notes” is specified as being applicable in the relevant Pricing Supplement, the accreted nominal amount as determined by the Determination Agent) represented by such Single Name Successor Entity only after the apportionment described above (the “**Single Name Partial Nominal Amount**”);

- (B) the Credit Linked Notes shall, thereafter, be redeemed in part in accordance with Credit Linked Condition 4.5(i) (*Auction Redemption*), 4.5(ii) (*Cash Redemption*), 4.5(iii) (*Physical Redemption*) or 4.5(iv) (*Fixed Recovery Redemption*), as applicable (such redeemed part being equal to a Noteholder’s *pro rata* share of the Single Name Partial Nominal Amount (provided that if “Credit Recovery on Maturity” applies such partial redemption shall occur only on the Final Cash Redemption Date, Final Physical Redemption Date or Final Auction Redemption Date, as applicable)); and
- (C) the Credit Linked Conditions and/or the Pricing Supplement shall be construed accordingly (including, for the avoidance of doubt, any interpretation in respect of an M(M)R Restructuring).

In respect of Credit Linked Notes which are not Zero Coupon Notes, following the occurrence of such Relevant Credit Event, such Credit Linked Notes shall remain outstanding in an amount equal to the Outstanding Aggregate Nominal Amount of the Credit Linked Notes and interest shall accrue on the Outstanding Aggregate Nominal Amount of the Credit Linked Notes only (in accordance with these Credit Linked Conditions, adjusted in such manner as the Determination Agent in its discretion, acting in a commercially reasonable manner, determines to be appropriate to reflect the economic effects of the identification of more than one Successor, considered in the aggregate).

For the avoidance of doubt, any Credit Linked Notes in respect of the Series which are not subject to Credit Linked Condition 10 (*Scheduled Maturity Date Extension*) or do not relate to a Single Name Successor Entity for which a Relevant Credit Event and related Relevant Event Determination Date occurs will be redeemed on the Scheduled Maturity Date;

- (d) if some but not all of the Credit Linked Notes are early redeeming in accordance with Conditions 26 (*Redemption and Purchase*), 31 (*Events of Default*), 32 (*Illegality and Regulatory Event*) or any other early redemption provision in the Conditions, the relevant provisions of these Credit Linked Conditions shall continue to apply to the Outstanding Aggregate Nominal Amount (or if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, an amount equal to the Outstanding Aggregate Accreted Nominal Amount) of the Credit Linked Notes; and
- (e) the provisions of this Credit Linked Condition 19.8 shall apply in respect of any identification by the Determination Agent of further Successors.

(ii) *Basket Credit Linked Notes and Tranched Index Credit Linked Notes*

Where the Credit Linked Notes are Basket Credit Linked Notes or Tranched Index Credit Linked Notes and following a succession and related Succession Date in respect of a Reference Entity (such Reference Entity a “**Basket Succession Reference Entity**”), more than one Successor has been identified by the Determination Agent, (x) the Credit Linked Notes will be amended without the consent of the Noteholders to reflect the following terms (such amendments to be notified by the Fiscal Agent (acting on behalf of the Issuer) to the Noteholders in accordance with Credit Linked Condition 23 (*Notices*)) and (y) to the extent applicable and subject as provided below, the Determination Agent shall apportion the Outstanding Reference Entity Nominal Amount (or Outstanding Reference Entity Accreted Nominal Amount, if applicable), Reference Entity Nominal Amount (or Reference Entity Accreted Nominal Amount, if applicable), Reference Entity Weighting or any other relevant calculation amounts equally in relation to each Basket Succession Reference Entity:

- (a) the Basket Succession Reference Entity will no longer be a Reference Entity unless it is also a Successor;
- (b) each Successor will be a Reference Entity and the number of Reference Entities will be increased by the number of Successors;
- (c) if a Successor is already a Reference Entity at the time the provisions for determining Successors are applied, such Successor shall be deemed to be a separate Reference Entity hereunder and a Relevant Event Determination Date, and the related reduction to the Outstanding Reference Entity Nominal Amount (or Outstanding Reference Entity Accreted Nominal Amount, if applicable) as a result thereof, may occur separately for each such Reference Entity; and
- (d) the provisions of this Credit Linked Condition 19.8 shall apply in respect of any identification by the Determination Agent of further Successors.

19.9 *Exchange Offer*

In the case of an exchange offer, the determination required pursuant to paragraph (i) of the definition of “Successor” shall be made on the basis of the outstanding principal balance of Relevant Obligations exchanged and not on the basis of the outstanding principal balance of the Exchange Bonds or Loans.

20. **Deliverable Obligations**

20.1 *Restructuring Maturity Limitation*

If (i) “Physical Redemption” is specified as the Credit Event Redemption Method and “Mod R” applies and (ii) “Restructuring” is the only Credit Event specified in a Credit Event Notice delivered by the Determination Agent, then unless the Deliverable Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, a Deliverable Obligation may only be specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, if it (a) is a Fully Transferable Obligation and (b) has a final maturity date not later than the Restructuring Maturity Limitation Date, in each case, as of the Delivery Date. In respect of a Monoline Insurer Reference Entity and with respect to an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the term “final maturity date”, as such term is used in this paragraph shall mean the specified date by which the Qualifying Policy guarantees or insures, as applicable, that the ultimate distribution of the Certificate Balance will occur.

20.2 *Modified Restructuring Maturity Limitation*

- (i) If (a) “Physical Redemption” is specified as the Credit Event Redemption Method and “Mod Mod R” applies and (b) Restructuring is the only Credit Event specified in a Credit Event Notice delivered by Issuer, then unless the Deliverable Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, a Deliverable Obligation may only be specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, if it (x) is a Conditionally Transferable Obligation and (y) has a final maturity date not later than the applicable Modified Restructuring Maturity Limitation Date in each case, as of the Delivery Date. Notwithstanding the foregoing, for the purposes of this Credit Linked Condition 20.2, in the case of a Restructured Bond or Loan with a final maturity date on or prior to the 10-year Limitation Date, the final maturity date of such Bond or Loan shall be deemed to be the earlier of such final maturity date or the final maturity date of such Bond or Loan immediately prior to the relevant Restructuring. In respect of a Monoline Insurer Reference Entity and with respect to an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the term “final maturity date”, as such term is used in this Credit Linked Condition 20.2(i) shall mean the specified date by which the Qualifying Policy guarantees or insures, as applicable, that the ultimate distribution of the Certificate Balance will occur.
- (ii) Where Credit Linked Condition 20.2(i) (*Modified Restructuring Maturity Limitation*) applies and a Deliverable Obligation specified in the Notice of Physical Settlement (or in any NOPS Amendment Notice, if applicable) is a Conditionally Transferable Obligation with respect to which consent is required to novate, assign or transfer, and the requisite consent is refused

(whether or not a reason is given for such refusal and, where a reason is given for such refusal, regardless of that reason), or is not received by the Physical Redemption Date (in which case it shall be deemed to have been refused), the Determination Agent shall inform the Issuer. The Issuer shall promptly notify the Fiscal Agent (for onward notification to the Noteholder) of such refusal (or deemed refusal). If a Noteholder does not take Delivery on or prior to the Physical Redemption Date, then Credit Linked Condition 14.8 (*Alternative Procedures Relating to Loans not Delivered*) may be applied by the Issuer.

20.3 *Determination of Final Maturity Date*

For the purposes of making a determination under Credit Linked Condition 20.1 (*Restructuring Maturity Limitation*) or 20.2(i) (*Modified Restructuring Maturity Limitation*), the relevant final maturity date shall, subject to the definition of “Conditionally Transferable Obligation”, be determined on the basis of the terms of the Deliverable Obligation in effect at the time of making such determination and, in the case of a Deliverable Obligation that is due and payable, the final maturity date shall be deemed to be the date on which such determination is made.

20.4 *Multiple Holder Obligation*

- (i) Unless “Multiple Holder Obligation” is specified to be not applicable in the relevant Pricing Supplement, then none of the events described in paragraphs (i)(a) to (i)(e) of the definition of “Restructuring” shall constitute a Restructuring unless the Obligation is a Multiple Holder Obligation, where “**Multiple Holder Obligation**” means an Obligation that (a) at the time of the event which constitutes a Restructuring Credit Event is held by more than three holders that are not Affiliates of each other and (b) with respect to which a percentage of holders (determined pursuant to the terms of the Obligation as in effect on the date of such event) at least equal to sixty-six-and two-thirds is required to consent to the event which constitutes a Restructuring Credit Event (provided that paragraph (b) above shall be deemed to be satisfied where the Obligation is a Bond).
- (ii) In respect of a Monoline Insurer Reference Entity, for the purposes of this definition, the term Obligation shall be deemed to include Insured Instruments for which the Reference Entity is acting as provider of a Qualifying Policy.
- (iii) In respect of an LPN Reference Entity, Multiple Holder Obligation will be “Not Applicable” with respect to any Reference Obligation (and any Underlying Loan).

21. **Reference Obligation**

21.1 *Standard Reference Obligation and Non-Standard Reference Obligation*

- (i) In the case of Single Name Credit Linked Notes or Linear Basket Credit Linked Notes, “**Reference Obligation**” means the Standard Reference Obligation, if any, unless:
 - (a) “Standard Reference Obligation” is specified as not applicable, then the Reference Obligation for the relevant Reference Entity will be the Non-Standard Reference Obligation, if any, provided that, in respect of Senior Non-Preferred Notes (in the case of Single Name Credit Linked Notes) or a Senior Non-Preferred Reference Entity (in the case of Linear Basket Credit Linked Notes), irrespective of any Original Non-Standard Reference Obligation specified in the relevant Pricing Supplement, if (i) a Senior Non-Preferred Level Standard Reference Obligation of the relevant Reference Entity is specified on the SRO List, such Standard Reference Obligation shall be deemed to constitute the Reference Obligation, or (ii) no such Senior Non-Preferred Level Standard Reference Obligation of the relevant Reference Entity is specified on the SRO List but such Standard Reference Obligation has previously been specified on the SRO List, there shall be deemed to be no Reference Obligation applicable to the Series (in the case of Single Name Credit Linked Notes) or relevant Reference Entity (in the case of Linear Basket Credit Linked Notes) and such previously specified Senior Non-Preferred Level Standard Reference Obligation of the relevant Reference Entity shall be deemed to constitute the Prior Reference Obligation; or

- (b) (i) there is no Standard Reference Obligation and (ii) a Non-Standard Reference Obligation is specified in the relevant Pricing Supplement, in which case the Reference Obligation will be (A) the Non-Standard Reference Obligation to but excluding the first date of publication of the Standard Reference Obligation and (B) the Standard Reference Obligation from such date onwards, provided that the Standard Reference Obligation that is published would have been eligible to be selected as a Substitute Reference Obligation,

provided that, in respect of each LPN Reference Entity, the Reference Obligation means, as of the Trade Date, each of the obligations listed as a Reference Obligation of such LPN Reference Entity in the Pricing Supplement or set forth on the relevant LPN Reference Obligations List, as published by S&P Global Market Intelligence, a division of S&P Global Inc., or any successor thereto, which list is currently available at <https://www.spglobal.com/marketintelligence/en/mi/products/red-cds.html>, any Additional LPN, determined in accordance with the definition of “Additional LPN” as provided in these Credit Linked Conditions, and each Additional Obligation. Each Reference Obligation determined in accordance with the foregoing will be a Reference Obligation notwithstanding anything to the contrary in these Credit Linked Conditions, and in particular, notwithstanding that the obligation is not an obligation of such LPN Reference Entity, Standard Reference Obligation shall be “Not Applicable”. It is intended that there may be more than one Reference Obligation, as a result of which all applicable references in these Credit Linked Conditions to “the Reference Obligation” shall be construed as a reference to “a Reference Obligation”, and all other provisions of the Credit Linked Conditions shall be construed accordingly. The provisions in respect of “Substitute Reference Obligation” and “Substitution Event” in these Credit Linked Conditions shall not be applicable to LPN Reference Obligations.

- (ii) In the case of Single Name Credit Linked Notes or Linear Basket Credit Linked Notes, if the Standard Reference Obligation is removed from the SRO List, such obligation shall cease to be the Reference Obligation (other than for purposes of the “Not Subordinated” Obligation Characteristic or “Not Subordinated” Deliverable Obligation Characteristic) and:
 - (a) if the Determination Agent, in its sole discretion, designates an Obligation as the Reference Obligation, then such Obligation shall be the Reference Obligation; or
 - (b) if the Determination Agent elects, in its sole discretion, not to designate an Obligation as the Reference Obligation, then there shall be no Reference Obligation,

in each case, until such removed obligation is subsequently replaced on the SRO List. Following such replacement on the SRO List, the new Standard Reference Obligation in respect of the Reference Entity shall constitute the Reference Obligation.

- (iii) In the case of Untranched Index Credit Linked Notes or Tranched Index Credit Linked Notes, “**Reference Obligation**” means the Original Non-Standard Reference Obligation to, but excluding, the first date on which both (a) and (b) below have occurred:
 - (a) either (i) the Original Non-Standard Reference Obligation is redeemed in whole or (ii) for any reason, other than due to the existence or occurrence of a Credit Event, the Original Non-Standard Reference Obligation is no longer an obligation of the Reference Entity (either directly or as provider of a guarantee); and
 - (b) a Standard Reference Obligation is published on the SRO List that would have been eligible to be selected as a Substitute Reference Obligation,

and the Standard Reference Obligation from such date onwards.

In all cases, if at any time the Original Non-Standard Reference Obligation is the same as the Standard Reference Obligation, the Reference Obligation shall immediately become the Standard Reference Obligation.

If there is no Standard Reference Obligation and the Reference Index Sponsor publishes a replacement Reference Obligation for a Reference Entity, then such Reference Obligation will be the Reference Obligation for such Reference Entity.

In the event of any inconsistency between the Index Annex and the corresponding Reference Index published by the Reference Index Sponsor, the Index Annex shall govern.

21.2 *Substitute Reference Obligation*

- (i) If a Substitution Event has occurred with respect to a Non-Standard Reference Obligation, the Determination Agent may identify a Substitute Reference Obligation in accordance with Credit Linked Conditions 21.2(iii), (iv) and (v) (*Substitute Reference Obligation*) to replace such Non-Standard Reference Obligation; provided that the Determination Agent will not identify an Obligation as the Substitute Reference Obligation if, at the time of the determination, such Obligation has already been rejected as the Substitute Reference Obligation by the relevant Credit Derivatives Determinations Committee and such Obligation has not changed materially since the date of the relevant DC Resolution.
- (ii) If any of the events contained in paragraph (i) or (iii) of the definition of “Substitution Event” have occurred with respect to a Non-Standard Reference Obligation, such Non-Standard Reference Obligation will cease to be the Reference Obligation (other than for the purposes of the “Not Subordinated” Obligation Characteristic or “Not Subordinated” Deliverable Obligation Characteristic and Credit Linked Condition 21.2(iii)(b) (*Substitute Reference Obligation*)). If the event contained in paragraph (ii) of the definition of “Substitution Event” has occurred with respect to a Non-Standard Reference Obligation and no Substitute Reference Obligation is available, such Non-Standard Reference Obligation will continue to be a Reference Obligation until the Substitute Reference Obligation is identified or, if earlier, until any of the events set forth under paragraph (i) or (iii) of the definition of “Substitution Event” occur with respect to such Non-Standard Reference Obligation.
- (iii) The Substitute Reference Obligation shall be an Obligation that on the Substitution Date:
 - (a) is a Borrowed Money obligation of the relevant Reference Entity (either directly or as provider of a Guarantee (or, in respect of a Monoline Insurer Reference Entity, a Qualifying Policy));
 - (b) satisfies the Not Subordinated Deliverable Obligation Characteristic as of the date it was issued or incurred (without reflecting any change the priority of payment after such date) and on the Substitution Date; and
 - (c)
 - (A) if the Non-Standard Reference Obligation was a Conforming Reference Obligation when issued or incurred and immediately prior to the Substitution Event Date:
 - (I) is a Deliverable Obligation (other than a Loan) determined in accordance with paragraph (i) of the definition of “Deliverable Obligation”; or if no such obligation is available,
 - (II) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with paragraph (i) of the definition of “Deliverable Obligation”;
 - (B) if the Non-Standard Reference Obligation was a Bond (or any other Borrowed Money obligation other than a Loan) which was a Non-Conforming Reference Obligation when issued or incurred and/or immediately prior to the Substitution Event Date:
 - (I) is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available,
 - (II) is a Deliverable Obligation (other than a Loan) determined in accordance with paragraph (i) of the definition of “Deliverable Obligation”; or if no such obligation is available,

- (III) is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such Obligation is available,
 - (IV) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with paragraph (i) of the definition of “Deliverable Obligation”; or
- (C) if the Non-Standard Reference Obligation was a Loan which was a Non-Conforming Reference Obligation when incurred and/or immediately prior to the Substitution Event Date:
 - (I) is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available,
 - (II) is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available,
 - (III) is a Deliverable Obligation (other than a Loan) determined in accordance with paragraph (i) of the definition of “Deliverable Obligation”; or if no such Obligation is available,
 - (IV) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with paragraph (i) of the definition of “Deliverable Obligation”.
- (iv) If more than one potential Substitute Reference Obligation is identified pursuant to the process described in Credit Linked Condition 21.2(iii) (*Substitute Reference Obligation*), the Substitute Reference Obligation will be the potential Substitute Reference Obligation that most closely preserves the economic equivalent of the delivery and payment obligations of the Issuer under the relevant Series, as determined by the Determination Agent. The Determination Agent will (if a Substitute Reference Obligation has not been identified) notify the Fiscal Agent and the Issuer of a Substitute Reference Obligation as soon as reasonably practicable after it has been identified in accordance with Credit Linked Condition 21.2(iii) (*Substitute Reference Obligation*) and the Substitute Reference Obligation shall replace the Non-Standard Reference Obligation immediately upon such notification.
- (v) If a Substitution Event has occurred with respect to the Non-Standard Reference Obligation and the Determination Agent determines that no Substitute Reference Obligation is available for the Non-Standard Reference Obligation then or has yet to identify a suitable substitute, subject to Credit Linked Condition 21.2(i) (*Substitute Reference Obligation*) and notwithstanding the fact that the Non-Standard Reference Obligation may have ceased to be the Reference Obligation in accordance with Credit Linked Condition 21.2(ii) (*Substitute Reference Obligation*), the Determination Agent may continue to attempt to identify the Substitute Reference Obligation.

21.3 *Reference Obligation Only Redemption*

- (i) In the case of Single Name Credit Linked Notes, if the event set out in paragraph (i) of the definition of “Substitution Event” occurs with respect to the Reference Obligation for a Series of Credit Linked Notes which is a Reference Obligation Only Series, the Credit Linked Notes shall be redeemed in full at the Early Redemption Amount.
- (ii) In the case of Linear Basket Credit Linked Notes, if the event set out in paragraph (i) of the definition of “Substitution Event” occurs with respect to the Reference Obligation for a Reference Entity which is a Reference Obligation Only Reference Entity, the Credit Linked Notes shall be redeemed in in part by a portion equal to the Partial Amount at the Early Redemption Amount.
- (iii) In either such case, the Issuer shall deliver, or cause the Fiscal Agent to deliver, a notice in accordance with Credit Linked Condition 23 (*Notices*) to the Noteholders stating the occurrence of such Substitution Event and setting out the date on which the Credit Linked Notes will be

redeemed in full or in part, as applicable, which shall be a date not earlier than the relevant Substitution Event Date.

- (iv) Notwithstanding the definition of “Substitute Reference Obligation” (a) no Substitute Reference Obligation shall be determined in respect of the Reference Obligation for a Reference Entity to which “Reference Obligation Only” applies and such Reference Obligation is the only Reference Obligation for such Reference Entity in the Obligation Category and the Deliverable Obligation Category, and (b) if the events set out in paragraph (ii) or (iii) of the definition of “Substitution Event” occur with respect to the Reference Obligation, such Reference Obligation shall continue to be the Reference Obligation and in such circumstance, there shall be no redemption of the Credit Linked Notes in full or in part.

21.4 *DC Substitute Reference Obligation Resolution*

Notwithstanding the provision of Credit Linked Condition 21.2 (*Substitute Reference Obligation*), the Determination Agent may, but shall not be obliged to, select as the Substitute Reference Obligation for a Series of Credit Linked Notes an Obligation of the relevant Reference Entity which is determined by DC Resolution to be the Substitute Reference Obligation to a Non-Standard Reference Obligation.

22. **Determination Agent Determination**

22.1 *The Determination Agent is responsible for, amongst other things:*

- (i) determining a Successor or Successors and making any other determinations required to be made under Credit Linked Condition 19 (*Successor Provisions*) including if there is a Steps Plan, making appropriate adjustments required to take account of any Obligations of the relevant Reference Entity which fall within the Obligation Category “Bond or Loan” that are issued, incurred, redeemed, repurchased or cancelled from (and including) the legally effective date of the first succession to and including the Succession Date;
- (ii) determining whether (a) the aggregate amounts due under any Reference Obligation have been materially reduced by redemption or otherwise (other than due to any scheduled redemption, amortisation or prepayments), (b) any Reference Obligation is an Underlying Obligation with a Qualifying Guarantee of a Reference Entity and, other than due to the existence or occurrence of a Credit Event, the Qualifying Guarantee is no longer a valid and binding Obligation of such Reference Entity enforceable in accordance with its terms, or (c) for any reason other than as described in paragraph (a) or (b) above and other than due to the existence or occurrence of a Credit Event, any Reference Obligation is no longer an Obligation of a Reference Entity;
- (iii) identifying and determining a Substitute Reference Obligation;
- (iv) in the event that multiple Credit Event Notices with respect to an M(M)R Restructuring are delivered pursuant to Credit Linked Condition 11 (*M(M)R Restructuring*), making any modifications required pursuant to that Credit Linked Condition;
- (v) following the occurrence of an M(M)R Restructuring, determining the Exercise Amount of Credit Linked Notes to which such M(M)R Restructuring applies;
- (vi) obtaining Quotations (and, if necessary, determining whether such Quotations shall include or exclude accrued but unpaid interest) and determining the Final Price in accordance with the applicable Valuation Method;
- (vii) converting the Quotation Amount into the relevant Obligation Currency;
- (viii) determining the Quotation Dealers (where none have been specified in the relevant Pricing Supplement) and substituting Quotation Dealers;
- (ix) determining the Currency Rate and Revised Currency Rate where, in each case, it is not available at the Next Currency Fixing Time;
- (x) determining the number of Business Days in each Physical Settlement Period;

- (xi) determining the Outstanding Principal Balance or Due and Payable Amount of the Deliverable Obligations to be included in the Physical Redemption Assets;
 - (xii) determining any adjustment payment pursuant to Credit Linked Condition 9 (*Event Determination Date – Adjustment Payment and Ordering of Events*);
 - (xiii) determining whether the Outstanding Principal Balance of the Valuation Obligation shall include or exclude accrued but unpaid interest pursuant to Credit Linked Condition 13.1 (*Determination of Final Price*);
 - (xiv) determining whether a Merger Event or Substitution Event Date has occurred;
 - (xv) determining the Asset Market Value of an Asset Package;
 - (xvi) determining whether a “Failure to Pay” has occurred where the “2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)” and “Credit Deterioration Requirement” apply (for which purpose, the Determination Agent will take into account any guidance provided in the 2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)); and
 - (xvii) interpreting any Credit Derivatives Auction Settlement Terms (including any Transaction Auction Settlement Terms or Parallel Auction Settlement Terms).
- 22.2 The Determination Agent shall as soon as practicable after making any of the determinations specified in Credit Linked Conditions 22.1(i) to (xvii) (*Determination Agent Determination*) notify the Issuer of such determination.
- 22.3 If any of the matters set out in this Credit Linked Condition 22 are decided and/or determined by a Credit Derivatives Determinations Committee, the Determination Agent may follow such decision or determination to the extent such decision and/or determination is applicable to any Credit Linked Notes. In certain circumstances, the Determination Agent shall be required to follow the decisions or determinations of a Credit Derivatives Determinations Committee (including pursuant to Credit Linked Condition 18.1 (*Binding nature*)) or determinations made by the Determination Agent may be overridden by subsequent determinations made by a Credit Derivatives Determinations Committee (including pursuant to Credit Linked Condition 18.5 (*Overriding nature*)).
- 22.4 The Determination Agent may from time to time, without obtaining the consent of the Noteholders, amend any provision of these Credit Linked Conditions and the applicable Pricing Supplement in any manner which the Determination Agent determines (acting in a commercially reasonable manner) is necessary or desirable (i) to incorporate and/or reflect (x) further or alternative documents or protocols from time to time published by ISDA with respect to the documentation or redemption of Credit Linked Notes and/or (y) the operation or application of determinations by the Credit Derivatives Determinations Committees and/or (ii) to account for market practice to be reflected in the terms of the Credit Linked Notes. Any amendment made in accordance with this Credit Linked Condition 22 shall be notified to the Noteholders in accordance with Credit Linked Condition 23 (*Notices*).
- 23. Notices**
- 23.1 *Interpretation*
- References in these Credit Linked Conditions to a notice being delivered in accordance with Condition 38 (*Notices*) shall include such Condition as amended by the terms of any global note certificate (in registered form) representing the Credit Linked Notes.
- 23.2 *Notices required to be delivered*
- The Determination Agent or Issuer (as applicable pursuant to these Credit Linked Conditions) shall deliver, or may cause the Fiscal Agent to deliver, amongst other things, notice to the Noteholders of the following, in accordance with this Credit Linked Condition 23, to the extent required to be delivered pursuant to the terms of the Credit Linked Notes:
- (i) a Credit Event Notice and, if applicable, a Notice of Publicly Available Information;

- (ii) a Notice of Physical Settlement and, if applicable, any NOPS Amendment Notice;
- (iii) a Successor Notice (provided that no Successor Notice shall be required following a determination by a Credit Derivatives Determinations Committee or (in the case of Untranch Index Credit Linked Notes or Tranch Index Credit Linked Notes) the relevant Reference Index Sponsor, that a Successor has been identified);
- (iv) the designation of any Substitute Reference Obligation (provided that (a) no such notice shall be required following a determination by a Credit Derivatives Determinations Committee of a Substitute Reference Obligation has occurred and (b) the failure of the Issuer to deliver a notice to the Noteholders pursuant to this Credit Linked Condition 23 shall not affect the effectiveness of any designation of such Substitute Reference Obligation by the Determination Agent (such designation to be in accordance with these Credit Linked Conditions));
- (v) a notice detailing the suspension of payment of interest pursuant to Credit Linked Condition 2 (*Interest or premium on Single Name Credit Linked Notes and Basket Credit Linked Notes*) or Credit Linked Condition 3 (*Interest or premium on Tranch Index Credit Linked Notes*), as applicable;
- (vi) a notice detailing any adjustment payments required to be made by the Issuer pursuant to Credit Linked Condition 9 (*Event Determination Date – Adjustment Payment and Ordering of Events*);
- (vii) following the determination of the Cash Redemption Amount or the Final Cash Redemption Amount, as applicable, with respect to any Credit Linked Notes subject to the provisions of Credit Linked Condition 13 (*Cash Redemption Terms*), the Cash Redemption Amount Notice;
- (viii) following the determination of the Auction Redemption Amount or the Final Auction Redemption Amount, as applicable, with respect to any Credit Linked Notes subject to the provisions of Credit Linked Condition 12 (*Auction Redemption Terms*), the Auction Redemption Amount Notice;
- (ix) a Notice to Exercise Movement Option;
- (x) a Repudiation/Moratorium Extension Notice;
- (xi) a Redemption Suspension Notice; and
- (xii) a Payment Failure Event Notice.

23.3 *Effectiveness of Notices*

- (i) Notwithstanding this Credit Linked Condition 23, any notice required to be delivered by the Issuer to Noteholders in accordance with these Credit Linked Conditions shall be deemed to have been delivered to Noteholders upon delivery of such notice to the Fiscal Agent by the Issuer (upon receipt of such notice from the Determination Agent, as applicable). The failure of the Fiscal Agent to deliver any such notice to Noteholders shall not affect (x) the effectiveness of any notice delivered by the Determination Agent to the Issuer and/or by the Issuer to the Fiscal Agent, (y) the effectiveness of any determinations made by any of them or (z) the right of the Issuer to redeem (in whole or in part) the Credit Linked Notes pursuant to and in accordance with the relevant Credit Linked Condition. In addition, the failure of the Determination Agent, the Issuer or the Fiscal Agent to deliver any notice or any decision by any of them to not deliver a Credit Event Notice shall not constitute an Event of Default under the Credit Linked Notes.
- (ii) Notwithstanding this Credit Linked Condition 23, a notice delivered by the Issuer to the Fiscal Agent on or prior to 3.00 p.m. (London time) on an Issuer Business Day will be effective on such Issuer Business Day. A notice delivered after 3.00 p.m. (London time) on an Issuer Business Day will be deemed effective on the next following Issuer Business Day, regardless of the form in which it is delivered.

- (iii) Other than as specified herein, clause 17 (*Notices*) of the Issue and Paying Agency Agreement shall apply to any relevant communications and notices delivered in accordance with these Credit Linked Conditions.

24. Interpretation of Obligation Characteristics and Deliverable Obligation Characteristics

- 24.1 If either of the Obligation Characteristics “Listed” or “Not Domestic Issuance” is specified in the relevant Pricing Supplement, the relevant Pricing Supplement shall be construed as though the relevant Obligation Characteristic had been specified as an Obligation Characteristic only with respect to Bonds.
- 24.2 If (i) either of the Deliverable Obligation Characteristics “Listed”, “Not Domestic Issuance” or “Not Bearer” is specified in the relevant Pricing Supplement, the relevant Pricing Supplement shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Bonds; (ii) the Deliverable Obligation Characteristic “Transferable” is specified in the relevant Pricing Supplement, such Pricing Supplement shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Deliverable Obligations that are not Loans; or (iii) any of the Deliverable Obligation Characteristics “Assignable Loan”, “Consent Required Loan” or “Direct Loan Participation” is specified in the relevant Pricing Supplement, such Pricing Supplement shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Loans.
- 24.3 If more than one of “Assignable Loan”, “Consent Required Loan” and “Direct Loan Participation” are specified as Deliverable Obligation Characteristics in the relevant Pricing Supplement, the Deliverable Obligations may include any Loan that satisfies any one of such Deliverable Obligation Characteristics specified and need not satisfy all such Deliverable Obligation Characteristics.
- 24.4 If an Obligation or a Deliverable Obligation is a Relevant Guarantee, the following will apply:
 - (i) For the purposes of the application of the Obligation Category or the Deliverable Obligation Category, the Relevant Guarantee shall be deemed to satisfy the same category or categories as those that describe the Underlying Obligation;
 - (ii) For the purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, both the Relevant Guarantee and the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Obligation Characteristics or Deliverable Obligation Characteristics, if any, specified in the relevant Pricing Supplement from the following list: “Not Subordinated”, “Specified Currency”, “Not Sovereign Lender”, “Not Domestic Currency” and “Not Domestic Law”;
 - (iii) For the purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, only the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Obligation Characteristics or the Deliverable Obligation Characteristics, if any, specified in the relevant Pricing Supplement from the following list: “Listed”, “Not Domestic Issuance”, “Assignable Loan”, “Consent Required Loan”, “Direct Loan Participation”, “Transferable”, “Maximum Maturity”, “Accelerated or Matured” and “Not Bearer”; and
 - (iv) For the purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics to an Underlying Obligation, references to the Reference Entity shall be deemed to refer to the Underlying Obligor.
- 24.5 For the purposes of the application of the Deliverable Obligation Characteristic “Maximum Maturity”, remaining maturity shall be determined on the basis of the terms of the Deliverable Obligation in effect at the time of making such determination and, in the case of a Deliverable Obligation that is due and payable, the remaining maturity shall be zero.
- 24.6 If “Financial Reference Entity Terms” and “Governmental Intervention” apply, if an obligation would otherwise satisfy a particular Obligation Characteristic or Deliverable Obligation Characteristic, the existence of any terms in the relevant obligation in effect at the time of making the determination which permit the Reference Entity’s obligations to be altered, discharged, released or suspended in

circumstances which would constitute a Governmental Intervention, shall not cause such obligation to fail to satisfy such Obligation Characteristic or Deliverable Obligation Characteristic.

- 24.7 For the purposes of determining the applicability of Deliverable Obligation Characteristics and the requirements specified in Credit Linked Condition 20.1 (*Restructuring Maturity Limitation*) and 20.2(i) (*Modified Restructuring Maturity Limitation*) to a Prior Deliverable Obligation or a Package Observable Bond, any such determination shall be made by reference to the terms of the relevant obligation in effect immediately prior to the Asset Package Credit Event.
- 24.8 If “Subordinated European Insurance Terms” applies, if an obligation would otherwise satisfy the “Maximum Maturity” Deliverable Obligation Characteristic, the existence of any Solvency Capital Provisions in such obligation shall not cause it to fail to satisfy such Deliverable Obligation Characteristic.

25. No frustration

In the absence of other reasons, no Credit Linked Notes will be considered frustrated, or otherwise void or voidable (whether for mistake or otherwise) solely because:

- (i) any relevant Reference Entity does not exist on, or ceases to exist on or following, the Trade Date; and/or
- (ii) the Obligation(s), the Deliverable Obligation(s) or the Reference Obligation(s) do not exist on, or cease to exist on or following, the Trade Date.

26. Definitions

The following definitions which relate to the Credit Linked Notes should be read in conjunction with the Credit Linked Conditions. Where terms are used but not defined in these Credit Linked Conditions, they will have the meaning given to them in Condition 2.1 (*Definitions*).

“**2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)**” means the 2019 Narrowly Tailored Credit Event Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019).

“**Additional LPN**” means, in respect of an LPN Reference Entity, any bond issued in the form of an LPN by an LPN Issuer for the sole purpose of providing funds for the LPN Issuer to:

- (i) finance an Underlying Loan to the LPN Reference Entity; or
 - (ii) provide finance to the LPN Reference Entity by way of an Underlying Finance Instrument,
- provided that,
- (a) either:
 - (A) in the event that there is an Underlying Loan with respect to such LPN, such Underlying Loan satisfies the Obligation Characteristics specified in respect of the LPN Reference Entity; or
 - (B) in the event that there is an Underlying Finance Instrument with respect to such LPN, such Underlying Finance Instrument satisfies the following Obligation Characteristics: Not Subordinated, Not Domestic Law and Not Domestic Currency;
 - (b) the LPN satisfies the following Deliverable Obligation Characteristics: Transferable, Not Bearer, Specified Currency – Standard Specified Currencies, Not Domestic Law, Not Domestic Issuance; and
 - (c) the LPN Issuer has, as of the issue date of such obligation, granted a First Ranking Interest over or in respect of certain of its rights in relation to the relevant Underlying Loan or Underlying Finance Instrument (as applicable) for the benefit of the holders of the LPNs.

“Additional Obligation” means, in respect of an LPN Reference Entity, each of the obligations listed as an Additional Obligation of such Reference Entity in the Pricing Supplement or set forth on the relevant LPN Reference Obligations List, as published by S&P Global Market Intelligence, a division of S&P Global Inc., or any successor thereto, as of the Trade Date, which list is currently available at <https://www.spglobal.com/marketintelligence/en/mi/products/red-cds.html>.

“Affected Reference Entity” means a Reference Entity in respect of which a Relevant Credit Event has occurred.

“Aggregate Accreted Nominal Amount” means, in respect of any day, (i) the amount set out in the relevant Pricing Supplement corresponding to the Period End Date falling on, or immediately prior to, such day; or (ii) if such day falls prior to the first Period End Date, the amount set out in the relevant Pricing Supplement corresponding to the Issue Date, in each case, as calculated by the Determination Agent.

“Aggregate Loss Amount” means, in respect of any day, the aggregate of all Loss Amounts calculated with respect to all Affected Reference Entities up to and including such day.

“Applicable Auction” means an Auction which the Determination Agent determines is relevant to a Relevant Credit Event with respect to a relevant Reference Entity where the Deliverable Obligations set out on the Final List or the Deliverable Obligation Terms meet the Deliverable Obligation Provisions of the Credit Linked Notes (for which purpose the Determination Agent may take into account without limitation (i) the applicable Credit Event, Transaction Type and Reference Entity, whether the Credit Derivatives Definitions applies to such auction, the seniority of the transactions covered by such auction, whether a representative credit derivative transaction in unfunded format having economically equivalent terms as the Credit Linked Notes and a scheduled termination date of the Credit Risk Cut-off Date would be covered (if Auction Redemption applied and an “Event Determination Date” were deemed to occur), if the Auction relates to an M(M)R Restructuring, whether the designated ranges of scheduled termination dates covered by the auction would cover such representative credit derivative transaction and any connected DC Resolution and/or statement associated with such announcement; and (ii) any Hedge Position the Issuer has entered or may enter into in connection with the Credit Linked Notes that may impact, amongst other things, any determinations or calculations under such Credit Linked Notes).

“Applicable Credit Derivatives Auction Settlement Terms” means with respect to a relevant Reference Entity, a Credit Event and an Applicable Auction, the Credit Derivatives Auction Settlement Terms (if any) which the Determination Agent determines is relevant to the Credit Linked Notes (for which purpose the Determination Agent may take into account without limitation (i) the applicable Credit Event, Transaction Type and Reference Entity, whether the Credit Derivatives Definitions applies to such auction, the seniority of the transactions covered by such auction, the Deliverable Obligations set out on the Final List, whether a representative credit derivative transaction in unfunded format having economically equivalent terms as the Credit Linked Notes and a scheduled termination date of the Credit Risk Cut-off Date would be covered (if Auction Redemption applied and an “Event Determination Date” were deemed to occur), whether the Deliverable Obligation Terms meet the Deliverable Obligation Provisions of the Credit Linked Notes and, if the Auction relates to an M(M)R Restructuring, whether the designated ranges of scheduled termination dates covered by the auction would cover such representative credit derivative transaction and any connected DC Resolution and/or statement associated with such auction settlement terms) and (ii) any Hedge Position that the Issuer has entered or may enter into in connection with the Notes that may impact, amongst other things, any determinations or calculations under such Credit Linked Notes. The Determination Agent shall, as soon as practicable after the relevant Applicable Credit Derivatives Auction Settlement Terms are published, notify the Issuer that Applicable Credit Derivatives Auction Settlement Terms have been published with respect to an Affected Reference Entity and a Relevant Credit Event. Copies of the Applicable Credit Derivatives Auction Settlement Terms are made available by the DC Secretary at its website (www.isda.org) or any successor website).

“Applicable DC Credit Event Announcement” means a DC Credit Event Announcement which the Determination Agent determines is relevant to the Credit Linked Notes (for which purpose the Determination Agent may take into account (i) the applicable Credit Event, Transaction Type and Reference Entity, whether the announcement relates to interpretation under the Credit Derivatives Definitions, the seniority of the obligation resulting in a credit event, the date the credit event occurred, the reference obligations in question and any connected DC Resolution (including in respect of the

determination of a Credit Event Resolution Request Date) and/or statement associated with such announcement and (ii) any Hedge Position that the Issuer has entered or may enter into in connection with the Credit Linked Notes).

“Applicable DC Credit Event Meeting Announcement” means a DC Credit Event Meeting Announcement which the Determination Agent determines is relevant to the Credit Linked Notes (for which purpose the Determination Agent may take into account without limitation (i) the applicable question submitted, the Transaction Type and Reference Entity, whether the announcement relates to interpretation under the Credit Derivatives Definitions, the obligations or seniority of the obligation(s) in question if relevant, the date the relevant event is stated to have occurred, the deliverable obligations and/or seniority of the deliverable obligations(s) in question, if relevant, the reference obligations in question and connected DC Resolution and/or statement associated with such announcement and (ii) any Hedge Position that the Issuer has entered or may enter into in connection with the Credit Linked Notes).

“Applicable DC Credit Event Question” means a DC Credit Event Question which the Determination Agent determines is relevant to the Credit Linked Notes (for which purpose the Determination Agent may take into account without limitation (i) the applicable question submitted, the Transaction Type and Reference Entity, whether the announcement relates to interpretation under the Credit Derivatives Definitions, the obligations or seniority of the obligation(s) in question if relevant, the date the relevant event is stated to have occurred, the reference obligations in question and any connected DC Resolution and/or statement associated with such announcement and (ii) any credit hedging transaction that the Issuer has entered or may enter into in connection with the Credit Linked Notes that may impact, amongst other things, any determinations or calculations under such Credit Linked Notes).

“Applicable DC Credit Event Question Dismissal” means a DC Credit Event Question Dismissal which the Determination Agent determines is relevant to the Credit Linked Notes (for which purpose the Determination Agent may take into account without limitation (i) the applicable question submitted, the Transaction Type and Reference Entity, whether the announcement relates to interpretation under the Credit Derivatives Definitions, the obligations or seniority of the obligation(s) in question if relevant, the date the relevant event is stated to have occurred, the reference obligations in question, the date of such question dismissal and any connected DC Resolution and/or statement associated with such announcement and (ii) any Hedge Position that the Issuer has entered or may enter into in connection with the Credit Linked Notes that may impact, amongst other things, any determinations or calculations under such Credit Linked Notes).

“Applicable DC No Credit Event Announcement” means a DC No Credit Event Announcement which the Determination Agent determines is relevant to the Credit Linked Notes (for which purpose the Determination Agent may take into account without limitation (i) applicable Credit Event, Transaction Type and Reference Entity, whether the announcement relates to interpretation under the Credit Derivatives Definitions, the seniority of the obligation resulting in a credit event, the date the credit event occurred, the reference obligations in question and any connected DC Resolutions and/or statements associated with such announcement and (ii) any Hedge Position that the Issuer has entered or may enter into in connection with the Credit Linked Notes that may impact, amongst other things, any determinations or calculations under such Credit Linked Notes).

“Applicable Proportion” has the meaning given to it:

- (i) in respect of a Relevant Credit Event and a Single Name Credit Linked Note, in Credit Linked Condition 4.2 (*Applicable Proportion*);
- (ii) in respect of a Reference Entity, Relevant Credit Event and a Basket Credit Linked Note, in Credit Linked Condition 5.2 (*Applicable Proportion*); or
- (iii) in respect of a Reference Entity, Relevant Credit Event and a Tranching Index Credit Linked Note, in Credit Linked Condition 6.2 (*Applicable Proportion*).

“Applicable Resolution” means a DC Resolution of a Credit Derivatives Determinations Committee which the Determination Agent determines is relevant to the Credit Linked Notes (for which purpose the Determination Agent may take into account without limitation (i) the applicable question submitted, the Transaction Type and Reference Entity, whether the announcement relates to interpretation under the Credit Derivatives Definitions, the obligations or seniority of the obligation(s) in question if relevant, the

date the relevant event is stated to have occurred, the reference obligations in question and any connected DC Resolution and/or statement associated with such announcement and (ii) any Hedge Position that the Issuer has entered or may enter into in connection with the Credit Linked Notes).

“Applicable Transaction Auction Settlement Terms” means, with respect to a relevant Reference Entity and a Credit Event, the relevant Credit Derivatives Auction Settlement Terms which the Determination Agent determines constitute Applicable Credit Derivatives Auction Settlement Terms.

“Argentine Reference Entity” means a Reference Entity to which the “2020 Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (September 16, 2020)” apply.

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

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

“Asset Package” means, in respect of an Asset Package Credit Event, all of the Assets in the proportion received or retained by a Relevant Holder in connection with such relevant Asset Package Credit Event (which may include the Prior Deliverable Obligation or Package Observable Bond, as the case may be). If the Relevant Holder is offered a choice of Assets or a choice of combination of Assets, the Asset Package will be the Largest Asset Package. If the Relevant Holder is offered, receives and retains nothing, the Asset Package shall be deemed to be zero. An Asset Package shall be treated as having the same currency and Outstanding Principal Balance as that of the Prior Deliverable Obligation or Package Observable Bond, as applicable, to which it corresponds immediately prior to the Asset Package Credit Event.

“Asset Package Credit Event” means:

- (i) if “Financial Reference Entity Terms” and “Governmental Intervention” apply: (a) a Governmental Intervention; or (b) a Restructuring in respect of the Reference Obligation of the relevant Reference Entity, if “Restructuring” applies and such Restructuring does not constitute a Governmental Intervention; and
- (ii) if the relevant Reference Entity is a Sovereign and “Restructuring” applies, a Restructuring,

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

“Attachment Point” is as specified in the relevant Pricing Supplement.

“Auction” means, with respect to a relevant Reference Entity and a Relevant Credit Event, unless otherwise specified in the Applicable Transaction Auction Settlement Terms, an auction pursuant to which an Auction Final Price is to be determined in accordance with the auction procedure set out in the relevant Credit Derivatives Auction Settlement Terms.

“Auction Cancellation Date” means, with respect to an Auction, unless otherwise specified in the relevant Applicable Transaction Auction Settlement Terms, the date on which such Auction was deemed to have been cancelled as announced by the relevant CDS Information Publisher (and/or the administrators specified in the relevant Credit Derivatives Auction Settlement Terms) on its website or such other date as determined and announced in accordance with the relevant Applicable Transaction Auction Settlement Terms.

“Auction Final Price” means, with respect to an Applicable Auction, unless otherwise specified in the relevant Applicable Transaction Auction Settlement Terms, the price (expressed as a percentage) in respect of the deliverable obligations which would constitute Reference Obligation(s) and/or Deliverable Obligation(s) under the Credit Linked Notes or if an Asset Package Credit Event has resulted in such Applicable Auction, in respect of the Asset Package which results from either a Prior Deliverable

Obligation or a Package Observable Bond under the Credit Linked Notes. The Auction Final Price with respect to a Reference Entity and a related Credit Event can be obtained at the auction administrator's website at <http://www.creditfixings.com/CreditEventAuctions/fixings.jsp> or any successor website.

“Auction Final Price Determination Date” means, with respect to an Applicable Auction, the day, if any, on which the Auction Final Price is determined or such other date as specified in the relevant Applicable Transaction Auction Settlement Terms.

“Auction Loss Amount” means an amount equal to the greater of (i) the product of (a) the relevant Outstanding Reference Entity Nominal Amount and (b) 100% minus the Auction Final Price and (ii) zero, or as otherwise specified in the applicable Pricing Supplement.

“Auction Redemption Amount” means:

- (i) in respect of each Single Name Credit Linked Note, unless otherwise specified in the relevant Pricing Supplement, an amount calculated by the Determination Agent equal to the greater of:
 - (a) zero or, where “Capital Not At Risk” is specified as being applicable in the relevant Pricing Supplement, the product of:
 - (x) the Applicable Proportion (which, in respect of Credit Linked Notes where “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, shall be calculated as at the Relevant Event Determination Date); and
 - (y) the Protection Percentage; and
 - (b) an amount equal to:
 - (x) the product of:
 - (A) the Applicable Proportion (which, in respect of Credit Linked Notes where “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, shall be calculated as at the Relevant Event Determination Date); and
 - (B) the Auction Final Price; minus
 - (y) if “Credit Unwind Costs” is specified as being applicable in the relevant Pricing Supplement, each Credit Linked Note’s *pro rata* share of the Unwind Costs, if any; or
- (ii) in respect of each Basket Credit Linked Note, unless otherwise specified in the relevant Pricing Supplement, an amount calculated by the Determination Agent equal to the greater of:
 - (a) zero or, where “Capital Not At Risk” is specified as being applicable in the relevant Pricing Supplement, the product of:
 - (x) the Applicable Proportion (which, in respect of Credit Linked Notes where “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, shall be calculated as at the Relevant Event Determination Date); and
 - (y) the Protection Percentage; and
 - (b) an amount equal to:
 - (x) the product of:
 - (A) the Applicable Proportion (which, in respect of Credit Linked Notes where “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement,

shall be calculated as at the Relevant Event Determination Date);
and

(B) the Auction Final Price; minus

(y) if “Credit Unwind Costs” is specified as being applicable in the relevant Pricing Supplement, each Credit Linked Note’s *pro rata* share of the Unwind Costs, if any.

“**Auction Redemption Amount Notice**” means a notice in writing from the Determination Agent to the Issuer and the Fiscal Agent delivered as soon as reasonably practicable after the Relevant Event Determination Date, specifying the Auction Redemption Amount relating to any Relevant Credit Event (as applicable) and the relevant Final Auction Redemption Amount, or the Incurred Loss Amount relating to any Relevant Credit Event, as applicable, including the Auction Final Price and (as applicable) the Auction Loss Amount and if “Credit Unwind Costs” is specified as being applicable in the relevant Pricing Supplement, the Unwind Costs, if any.

“**Auction Redemption Date**” means the date falling 5 Business Days following the date on which the Issuer delivers the Auction Redemption Amount Notice to the Fiscal Agent, unless otherwise specified in the relevant Pricing Supplement.

“**Bankruptcy**” means the relevant Reference Entity:

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

“Basket Credit Linked Notes” means Linear Basket Credit Linked Notes or Untranching Index Credit Linked Notes.

“Basket Succession Reference Entity” has the meaning given to that term in Credit Linked Condition 19.8 (*Multiple Successors*).

“Capital Ratio” means, in respect of a CoCo Reference Entity, the ratio of capital to risk weighted assets applicable to the Obligation, as described in the terms thereof in effect from time to time.

“Cash Loss Amount” means an amount equal to the greater of (i) the product of (a) the relevant Outstanding Reference Entity Nominal Amount and (b) 100% minus (x) the Final Price or (y) if “Fixed Recovery Redemption” is applicable, the Fixed Recovery Percentage and (ii) zero, or as otherwise specified in the applicable Pricing Supplement.

“Cash Redemption Amount” means:

- (i) in respect of each Single Name Credit Linked Note, unless otherwise specified in the relevant Pricing Supplement, an amount calculated by the Determination Agent equal to the greater of:
 - (a) zero or, where “Capital Not At Risk” is specified as being applicable in the relevant Pricing Supplement, the product of:
 - (x) the Applicable Proportion (which, in respect of Credit Linked Notes where “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, shall be calculated as at the Relevant Event Determination Date); and
 - (y) the Protection Percentage; and
 - (b) an amount equal to:
 - (x) the product of:
 - (A) the Applicable Proportion (which, in respect of Credit Linked Notes where “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, shall be calculated as at the Relevant Event Determination Date); and
 - (B) (I) the Final Price or (II) where “Fixed Recovery Redemption” is applicable, the Fixed Recovery Percentage; minus
 - (y) if “Credit Unwind Costs” is specified as being applicable in the relevant Pricing Supplement, each Credit Linked Note’s *pro rata* share of the Unwind Costs, if any; or
- (ii) in respect of each Basket Credit Linked Note, unless otherwise specified in the relevant Pricing Supplement, an amount calculated by the Determination Agent equal to the greater of:
 - (a) zero or, where “Capital Not At Risk” is specified as being applicable in the relevant Pricing Supplement, the product of:
 - (x) the Applicable Proportion (which, in respect of Credit Linked Notes where “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, shall be calculated as at the Relevant Event Determination Date); and
 - (y) the Protection Percentage; and
 - (b) an amount equal to:
 - (x) the product of:

- (A) the Applicable Proportion (which, in respect of Credit Linked Notes where “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, shall be calculated as at the Relevant Event Determination Date); and
- (B) (I) the Final Price or (II) where “Fixed Recovery Redemption” is applicable, the Fixed Recovery Percentage; minus
- (y) if “Credit Unwind Costs” is specified as being applicable in the relevant Pricing Supplement, each Credit Linked Note’s *pro rata* share of the Unwind Costs, if any.

“Cash Redemption Amount Notice” means a notice in writing from the Determination Agent to the Issuer and the Fiscal Agent delivered as soon as reasonably practicable after the Relevant Event Determination Date, specifying the Cash Redemption Amount relating to any Relevant Credit Event (as applicable) and the relevant Final Cash Redemption Amount, or the Incurred Loss Amount relating to any Relevant Credit Event, as applicable, including the Final Price and (as applicable) the Cash Loss Amount and, if “Credit Unwind Costs” is specified as being applicable in the relevant Pricing Supplement, Unwind Costs (if any), together with (i) the Valuation Obligation(s) which were the subject of the Quotation, (ii) the Valuation Date, (iii) the Quotation Amount, (iv) each such Quotation that it received in connection with the calculation of the Final Price and (v) a written computation showing such calculation.

“Cash Redemption Date” means the date falling 5 Business Days following the date on which the Issuer delivers the Cash Redemption Amount Notice to the Fiscal Agent, unless otherwise specified in the relevant Pricing Supplement.

“CDS Information Publisher” means, in respect of any information, documentation, publication or announcement, as applicable, the entity responsible for such under the terms of market standard credit derivatives transactions.

“Certificate Balance” means, in respect of a Monoline Insurer Reference Entity and in the case of an Insured Instrument that is in the form of a pass-through certificate or similar funded beneficial interest, the unit principal balance, certificate balance or similar measure of unreimbursed principal investment.

“CoCo Provision” means, in respect of a CoCo Reference Entity and with respect to an Obligation, a provision which requires (i) a permanent or temporary reduction of the amount of principal payable at redemption or (ii) a conversion of principal into shares or another instrument, in each case, if the Capital Ratio is at or below the Trigger Percentage. For the avoidance of doubt, the operation of one or more CoCo Provisions shall not result in delivery of the Deliverable Obligation to Noteholders.

“CoCo Reference Entity” means a Reference Entity to which the “2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)” applies.

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

In respect of a Monoline Insurer Reference Entity, in the event that a Conditionally Transferable Obligation is a Qualifying Policy, the Insured Instrument must meet the requirements of this definition,

and if the benefit of the Qualifying Policy is not transferred as part of any transfer of the Insured Instrument, the Qualifying Policy must be transferable at least to the same extent as the Insured Instrument. References in this definition to the guarantor and guaranteeing shall be deemed to include the insurer and insuring, respectively.

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

“Credit Derivatives Auction Settlement Terms” means any Credit Derivatives Auction Settlement Terms published by the relevant CDS Information Publisher from time to time and may be amended from time to time. The Determination Agent shall be authorised to construe any Credit Derivatives Auction Settlement Terms (including any Transaction Auction Settlement Terms or Parallel Auction Settlement Terms) in such manner as it shall determine in its discretion, acting in a commercially reasonable manner, to be necessary in order to give effect to the meaning of any word or expression used herein which is defined by reference to such Credit Derivatives Auction Settlement Terms.

“Credit Derivatives Definitions” means the 2014 ISDA Credit Derivatives Definitions, as published by ISDA, as amended and supplemented from time to time.

“Credit Derivatives Determinations Committee” means each committee established pursuant to the DC Rules for the purposes of reaching certain DC Resolutions.

“Credit Event” means the occurrence of one or more of the following Credit Events as specified in the applicable Pricing Supplement: Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium, Restructuring or Governmental Intervention. If an occurrence would otherwise constitute a Credit Event, such occurrence will constitute a Credit Event whether or not such occurrence arises directly or indirectly from, or is subject to a defence based upon:

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

In respect of a Monoline Insurer Reference Entity, for the purposes of this definition, references to the Underlying Obligation and the Underlying Obligor shall be deemed to include Insured Instruments and the Insured Obligor, respectively.

“Credit Event Backstop Date” means, unless otherwise specified in the relevant Pricing Supplement to be the Trade Date, the Issue Date or a number of days specified in the relevant Pricing Supplement prior to the Trade Date or the Issue Date:

- (i) for the purposes of any event that constitutes a Credit Event (or, with respect to a Repudiation/Moratorium, if applicable, the event described in paragraph (b) of the definition thereof), as determined by DC Resolution, the date that is 60 calendar days prior to the Credit Event Resolution Request Date; or
- (ii) otherwise, the date that is 60 calendar days prior to the earlier of (a) the “Notice Delivery Date”, if the Notice Delivery Date occurs during the Notice Delivery Period and (b) the Credit Event Resolution Request Date, if the Notice Delivery Date occurs during the Post Dismissal Additional Period.

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

“Credit Event Notice” means an irrevocable notice from the Determination Agent to the Issuer and the Fiscal Agent for onward delivery to the Noteholders, which the Determination Agent has the right (but not the obligation) to deliver, which:

- (i) identifies the Series of Credit Linked Notes to which the Credit Event Notice relates;
- (ii) states the Determination Agent’s intention for the Issuer to redeem the relevant Credit Linked Notes, as applicable, by the Applicable Proportion thereof, in accordance with the relevant Credit Event Redemption Method and the applicable Fallback Redemption Method; and
- (iii) describes a Credit Event that occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date.

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

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

- (i) in respect of Single Name Credit Linked Notes, (x) the full Outstanding Aggregate Nominal Amount of the relevant Credit Linked Notes or (y) if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the full Outstanding Aggregate Accreted Nominal Amount of the Credit Linked Notes, in the relevant Series, subject to Credit Linked Condition 19 (*Successor Provisions*);
- (ii) in respect of Basket Credit Linked Notes or Tranching Index Credit Linked Notes, (x) the full Outstanding Reference Entity Nominal Amount of the Affected Reference Entity or (y) if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the full Outstanding Reference Entity Accreted Nominal Amount of the Affected Reference Entity, subject to Credit Linked Condition 19 (*Successor Provisions*).

A Credit Event Notice must contain a description in reasonable detail of the facts relevant to the determination that a Relevant Credit Event has occurred. The Relevant Credit Event that is the subject of the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective.

“Credit Event Redemption Amount” means the Auction Redemption Amount or Cash Redemption Amount, as applicable.

“Credit Event Redemption Date” means:

- (i) if “Credit Recovery following Credit Event” applies, the Auction Redemption Date, the Cash Redemption Date or the Physical Redemption Date; or
- (ii) in the case of Tranching Index Credit Linked Notes or if “Credit Recovery on Maturity” applies, the Final Auction Redemption Date, the Final Cash Redemption Date or the Final Physical Redemption Date.

“Credit Event Redemption Loss Amount” means amount equal to:

- (i) if “Auction Redemption” is specified as the Credit Event Redemption Method in the relevant Pricing Supplement and the Fallback Redemption Method is not applicable, the Auction Loss Amount; or
- (ii) if either “Cash Redemption” is specified as the Credit Event Redemption Method in the relevant Pricing Supplement or the Fallback Redemption Method is applicable, the Cash Loss Amount.

“Credit Event Redemption Method” means Auction Redemption, Cash Redemption, Physical Redemption or Fixed Recovery Redemption, as specified in the applicable Pricing Supplement.

“Credit Event Resolution Request Date” means, with respect to a DC Credit Event Question, the date, as publicly announced by the relevant CDS Information Publisher or as set out in any DC Resolution,

that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which the DC Credit Event Question was effective and on which the relevant Credit Derivatives Determinations Committee was in possession of Publicly Available Information with respect to such DC Credit Event Question.

“Credit Linked Note” means a Single Name Credit Linked Note, a Basket Credit Linked Note or a Tranching Index Credit Linked Note.

“Credit Risk Cut-Off Date” means the Scheduled Maturity Date, unless specified otherwise in the relevant Pricing Supplement.

“CRR” means Article 63 of Regulation 575/2013 of the European Parliament and of the Council of 26 June 2013, as amended or replaced from time to time.

“Currency Amount” means, with respect to (i) a Deliverable Obligation specified in a Notice of Physical Settlement that is denominated in a currency other than the Settlement Currency, an amount converted to the Settlement Currency using a conversion rate determined by reference to the Currency Rate and (ii) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, an amount converted to the Settlement Currency (or, if applicable, back into the Settlement Currency) using a conversion rate determined by reference to the Currency Rate, if any, and each Revised Currency Rate used to convert each Replaced Deliverable Obligation Outstanding Amount specified in each NOPS Amendment Notice into the currency of denomination of the relevant Replacement Deliverable Obligation.

“Currency Rate” means with respect to (i) a Deliverable Obligation specified in the Notice of Physical Settlement, the rate of conversion between the Settlement Currency and the currency in which the Outstanding Amount of such Deliverable Obligation is denominated that is either (a) determined by reference to the Currency Rate Source as at the Next Currency Fixing Time or (b) if such rate is not available at such time, as the Determination Agent shall determine and (ii) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the Revised Currency Rate.

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

“CUSIP” means, with respect to a security, the “CUSIP” identification number assigned to such security (if any).

“DC Announcement Coverage Cut-off Date” means, with respect to a DC Credit Event Announcement, the Auction Final Price Determination Date, the Auction Cancellation Date, or the date that is 14 calendar days following the No Auction Announcement Date, if any, as applicable.

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

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

“DC Credit Event Question” means a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve an issue in respect to a Reference Entity.

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

“DC-determined EDD” has the meaning given in Credit Linked Condition 9.2 (*Ordering of Event Determination Date following multiple Credit Events*).

“DC No Credit Event Announcement” means, with respect to the relevant Reference Entity, a public announcement by the relevant CDS Information Publisher that the relevant Credit Derivatives Determinations Committee has Resolved that an event that is the subject of a DC Credit Event Question does not constitute a Credit Event with respect to such Reference Entity.

“DC Resolution” means a resolution of the Credit Derivatives Determinations Committee in accordance with the definition of “Resolve” below.

“DC Rules” means the Credit Derivatives Determinations Committee Rules, as published by the relevant CDS Information Publisher from time to time and as amended from time to time in accordance with the terms hereof.

“DC Secretary” means DC Administration Services, Inc. or such other entity designated as DC Secretary in accordance with the DC Rules.

“Default Requirement” means the amount specified as such in the relevant Pricing Supplement or its equivalent in the relevant Obligation Currency (or, if no such amount is specified, USD 10,000,000 or its equivalent in the relevant Obligation Currency) in either case, as of the occurrence of the Relevant Credit Event.

“Deliver” means to deliver, novate, transfer (including, in the case of a Guarantee, transfer of the benefit of the Guarantee), assign or sell, as appropriate, in the manner customary for the settlement of the applicable Deliverable Obligations (which shall include executing all necessary documentation and taking any other necessary actions):

- (i) in order to convey all right, title (or, with respect to Deliverable Obligations where any equitable title is customarily conveyed, all equitable title) and interest in the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, to the relevant Noteholder; and
- (ii) free and clear of any and all liens, charges, claims or encumbrances (excluding any liens routinely imposed on all securities in a relevant clearing system, but including, without limitation, any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in paragraphs (i) to (iv) of the definition of “Credit Event”) or right of set-off by or of the relevant Reference Entity or any applicable Underlying Obligor),

provided that:

- (a) if a Deliverable Obligation is a Direct Loan Participation, **“Deliver”** means to create (or procure the creation of) a participation in favour of the relevant Noteholder; and
- (b) if a Deliverable Obligation is a Guarantee, **“Deliver”** means to Deliver both the Underlying Obligation and the Guarantee,

provided further that if the Guarantee has a Fixed Cap, **“Deliver”** means to Deliver the Underlying Obligation, the Guarantee and all claims to any amounts which are subject to such Fixed Cap.

“Delivery” and **“Delivered”** will be construed accordingly.

In the case of a Loan, Delivery shall be effected using documentation substantially in the form of the documentation customarily used in the relevant market for Delivery of such Loan at that time provided further that each of the Issuer and each Noteholder agrees to comply with the provisions of any documentation (which shall be deemed to include any market advisory that the relevant Credit Derivatives Determinations Committee Resolves to approve for such purpose) that the relevant Credit Derivatives Determinations Committee Resolves constitutes documentation customarily used in the relevant market for Delivery of such Loan at that time, as such documentation may be amended to the extent the relevant Credit Derivatives Determinations Committee Resolves is appropriate, which is consistent with the delivery and payment obligations of the parties hereunder.

The Issuer and each Noteholder further agree that compliance by it with the provisions of any such documentation, shall be required for, and, without further action, constitute, Delivery for the purposes of this definition (to the extent that such documentation contains provisions describing how Delivery should be effected) and neither the Issuer nor any Noteholder shall be permitted to request that the other take, nor shall it be required to take, any action under Credit Linked Condition 14.2 (*Physical Redemption Assets*) unless otherwise contemplated by such documentation.

In respect of a Monoline Insurer Reference Entity, “**Deliver**” with respect to an obligation that is a Qualifying Policy means to Deliver both the Insured Instrument and the benefit of the Qualifying Policy (or a custodial receipt issued by an internationally recognised custodian representing an interest in such Insured Instrument and the related Qualifying Policy), and “**Delivery**” and “**Delivered**” will be construed accordingly. Further, for the purposes of this definition, references to the Underlying Obligation and the Underlying Obligor shall be deemed to include Insured Instruments and the Insured Obligor, respectively.

“**Deliverable Obligation**” means:

- (i) any obligation of the relevant Reference Entity (either directly or as provider of a Relevant Guarantee) or in respect of a Monoline Insurer Reference Entity, a Qualifying Policy, determined pursuant to the paragraph (a) (*Method for determining Deliverable Obligations*) below;
- (ii) the Reference Obligation of the relevant Reference Entity;
- (iii) solely in relation to a Restructuring Credit Event applicable to a relevant Reference Entity which is a Sovereign, and unless Asset Package Delivery is applicable, any Sovereign Restructured Deliverable Obligation; and
- (iv) if Asset Package Delivery is applicable, any Prior Deliverable Obligation (if, “Financial Reference Entity Terms” applies) or any Package Observable Bond (if the Reference Entity is a Sovereign),

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

- (a) Method for determining Deliverable Obligations

For the purposes of this definition of “Deliverable Obligation”, a Deliverable Obligation shall be each Obligation of the relevant Reference Entity described by the Deliverable Obligation Category specified in the relevant Pricing Supplement, and, subject to Credit Linked Condition 24 (*Interpretation of Obligation Characteristics and Deliverable Obligation Characteristics*), having each of the Deliverable Obligation Characteristics, if any, specified in the relevant Pricing Supplement, in each case, as of the Delivery Date (unless otherwise specified in the relevant Pricing Supplement). The following terms shall have the following meanings:

- (A) “**Deliverable Obligation Category**” means one of Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan (each as defined in the definition of “Obligation” below, except that, for the purposes of determining Deliverable Obligations, the definition of “Reference Obligation Only” or shall be amended to state that no Deliverable Obligation Characteristics shall be applicable to Reference Obligation Only).
- (B) “**Deliverable Obligation Characteristics**” means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed, Not Domestic Issuance, (each as defined in the definition of “Obligation” below), Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer. For the avoidance of doubt, in respect of a Limited Recourse Obligation, the Not Subordinated Deliverable Obligation Characteristic will be deemed to have been satisfied.

- (I) **“Accelerated or Matured”** means an obligation under which the principal amount owed, whether by reason of maturity, acceleration, termination or otherwise, is due and payable in full in accordance with the terms of such obligation, or would have been but for, and without regard to, any limitation imposed under any applicable insolvency laws;
- (II) **“Assignable Loan”** means a Loan that is capable of being assigned or novated to, at a minimum, commercial banks or financial institutions (irrespective of their jurisdiction of organisation) that are not then a lender or a member of the relevant lending syndicate, without the consent of the relevant Reference Entity or the guarantor, if any, of such Loan (or the consent of the applicable borrower if the relevant Reference Entity is guaranteeing such Loan) or any agent;
- (III) **“Consent Required Loan”** means a Loan that is capable of being assigned or novated with the consent of the Reference Entity or the guarantor, if any, of such Loan (or the consent of the relevant borrower if the relevant Reference Entity is guaranteeing such Loan) or any agent;
- (IV) **“Direct Loan Participation”** means a Loan in respect of which, pursuant to a participation agreement, Issuer is capable of creating, or procuring the creation of, a contractual right in favour of each Noteholder that provides each such Noteholder with recourse to the participation seller for a specified share in any payments due under the relevant Loan which are received by such participation seller, any such agreement to be entered into between each such Noteholder and either (x) the Issuer and/or any of its Affiliates, as the case may be (to the extent the Issuer and/or any such Affiliate, as applicable, is then a lender or a member of the relevant lending syndicate), or (y) any lender or member of the relevant lending syndicate nominated by the Issuer or the Determination Agent;
- (V) **“Maximum Maturity”** means an obligation that has a remaining maturity of not greater than the period specified in the relevant Pricing Supplement (or if no such period is specified, 30 years);
- (VI) **“Not Bearer”** means any obligation that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via the Euroclear system, Clearstream International or any other internationally recognised clearing system; and
- (VII) **“Transferable”** means an obligation that is transferable to institutional investors without any contractual, statutory or regulatory restriction provided that none of the following shall be considered contractual, statutory or regulatory restrictions:
 - (x) contractual, statutory or regulatory restrictions that provide for eligibility for resale pursuant to Rule 144A or Regulation S promulgated under the U.S. Securities Act of 1933, as amended (and any contractual, statutory or regulatory restrictions promulgated under the laws of any jurisdiction having a similar effect in relation to the eligibility for resale of an obligation);
 - (y) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds; or
 - (z) restrictions in respect of blocked periods on or around payment dates or voting periods.

Notwithstanding the definition of “Deliverable Obligation” above:

- (b) in respect of:

- (A) a Hellenic Reference Entity, any obligation that is a “Bond or a Loan” that was issued or incurred, as the case may be, on or prior to 1 February 2012;
- (B) an Ecuador Reference Entity, any obligation that is a “Bond” that was issued on or prior to 20 April 2020;
- (C) an Argentine Reference Entity, any obligation that is a “Bond” that was issued on or prior to 31 August 2020;
- (D) a Ukraine Reference Entity, any obligation that is a “Bond” that was issued on or prior to 1 November 2015; or
- (E) a Venezuelan Covered Reference Entity, for so long as sanctions imposed by any and all Venezuelan Orders continue to subsist with respect to such Venezuelan Covered Reference Entity (as determined by the Credit Derivatives Determinations Committee), any obligation that is Restricted Debt,

shall, in each case, be an “Excluded Deliverable Obligation”;

- (c) in respect of a Hungary Reference Entity, “Deliverable Obligation” shall also include any National Bank of Hungary Deliverable Obligation;
- (d) in respect of a Russian Reference Entity, any obligation that is, in the determination of the Determination Agent, an IAN, a MinFin or a PRIN shall not constitute a Deliverable Obligation; and
- (e) in respect of an LPN Reference Entity, each Reference Obligation will be a Deliverable Obligation regardless of whether such obligation is an obligation of such LPN Reference Entity. For the purposes of this definition:
 - (A) with respect to any LPN Reference Obligation that specifies an Underlying Loan or an Underlying Finance Instrument, the Outstanding Principal Balance shall be determined by reference to the Underlying Loan or Underlying Finance Instrument (as applicable) relating to such LPN Reference Obligation; and
 - (B) the “Not Subordinated” Obligation Characteristic and Deliverable Obligation Characteristic shall be construed as if no Reference Obligation was specified in respect of such LPN Reference Entity.

“**Deliverable Obligation Provisions**” means the provisions of the Credit Linked Notes that specify criteria for establishing what obligations may constitute Deliverable Obligations.

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

“**Delivery Date**” means, with respect to a Deliverable Obligation or an Asset Package, the date on which such Deliverable Obligation is Delivered (or deemed to be delivered in accordance with the definition of “Deliver”).

“**Delivery Expenses**” means all costs, taxes (including transaction taxes), duties and/or expenses, including stamp duty, stamp duty reserve tax and/or other costs, duties or taxes arising from the delivery of the Physical Redemption Assets and in respect of a Monoline Insurer Reference Entity, shall additionally include any transfer or similar fee reasonably incurred by the Issuer in connection with the Delivery of a Qualifying Policy and payable to the Reference Entity.

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

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

“Downstream Affiliate” means an entity whose outstanding Voting Shares were, at the date of issuance of the Qualifying Guarantee, more than 50 per cent owned, directly or indirectly, by the relevant Reference Entity.

“Due and Payable Amount” means an amount equal to:

- (i) the amount that is due and payable by the relevant Reference Entity under the obligation whether by reason of maturity, acceleration, termination or otherwise (excluding sums in respect of default interest, indemnities, tax gross-ups and other similar amounts); less
- (ii) the Unwind Costs (if “Credit Unwind Costs” is specified as being applicable in the relevant Pricing Supplement), the Delivery Expenses and Interest Suspension Shortfall Amount (in each case, if any); less
- (iii) all or any portion of such amount which, pursuant to the terms of the obligation (a) is subject to any Prohibited Action, or (b) may otherwise be reduced as a result of the effluxion of time or the occurrence or non-occurrence of an event or circumstance (other than by way of (A) payment or (B) a Permitted Contingency),

in each case, determined in accordance with the terms of the obligation in effect on either (x) the Delivery Date or (y) the Valuation Date.

“Ecuador Reference Entity” means a Reference Entity to which the “2020 Additional Provisions for the Republic of Ecuador: Excluded Obligations and Excluded Deliverable Obligations (December 11, 2020)” apply.

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

Eligible Transferee” means:

- (i) any:
 - (a) bank or other financial institution;
 - (b) insurance or reinsurance company;
 - (c) mutual fund, unit trust or similar collective investment vehicle (other than an entity specified in paragraph (i)(a) of this definition); and
 - (d) registered or licensed broker or dealer (other than a natural person or proprietorship), provided, however, in each case that such entity has total assets of at least USD 500,000,000;
- (ii) an Affiliate of an entity specified in the paragraph (i) of this definition;
- (iii) each of a corporation, partnership, proprietorship, organisation, trust or other entity:
 - (a) that is an investment vehicle (including, without limitation, any hedge fund, issuer of collateralised debt obligation, commercial paper conduit or other special purpose vehicle) that (A) has total assets of at least USD 100,000,000 or (B) is one of a group of investment vehicles under common control or management having, in the aggregate, total assets of at least USD 100,000,000;
 - (b) that has total assets of at least USD 500,000,000; or

- (c) the obligations of which under an agreement, contract or transaction are guaranteed or otherwise supported by a letter of credit or keepwell, support or other agreement by an entity described in paragraph (i), (ii), (iii)(b) or (iv) of this definition; and
- (iv) (a) any Sovereign; or
- (b) any entity or organisation established by treaty or other arrangement between two or more Sovereigns including, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development.

All references in this definition of “Eligible Transferee” to USD include equivalent amounts in other currencies as determined by the Determination Agent.

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

“**Event Determination Date**” means Standard Event Determination Date or Non-Standard Event Determination Date, as applicable.

“**Exchange Bonds or Loans**” has the meaning given to it in the definition of “Successor”.

“**Excluded Deliverable Obligation**” means:

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

“**Excluded Obligation**” means:

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

“**Exercise Amount**” has the meaning given to that term in Credit Linked Condition 11.1 (*Credit Event Notice after an M(M)R Restructuring*), subject further to Credit Linked Condition 11.5 (*Exercise Amount*).

“**Exhaustion Point**” is as specified in the relevant Pricing Supplement.

“**Extended Maturity Date**” means, if Scheduled Maturity Date Extension applies pursuant to Credit Linked Condition 10 (*Scheduled Maturity Date Extension*) and where:

- (i) no Relevant Event Determination Date occurs on or prior to the Notes Extension Date under Credit Linked Conditions 10(i), 10(ii) and 10(iii) (*Scheduled Maturity Date Extension*), the latest to occur of:
 - (a) the date falling five Business Days after the Notes Extension Date;
 - (b) the final Credit Event Redemption Date in relation to any unsettled Relevant Credit Events, or if later, any Final Physical Redemption Cut-Off Date (including any final Partial Cash Redemption Date or final Fallback Cash Redemption Date); or

- (c) the date falling five Business Days after the Payment Failure Cut-Off Date, if applicable; or
- (ii) where a Relevant Event Determination Date under Credit Linked Conditions 10(i), 10(ii) and 10(iii) (*Scheduled Maturity Date Extension*) occurs on or prior to the Notes Extension Date, the later to occur of:
 - (a) the final Credit Event Redemption Date in relation to any unsettled Relevant Credit Events, as applicable, or if later any Final Physical Redemption Cut-Off Date (including any final Partial Cash Redemption Date or final Fallback Cash Redemption Date); or
 - (b) the date falling five Business Days after the Payment Failure Cut-Off Date, if applicable,

provided where the Determination Agent determines a Relevant Event Determination Date can no longer occur or the Credit Derivatives Determination Committee Resolves that a Relevant Event Determination Date has not occurred, the Extended Maturity Date shall be the date of such Determination Agent's determination or the date of such DC Resolution, respectively.

"Extension Date" means the latest of:

- (i) the Credit Risk Cut-off Date;
- (ii) the Grace Period Extension Date if (a) "Failure to Pay" and "Grace Period Extension" are specified as being applicable in the relevant Pricing Supplement and (b) the Potential Failure to Pay with respect to the relevant Failure to Pay occurs on or prior to the Credit Risk Cut-Off Date; and
- (iii) the Repudiation/Moratorium Evaluation Date (if any) if "Repudiation/Moratorium" is specified as applicable in the relevant Pricing Supplement, as applicable.

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

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

If the "2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)" and "Credit Deterioration Requirement" apply, then notwithstanding the foregoing, it shall not constitute a Failure to Pay if such failure does not directly or indirectly result either from, or result in, a deterioration in the creditworthiness or financial condition of the relevant Reference Entity. In such case, any determination as to whether a "Failure to Pay" has occurred is to be made by the Determination Agent, for which purpose, the Determination Agent will take into account any guidance provided in the "2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)".

"Fallback Redemption Method" means Cash Redemption, if so specified in the applicable Pricing Supplement.

"Final Auction Redemption Amount" means:

- (i) in respect of each relevant Single Name Credit Linked Note, unless otherwise specified in the Pricing Supplement, an amount calculated by the Determination Agent equal to the greater of:

- (a) zero; and
- (b) the greater of:
 - (x) such Credit Linked Note's *pro rata* share of an amount equal to:
 - (A) the Outstanding Aggregate Nominal Amount (or if "Accreting Recovery Zero Coupon Credit Linked Notes" is specified as being applicable in the relevant Pricing Supplement, the Outstanding Aggregate Accreted Nominal Amount (provided that if a successor event occurs and more than one Successor has been identified, the Determination Agent shall, in its sole discretion, determine such Outstanding Aggregate Accreted Nominal Amount by taking into account the first Relevant Event Determination Date in respect of each Successor, if applicable)); plus
 - (B) the sum of all Auction Redemption Amounts determined in respect of all the relevant Credit Linked Notes for such Series (such amounts determined on the basis that "Capital Not At Risk" is not specified as being applicable in the relevant Pricing Supplement); and
 - (y) where "Capital Not At Risk" is specified as being applicable in the relevant Pricing Supplement, an amount equal to each Credit Linked Note's *pro rata* share of the product of:
 - (A) the Outstanding Aggregate Nominal Amount (or if "Accreting Recovery Zero Coupon Credit Linked Notes" is specified as being applicable in the relevant Pricing Supplement, the Outstanding Aggregate Accreted Nominal Amount (provided that if a successor event occurs and more than one Successor has been identified, the Determination Agent shall, in its sole discretion, determine such Outstanding Aggregate Accreted Nominal Amount by taking into account the first Relevant Event Determination Date in respect of each Successor, if applicable)); and
 - (B) the Protection Percentage;
- (ii) in respect of each relevant Basket Credit Linked Note, unless otherwise specified in the Pricing Supplement, an amount calculated by the Determination Agent equal to the greater of:
 - (a) zero; and
 - (b) an amount equal to:
 - (A) such Credit Linked Note's *pro rata* share of the Outstanding Aggregate Nominal Amount (or if "Accreting Recovery Zero Coupon Credit Linked Notes" is specified as being applicable in the relevant Pricing Supplement, the Outstanding Aggregate Accreted Nominal Amount (provided that if a successor event occurs and more than one Successor has been identified, the Determination Agent shall, in its sole discretion, determine such Outstanding Reference Entity Accreted Nominal Amount by taking into account the first Relevant Event Determination Date in respect of each Successor, if applicable)); plus
 - (B) if "Credit Recovery on Maturity" applies, the sum, for each Affected Reference Entity, of the Auction Redemption Amounts determined in respect of such Affected Reference Entity; or

- (iii) in respect of each relevant Tranching Index Credit Linked Note, unless otherwise specified in the Pricing Supplement, an amount calculated by the Determination Agent equal to such Credit Linked Note's *pro rata* share of the Outstanding Aggregate Tranche Nominal Amount.

"Final Auction Redemption Date" means the later to occur of (i) the last Auction Redemption Date in respect of the Credit Linked Notes and (ii) the Scheduled Maturity Date or the Extended Maturity Date, as applicable.

"Final Cash Redemption Amount" means:

- (i) in respect of each relevant Single Name Credit Linked Note, unless otherwise specified in the Pricing Supplement, an amount calculated by the Determination Agent equal to the greater of:
 - (a) zero; and
 - (b) the greater of:
 - (x) such Credit Linked Note's *pro rata* share of an amount equal to:
 - (A) the Outstanding Aggregate Nominal Amount (or if "Accreting Recovery Zero Coupon Credit Linked Notes" is specified as being applicable in the relevant Pricing Supplement, the Outstanding Aggregate Accreted Nominal Amount (provided that if a successor event occurs and more than one Successor has been identified, the Determination Agent shall, in its sole discretion, determine such Outstanding Aggregate Accreted Nominal Amount by taking into account the first Relevant Event Determination Date in respect of each Successor, if applicable)); plus
 - (B) the sum of all Cash Redemption Amounts determined in respect of all the relevant Credit Linked Notes for such Series (such amounts determined on the basis that "Capital Not At Risk" is not specified as being applicable in the relevant Pricing Supplement); and
 - (y) where "Capital Not At Risk" is specified as being applicable in the relevant Pricing Supplement, an amount equal to each Credit Linked Note's *pro rata* share of the product of:
 - (A) the Outstanding Aggregate Nominal Amount (or if "Accreting Recovery Zero Coupon Credit Linked Notes" is specified as being applicable in the relevant Pricing Supplement, the Outstanding Aggregate Accreted Nominal Amount (provided that if a successor event occurs and more than one Successor has been identified, the Determination Agent shall, in its sole discretion, determine such Outstanding Aggregate Accreted Nominal Amount by taking into account the first Relevant Event Determination Date in respect of each Successor, if applicable)); and
 - (B) the Protection Percentage; or
- (ii) in respect of each relevant Basket Credit Linked Note, unless otherwise specified in the Pricing Supplement, an amount calculated by the Determination Agent equal to the greater of:
 - (a) zero; and
 - (b) an amount equal to:
 - (A) such Credit Linked Note's *pro rata* share of the Outstanding Aggregate Nominal Amount (or if "Accreting Recovery Zero Coupon Credit Linked Notes" is specified as being applicable in the relevant Pricing Supplement, the Outstanding Aggregate Accreted Nominal Amount (provided that if a successor event occurs and more than one Successor has been identified, the

Determination Agent shall, in its sole discretion, determine such Outstanding Reference Entity Accreted Nominal Amount by taking into account the first Relevant Event Determination Date in respect of each Successor, if applicable)); plus

- (B) if “Credit Recovery on Maturity” applies, the sum, for each Affected Reference Entity, of the Cash Redemption Amounts determined in respect of such Affected Reference Entity; or
- (iii) in respect of each relevant Tranching Index Credit Linked Note, unless otherwise specified in the Pricing Supplement, an amount calculated by the Determination Agent equal to such Credit Linked Note’s *pro rata* share of the Outstanding Aggregate Tranche Nominal Amount.

“**Final Cash Redemption Date**” means the later to occur of (i) the last Cash Redemption Date in respect of the Credit Linked Notes and (ii) the Scheduled Maturity Date or the Extended Maturity Date, as applicable.

“**Final List**” means the final list of Deliverable Obligations, Package Observable Bonds, Prior Deliverable Obligations, as applicable, and/or Assets which are the subject of the related Auction determined by the Credit Derivatives Determinations Committee in accordance with the DC Rules.

“**Final Physical Redemption Assets**” means:

- (i) in respect of each relevant Single Name Credit Linked Note, unless otherwise specified in the Pricing Supplement, an amount calculated by the Determination Agent equal to the greater of:
 - (a) zero; and
 - (b) such Credit Linked Note’s *pro rata* share of an amount equal to:
 - (A) the Outstanding Aggregate Nominal Amount (or if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Aggregate Accreted Nominal Amount (provided that if a successor event occurs and more than one Successor has been identified, the Determination Agent shall, in its sole discretion, determine such Outstanding Aggregate Accreted Nominal Amount by taking into account the first Relevant Event Determination Date in respect of each Successor, if applicable)); plus
 - (B) the total amount of all Physical Redemption Assets determined in respect of the relevant Credit Linked Notes for such Series; or
- (ii) (y) in respect of each relevant Basket Credit Linked Note, unless otherwise specified in the Pricing Supplement, an amount calculated by the Determination Agent equal to the greater of:
 - (a) zero; and
 - (b) an amount equal to:
 - (A) such Credit Linked Note’s *pro rata* share of the Outstanding Aggregate Nominal Amount (or if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Aggregate Accreted Nominal Amount (provided that if a successor event occurs and more than one Successor has been identified, the Determination Agent shall, in its sole discretion, determine such Outstanding Reference Entity Accreted Nominal Amount by taking into account the first Relevant Event Determination Date in respect of each Successor, if applicable)); plus

- (B) if “Credit Recovery on Maturity” applies, the total, for each Affected Reference Entity, of the Physical Redemption Assets determined in respect of such Affected Reference Entity.

“**Final Physical Redemption Date**” means the later to occur of (i) the last Physical Redemption Date in respect of the Credit Linked Notes and (ii) the Scheduled Maturity Date or the Extended Maturity Date, as applicable.

“**Final Physical Redemption Cut-Off Date**” has the meaning given to it in Credit Linked Condition 17.2 (*Payment/Delivery Failure Event – failure to deliver*).

“**Final Price**” means:

- (i) the price of the Valuation Obligation(s) selected by the Determination Agent in its discretion, acting in a commercially reasonable manner, expressed as a percentage, determined in accordance with the specified Valuation Method; or
- (ii) where the Valuation Obligation is an Asset Package in its entirety relating to Prior Deliverable Obligation or a Package Observable Bond, as applicable, the price of the entirety of the Asset Package determined in accordance with the specified Valuation Method, expressed as a percentage of the Outstanding Principal Balance or Due and Payable Amount, as applicable, of the Prior Deliverable Obligation or a Package Observable Bond to which the Asset Package relates, in each case, determined in accordance with Credit Linked Condition 13.1 (*Determination of Final Price*).

“**Financial Transaction Type**” means any of “Standard European Financial Corporate”, “Standard European CoCo Financial Corporate”, “Standard European Senior Non Preferred Financial Corporate”, “Standard Australia Financial Corporate”, “Standard New Zealand Financial Corporate”, “Standard Japan Financial Corporate”, “Standard Singapore Financial Corporate” and “Standard Asia Financial Corporate”, as applicable.

“**First Ranking**”, in respect of a Reference Obligation of an LPN Reference Entity, has the meaning given in the definition of “First Ranking Interest”.

“**First Ranking Interest**” means, in respect of a Reference Obligation of an LPN Reference Entity, a charge, security interest (or other type of interest having similar effect) (an “Interest”), which is expressed as being “first ranking”, “first priority”, or similar (“First Ranking”) in the document creating such Interest (notwithstanding that such Interest may not be First Ranking under any insolvency laws of any relevant insolvency jurisdiction of the relevant LPN Issuer).

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

“**Fixed Recovery Percentage**” means, if Fixed Recovery Redemption is specified as the Credit Event Redemption Method in the Pricing Supplement, the percentage specified as such in the relevant Pricing Supplement (which, for the avoidance of doubt, may include zero or 100 per cent.).

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

“**Fully Transferable Obligation**” means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Eligible Transferees without the consent of any person being required, in the case of any Deliverable Obligation other than Bonds, in each case, as of the Delivery Date and the date on which an effective Notice of Physical Settlement or NOPS Amendment Notice, as applicable, was delivered. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, administrative agent, clearing agent or

paying agent, for a Deliverable Obligation shall not be considered to be a requirement for consent for the purposes of this definition of “Fully Transferable Obligation”.

In respect of a Monoline Insurer Reference Entity, in the event that a Fully Transferable Obligation is a Qualifying Policy, the Insured Instrument must meet the requirements of this definition and, if the benefit of the Qualifying Policy is not transferred as part of any transfer of the Insured Instrument, the Qualifying Policy must be transferable at least to the same extent as the Insured Instrument.

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

“Governmental Authority” means:

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

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

- (i) any event which would affect creditors’ rights so as to cause:
 - (a) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
 - (b) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
 - (c) a postponement or other deferral of a date or dates for either (A) the payment or accrual of interest, or (B) the payment of principal or premium; or
 - (d) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation;
- (ii) an expropriation, transfer or other event which mandatorily changes the beneficial holder of the Obligation;
- (iii) a mandatory cancellation, conversion or exchange;
- (iv) if “CoCo Provision” apply and if, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, the operation of one or more CoCo Provisions results in (A) a permanent or temporary reduction of the amount of principal payable at redemption or (B) a conversion of principal into shares or another instrument; or
- (v) any event which has an analogous effect to any of the events specified in paragraphs (i) to (iv) of this definition.

For the purposes of paragraph (i) of this definition, the term Obligation shall be deemed to include Underlying Obligations for which the relevant Reference Entity is acting as provider of a Guarantee.

“Grace Period” means:

- (i) subject to paragraphs (ii) and (iii) of this definition, the applicable grace period with respect to payments under and in accordance with the terms of such Obligation in effect as of the date as of which such Obligation is issued or incurred;
- (ii) if “Grace Period Extension” applies, a Potential Failure to Pay has occurred on or prior to the Credit Risk Cut-Off Date and the applicable grace period cannot, by its terms, expire on or prior to the Credit Risk Cut-Off Date, the Grace Period shall be deemed to be the lesser of such grace period and the period specified as such in the relevant Pricing Supplement or, if no period is specified, 30 calendar days; and
- (iii) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Business Days shall be deemed to apply to such Obligation; provided that, unless “Grace Period Extension” is specified as being applicable in the relevant Pricing Supplement, such deemed Grace Period shall expire no later than the Credit Risk Cut-Off Date.

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

“Grace Period Extension Date” means, if (i) “Grace Period Extension” is specified as being applicable in the relevant Pricing Supplement and (ii) a Potential Failure to Pay occurs on or prior to the Credit Risk Cut-Off Date, as the case may be, the date falling after the number of days in the Grace Period after the date of such Potential Failure to Pay. If “Grace Period Extension” is not specified as being applicable in the relevant Pricing Supplement, Grace Period Extension shall not apply.

“Guarantee” means, for the purpose of the Credit Linked Conditions only, a Relevant Guarantee or a guarantee which is the Reference Obligation.

“Hedge Disruption Obligation” has the meaning given to that term in Credit Linked Condition 14.3 (*Election to deliver alternative amount of Deliverable Obligations/Hedge Disruption Obligation*).

“Hellenic Reference Entity” means a Reference Entity to which the “Additional Provisions for the Hellenic Republic (May 29, 2012)” apply.

“Hungary Reference Entity” means a Reference Entity to which the “Hungary Additional Provisions” apply.

“IAN” means any floating rate interest note due 2002 or 2015 issued by Vnesheconombank of the USSR pursuant to the Restructuring Agreement and an Exchange Agreement, dated as of 6 October 1997, among Vnesheconombank of the USSR, the Closing Agent and Participating Creditors named therein.

“Implicit Portfolio Size” means an amount equal to (a) the Original Aggregate Nominal Amount divided by (b) the Tranche Size.

“Incurred Loss Amount” means, in respect of an Affected Reference Entity and the related Relevant Event Determination Date, an amount, as at the date on which the Loss Amount is determined, equal to the lowest of:

- (i) the Loss Amount;
- (ii) the Aggregate Loss Amount (including the related Loss Amount for that Affected Reference Entity) minus the Loss Threshold Amount on such date (following any adjustments thereto on such date), subject to a minimum of zero; and

- (iii) the Outstanding Aggregate Tranche Nominal Amount (prior to any reduction thereto in respect of that Relevant Event Determination Date).

“**Index Annex**” means the list for the Reference Index with the Index Annex Date, as published by the Index Publisher (which can be accessed at <http://www.markit.com> or any successor website thereto).

“**Index Annex Date**” is as specified in the relevant Pricing Supplement.

“**Index Publisher**” is specified in the relevant Pricing Supplement.

“**Instrument Payments**” means, in respect of a Monoline Insurer Reference Entity, (i) in the case of any Insured Instrument that is in the form of a pass-through certificate or similar funded beneficial interest, (a) the specified periodic distributions in respect of interest or other return on the Certificate Balance on or prior to the ultimate distribution of the Certificate Balance and (b) the ultimate distribution of the Certificate Balance on or prior to a specified date and (ii) in the case of any other Insured Instrument, the scheduled payments of principal and interest, in the case of both paragraphs (i) and (ii) hereof (A) determined without regard to limited recourse or reduction provisions of the type described in paragraph (iii)(b)(B) of the definition of “Outstanding Principal Balance” and (B) excluding sums in respect of default interest, indemnities, tax gross-ups, make-whole amounts, early redemption premiums and other similar amounts (whether or not guaranteed or insured by the Qualifying Policy).

“**Insured Instrument**”, in respect of a Monoline Insurer Reference Entity, has the meaning given in the definition of “Qualifying Policy”.

“**Insured Obligor**”, in respect of a Monoline Insurer Reference Entity, has the meaning given in the definition of “Qualifying Policy”.

“**Interest**” in respect of a Reference Obligation of an LPN Reference Entity, has the meaning given in the definition of “First Ranking Interest”.

“**Issuer Business Day**” means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the additional city or cities specified as Additional Business Centre(s) in the relevant Pricing Supplement.

“**Issue Price**” means the issue price as specified in the relevant Pricing Supplement.

“**Joint Potential Successor**” has the meaning given to it in Credit Linked Condition 19.7 (*Joint Potential Successors*).

“**Joint Relevant Obligation**” has the meaning given to it in Credit Linked Condition 19.7 (*Joint Potential Successors*).

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

“**Latest Maturity Restructured Bond or Loan**” has the meaning given to that term in the definition of “Restructuring Maturity Limitation Date”.

“**Latest Permissible Physical Settlement Date**” means:

- (i) in respect of the provisions of Credit Linked Conditions 17.2 (*Payment/Delivery Failure Event – failure to deliver*), 14.3 (*Election to deliver alternative amount of Deliverable Obligations/Hedge Disruption Obligation*), 14.4 (*Partial Cash Redemption due to Impossibility or Illegality*), 14.8 (*Alternative Procedures Relating to Loans not Delivered*) and 14.10 (*Asset Package Delivery*), the date that is 30 calendar days after the relevant Physical Redemption Date;

- (ii) in respect of the provisions of Credit Linked Condition 14.10(iii) (*Asset Package Delivery*), the date the Determination Agent determines that Cash Redemption shall be deemed to apply; and
- (iii) in respect of the provisions of Credit Linked Conditions 14.5 (*Partial Cash Redemption of Consent Required Loans*), 14.6 (*Partial Cash Redemption of Assignable Loans*) and 14.7 (*Partial Cash Redemption of Participations*), the date that is 15 Business Days after the Physical Redemption Date.

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

“Limited Recourse Obligations” means, where the “2020 Limited Recourse Additional Provisions (December 2, 2020)” apply, obligations which include Limited Recourse Provisions.

“Limited Recourse Provisions” means provisions which:

- (i) limit recourse in respect of the obligation to the proceeds of specified assets or the proceeds resulting from the enforcement of security or collateral arrangements; and/or
- (ii) extinguish any obligation that remains outstanding following the disposal of specified assets and/or the enforcement of the security or collateral arrangements,

and, in each case, the application of the resulting proceeds.

“Linear Basket Credit Linked Notes” means Credit Linked Notes which are specified as such in the Pricing Supplement, in respect of which the Issuer purchases credit protection from Noteholders in respect of a basket of two or more Reference Entities as specified in the relevant Pricing Supplement.

“Loan Alternative Procedure Start Date” has the meaning given to that term in Credit Linked Condition 14.8(i) (*Alternative Procedures Relating to Loans not Delivered*).

“Loss Amount” means, in respect of an Affected Reference Entity and the related Relevant Event Determination Date, the lesser of (i) an amount equal to the sum of (a) the Credit Event Redemption Loss Amount in respect of such Affected Reference Entity and (b) if “Credit Unwind Costs” is specified as being applicable in the relevant Pricing Supplement, the Unwind Costs, if any and (ii) the relevant Outstanding Reference Entity Nominal Amount. Where the Loss Amount is determined by reference to an Auction Final Price or Final Price, as applicable, the Loss Amount will be determined by the Determination Agent on the date the relevant Auction Final Price or Final Price, as applicable, is determined.

“Loss Threshold Amount” means an amount equal to (a) the Implicit Portfolio Size multiplied by (b) the Attachment Point.

“LPN” means a loan participation note.

“LPN Issuer” means the issuer of an LPN.

“LPN Reference Entity” means a Reference Entity to which the “Additional Provisions for LPN Reference Entities (published on 15 September 2014)” are specified to apply in the relevant Pricing Supplement.

“LPN Reference Obligation” means each Reference Obligation other than any Additional Obligation. Any change to the issuer of an LPN Reference Obligation in accordance with its terms shall not prevent such LPN Reference Obligation from constituting a Reference Obligation. Each LPN Reference Obligation is issued for the sole purpose of providing funds for the Issuer to (a) finance a loan to the Reference Entity and each such loan shall be an Underlying Loan; or (b) provide finance to the Reference Entity by way of a deposit, loan or other Borrowed Money instrument and each such deposit, loan or other Borrowed Money instrument shall be an Underlying Finance Instrument.

“Market Value” means, with respect to the relevant Valuation Obligation on a Valuation Date:

- (i) if more than three Full Quotations are obtained, the arithmetic mean of such Full Quotations, disregarding the Full Quotations having the highest and lowest values (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded);
- (ii) if exactly three Full Quotations are obtained, the Full Quotation remaining after disregarding the highest and lowest Full Quotations (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded);
- (iii) if exactly two Full Quotations are obtained, the arithmetic mean of such Full Quotations;
- (iv) if few than two Full Quotations are obtained and a Weighted Average Quotation is obtained, such Weighted Average Quotation;
- (v) if fewer than two Full Quotations are obtained and no Weighted Average Quotation is obtained, subject to paragraph (ii) of the definition of “Quotation”, an amount that the Determination Agent shall determine on the next Business Day on which two or more Full Quotations are obtained; and
- (vi) if two or more Full Quotations are not obtained and no Weighted Average Quotation is obtained within the ten Business Day period set forth in paragraph (ii) of the definition of “Quotation” the Market Value shall be determined as provided in such definition of “Quotation”.

“Maturity Redemption Amount” means an amount equal to the greater of:

- (i) zero; and
- (ii) each Credit Linked Note’s *pro rata* share of an amount in the Settlement Currency equal to the Redemption Price.

“Merger Event” means that at any time during the period from (and including) the Trade Date to (but excluding) the Credit Risk Cut-Off Date, as applicable, (i) the Issuer or Guarantor consolidates or amalgamates with, or merges into, or transfers all or substantially all of its respective assets to, a Reference Entity, (ii) a Reference Entity consolidates or amalgamates, or merges into, or transfers all or substantially all its assets, to the Issuer or Guarantor or (iii) the Issuer or Guarantor and a Reference Entity become Affiliates.

“Merger Event Early Redemption Date” has the meaning given to it in Credit Linked Condition 16 (*Redemption upon Merger Event*).

“MinFin” means any Internal Government Hard Currency Bond issued by the Ministry of Finance of the Russian Federation representing:

- (i) restructured debt of the former USSR (Series II, III, IV, V and VIII); or
- (ii) debt of the Russian Federation issued in 1996 (Series VI and VII).

For the avoidance of doubt, “OVVZs” or “Taiga” bonds shall be the same as MinFins.

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

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

“Modified Restructuring Maturity Limitation Date” means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Credit Risk Cut-off Date.

Subject to the foregoing, if the Credit Risk Cut-off Date is later than the 10-year Limitation Date, the Modified Restructuring Maturity Limitation Date will be the Credit Risk Cut-off Date.

“Monoline Insurer Reference Entity” means a Reference Entity to which “Monoline Supplement” applies.

“Movement Option” means, with respect to an M(M)R Restructuring to which a No Auction Announcement Date has occurred pursuant to paragraph (ii) or (iii)(b) of the definition of “No Auction Announcement Date”, the option of the Determination Agent to apply the Parallel Auction Settlement Terms, if any, so that the Credit Linked Notes may be redeemed by way of Auction Redemption (for which purpose the Determination Agent may take into account (i) the terms of the relevant Parallel Auction Settlement Terms, the Permissible Deliverable Obligations thereunder, the Deliverable Obligation Provisions related to the Credit Linked Notes and (ii) any Hedge Position that the Issuer has or may enter into in connection with the Credit Linked Notes) for the purposes of which the Permissible Deliverable Obligations are more limited than the Deliverable Obligations that the Issuer or the Determination Agent could specify in any Notice of Physical Settlement or any NOPS Amendment Notice (provided that if more than one such set of Parallel Auction Settlement Terms are published, the Parallel Auction Settlement Terms specifying the greatest number of such Permissible Deliverable Obligations shall apply). If the Determination Agent does not deliver an effective Notice to Exercise Movement Option to the Issuer on or prior to the Movement Option Cut-off Date, the Credit Linked Notes will be redeemed in accordance with the Fallback Redemption Method. Where “Mod R” is applicable, “Restructuring Maturity Limitation Date” and “Fully Transferable Obligation” will apply and where “Mod Mod R” is applicable, “Modified Restructuring Maturity Limitation Date” and “Conditionally Transferable Obligation” will apply.

“Movement Option Cut-off Date” the date that is one Relevant City Business Day following the Standard Exercise Cut-off Date or Non-Standard Exercise Cut-off Date applicable to a buyer of credit protection where the DC Secretary publishes a Final List applicable to the Applicable Transaction Auction Settlement Terms and/or Parallel Auction Settlement Terms, or such other date as the relevant Credit Derivatives Determinations Committee has Resolved (and where any public statement is issued by the DC Secretary relating to the appropriate cut-off date, the Determination Agent shall interpret such timing requirements from the perspective of a buyer of protection).

“Multiple Holder Obligation” has the meaning given to it in Credit Linked Condition 20.4 (*Multiple Holder Obligation*).

“National Bank of Hungary Obligation” means any obligation of the National Bank of Hungary (either directly or as provider of a Relevant Guarantee) and any Successor:

- (i) which has the Obligation Characteristic “Not Subordinated”, where solely for such purposes the definition of “Not Subordinated” shall be construed as if the National Bank of Hungary were the Reference Entity and no Reference Obligation has been specified;
- (ii) which is described by the Obligation Category specified in respect of the Republic of Hungary;
- (iii) which has each of the Obligation Characteristics specified in respect of the Republic of Hungary; and
- (iv) in relation to which the occurrence or existence of an NBH Event of Default will cause any obligation of the Republic of Hungary in respect of Borrowed Money to become, with the lapse of any grace period and subject to any other requirements under the terms of such Borrowed Money obligation (including requirements as to the amounts of such default), immediately due and payable pursuant to the terms of such Borrowed Money obligation,

and, for the purposes of the foregoing, the National Bank of Hungary shall be deemed to be a Reference Entity.

“National Bank of Hungary Deliverable Obligation” means any obligation of the National Bank of Hungary (either directly or as provider of a Relevant Guarantee) and any Successor:

- (i) which has the Deliverable Obligation Characteristic “Not Subordinated”, where solely for such purposes the definition of “Not Subordinated” shall be construed as if the National Bank of Hungary were the Reference Entity and no Reference Obligation has been specified;
- (ii) which is described by the Deliverable Obligation Category specified in respect of the Republic of Hungary;
- (iii) which has each of the Deliverable Obligation Characteristics specified in respect of the Republic of Hungary; and
- (iv) in relation to which the occurrence or existence of an NBH Event of Default will cause any obligation of the Republic of Hungary in respect of Borrowed Money to become, with the lapse of any grace period and subject to any other requirements under the terms of such Borrowed Money obligation (including requirements as to the amounts of such default), immediately due and payable pursuant to the terms of such Borrowed Money obligation.

“**NBH Event of Default**” means any failure by the National Bank of Hungary as issuer or obligor or guarantor of the relevant obligation, to make, when due any payment of principal or premium or prepayment charge or interest, if any, on such obligation.

“**Next Currency Fixing Time**” means 4.00 p.m. (London time) on a day on which commercial banks and foreign exchange markets are generally open to settle payments and which immediately follows the date on which the Notice of Physical Settlement or relevant NOPS Amendment Notice, as applicable, is effective.

“**No Auction Announcement Date**” means, with respect to a Credit Event, the date as determined by the Determination Agent on which the relevant CDS Information Publisher first publicly announces that (i) no Transaction Auction Settlement Terms and, if applicable, no Parallel Auction Settlement Terms will be published, (ii) following the occurrence of an M(M)R Restructuring, no Transaction Auction Settlement Terms will be published, but Parallel Auction Settlement Terms will be published, or (iii) the relevant Credit Derivatives Determinations Committee has Resolved that no Auction will be held following a prior public announcement by the relevant CDS Information Publisher to the contrary, in circumstances where either (a) no Parallel Auction will be held, or (b) one or more Parallel Auctions will be held. For the avoidance of doubt, a No Auction Announcement Date will not occur solely by reason of the Credit Linked Notes not being covered by any Credit Derivatives Auction Settlement Terms.

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

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

“**Non Credit Linked Interest Notes**” means Credit Linked Notes in respect of which (i) “Interest Accrual on Maturity” and (ii) other than in the case of Tranching Index Credit Linked Notes, “Credit Recovery on Maturity”, are specified as being applicable in the relevant Pricing Supplement.

“**Non-Delivery Determination**” has the meaning given to it in Credit Linked Condition 14.4 (*Partial Cash Redemption due to Impossibility or Illegality*).

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

“**Non-Standard Event Determination Date**” means, with respect to a Relevant Credit Event and a Series to which “Standard Event Determination Date” does not apply:

- (i) subject to paragraph (ii) of this definition, the Notice Delivery Date, if the Notice Delivery Date occurs during either the Notice Delivery Period or the Post Dismissal Additional Period, provided that neither (x) a DC Credit Event Announcement has occurred nor (y) a DC No Credit

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

- (ii) notwithstanding paragraph (i) of this definition, if a DC Credit Event Announcement has occurred and the Credit Event Resolution Request Date has occurred on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date) either:

- (a) the Credit Event Resolution Request Date, if either:

- (A) (I) Auction Redemption is not specified as the applicable Credit Event Redemption Method in the relevant Pricing Supplement; (II) the relevant Credit Event is not an M(M)R Restructuring; and (III) the Trade Date occurs on or prior to the date of the DC Credit Event Announcement, provided “Hedge-Linked Single Notifying Party” is not specified as applicable; or

- (B)

- (I) either:

- (x) “Hedge-Linked Single Notifying Party” is specified as applicable and Auction Redemption is specified as the applicable Credit Event Redemption Method in the relevant Pricing Supplement; or

- (y) the relevant Credit Event is an M(M)R Restructuring, provided “Hedge-Linked Single Notifying Party” is not specified as applicable; and

- (II) a Credit Event Notice is delivered by the Determination Agent to the Issuer for onward delivery to the Fiscal Agent and Noteholders and is effective on or prior to the Non-Standard Exercise Cut-off Date, or

- (b) the first date on which a Credit Event Notice is delivered by the Determination Agent to the Issuer for onward delivery to the Fiscal Agent and Noteholders and is effective during either the Notice Delivery Period or the period from, and including, the date of the DC Credit Event Announcement to, and including, the date that is 14 calendar days thereafter (provided, in each case, that the relevant Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date)), if either:

- (A)

- (I) Auction Redemption is not specified as the Credit Event Redemption Method in the relevant Pricing Supplement, provided “Hedge-Linked Single Notifying Party” is not specified as applicable;

- (II) the relevant Credit Event is not an M(M)R Restructuring; and

- (III) the Trade Date occurs following the date of the related DC Credit Event Announcement on or prior to a DC Announcement Coverage Cut-off Date; or

- (B)

- (I) “Hedge-Linked Single Notifying Party” is specified as applicable and the Trade Date occurs on or prior to a DC Announcement Coverage Cut-off Date; and

- (II) either:

- (x) Auction Redemption is not specified as the Credit Event Redemption Method in the relevant Pricing Supplement; or
- (y) Auction Redemption is specified as the Credit Event Redemption Method in the relevant Pricing Supplement and a Credit Event Notice is delivered by the Issuer to the Fiscal Agent and is effective on a date that is later than the relevant Non-Standard Exercise Cut-off Date,

provided that:

- (1) no Physical Redemption Date or full redemption of the Credit Linked Notes has occurred on or prior to the date on which the Applicable DC Credit Event Meeting Announcement occurs;
- (2) if any Valuation Date or Delivery Date in respect of the relevant Reference Entity has occurred on or prior to the date on which the Applicable DC Credit Event Meeting Announcement occurs, a Non-Standard Event Determination Date shall be deemed to have occurred only, with respect to the portion of (i) in the case of Single Name Credit Linked Notes, the Outstanding Aggregate Nominal Amount (or, if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Aggregate Accreted Nominal Amount) of the relevant Credit Linked Notes, with respect to which no Valuation Date or Delivery Date, as applicable, has occurred; or (ii) in the case of Basket Credit Linked Notes or Tranching Index Credit Linked Notes, the Outstanding Reference Entity Nominal Amount (or, if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Reference Entity Accreted Nominal Amount) of the relevant Affected Reference Entity, with respect to which no Valuation Date or Delivery Date, as applicable, has occurred; and
- (3) no Credit Event Notice specifying an M(M)R Restructuring as the only Credit Event has previously been delivered by the Issuer to the Fiscal Agent, in the case of Basket Credit Linked Notes or Tranching Index Credit Linked Notes, in respect of the relevant Reference Entity, (aa) unless the M(M)R Restructuring specified in such Credit Event Notice is also the subject of the Applicable DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date, (bb) unless, and to the extent that, the Exercise Amount specified in any such Credit Event Notice was less than (i) in the case of Single

Name Credit Linked Notes, the Outstanding Aggregate Nominal Amount (or, if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Aggregate Accreted Nominal Amount) of the relevant Credit Linked Notes; or (ii) in the case of Basket Credit Linked Notes or Tranche Index Credit Linked Notes, the Outstanding Reference Entity Nominal Amount (or, if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Reference Entity Accreted Nominal Amount) of the relevant Affected Reference Entity, or (cc) unless a representative credit derivative transaction economically equivalent to the Credit Linked Notes in unfunded format referencing the same Affected Reference Entity and (x) having identical deliverable obligation terms to one set of the Deliverable Obligation Terms of the relevant Credit Derivatives Auction Settlement Terms and to the Deliverable Obligation Provisions of the Credit Linked Notes; (y) in the case of M(M)R Restructuring, having a scheduled termination date which falls within the designated scheduled termination dates for the Applicable Auction and having similar tenor to the Credit Linked Notes (in each case, assuming “Auction Redemption” and a deemed occurrence of an Event Determination Date) would be a covered transaction for the purpose of the relevant Credit Derivatives Auction Settlement Terms and the deliverable obligations set out on the Final List are identical to the Deliverable Obligation Provisions applicable for such Series.

If no election is specified in the relevant Pricing Supplement, “Hedge-Linked Single Notifying Party” shall not apply.

“Non-Standard Exercise Cut-off Date” means, with respect to a Relevant Credit Event and a Series to which “Standard Event Determination Date” does not apply:

- (i) if such Credit Event is not an M(M)R Restructuring, either:
 - (a) the Relevant City Business Day prior to the Auction Final Price Determination Date, if any;
 - (b) the Relevant City Business Day prior to the Auction Cancellation Date, if any; or
 - (c) the date that is 14 calendar days following the No Auction Announcement Date, if any, as applicable; or
- (ii) if such Credit Event is an M(M)R Restructuring and:
 - (a) the relevant CDS Information Publisher publishes a Final List applicable to the Applicable Transaction Auction Settlement Terms and/or Parallel Auction Settlement

Terms, the date that is five Relevant City Business Days following the date on which such Final List is published; or

- (b) otherwise, the date that is 14 calendar days following the relevant No Auction Announcement Date.

“Non-Standard Reference Obligation” means each Original Non-Standard Reference Obligation or if a Substitute Reference Obligation has been determined in respect of any such Original Non-Standard Reference Obligation, the Substitute Reference Obligation.

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

“NOPS Amendment Notice” has the meaning given to it in the definition of “Notice of Physical Settlement”.

“Notes Extension Date” means the last day on which any Relevant Event Determination Date could occur, in the determination of the Determination Agent (taking into consideration the latest of (i) the last day of any “Notice Delivery Period” (ii) the last Credit Event Resolution Request Date which could occur up to the last day of any Notice Delivery Period; (iii) the last Relevant Event Determination Date which could occur 14 calendar days after a DC Credit Event Announcement; (iv) the last day of any Post Dismissal Additional Period; and (v) the last Standard Exercise Cut-off Date or Non-Standard Exercise Cut-off Date, as applicable).

“Notice-determined EDD” has the meaning given in Credit Linked Condition 9.2 (*Ordering of Event Determination Date following multiple Credit Events*).

“Notice Delivery Date” means the first date on which both an effective Credit Event Notice and, unless “Notice of Publicly Available Information” is specified as not applicable in relevant Pricing Supplement, an effective Notice of Publicly Available Information, has been delivered by the Determination Agent to the Issuer and the Fiscal Agent.

“Notice Delivery Period” means the period from and including the Trade Date to and including the date that is 14 calendar days after the Extension Date.

“Notice to Exercise Movement Option” with respect to a Series where (i) an M(M)R Restructuring is applicable and (ii) the Fallback Redemption Method would otherwise be applicable pursuant to Credit Linked Condition 12.1 (*Fallback Redemption*), a notice from the Determination Agent to the Issuer that (a) specifies the Parallel Auction Settlement Terms which shall be applicable in accordance with the exercise of the Movement Option and (b) is dated on or prior to the Movement Option Cut-off Date.

“Notice of Physical Settlement” means following the Determination Agent’s receipt of a Valid Physical Redemption Election Notice, a notice from the Determination Agent to the Issuer for onward delivery to the Fiscal Agent and Noteholders that (i) confirms that the Issuer intends to redeem the Credit Linked Notes (unless the relevant Pricing Supplement provide for multiple Deliveries) and requires performance in accordance with the provisions of Credit Linked Condition 14 (*Physical Redemption Terms*), (ii) specifies (a) the proposed Delivery Date, (b) if “Credit Unwind Costs” is specified as being applicable in the relevant Pricing Supplement, the Unwind Costs and (c) if applicable, the Delivery Expenses and/or Interest Suspension Shortfall Amount, (iii) contains a detailed description of each Deliverable Obligation that the Issuer or an Affiliate on behalf of the Issuer will, subject to Credit Linked Condition 14 (*Physical Redemption Terms*), Deliver to Noteholders (in aggregate) and, if available and applicable, the CUSIP or ISIN number (or, if such identifying number is not available, the rate and tenor) of each such Deliverable Obligation and (iv) specifies the Outstanding Principal Balance or Due and Payable Amount, as applicable, or the equivalent amount in the Settlement Currency (in each case, the **“Outstanding Amount”**) and, if different, the face amount, of each such Deliverable Obligation and the aggregate Outstanding Amount of all Deliverable Obligations specified in the Notice of Physical Settlement that the Issuer intends to Deliver (or procures an Affiliate to Deliver) to the Noteholders (the **“Aggregate Outstanding Amount”**). The Determination Agent may, from time to time, give notice to the Issuer for onward delivery to the Fiscal Agent and the Noteholders, in the manner specified above (each such notification, a **“NOPS Amendment Notice”**) that the Issuer is replacing, in whole or in part, one or more Deliverable Obligations specified in the Notice of Physical Settlement or a prior NOPS Amendment

Notice, as applicable, (to the extent the relevant Deliverable Obligation has not been Delivered as of the date such NOPS Amendment Notice is effective). A NOPS Amendment Notice shall contain a revised detailed description of each replacement Deliverable Obligation that the Issuer or an Affiliate on behalf of the Issuer will Deliver to Noteholders (each, a **“Replacement Deliverable Obligation”**) and shall also specify the Outstanding Amount of each Deliverable Obligation identified in the Notice of Physical Settlement or a prior NOPS Amendment Notice, as applicable, that is being replaced (with respect to each such Deliverable Obligation, the **“Replaced Deliverable Obligation Outstanding Amount”**). The Outstanding Amount of each Replacement Deliverable Obligation identified in a NOPS Amendment Notice shall be determined by applying the Revised Currency Rate to the relevant Replaced Deliverable Obligation Outstanding Amount. The Outstanding Amount of the Replacement Deliverable Obligations specified in any NOPS Amendment Notice in aggregate with the Outstanding Amount of the Deliverable Obligations specified in the Notice of Physical Settlement or any earlier NOPS Amendment Notice which, in each case, are not being replaced must not be greater than the Aggregate Outstanding Amount. Each such NOPS Amendment Notice must be effective on or prior to the Physical Redemption Date (determined without reference to any change resulting from such NOPS Amendment Notice). Notwithstanding the foregoing, (x) the Issuer or the Determination Agent may correct any errors or inconsistencies in the detailed description of each Deliverable Obligation contained in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, by notice to the Fiscal Agent prior to the relevant Delivery Date and (y) if Asset Package Delivery is applicable, the Determination Agent shall on or prior to the Delivery Date, notify the Issuer for onward delivery to the Fiscal Agent and the Noteholders of the description of the Asset Package, if any, that the Issuer (or an Affiliate on behalf of the Issuer) would Deliver to the Noteholders in lieu of the Prior Deliverable Obligation or Package Observable Bond, if any, specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable; it being understood in each case that such notice shall not constitute a NOPS Amendment Notice.

“Notice of Publicly Available Information” means an irrevocable notice from the Determination Agent to the Issuer and the Fiscal Agent that cites Publicly Available Information confirming the occurrence of the Credit Event or Potential Repudiation/Moratorium, as applicable, described in the Credit Event Notice or Repudiation/Moratorium Extension Notice. The notice given must contain a copy, or a description in reasonable detail, of the relevant Publicly Available Information. If “Notice of Publicly Available Information” is specified as being applicable in the relevant Pricing Supplement and the Credit Event Notice or Repudiation/Moratorium Extension Notice contains Publicly Available Information, such Credit Event Notice or Repudiation/Moratorium Extension Notice will also be deemed to be a Notice of Publicly Available Information. If no election is specified in the relevant Pricing Supplement, “Notice of Publicly Available Information” shall apply.

“Obligation” means (x) any obligation of the relevant Reference Entity (either directly or as provider of a Relevant Guarantee (or in respect of a Monoline Insurer Reference Entity, a Qualifying Policy)), determined pursuant to the method described in paragraph (i) (*Method for Determining Obligations*) below; and (y) the Reference Obligation,

in each case, unless it is an Excluded Obligation.

(i) **Method for Determining Obligations:**

For the purposes of paragraph (a) of the definition of “Obligation” above, an Obligation is each obligation of the relevant Reference Entity described by the Obligation Category specified in the relevant Pricing Supplement and having each of the Obligation Characteristics, if any, specified in the relevant Pricing Supplement, in each case, immediately prior, the Credit Event which is the subject of either the Credit Event Notice or the Applicable DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date, as applicable. The following terms shall have the following meanings:

(a) **“Obligation Category”** means Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan, only one of which shall be specified in the relevant Pricing Supplement, and:

(A) **“Bond”** means any obligation of a type included in the “Borrowed Money” Obligation Category that is in the form of, or represented by, a bond, note

(other than notes delivered pursuant to Loans), certificated debt notes or other debt notes and shall not include any other type of Borrowed Money;

- (B) **“Bond or Loan”** means any obligation that is either a Bond or a Loan;
 - (C) **“Borrowed Money”** means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding, unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit);
 - (D) **“Loan”** means any obligation of a type included in the “Borrowed Money” Obligation Category that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement and shall not include any other type of Borrowed Money;
 - (E) **“Payment”** means any obligation (whether present or future, contingent or otherwise) for the payment or repayment of money, including, without limitation, Borrowed Money; and
 - (F) **“Reference Obligation Only”** means any obligation that is a Reference Obligation and no Obligation Characteristics shall be applicable to Reference Obligation Only;
- (b) **“Obligation Characteristics”** means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed and Not Domestic Issuance, and:
- (A)
 - (I) **“Not Subordinated”** means an obligation that is not Subordinated to (x) the Reference Obligation or (y) the “Prior Reference Obligation” if applicable, provided that in respect of a Limited Recourse Obligation, this characteristic will be deemed to have been satisfied;
 - (II) **“Subordination”** means, with respect to an obligation (the **“Second Obligation”**) and another obligation of the relevant Reference Entity to which such obligation is being compared (the **“First Obligation”**), a contractual, trust or similar arrangement providing that (x) upon the liquidation, dissolution, reorganisation or winding up of the relevant Reference Entity, claims of the holders of the First Obligation are required to be satisfied prior to the claims of the holders of the Second Obligation or (y) the holders of the Second Obligation will not be entitled to receive or retain principal payments in respect of their claims against the relevant Reference Entity at any time that the relevant Reference Entity is in payment arrears or is otherwise in default under the First Obligation. “Subordinated” will be construed accordingly. For the purposes of determining whether Subordination exists or whether an obligation is Subordinated with respect to another obligation to which it is being compared, (1) the existence of preferred creditors arising by operation of law or of collateral, credit support or other credit enhancement or security arrangements shall not be taken into account, except that, notwithstanding the foregoing, priorities arising by operation of law shall be taken into account where the relevant Reference Entity is a Sovereign and (2) in the case of the Reference Obligation or the Prior Reference Obligation, as applicable, the ranking in priority of payment shall be determined as of the date as of which it was issued or incurred (or in circumstances where the Reference Obligation or

a Prior Reference Obligation is the Standard Reference Obligation and “Standard Reference Obligation” is applicable, then the priority of payment of the Reference Obligation or the Prior Reference Obligation, as applicable, shall be determined as of the date of selection) and, in each case, shall not reflect any change to such ranking in priority of payment after such date and further provided that, in respect of Senior Non-Preferred Notes or, in the case of Basket Credit Linked Notes or Tranching Index Credit Linked Notes, a Senior Non-Preferred Reference Entity, such definition shall be applied in the assessment of any Obligation without regard to how the Obligation is described by the laws of any relevant jurisdiction, including any characterisation of the Obligation as senior or unsubordinated by the laws of any relevant jurisdiction; and

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

may be) or intended to be offered for sale primarily in the domestic market of the relevant Reference Entity.

Notwithstanding the definition of “Obligation” above:

- (a) in respect of:
 - (A) a Hellenic Reference Entity, any obligation that is “Borrowed Money” that was issued or incurred, as the case may be, on or prior to 1 February 2012;
 - (B) an Ecuador Reference Entity, any obligation that is a “Bond” that was issued on or prior to 20 April 2020;
 - (C) an Argentine Reference Entity, any obligation that is a “Bond” that was issued on or prior to 31 August 2020;
 - (D) a Ukraine Reference Entity, any obligation that is a “Bond” that was issued on or prior to 1 November 2015; or
 - (E) a Venezuelan Covered Reference Entity, for so long as sanctions imposed by any and all Venezuelan Orders continue to subsist with respect to such Venezuelan Covered Reference Entity (as determined by the Credit Derivatives Determinations Committee), any obligation that is Restricted Debt,shall, in each case, be an “Excluded Obligation”; and
- (b) in respect of a Hungary Reference Entity, “Obligation” shall also include any National Bank of Hungary Obligation;
- (c) in respect of a Russian Reference Entity, any obligation that is, in the determination of the Determination Agent, an IAN, a MinFin or a PRIN shall not constitute an Obligation; or
- (d) in respect of an LPN Reference Entity, each Reference Obligation will be an Obligation regardless of whether such obligation is an obligation of such LPN Reference Entity.

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

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

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

“OFAC” means the United States Office of Foreign Asset Control.

“Optional Redemption Determination Date” has the meaning given to it in Credit Linked Condition 1.6 (*Redemption at the Non-Discretionary Option of the Issuer*).

“Original Aggregate Nominal Amount” means, on the Issue Date, the original aggregate nominal amount of the Credit Linked Notes of such Series specified in the relevant Pricing Supplement.

“Original Non-Standard Reference Obligation” means:

- (i) in the case of Single Name Credit Linked Notes, each obligation of the relevant Reference Entity (either directly or as provider of a Guarantee) or in respect of a Monoline Insurer Reference Entity, a Qualifying Policy which is specified as a Reference Obligation in the relevant Pricing Supplement (if any is so specified), provided that if an obligation is not an obligation of the

relevant Reference Entity, such obligation will not constitute a valid Original Non-Standard Reference Obligation (other than for the purposes of determining the Seniority Level and for the “Not Subordinated” Obligation Characteristic or “Not Subordinated” Deliverable Obligation Characteristic) unless the relevant Series of Credit Linked Notes is a Reference Obligation Only Series;

- (ii) in the case of Linear Basket Credit Linked Notes, each obligation of the relevant Reference Entity (either directly or as provider of a Guarantee) or in respect of a Monoline Insurer Reference Entity, a Qualifying Policy which is specified as a Reference Obligation in the relevant Pricing Supplement (if any is so specified), provided that if an obligation is not an obligation of the relevant Reference Entity, such obligation will not constitute a valid Original Non-Standard Reference Obligation (other than for the purposes of determining the Seniority Level and for the “Not Subordinated” Obligation Characteristic or “Not Subordinated” Deliverable Obligation Characteristic) unless such Reference Entity is a Reference Obligation Only Reference Entity; or
- (iii) in the case of Untranched Index Credit Linked Notes or Tranching Index Credit Linked Notes, the Reference Obligation (if any) set out opposite the relevant Reference Entity in the Index Annex.

“Outstanding Accreted Nominal Amount” means, in respect of a Single Name Credit Linked Note, an amount per Note equal to such Single Name Credit Linked Note’s *pro rata* share of the Outstanding Aggregate Accreted Nominal Amount of the relevant Series.

“Outstanding Aggregate Accreted Nominal Amount” means, in respect of Zero Coupon Notes and if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, on any day, an amount equal to:

- (i) in respect of Single Name Credit Linked Notes, the product of:
 - (a)
 - (x) 100 per cent.; or
 - (y) if no Relevant Event Determination Dates have occurred and the Credit Linked Notes have been redeemed in part, the outstanding aggregate principal amount of the Credit Linked Notes in the Series divided by the initial aggregate principal amount of the Credit Linked Notes in the Series (expressed as a percentage); or
 - (z) if an M(M)R Restructuring and a corresponding Relevant Event Determination Date has occurred, and the Credit Linked Notes have been redeemed in part, the Percentage of Unexercised Accreted Notes in the Series; and
 - (b) an amount equal to the Aggregate Accreted Nominal Amount as at the first Relevant Event Determination Date; or
- (ii) in respect of Basket Credit Linked Notes, the sum of the Outstanding Reference Entity Accreted Nominal Amounts in respect of each Reference Entity on such day,

in each case taking into account (without double counting) any partial redemptions, amortisations, cancellations or further issues of the Credit Linked Notes of such Series on or prior to such date. If a successor event has occurred and a Relevant Event Determination Date has subsequently occurred in respect of a Single Name Successor Entity, the Outstanding Aggregate Accreted Nominal Amount shall be construed in accordance with Credit Linked Condition 19 (*Successor Provisions*).

“Outstanding Aggregate Nominal Amount” means, on any day, an amount equal to:

- (i) in respect of Single Name Credit Linked Notes:
 - (a) the Original Aggregate Nominal Amount; minus

- (b) the aggregate of all Applicable Proportions in respect of such Credit Linked Notes relating to previous Relevant Credit Events; or
- (ii) in respect of Basket Credit Linked Notes, the sum of the Outstanding Reference Entity Nominal Amounts in respect of each Reference Entity on such day,

in each case, taking into account (without double counting) any partial redemptions, amortisations, cancellations or further issues of the Credit Linked Notes of such Series on or prior to such date.

“Outstanding Aggregate Tranche Nominal Amount” means, in respect of any day, an amount (subject to a minimum of zero) equal to (i) the Original Aggregate Nominal Amount of the Notes less (ii) the sum, for each Relevant Event Determination Date which has occurred on or prior to such date and with effect from the date of such Relevant Event Determination Date (notwithstanding its later determination as applicable), of the Writedown Amount in respect of the relevant Affected Reference Entity and such Relevant Event Determination Date.

“Outstanding Amount” has the meaning given to that term in the definition of “Notice of Physical Settlement”.

“Outstanding Redemption Amount” means, in respect of each Single Name Credit Linked Note, unless otherwise specified in the Pricing Supplement, an amount calculated by the Determination Agent equal to the greater of:

- (i) zero; and
- (ii) such Credit Linked Note’s *pro rata* share of the Outstanding Aggregate Nominal Amount (or if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Aggregate Accreted Nominal Amount (provided that if a successor event occurs and more than one Successor has been identified, the Determination Agent shall, in its sole discretion, determine such Outstanding Aggregate Accreted Nominal Amount by taking into account the first Relevant Event Determination Date in respect of each Successor, if applicable)).

“Outstanding Reference Entity Accreted Nominal Amount” means, in respect of a Reference Entity if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement and subject to the provisions of Credit Linked Condition 19 (*Successor Provisions*), on any day, an amount equal to:

- (i) the product of:
 - (a)
 - (A) 100 per cent.; or
 - (B) if no Relevant Event Determination Dates have occurred and the Credit Linked Notes have been redeemed in part, the outstanding aggregate principal amount of the Credit Linked Notes in the Series divided by the initial aggregate principal amount of the Credit Linked Notes in the Series (expressed as a percentage); or
 - (C) if an M(M)R Restructuring and a corresponding Relevant Event Determination Date has occurred in respect of such Reference Entity, and the Credit Linked Notes have been redeemed in part, the Percentage of Unexercised Accreted Notional in respect of such Reference Entity; and
 - (b) an amount equal to the Reference Entity Accreted Nominal Amount as at the first Relevant Event Determination Date for such Reference Entity; minus
- (ii) the aggregate of the Applicable Proportions in respect of the Credit Linked Notes relating to previous Relevant Credit Events in respect of such Reference Entity other than an M(M)R Restructuring,

taking into account (without double counting) any partial redemptions, amortisations, cancellations or further issues of the Credit Linked Notes of such Series on or prior to such date. If a successor event has occurred and a Relevant Event Determination Date has subsequently occurred, the Outstanding Reference Entity Accreted Nominal Amount shall be construed in accordance with Credit Linked Condition 19 (*Successor Provisions*).

“Outstanding Reference Entity Nominal Amount” means, in respect of a Reference Entity and any day and subject to the provisions of Credit Linked Condition 19 (*Successor Provisions*), an amount equal to:

- (i) the Reference Entity Nominal Amount in respect of such Reference Entity; minus
- (ii) (a) in the case of Basket Credit Linked Notes, the aggregate of all Applicable Proportions in respect of the Credit Linked Notes relating to previous Relevant Credit Events in respect of such Reference Entity or (b) in the case of Tranching Index Credit Linked Notes, the aggregate of all Exercise Amounts relating to previous M(M)R Restructurings in respect of such Reference Entity,

taking into account (without double counting) any partial redemptions, amortisations, cancellations or further issues of the Credit Linked Notes of the relevant Series on or prior to such date. If a successor event has occurred and a Relevant Event Determination Date has subsequently occurred, the Outstanding Reference Entity Nominal Amount shall be construed in accordance with Credit Linked Condition 19 (*Successor Provisions*).

“Outstanding Nominal Amount” means, in respect of a Single Name Credit Linked Note, an amount per Note equal to such Single Name Credit Linked Note’s *pro rata* share of the Outstanding Aggregate Nominal Amount of the relevant Series.

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

- (i) first, by determining, in respect of the obligation, the amount of the relevant Reference Entity’s principal payment obligations and subject to the Determination Agent’s determination to include (rather than exclude) accrued but unpaid interest, the relevant Reference Entity’s accrued but unpaid interest payment obligations, which in the case of a Guarantee (or in respect of a Monoline Insurer Reference Entity, a Qualifying Policy), will be the lower of (a) the Outstanding Principal Balance (if the Determination Agent so determines, including accrued but unpaid interest) of the Underlying Obligation (or Insured Instrument, as applicable) (determined as if references to the relevant Reference Entity were references to the Underlying Obligor (or Insured Obligor, as applicable)) and (b) the amount of the Fixed Cap (if any);
- (ii) second, by subtracting an amount equal to: (a) Unwind Costs (if “Credit Unwind Costs” is specified as being applicable in the relevant Pricing Supplement), the Delivery Expenses and Interest Suspension Shortfall Amount, in each case, if any (rounded down to the nearest integral authorised denomination of the relevant obligations); plus (b) all or any portion of such amount which, pursuant to the terms of the obligation, (A) is subject to any Prohibited Action, or (B) may otherwise be reduced as a result of the effluxion of time or the occurrence or non-occurrence of an event or circumstance (other than by way of (I) payment or (II) a Permitted Contingency) (the amount determined in paragraph (i) above less any amounts subtracted in accordance with this paragraph (ii)), the **“Non-Contingent Amount”** (provided that, in respect of a Monoline Insurer Reference Entity, any provisions of an Insured Instrument limiting recourse in respect of such Insured Instrument to the proceeds of specified assets (including proceeds subject to a priority of payments) or reducing the amount of any Instrument Payments owing under such Insured Instrument, shall be disregarded for the purposes of this paragraph (ii), provided that such provisions are not applicable to the Qualifying Policy by the terms thereof and the Qualifying Policy continues to guarantee or insure, as applicable, the Instrument Payments that would have been required to be made absent any such limitation or reduction); and
- (iii) third, by determining the Quantum of the Claim, which shall then constitute the Outstanding Principal Balance,

in each case, determined:

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

For the purpose of this definition of “Outstanding Principal Balance”:

- (A) “**applicable laws**” shall include any bankruptcy or insolvency law or other law affecting creditors’ rights to which the relevant obligation is, or may become, subject;
- (B) “**Quantum of the Claim**” means the lowest amount of the claim which could be validly asserted against the relevant Reference Entity in respect of the Non-Contingent Amount if the obligation had become redeemable, been accelerated, terminated or had otherwise become due and payable at the time of the relevant determination, provided that the Quantum of the Claim cannot exceed the Non-Contingent Amount; and
- (C) If “2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)” and “Fallback Discounting” apply, then notwithstanding the above, if (I) the Outstanding Principal Balance of an obligation is not reduced or discounted under paragraph (iii)(b) above, (II) that obligation is either a Bond that has an issue price less than 95 per cent. of the principal redemption amount or a Loan where the amount advanced is less than 95 per cent. of the principal repayment amount and, (III) such Bond or Loan does not include provisions relating to the accretion over time of the amount which would be payable on an early redemption or repayment of such Bond or Loan that are customary for the applicable type of Bond or Loan as the case may be, then the Outstanding Principal Balance of such Bond or Loan shall be the lesser of (x) the Non-Contingent Amount; and (y) an amount determined by straight line interpolation between the issue price of the Bond or the amount advanced under the Loan and the principal redemption amount or principal repayment amount, as applicable.
- (D) For the purposes of determining whether the issue price of a Bond or the amount advanced under a Loan is less than 95 per cent. of the principal redemption amount or principal repayment amount (as applicable) or, where applicable, for applying straight line interpolation:
 - (I) where such Bond or Loan was issued as a result of an exchange offer, the issue price or amount advanced of the new Bond or Loan resulting from the exchange shall be deemed to be equal to the aggregate Outstanding Principal Balance of the original obligation(s) that were tendered or exchanged (the “**Original Obligation(s)**”) at the time of such exchange (determined without regard to market or trading value of the Original Obligation(s)); and
 - (II) in the case of a Bond or Loan that is fungible with a prior debt obligation previously issued by the relevant Reference Entity, such Bond or Loan shall be treated as having the same issue price or amount advanced as the prior debt obligation.

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

In respect of a Monoline Insurer Reference Entity, any provisions of an Insured Instrument limiting recourse in respect of such Insured Instrument to the proceeds of specified assets (including proceeds subject to a priority of payments) or reducing the amount of any Instrument Payments owing under such Insured Instrument, shall be disregarded for the purposes of paragraph (b) above, provided that such provisions are not applicable to the Qualifying Policy by the terms thereof and the Qualifying Policy continues to guarantee or insure, as applicable, the Instrument Payments that would have been required to be made absent any such limitation or reduction.

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

“Parallel Auction” means the “Auction” which is the subject of the relevant Parallel Auction Settlement Terms.

“Parallel Auction Cancellation Date” means the “Auction Cancellation Date” in respect of the relevant Parallel Auction Settlement Terms.

“Parallel Auction Settlement Terms” means, following the occurrence of an “M(M)R Restructuring”, any Credit Derivatives Auction Settlement Terms published by ISDA with respect to such an M(M)R Restructuring if the Determination Agent determines in its discretion, acting in a commercially reasonable manner, that the relevant Deliverable Obligation Terms are the same as the Deliverable Obligation Provisions applicable to the relevant Credit Linked Notes and for which a representative credit derivative transaction economically equivalent to the Credit Linked Notes in unfunded format referencing the same Affected Reference Entity and a scheduled termination date of the Credit Risk Cut-off Date (assuming Auction Redemption and the deemed occurrence of an “Event Determination Date”) which has identical deliverable obligation terms to the Deliverable Obligation Provisions of the Credit Linked Notes and Deliverable Obligation Terms of the relevant auction settlement terms under consideration but would not be a covered transaction (due to the range of designated scheduled termination dates for the relevant auction settlement terms under consideration or otherwise) for the purpose of the relevant Credit Derivatives Auction Settlement Terms.

“Partial Amount” means, in respect of a Merger Event or a Substitution Event (as applicable), the proportion that the Outstanding Reference Entity Nominal Amount (or if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Reference Entity Accreted Nominal Amount) of the Merger Reference Entity or the relevant Reference Obligation Only Reference Entity, as applicable, bears to the Outstanding Aggregate Nominal Amount (or the Outstanding Aggregate Accreted Nominal Amount, as applicable) multiplied by, in the case of Tranche Index Credit Linked Notes, the Tranche Size.

“Payment/Delivery Failure Event” means, in each case as determined by the Determination Agent in its discretion, acting in a commercially reasonable manner, that:

- (i) it is impossible, impracticable or illegal for the Issuer to pay (due to an event beyond the control of the Issuer), or for a Noteholder to accept payment of (due to an event beyond the control of such Noteholder), any cash amount (including, without limitation, any portion of the relevant redemption amount, in respect of the Credit Linked Notes) required to be paid by the Issuer on the date intended for such payment and such event preventing the payment or acceptance is not cured by the affected party; or
- (ii) the relevant definitive Credit Linked Notes (where applicable) and/or the Physical Redemption Election Notice are not delivered in accordance with Credit Linked Condition 14.1 (*Delivery of Physical Redemption Assets*) or the Noteholder (as the intended recipient) has failed to duly execute, deliver and/or accept a transfer certificate or other transfer document on or before any Delivery Date and/or specify a date for transfer of the relevant Deliverable Obligation that is on or before any Delivery Date, in each case in accordance with the terms of the relevant Deliverable Obligation.

“Payment Failure Cut-Off Date” has the meaning given to it in Credit Linked Condition 17.1 (*Payment/Delivery Failure Event – failure to pay*).

“Payment Requirement” means the amount specified as such in the relevant Pricing Supplement or its equivalent in the relevant Obligation Currency (or, if no such amount is specified, USD 1,000,000 or its equivalent in the relevant Obligation Currency) in either case as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as appropriate.

“Percentage of Unexercised Accreted Notes” means, in respect of a Reference Entity and any day and following the occurrence of a M(M)R Restructuring, an amount (expressed as a percentage) equal to the product of:

- (i) an amount equal to:
 - (a) (1) in the case of Single Name Credit Linked Notes, the Original Aggregate Nominal Amount; or (2) in the case of Basket Credit Linked Notes, the Reference Entity Nominal Amount in respect of such Reference Entity minus the sum of each Rebased Exercised Amount in respect of all deliveries of Credit Event Notice(s) prior to such day in respect of such Reference Entity; divided by
 - (b) (1) in the case of Single Name Credit Linked Notes, the Original Aggregate Nominal Amount; or (2) in the case of Basket Credit Linked Notes, the Reference Entity Nominal Amount in respect of such Reference Entity; and
- (ii) 100.

“Period End Date” means each date set out in the first column of the table in the definition of (i) in the case of Single Name Credit Linked Notes, “Aggregate Accreted Nominal Amount”; (ii) in the case of Basket Credit Linked Notes, “Reference Entity Accreted Nominal Amount”, in each case in the relevant Pricing Supplement.

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

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

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

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

transfer of all (or substantially all) of the assets of the relevant Reference Entity to the same single transferee.

“**Physical Redemption Assets**” means, in respect of Credit Linked Notes for which pursuant to Credit Linked Condition 14 (*Physical Redemption Terms*) the “Physical Redemption Terms” are applicable, subject to Credit Linked Condition 18 (*Effect of DC Resolutions and Event Determination Dates*), such Deliverable Obligations as may be selected by the Determination Agent in its sole and absolute discretion with:

- (i) an Outstanding Principal Balance (as determined by the Determination Agent in its discretion, acting in a commercially reasonable manner, on the date of the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable), in respect of Deliverable Obligations that are Borrowed Money Obligations;
- (ii) a Due and Payable Amount, in respect of Deliverable Obligations that are not Borrowed Money Obligations (or in either case, the equivalent Currency Amount thereof),

in each case, equal to:

- (a) subject to paragraphs (b) and (c) below:
 - (A) in the case of Single Name Credit Linked Notes, (x) if the Credit Linked Notes are settling in part, in respect of each Credit Linked Note, the Applicable Proportion or (y) if the Credit Linked Notes are settling in full, in respect of all Credit Linked Notes of the Series, the Outstanding Aggregate Nominal Amount of such Credit Linked Notes, in each case, as determined by the Determination Agent in its discretion, acting in a commercially reasonable manner; or
 - (B) in the case of Basket Credit Linked Notes, the Applicable Proportion, as determined by the Determination Agent in its discretion, acting in a commercially reasonable manner; or
- (b) subject to paragraph (c) below, if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement:
 - (A) in the case of Single Name Credit Linked Notes, (x) if the Credit Linked Notes are settling in part, in respect of each Credit Linked Note, the Applicable Proportion or (y) if the Credit Linked Notes are settling in full, the Outstanding Aggregate Accreted Nominal Amount of such Credit Linked Notes, in each case, as determined by the Determination Agent in its discretion, acting in a commercially reasonable manner, as at the Relevant Event Determination Date; or
 - (B) in the case of Basket Credit Linked Notes, the Applicable Proportion, as determined by the Determination Agent in its discretion, acting in a commercially reasonable manner, as at the Relevant Event Determination Date; or
- (c) if “Capital Not At Risk” is specified as being applicable in the relevant Pricing Supplement and if greater than the amount determined pursuant to paragraph (a) or (b) (as applicable) above, an amount equal to each Credit Linked Note’s *pro rata* share of the product of:
 - (A) (1) in the case of Single Name Credit Linked Notes, the Outstanding Aggregate Nominal Amount (or if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Aggregate Accreted Nominal Amount determined as at the Relevant Event Determination Date); or (2) in the case of Basket Credit Linked Notes, the Outstanding Reference Entity Nominal Amount (or if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the

Outstanding Reference Entity Accreted Nominal Amount determined as at the Relevant Event Determination Date); and

(B) the Protection Percentage.

Where “Capital Not At Risk” is specified as being not applicable, if the amount of the Physical Redemption Assets is less than zero, no Deliverable Obligations will be required to be Delivered and the amount of the Physical Redemption Assets will be deemed to be zero.

If an Asset Package Credit Event has occurred and a Prior Deliverable Obligation or Package Observable Bond which would otherwise have been included in the Physical Redemption Assets has been converted into an Asset Package, then references in this definition of “Physical Redemption Assets” to “Deliverable Obligations” shall be references to the resulting Asset Package and the Asset Package shall be treated as having the same currency and Outstanding Principal Balance as the relevant Prior Deliverable Obligation or Package Observable Bond. The Determination Agent will determine if the Outstanding Principal Balance of the Deliverable Obligations being Delivered will exclude or include accrued but unpaid interest and, if applicable, the amount thereof.

“**Physical Redemption Conditions**” means, (i) a Single Noteholder holds 100% of the Credit Linked Notes outstanding and (ii) such Single Noteholder has delivered a Valid Physical Redemption Election Notice in accordance with Credit Linked Condition 14 (*Physical Redemption Terms*).

“**Physical Redemption Date**” means the last day of the longest Physical Settlement Period following the date of effective delivery of the Notice of Physical Settlement or NOPS Amendment Notice, as applicable. If all Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable are Delivered on or before that Physical Redemption Date, the date that the Issuer completes Delivery of such Deliverable Obligations shall be the Scheduled Maturity Date.

“**Physical Redemption Election Notice**” means a physical redemption election notice, substantially in the form of the Appendix hereto, with such amendments approved by the Issuer from time to time.

“**Physical Settlement Matrix**” means, where “Physical Settlement Matrix Standard Terms” applies to any Series of Credit Linked Notes (notwithstanding that the Credit Event Redemption Method for such Notes may not be Physical Redemption), the terms applicable to one or more Transaction Type(s) in respect of the relevant Reference Entity(ies) of such Series of Credit Linked Notes as set out in the applicable Pricing Supplement, provided that in the event of any inconsistency between (i) Part A (Contractual Terms) of the relevant Pricing Supplement and (ii) any schedule or appendix to such Pricing Supplement, Part A (Contractual Terms) of the Pricing Supplement will prevail.

“**Physical Settlement Period**” means, subject to the provisions of Credit Linked Condition 18.4 (*Redemption Suspension*), the number of Business Days specified as such in the relevant Pricing Supplement or, if a number of Business Days is not so specified, then with respect to a Deliverable Obligation specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, the longest number of Business Days for settlement in accordance with then current market practice of such Deliverable Obligation, as the Determination Agent shall determine; provided that if the Determination Agent has notified the Issuer (who, in turn, has notified the Fiscal Agent and Noteholders), that it intends to Deliver an Asset Package in lieu of a Prior Deliverable Obligation or a Package Observable Bond, the Physical Settlement Period shall be 30 Business Days.

“**Post Dismissal Additional Period**” means the period from and including the date of the Applicable DC Credit Event Question Dismissal to and including the date that is 14 calendar days thereafter (provided that the relevant Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date)).

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

“**Potential Incurred Loss Amount**” means, in respect of a Reference Entity, an amount equal to the Incurred Loss Amount calculated assuming that a Relevant Event Determination Date has occurred with

respect to such Reference Entity and that the Credit Event Redemption Loss Amount equals the relevant Outstanding Reference Entity Nominal Amount.

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

“PRIN” means any Vnesheconombank’s loan arising under a Restructuring Agreement and an Exchange Agreement, dated as of 6 October 1997, among Vnesheconombank of the USSR, the Closing Agent and Participating Creditors named therein.

“Prior Deliverable Obligation” means:

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

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

“Protection Percentage” means the capital protection percentage as specified in the relevant Pricing Supplement.

“Prohibited Action” means any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in paragraphs (i) to (iv) of the definition of “Credit Event”) or right of set-off by or of the relevant Reference Entity or any applicable Underlying Obligor. In respect of a Monoline Insurer Reference Entity, for the purposes of this definition, references to the Underlying Obligation and the Underlying Obligor shall be deemed to include Insured Instruments and the Insured Obligor, respectively.

“Public Source” means each source of Publicly Available Information specified as such in the relevant Pricing Supplement (or, if no such source is specified, each of Bloomberg, Reuters, Dow Jones Newswires, The Wall Street Journal, The New York Times, Nihon Keizai Shimbun, Asahi Shimbun, Yomiuri Shimbun, Financial Times, La Tribune, Les Echos, The Australian Financial Review and Debtwire (and successor publications), the main source(s) of business news in the country in which the relevant Reference Entity is organised and any other internationally recognised published or electronically displayed news sources).

“Publicly Available Information” means information that reasonably confirms any of the facts relevant to the determination that the Credit Event or Potential Repudiation/Moratorium, as applicable, described in a Credit Event Notice or Repudiation/Moratorium Extension Notice have occurred and which (i) has been published in or on not less than the Specified Number of Public Sources, regardless of whether the reader or user thereof pays a fee to obtain such information; (ii) is information received from or published by (a) the relevant Reference Entity (or if the relevant Reference Entity is a Sovereign, any agency, instrumentality, ministry, department or other authority thereof acting in a governmental capacity (including, without limiting the foregoing, the central bank) of such Sovereign) or (b) a trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for an Obligation, or (iii) is information contained in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body; provided that where any information of the type described in paragraphs (ii) or (iii) of this definition is not publicly available, it can only constitute Publicly Available Information if it can be made

public without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information.

In relation to any information of the type described in paragraphs (ii) and (iii) in the first paragraph of this definition, the party receiving such information may assume that such information has been disclosed to it without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information and that the party delivering such information has not taken any action or entered into any agreement or understanding with the relevant Reference Entity or any Affiliate of the relevant Reference Entity that would be breached by, or would prevent, the disclosure of such information to the party receiving such information.

Without limitation, Publicly Available Information need not state (A) in relation to the definition of “Downstream Affiliate”, the percentage of Voting Shares owned by the relevant Reference Entity and (B) that the relevant occurrence (I) has met the Payment Requirement or Default Requirement, (II) is the result of exceeding any applicable Grace Period or (III) has met the subjective criteria specified in certain Credit Events.

In relation to a Repudiation/Moratorium Credit Event, Publicly Available Information must relate to the events described in paragraphs (i) and (ii) of the definition of “Repudiation/Moratorium”.

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

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

A Qualifying Guarantee shall not include any guarantee:

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

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

In order for a guarantee to constitute a Qualifying Guarantee: (x) the benefit of such guarantee must be capable of being Delivered together with the Delivery of the Underlying Obligation; and (y) if a guarantee contains a Fixed Cap, all claims to any amounts which are subject to such Fixed Cap must be capable of being Delivered together with the Delivery of such Guarantee.

“**Qualifying Policy**” means, in respect of a Monoline Insurer Reference Entity, a financial guarantee insurance policy or similar financial guarantee pursuant to which such Monoline Insurer Reference Entity irrevocably guarantees or insures all Instrument Payments of an instrument that constitutes Borrowed Money (modified as set forth below) (the “**Insured Instrument**”) for which another party (including a special purpose entity or trust) is the obligor (the “**Insured Obligor**”). Qualifying Policies shall exclude

any arrangement (i) structured as a surety bond, letter of credit or equivalent legal arrangement or (ii) pursuant to the express contractual terms of which the payment obligations of the relevant Reference Entity can be discharged or reduced as a result of the occurrence or non-occurrence of an event or circumstance (other than the payment of Instrument Payments). The benefit of a Qualifying Policy must be capable of being Delivered together with the Delivery of the Insured Instrument.

In the event that an Obligation or a Deliverable Obligation is a Qualifying Policy, the terms of the definition of “**Qualifying Guarantee**” will apply, with references to the Relevant Guarantee, the Underlying Obligation and the Underlying Obligor deemed to include the Qualifying Policy, the Insured Instrument and the Insured Obligor, respectively, except that:

- (i) the Obligation Category “**Borrowed Money**” and the Obligation Category and Deliverable Obligation Category “**Bond**” shall be deemed to include distributions payable under an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the Deliverable Obligation Category “**Bond**” shall be deemed to include such an Insured Instrument, and the terms “**obligation**” and “**obligor**” as used in these Credit Linked Conditions (as supplemented by the “Monoline Supplement”) in respect of such an Insured Instrument shall be construed accordingly;
- (ii) references in the definitions of “**Assignable Loan**” and “**Consent Required Loan**” to the guarantor and guaranteeing shall be deemed to include the insurer and insuring, respectively;
- (iii) neither the Qualifying Policy nor the Insured Instrument must satisfy on the relevant date the Deliverable Obligation Characteristic of “**Accelerated or Matured**”, whether or not that characteristic is otherwise specified as applicable in the relevant Pricing Supplement in respect of the Transaction Type;
- (iv) if the “**Assignable Loan**”, “**Consent Required Loan**”, “**Direct Loan Participation**” or “**Transferable Deliverable Obligation Characteristics**” are specified in the relevant Pricing Supplement in respect of the Transaction Type and if the benefit of the Qualifying Policy is not transferred as part of any transfer of the Insured Instrument, the Qualifying Policy must be transferable at least to the same extent as the Insured Instrument;
- (v) with respect to an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the term “**maturity**”, as such term is used in the “**Maximum Maturity**” Deliverable Obligation Characteristic, shall mean the specified date by which the Qualifying Policy guarantees or insures, as applicable, that the ultimate distribution of the Certificate Balance will occur; and
- (vi) with respect to a Qualifying Policy and an Insured Instrument, only the Qualifying Policy must satisfy on the relevant date or dates the “**Not Subordinated**” Obligation Characteristic or Deliverable Obligation Characteristic, if applicable.

“**Quotation**” means each Full Quotation and the Weighted Average Quotation obtained and expressed as a percentage of the Reference Obligation’s Outstanding Principal Balance or Due and Payable Amount (or if a Quotation is being obtained in respect of the Asset Package resulting from any Prior Deliverable Obligation or Package Observable Bond, the Outstanding Principal Balance of the relevant Prior Deliverable Obligation or Package Observable Bond immediately prior to the Asset Package Credit Event), as applicable, with respect to a Valuation Date in the manner that follows:

- (i) The Determination Agent shall attempt to obtain Full Quotations with respect to each Valuation Date from five or more Quotation Dealers. If the Determination Agent is unable to obtain two or more such Full Quotations on the same Business Day within three Business Days of a Valuation Date, then on the next following Business Day (and, if necessary, on each Business Day thereafter until the tenth Business Day following the relevant Valuation Date) the Determination Agent shall attempt to obtain Full Quotations from five or more Quotation Dealers and, if two or more Full Quotations are not available, a Weighted Average Quotation.
- (ii) If the Determination Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation on the same Business Day on or prior to the tenth Business Day following the applicable Valuation Date, the Quotations shall be deemed to be any Full Quotation obtained

from a Quotation Dealer at the Valuation Time on such tenth Business Day, or if no Full Quotation is obtained on such tenth Business Day, the quotation shall be deemed to be zero for the Quotation Amount for which firm quotations were not obtained on such day.

“Quotation Amount” means, unless otherwise specified in the relevant Pricing Supplement, an amount determined by the Determination Agent, which (i) is and when added to the aggregate Quotation Amount(s) of any other Valuation Obligation(s) of a relevant Reference Entity for which Full Quotations are to be obtained, not in excess of an amount equal to the aggregate sum of the Applicable Proportion for each outstanding Credit Linked Note in the Series or, in the case of Tranching Index Credit Linked Notes, the relevant Reference Entity Nominal Amount (or, if "Accreting Recovery Zero Coupon Credit Linked Note" is specified as Applicable in the applicable Pricing Supplement, the Reference Entity Accreted Notional Amount) or in each case its equivalent in the relevant Obligation Currency, which shall be converted by the Determination Agent in a commercially reasonable manner by reference to exchange rates in effect at the time that the relevant Quotation is being obtained and (ii) is not less than zero. Where an Asset Package Credit Event has occurred and a Deliverable Obligation has been converted into an Asset Package, the Quotation Amount for all or any part of the Asset Package shall be such amount as the Determination Agent determines appropriate in its sole and absolute discretion or its equivalent in the relevant Obligation Currency, which shall be converted by the Determination Agent acting in a commercially reasonable manner by reference to exchange rates in effect at the time that the relevant Quotation is being obtained.

“Quotation Dealer” means, a dealer (which may be one or more of the Issuer’s affiliates) in obligations of the type of Obligation(s) for which Quotations are to be obtained, including any Quotation Dealer if specified in the relevant Pricing Supplement, as selected by the Determination Agent in its discretion, acting in good faith and in a commercially reasonable manner. Upon a Quotation Dealer no longer being in existence (with no successors), or not being an active dealer in the obligations of the type for which Quotations are to be obtained, the Determination Agent may, in its discretion, acting in a commercially reasonable manner, substitute any such Quotation Dealer(s) for one or more of the foregoing.

“Quotation Method” means a method of quotation where only bid quotations shall be requested from Quotation Dealers.

“Rebased Exercised Amount” means in respect of each delivery of a Credit Event Notice following the occurrence of a M(M)R Restructuring in respect of a Reference Entity, an amount equal to the product of:

- (i) the corresponding Exercise Amount; and
- (ii) an amount equal to (a) in the case of Single Name Credit Linked Notes, the Original Aggregate Nominal Amount divided by the Aggregate Accreted Nominal Amount as at the date of delivery of such Credit Event Notice; or (b) in the case of Basket Credit Linked Notes, the Reference Entity Nominal Amount divided by the Reference Entity Accreted Nominal Amount as at the date of delivery of such Credit Event Notice, in each case in respect of such Reference Entity.

“Redemption Price” means the amount as specified in the relevant Pricing Supplement.

“Redemption Suspension Notice” has the meaning given to that term in Credit Linked Condition 18.4 (*Redemption Suspension*).

“Reference Entity” means, subject to the provisions of Credit Linked Condition 19 (*Successor Provisions*):

- (i) in the case of Single Name Credit Linked Notes, the entity specified as such in the relevant Pricing Supplement;
- (ii) in the case of Linear Basket Credit Linked Notes, each entity specified as such in the relevant Pricing Supplement;
- (iii) in the case of Untranching Index Credit Linked Notes or Tranching Index Credit Linked Notes, each Reference Entity contained in the Reference Index and listed in the Index Annex described in the relevant Pricing Supplement.

“Reference Entity Accreted Nominal Amount” means, in respect of a Reference Entity and any day and subject to the provisions of Credit Linked Condition 19 (*Successor Provisions*), an amount equal to the product of:

- (i) (a) the amount set out in the relevant Pricing Supplement corresponding to the Period End Date falling on, or immediately prior to, such day; or (b) if such day falls prior to the first Period End Date, the amount set out in the relevant Pricing Supplement corresponding to the Issue Date; and
- (ii) the Reference Entity Weighting in respect of such Reference Entity,

as calculated by the Determination Agent and taking into account (without double counting) any partial redemptions, amortisations, cancellations or further issues of the Credit Linked Notes of the relevant Series on or prior to such date. If a successor event has occurred and a Relevant Event Determination Date has subsequently occurred, the Reference Entity Accreted Nominal Amount shall be construed in accordance with Credit Linked Condition 19 (*Successor Provisions*).

“Reference Entity Nominal Amount” means, in respect of a Reference Entity and subject to the provisions of Credit Linked Condition 19 (*Successor Provisions*), an amount equal to the product of:

- (i) the Original Aggregate Nominal Amount of the Credit Linked Notes; and
- (ii) the Reference Entity Weighting in respect of such Reference Entity,

taking into account (without double counting) any partial redemptions, amortisations, cancellations or further issues of the Credit Linked Notes of the relevant Series on or prior to such date. If a successor event has occurred and a Relevant Event Determination Date has subsequently occurred, the Reference Entity Nominal Amount shall be construed in accordance with Credit Linked Condition 19 (*Successor Provisions*).

“Reference Entity Weighting” means, in respect of a Reference Entity and subject to the provisions of Credit Linked Condition 19 (*Successor Provisions*):

- (i) in the case of Linear Basket Credit Linked Notes, the percentage specified as such in respect of such Reference Entity in the relevant Pricing Supplement; or
- (ii) in the case of Untranchured Index Credit Linked Notes, a percentage equal to the quotient of (i) the Weighting specified as such in the Index Annex divided by (ii) the sum of the Weightings for all Reference Entities specified in the Index Annex.

“Reference Index” means the index specified as such in the relevant Pricing Supplement.

“Reference Index Sponsor” is as specified in the relevant Pricing Supplement.

“Reference Obligation” has the meaning given to it in Credit Linked Condition 21 (*Reference Obligation*).

“Reference Obligation Only Reference Entity” means a Reference Entity in respect of which (i) “Reference Obligation Only” is specified as the Obligation Category and the Deliverable Obligation Category in the relevant Pricing Supplement and (ii) “Standard Reference Obligation” is specified as not applicable in the relevant Pricing Supplement.

“Reference Obligation Only Series” means a Series of Credit Linked Notes in respect of which (i) “Reference Obligation Only” is specified as the Obligation Category and the Deliverable Obligation Category in the relevant Pricing Supplement in respect of the relevant Reference Entity and (ii) “Standard Reference Obligation” is specified as not applicable in the relevant Pricing Supplement in respect of such Reference Entity.

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

“Relevant Credit Event” means, subject to the provisions of Credit Linked Condition 19 (*Successor Provisions*), any Credit Event which occurs with respect to any Reference Entity.

“Relevant Event Determination Date” means, in respect of Credit Linked Notes, the Event Determination Date occurring with respect to a Relevant Credit Event.

“Relevant Guarantee” means a Qualifying Affiliate Guarantee or, if “All Guarantees” is specified as applicable in the relevant Pricing Supplement, a Qualifying Guarantee.

“Relevant Holder” means a holder of the Prior Deliverable Obligation or Package Observable Bond, as the case may be, with an Outstanding Principal Balance or Due and Payable Amount, as applicable, immediately prior to the relevant Asset Package Credit Event, equal to the Outstanding Amount specified in respect of such Prior Deliverable Obligation or Package Observable Bond in the Notice of Physical Settlement, or NOPS Amendment Notice, as applicable.

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

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

“Repudiation/Moratorium” means the occurrence of both of the following events: (i) an authorised officer of the relevant Reference Entity or a Governmental Authority (a) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations in an aggregate amount of not less than the Default Requirement or (b) declares or imposes a moratorium, standstill, roll-over or deferral, whether de facto or de jure, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement; and (ii) a Failure to Pay, determined without regard to the Payment Requirement, or a Restructuring, determined without regard to the Default Requirement, with respect to any such Obligation that occurs on or prior to the Repudiation/Moratorium Evaluation Date.

“Repudiation/Moratorium Evaluation Date” means, if a Potential Repudiation/Moratorium occurs on or prior to the Credit Risk Cut-Off Date, (i) if the Obligations to which such Potential Repudiation/Moratorium relates include Bonds, the date that is the later of (a) the date that is 60 days after the date of such Potential Repudiation/Moratorium and (b) the first payment date under any such Bond after the date of such Potential Repudiation/Moratorium (or, if later, the expiration date of any applicable Grace Period in respect of such payment date) and (ii) if the Obligations to which such Potential Repudiation/Moratorium relates do not include Bonds, the date that is 60 days after the date of such Potential Repudiation/Moratorium; provided that, in either case, the Repudiation/Moratorium Evaluation Date shall occur no later than the Credit Risk Cut-Off Date unless the Repudiation/Moratorium Extension Condition is satisfied.

The **“Repudiation/Moratorium Extension Condition”** is satisfied (i) if the relevant CDS Information Publisher publicly announces, pursuant to a valid request that was delivered and effectively received on

or prior to the date that is fourteen calendar days after the Credit Risk Cut-Off Date, that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Potential Repudiation/Moratorium has occurred with respect to an Obligation of the relevant Reference Entity and that such event occurred on or prior to the Credit Risk Cut-Off Date and such resolution constitutes an Applicable Resolution or (ii) otherwise, by the delivery by the Determination Agent to the Issuer of a Repudiation/Moratorium Extension Notice and, unless “Notice of Publicly Available Information” is specified not applicable in the relevant Pricing Supplement, a Notice of Publicly Available Information that is effective on or prior to the date that is fourteen calendar days after the Credit Risk Cut-Off Date. In all cases, the Repudiation/Moratorium Extension Condition will be deemed not to have been satisfied, or not capable of being satisfied, if, or to the extent that, the relevant CDS Information Publisher publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved that either (a) an event does not constitute a Potential Repudiation/Moratorium with respect to an Obligation of the relevant Reference Entity or (b) an event that constitutes a Potential Repudiation/Moratorium for the purposes of the relevant Credit Linked Notes has occurred with respect to an Obligation of the relevant Reference Entity but that such event occurred after the Credit Risk Cut-Off Date.

“Repudiation/Moratorium Extension Notice” means an irrevocable notice from the Determination Agent to the Issuer (for onward delivery to the Fiscal Agent and Noteholders) that describes a Potential Repudiation/Moratorium that occurred on or prior to the Credit Risk Cut-Off Date. A Repudiation/Moratorium Extension Notice must contain a description in reasonable detail of the facts relevant to the determination that a Potential Repudiation/Moratorium has occurred and indicate the date of the occurrence. The Potential Repudiation/Moratorium that is the subject of the Repudiation/Moratorium Extension Notice need not be continuing on the date the Repudiation/Moratorium Extension Notice is effective.

“Resolve” means, with respect to a Credit Derivatives Determinations Committee, the making of a specific determination in accordance with the DC Rules, and **“Resolved”** and **“Resolves”** shall be construed accordingly.

“Restricted Debt” means, in respect of a Venezuela Reference Entity:

- (i) debt issued or incurred on or after 25 August 2017 with a maturity of greater than 90 days of Petroleos de Venezuela, S.A.;
- (ii) debt issued or incurred on or after 25 August 2017 with a maturity of greater than 30 days of a Venezuelan Covered Reference Entity, other than debt of Petroleos de Venezuela, S.A. covered pursuant to paragraph (i) above;
- (iii) bonds issued by a Venezuelan Covered Reference Entity prior to 25 August 2017; and
- (iv) any other debt that is covered by a Venezuelan Order,

provided that no debt will be Restricted Debt if the Credit Derivatives Determinations Committee determines that such debt is:

- (a) subject to any exception to a Venezuelan Order, by license, frequently asked question or other interpretive statement by OFAC; or
- (b) specified in OFAC’s General License 3 to the Order (Authorizing Transactions Related to, Provision of Financing for, and Other Dealings in Certain Bonds).

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

“Restructuring”:

- (i) means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the relevant Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all holders of the Obligation or is announced (or otherwise decreed) by the relevant Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation

(including, in each case, in respect of Bonds only, by way of exchange) and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the Credit Event Backstop Date applicable to the relevant Credit Linked Notes and the date as of which such Obligation is issued or incurred:

- (a) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
 - (b) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
 - (c) a postponement or other deferral of a date or dates for either (I) the payment or accrual of interest or (II) the payment of principal or premium;
 - (d) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation; or
 - (e) any change in the currency of any payment of interest, principal or premium to any currency other than the lawful currency of Canada, Japan, Switzerland, the UK and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).
- (ii) Notwithstanding the above in this definition of “Restructuring”, none of the following shall constitute a Restructuring:
- (a) the payment in euros of interest, principal or premium in relation to an Obligation denominated in a currency of a Member State of the EU that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union;
 - (b) the redenomination from euros into another currency, if (I) the redenomination occurs as a result of action taken by a Governmental Authority of a Member State of the EU which is of general application in the jurisdiction of such Governmental Authority and (II) a freely available market rate of conversion between euros and such other currency existed at the time of such redenomination and there is no reduction in the rate or amount of interest, principal or premium payable, as determined by reference to such freely available market rate of conversion;
 - (c) the occurrence of, agreement to or announcement of any of the events described in paragraphs (i)(a) to (i)(e) of this definition of “Restructuring” due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and
 - (d) the occurrence of, agreement to or announcement of any of the events described in paragraphs (i)(a) to (i)(e) of this definition of “Restructuring” in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity, provided that in respect of paragraph (i)(e) of this definition of “Restructuring” only, no such deterioration in the creditworthiness or financial condition of the Reference Entity is required where the redenomination is from euros into another currency and occurs as a result of action taken by a Governmental Authority of a Member State of the EU which is of general application in the jurisdiction of such Governmental Authority or in respect of a Monoline Insurer Reference Entity, in the case of Qualifying Policy and an Insured Instrument, where (I) the Qualifying Policy continues to guarantee or insure, as applicable, that the same Instrument Payments will be made on the same dates on which the Qualifying Policy guaranteed or insured that such Instrument Payments would be made prior to such event and (II) such event is not a change in the ranking in the priority of payment of the Qualifying Policy.

- (iii) For the purposes of this definition of “Restructuring” and Credit Linked Condition 20.4 (*Multiple Holder Obligation*):
- (a) The term Obligation shall be deemed to include Underlying Obligations for which the relevant Reference Entity is acting as provider of a Guarantee. In the case of a Guarantee and an Underlying Obligation, references to the relevant Reference Entity in paragraph (i) of this definition of “Restructuring” shall be deemed to refer to the Underlying Obligor and references to the relevant Reference Entity in paragraph (ii) of this definition of “Restructuring” shall continue to refer to the relevant Reference Entity.
 - (b) If an exchange has occurred, the determination as to whether one of the events described under paragraphs (i)(a) to (i)(e) of this definition has occurred will be based on a comparison of the terms of the Bond immediately prior to such exchange and the terms of the resulting obligations immediately following such exchange.
 - (c) In respect of a Monoline Insurer Reference Entity, for the purposes of the first and second paragraphs of this definition, the term Obligation shall be deemed to include Insured Instruments for which the relevant Reference Entity is acting as provider of a Qualifying Policy. In the case of a Qualifying Policy and an Insured Instrument, references to the relevant Reference Entity in paragraph (i) of this definition of “Restructuring” shall be deemed to refer to the Insured Obligor and references to the relevant Reference Entity in paragraph (ii) of this definition of “Restructuring” shall continue to refer to the relevant Reference Entity.
 - (d) With respect to an Insured Instrument that is in the form of a pass-through certificate or similar funded beneficial interest or a Qualifying Policy with respect thereto and in respect of a Monoline Insurer Reference Entity, paragraphs (i)(a) to (i)(e) of this definition are hereby amended to read as follows:
 - (A) a reduction in the rate or amount of the Instrument Payments described in paragraph (i) of the definition thereof that are guaranteed or insured by the Qualifying Policy (including by way of redenomination);
 - (B) a reduction in the amount of the Instrument Payments described in paragraph (i) of the definition thereof that are guaranteed or insured by the Qualifying Policy (including by way of redenomination);
 - (C) a postponement or other deferral of a date or dates for either (x) the payment or accrual of the Instrument Payments described in paragraph (i)(a) of the definition thereof; or (y) the payment of the Instrument Payments described in paragraph (i)(b) of the definition thereof, in each case that are guaranteed or insured by the Qualifying Guarantee;
 - (D) a change in the ranking in priority of payment of: (x) any Obligation under a Qualifying Policy in respect of Instrument Payments, causing the Subordination or such Obligation to any other Obligation; or (y) any Instrument Payments, causing the Subordination of such Insured Instrument to any other instrument in the form of a pass-through certificate or similar funded beneficial interest issued by the Insured Obligor, it being understood that, for this purpose, Subordination will be deemed to include any such change that results in lower ranking under a priority of payments provision applicable to the relevant Instrument Payments; or
 - (E) any change in the currency of any payment of Instrument Payments that are guaranteed or insured by the Qualifying Policy to any currency other than the lawful currency of Canada, Japan, Switzerland, the UK and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

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

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

In respect of a Monoline Insurer Reference Entity and with respect to an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the term “final maturity date”, as such term is used in this definition shall mean the specified date by which the Qualifying Policy guarantees or insures, as applicable, that the ultimate distribution of the Certificate Balance will occur.

“Revised Currency Rate” means, with respect to a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the rate of conversion between the currency in which the Replaced Deliverable Obligation Outstanding Amount is denominated and the currency in which the Outstanding Amount of such Replacement Deliverable Obligation is denominated that is determined either (i) by reference to the Currency Rate Source as at the Next Currency Fixing Time or (ii) if such rate is not available at such time, as the Determination Agent shall determine in a commercially reasonable manner.

“Russian Reference Entity” means a Reference Entity to which the “Additional Provisions for the Russian Federation (August 13, 2004)” apply.

“Scheduled Maturity Date” means the maturity date as specified in the relevant Pricing Supplement.

“Scheduled Maturity Date Extension” means an extension determined in accordance with Credit Linked Condition 10 (*Scheduled Maturity Date Extension*).

“Senior Non-Preferred Notes” means Credit Linked Notes in respect of which “Additional Provisions for Senior Non-Preferred Reference Obligations (published on December 8, 2017)” apply in relation to one or more Reference Entities and in respect of which, each such relevant Reference Entity constitutes a Subordinated Reference Entity.

“Senior Non-Preferred Obligation” means, in respect of Senior Non-Preferred Notes in the case of Single Name Credit Linked Notes or a Senior Non-Preferred Reference Entity in the case of Basket Credit Linked Notes or Trunched Index Credit Linked Notes, any obligation of the relevant Reference Entity which is Subordinated only to any unsubordinated Borrowed Money Obligations of the relevant Reference Entity but not further or otherwise, or which would be so Subordinated if any unsubordinated Borrowed Money Obligations of the relevant Reference Entity existed, and which ranks above Traditional Subordinated Obligations of the relevant Reference Entity or which would so rank if any Traditional Subordinated Obligations of the relevant Reference Entity existed. A Senior Non-Preferred Obligation shall constitute a Subordinated Obligation.

“Senior Non-Preferred Reference Entity” means a Reference Entity in respect of which “Additional Provisions for Senior Non-Preferred Reference Obligations (published on December 8, 2017)” applies and which constitutes a Subordinated Reference Entity.

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

“Senior Reference Entity” means a relevant Reference Entity for which (i) the Reference Obligation(s) or (ii) Prior Reference Obligation(s), as applicable, is/are a Senior Obligation.

“Seniority Level” means, with respect to an obligation of the relevant Reference Entity:

- (i) in the case of Single Name Credit Linked Notes and Linear Basket Credit Linked Notes, (i) **“Senior Level”** or **“Subordinated Level”** as specified in the applicable Pricing Supplement, or
- (ii) if no such seniority level is specified in the relevant Pricing Supplement, **“Senior Level”** if

the Original Non-Standard Reference Obligation is a Senior Obligation or “Subordinated Level” if the Original Non-Standard Reference Obligation is a Subordinated Obligation, failing which (iii) “**Senior Level**” or (iv) in respect of Senior Non-Preferred Notes and the relevant Reference Entity in the case of Single Name Credit Linked Notes or a Senior Non-Preferred Reference Entity in the case of Linear Basket Credit Linked Notes, the “**Senior Non-Preferred Level**”; or

- (ii) in the case of Untranch Index Credit Linked Notes or Tranch Index Credit Linked Notes, “Senior Level” if the Original Non-Standard Reference Obligation is a Senior Obligation or “Subordinated Level” if the Original Non-Standard Reference Obligation is a Subordinated Obligation.

“**Settlement Currency**” means, in respect of a Series of Notes, the currency specified as such in the relevant Pricing Supplement or, if none is specified, the currency in which such Notes are denominated.

“**Single Name Credit Linked Notes**” means Credit Linked Notes which are specified as such in the Pricing Supplement, in respect of which the Issuer purchases credit protection from Noteholders in respect of one Reference Entity.

“**Single Name Partial Nominal Amount**” has the meaning given to that term in Credit Linked Condition 19.8 (*Multiple Successors*).

“**Single Name Successor Entity**” has the meaning given to that term in Credit Linked Condition 19.8 (*Multiple Successors*).

“**Single Name Succession Reference Entity**” has the meaning given to that term in Credit Linked Condition 19.8 (*Multiple Successors*).

“**Single Noteholder**” means, in respect of the relevant date, the Noteholder and beneficial owner holding 100% of the Credit Linked Notes outstanding.

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

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

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

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

“**Specified Number**” means the number of Public Sources specified in the relevant Pricing Supplement (or, if no such number is specified, two).

“**SRO List**” means the list of Standard Reference Obligations as published by the relevant CDS Information Publisher from time to time. The current SRO list can be obtained at <https://www.spglobal.com/marketintelligence/en/mi/products/red-cds.html>.

“**Standard Event Determination Date**” means, with respect to a Relevant Credit Event and a Series where Auction Redemption is specified as the applicable Credit Event Redemption Method:

- (i) subject to paragraph (ii) of this definition, the Notice Delivery Date, if the Notice Delivery Date occurs during either the Notice Delivery Period or the Post Dismissal Additional Period, provided that neither (a) a DC Credit Event Announcement has occurred nor (b) a DC No Credit Event Announcement has occurred, in each case, with respect to the Credit Event specified in the Credit Event Notice; or
- (ii) notwithstanding paragraph (i) of this definition, the Credit Event Resolution Request Date, if a DC Credit Event Announcement has occurred, the Credit Event Resolution Request Date has occurred on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date) and either:
 - (a) (x) the Credit Event is not an M(M)R Restructuring; and (y) the Trade Date occurs on or prior to a DC Announcement Coverage Cut-off Date; or
 - (b) (x) the Credit Event is an M(M)R Restructuring; and (y) a Credit Event Notice is delivered by a notifying party to the other party and is effective on or prior to the Standard Exercise Cut-off Date,

provided that:

- (A) no Physical Redemption Date or full redemption of the Credit Linked Notes has occurred on or prior to the date on which the Applicable DC Credit Event Meeting Announcement occurs;
- (B) if any Valuation Date or Delivery Date, as applicable, in respect of the relevant Reference Entity has occurred on or prior to the date on which the Applicable DC Credit Event Meeting Announcement occurs, an Event Determination Date shall be deemed to have occurred only with respect to the portion of (i) in the case of Single Name Credit Linked Notes, the Outstanding Aggregate Nominal Amount (or, if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Aggregate Accreted Nominal Amount) of the Credit Linked Notes with respect to which no Valuation Date or Delivery Date, as applicable, has occurred; or (ii) in the case of Basket Credit Linked Notes or Tranching Index Credit Linked Notes, the Outstanding Reference Entity Nominal Amount (or, if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Reference Entity Accreted Nominal Amount) in respect of the Affected Reference Entity with respect to which no Valuation Date or Delivery Date, as applicable, has occurred; and
- (C) no Credit Event Notice specifying an M(M)R Restructuring as the only Credit Event has previously been delivered by the Determination Agent to the Issuer for onward delivery to the Fiscal Agent and Noteholders in respect of the Affected Reference Entity, (aa) unless the M(M)R Restructuring specified in such Credit Event Notice is also the subject of the Applicable DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date, (bb) unless the Exercise Amount specified in any such Credit Event Notice was less than (i) in the case of Single Name Credit Linked Notes, the Outstanding Aggregate Nominal Amount (or, if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Aggregate Accreted Nominal Amount) of the relevant Credit Linked Notes; or (ii) in the case of Basket Credit Linked Notes or Tranching Index Credit Linked Notes, the Outstanding Reference Entity Nominal Amount (or, if “Accreting Recovery Zero Coupon Credit Linked Notes” is specified as being applicable in the relevant Pricing Supplement, the Outstanding Reference Entity Accreted Nominal Amount) in respect of the Affected Reference Entity, or (cc) unless a representative credit derivative transaction economically equivalent to the Credit Linked Notes in unfunded format referencing the same Affected Reference Entity and (I) having identical deliverable obligation terms to one

set of the Deliverable Obligation Terms of the relevant Credit Derivatives Auction Settlement Terms and to the Deliverable Obligation Provisions of the Credit Linked Notes; (II) in the case of M(M)R Restructuring, having a scheduled termination date which falls within the designated scheduled termination dates for the Applicable Auction and having similar tenor to the Credit Linked Notes (in each case, assuming “Auction Redemption” and a deemed occurrence of an Event Determination Date) would be a covered transaction and the deliverable obligations set out on the Final List are identical to the Deliverable Obligations for such Series.

If either (i) Auction Redemption is not specified as the applicable Credit Event Redemption Method or (ii) “Hedge-Linked Single Notifying Party” is specified as applicable in the relevant Pricing Supplement, then Standard Event Determination Date shall not apply. If no election is specified in the relevant Pricing Supplement, “Hedge-Linked Single Notifying Party” shall not apply.

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

- (i) with respect to an M(M)R Restructuring and a Series to which “Standard Event Determination Date” applies:
 - (a) if the relevant CDS Information Publisher publishes a Final List applicable to the Applicable Transaction Auction Settlement Terms and/or Parallel Auction Settlement Terms may be published, the date that is five Relevant City Business Days following the date on which such Final List is published (assuming, for the purposes of the timing set out herein, that any Credit Event Notice is delivered by the Determination Agent (as a buyer of credit protection) to the Issuer (as a seller of credit protection)); or
 - (b) otherwise, the date that is 14 calendar days following the relevant No Auction Announcement Date; or
- (ii) with respect to a Credit Event and a Series to which “Standard Event Determination Date” does not apply, the Non-Standard Exercise Cut-off Date,

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

“**Standard Reference Obligation**” means the Obligation of the relevant Reference Entity with the relevant Seniority Level which is specified from time to time on the SRO List. Unless otherwise specified in the relevant Pricing Supplement, the Standard Reference Obligation(s) in respect of a Series of Credit Linked Notes will be deemed to be “Applicable”.

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

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

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

“**Subordinated Reference Entity**” means a relevant Reference Entity for which the Reference Obligation(s) or Prior Reference Obligation(s), as applicable, is/are a Subordinated Obligation.

“**Substitute Reference Obligation**” means, with respect to a Non-Standard Reference Obligation to which a Substitution Event has occurred, the Obligation that may replace the Non-Standard Reference Obligation, determined by the Determination Agent in accordance with Credit Linked Condition 21 (*Reference Obligation*).

Notwithstanding the definition of “Substitute Reference Obligation” (i) no Substitute Reference Obligation shall be determined in respect of a Reference Obligation Only Series and (ii) if the events set out in paragraph (ii) or (iii) of the definition of “Substitution Event” occur with respect to the Reference Obligation in a Reference Obligation Only Series, such Reference Obligation shall continue to be the Reference Obligation.

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

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

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

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

If an event described in paragraph (i) or (ii) of this definition has occurred on or prior to the Trade Date, then a Substitution Event shall be deemed to have occurred pursuant to paragraph (i) or (ii) of this definition, as the case may be, on the Issue Date.

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

“**Successor**” means, subject to Credit Linked Condition 19.1 (*Eligible Successors*), the entity or entities, if any, determined by the Determination Agent, the Credit Derivatives Determinations Committee or the relevant Reference Index Sponsor, as applicable, as follows:

- (i) subject to paragraph (vii) of this definition, if one entity succeeds, either directly or as a provider of a Relevant Guarantee (or, in respect of a Monoline Insurer Reference Entity, a Qualifying Policy) to seventy five per cent. or more of the Relevant Obligations of the relevant Reference Entity, that entity will be the sole Successor;
- (ii) if only one entity succeeds, either directly or as a provider of a Relevant Guarantee (or, in respect of a Monoline Insurer Reference Entity, a Qualifying Policy) to more than twenty five per cent. (but less than seventy five per cent.) of the Relevant Obligations of the relevant Reference Entity and not more than twenty five per cent. of the Relevant Obligations of the relevant Reference Entity remain with the relevant Reference Entity, the entity that succeeds to more than twenty five per cent. of the Relevant Obligations will be the sole Successor;
- (iii) if more than one entity each succeeds, either directly or as provider of a Relevant Guarantee (or, in respect of a Monoline Insurer Reference Entity, a Qualifying Policy) to more than twenty five per cent. of the Relevant Obligations of the relevant Reference Entity, and not more than twenty five per cent. of the Relevant Obligations of the relevant Reference Entity remain with the relevant Reference Entity, the entities that succeed to more than twenty five per cent. of the Relevant Obligations will each be a Successor;
- (iv) if one or more entities each succeeds, either directly or as provider of a Relevant Guarantee (or, in respect of a Monoline Insurer Reference Entity, a Qualifying Policy) to more than twenty five per cent. of the Relevant Obligations of the relevant Reference Entity, and more than twenty five per cent. of the Relevant Obligations of the relevant Reference Entity remain with the relevant Reference Entity, each such entity and the Reference Entity will each be a Successor;

- (v) if one or more entities succeeds, either directly or as provider of a Relevant Guarantee (or, in respect of a Monoline Insurer Reference Entity, a Qualifying Policy) to a portion of the Relevant Obligations of the relevant Reference Entity, but no entity succeeds to more than twenty-five per cent. of the Relevant Obligations of the relevant Reference Entity and the relevant Reference Entity continues to exist, there will be no Successor;
- (vi) if one or more entities succeeds either directly or as provider of a Relevant Guarantee (or, in respect of a Monoline Insurer Reference Entity, a Qualifying Policy) to a portion of the Relevant Obligations of the relevant Reference Entity, but no entity succeeds to more than twenty-five per cent. of the Relevant Obligations of the relevant Reference Entity and the relevant Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Relevant Obligations will be the Successor (provided that if two or more entities succeed to an equal percentage of Relevant Obligations, each such entity will be a Successor); and
- (vii) in respect of a relevant Reference Entity which is not a Sovereign, if one entity assumes all of the Obligations (including at least one Relevant Obligation) of the relevant Reference Entity, and at the time of the determination either (a) the relevant Reference Entity has ceased to exist, or (b) the relevant Reference Entity is in the process of being dissolved (howsoever described) and the relevant Reference Entity has not issued or incurred any Borrowed Money obligation at any time since the legally effective date of the assumption, such entity (the “**Universal Successor**”) will be the sole Successor.

For the purposes of this definition, Credit Linked Condition 19 (*Successor Provisions*) and the definitions of “Relevant Obligations”, “Steps Plan”, “Succession Date”, “Successor Notice”, “**succeed**” means, with respect to the relevant Reference Entity and its Relevant Obligations, that an entity other than the relevant Reference Entity (A) assumes or becomes liable for such Relevant Obligations whether by operation of law or pursuant to any agreement (including, with respect to a relevant Reference Entity that is a Sovereign, any protocol, treaty, convention, accord, concord, entente, pact or other agreement), or (B) issues Bonds or incurs loans (the “**Exchange Bonds or Loans**”) that are exchanged for Relevant Obligations (or, as applicable, obligations), and in either case the relevant Reference Entity is not thereafter a direct obligor or a provider of a Relevant Guarantee (or, in respect of a Monoline Insurer Reference Entity, a Qualifying Policy) with respect to the Relevant Obligations or such Exchange Bonds or Loans, as applicable. For the purposes of this definition, “**succeeded**” and “**succession**” shall be construed accordingly.

“**Successor Backstop Date**” means:

- (i) for the purposes of any Successor determination determined by DC Resolution, the date that is 90 calendar days prior to the Successor Resolution Request Date; and
- (ii) in all other cases, the date that is 90 calendar days prior to the earlier of:
 - (a) the date on which the Successor Notice is effective; and
 - (b) in circumstances where (A) a Successor Resolution Request Date has occurred, (B) the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination and (C) the Successor Notice is delivered by the Issuer to the Fiscal Agent not more than 14 calendar days after the day on which the relevant CDS Information Publisher publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination, the Successor Resolution Request Date.

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

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

Steps Plan, or (ii) the occurrence of an Event Determination Date in respect of the relevant Reference Entity or any entity which would constitute a Successor.

“Successor Notice” means an irrevocable notice from the Determination Agent to the Issuer for onward delivery to the Fiscal Agent and Noteholders that describes a succession (or, in relation to a relevant Reference Entity that is a Sovereign, a Sovereign Succession Event) in respect of which a Succession Date has occurred and pursuant to which one or more Successors to the Reference Entity can be determined. A Successor Notice must contain a description in reasonable detail of the facts relevant to the determination to be made pursuant to paragraph (i) of the definition of “Successor”.

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

“Tier 2 Subordinated Obligation” means, in respect of Senior Non-Preferred Notes in the case of Single Name Credit Linked Notes or a Senior Non-Preferred Reference Entity in the case of Basket Credit Linked Notes or Tranching Index Credit Linked Notes, any obligation of the relevant Reference Entity which meets the conditions set out in the CRR or which are (or were at any time) otherwise eligible as a Tier 2 item in accordance with the CRR.

“Traditional Subordinated Obligation” means, in respect of Senior Non-Preferred Notes in the case of Single Name Credit Linked Notes or a Senior Non-Preferred Reference Entity in the case of Basket Credit Linked Notes or Tranching Index Credit Linked Notes, (i) Tier 2 Subordinated Obligations of the relevant Reference Entity; (ii) any obligations of the relevant Reference Entity which rank or are expressed to rank *pari passu* with any Tier 2 Subordinated Obligations of the relevant Reference Entity; and (iii) any obligations of the Reference Entity which are Subordinated to the obligations thereto described in paragraphs (i) and (ii) above shall each (without limitation) constitute Traditional Subordinated Obligations in respect of a Senior Non-Preferred Obligation. A Traditional Subordinated Obligation shall constitute a Further Subordinated Obligation.

“Tranche Size” means an amount equal to (a) the Exhaustion Point minus (b) the Attachment Point.

“Tranching Index Credit Linked Notes” means Credit Linked Notes which are specified as such in the Pricing Supplement, in respect of which the Issuer purchases credit protection from Noteholders in respect of a specified tranche of Reference Entities comprised in a credit index.

“Transaction Auction Settlement Terms” means the relevant Credit Derivatives Auction Settlement Terms; provided that the Determination Agent determines in its discretion, acting in a commercially reasonable manner, that (i) the relevant Deliverable Obligation Terms are substantially the same as the Deliverable Obligation Provisions applicable to the relevant Credit Linked Notes, and (ii) if such Credit Event is a Restructuring for which either (a) where “Mod R” applies, “Restructuring Maturity Limitation Date” and “Fully Transferable Obligation” is applicable or deemed to be applicable or (b) where “Mod Mod R” applies, “Modified Restructuring Maturity Limitation Date” and “Conditionally Transferable Obligation” is applicable or deemed to be applicable, a credit derivatives transaction with a scheduled termination date of the Credit Risk Cut-off Date would be an “Auction Covered Transaction” for the purposes of the relevant Credit Derivatives Auction Settlement Terms.

“Transaction Type” means, where “Physical Settlement Matrix Standard Terms” is specified as applicable in the relevant Pricing Supplement, each Reference Entity designated as one of the following in the relevant Pricing Supplement:

- (i) Standard North American Corporate;
- (ii) Standard European Corporate;
- (iii) Standard European Financial Corporate;
- (iv) Standard European CoCo Financial Corporate;
- (v) Standard European Senior Non Preferred Financial Corporate;

- (vi) Standard European Limited Recourse Corporate;
- (vii) Standard Subordinated European Insurance Corporate;
- (viii) Standard Emerging European Corporate;
- (ix) Standard Emerging European Corporate LPN;
- (x) Standard Japan Corporate;
- (xi) Standard Japan Financial Corporate;
- (xii) Standard Japan Sovereign;
- (xiii) Standard Singapore Corporate;
- (xiv) Standard Singapore Financial Corporate;
- (xv) Standard Singapore Sovereign;
- (xvi) Standard Asia Corporate;
- (xvii) Standard Asia Financial Corporate;
- (xviii) Standard Asia Sovereign;
- (xix) Standard Emerging European & Middle Eastern Sovereign;
- (xx) Standard Western European Sovereign;
- (xxi) Standard Latin America Corporate B
- (xxii) Standard Latin America Corporate BL;
- (xxiii) Standard Latin America Sovereign;
- (xxiv) Standard Australia Corporate;
- (xxv) Standard Australia Financial Corporate;
- (xxvi) Standard Australia Sovereign;
- (xxvii) Standard New Zealand Corporate;
- (xxviii) Standard New Zealand Financial Corporate;
- (xxix) Standard New Zealand Sovereign,

and any other Transaction Type which may be added to the Physical Settlement Matrix from time to time.

“Trigger Percentage” means, in respect of a CoCo Reference Entity, the trigger percentage specified in the relevant Pricing Supplement (or if no such trigger percentage is specified, 5.25 per cent.).

“UK” means the United Kingdom.

“Ukraine Reference Entity” means a Reference Entity to which the “Additional Provisions for the Republic of Ukraine: Excluded Obligations and Excluded Deliverable Obligations (April 11, 2016)” apply.

“Undeliverable Deliverable Obligation” has the meaning given to that term in Credit Linked Condition 14.9(i) (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*).

“Undelivered Deliverable Obligation” has the meaning given to that term in Credit Linked Condition 14.9(i) (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*).

“Underlying Finance Instrument” means, in respect of an LPN Reference Entity, a deposit, loan or other Borrowed Money instrument from an LPN Issuer to such LPN Reference Entity.

“Underlying Loan” means, in respect of an LPN Reference Entity, a loan from an LPN Issuer.

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

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

“Universal Successor” has the meaning given in the definition of “Successor”.

“Unpaid Amount” has the meaning given to it in Credit Linked Condition 2.7 (*Accrual of Interest where the Redemption Amount, Credit Event Redemption Amount, Partial Cash Redemption Amount, Fallback Cash Redemption Amount or Asset Package Cash Redemption Amount is improperly withheld or refused*) or Credit Linked Condition 3.6 (*Accrual of Interest where the Redemption Amount is improperly withheld or refused*) as applicable.

“Unsettled Credit Event” means, in respect of a Reference Entity, a Relevant Event Determination Date has occurred but the Auction Final Price or Final Price (as applicable) has not been determined.

“Untranch Index Credit Linked Notes” means Credit Linked Notes which are specified as such in the Pricing Supplement, in respect of which the Issuer purchases credit protection from Noteholders in respect of a basket of Reference Entities which are comprised in the credit index specified in the relevant Pricing Supplement.

“Unwind Costs” means the reasonable costs to the Issuer or its Affiliates of terminating, liquidating, obtaining or re-establishing any hedge or related trading position (including, without limitation, any credit and/or currency hedging arrangements) and any loss of bargain and cost of funding, taking into account the funding levels of the Issuer at such time, in each case as related to the redemption of the Credit Linked Notes (whether in whole or in part) following a Credit Event and as determined by the Determination Agent in its sole and absolute discretion on or about the related Auction Redemption Date, Cash Redemption Date or Physical Redemption Date, as applicable.

“Valid Physical Redemption Election Notice” means a duly completed Physical Redemption Election Notice, as determined by the Determination Agent, the Issuer or the Fiscal Agent and such determination shall be conclusive and binding on the relevant Noteholder.

“Valuation Date” means, subject to the provisions of Credit Linked Condition 18.4 (*Redemption Suspension*), each of the following dates:

- (i) a Business Day selected by the Determination Agent in its sole discretion falling on or after (a) the Event Determination Date (where the Event Determination Date does not occur pursuant to paragraph (ii) of the definition of “Standard Event Determination Date” or paragraph (ii)(a) of the definition of “Non-Standard Event Determination Date”); (b) the day on which the DC Credit Event Announcement occurs (where no Standard Exercise Cut-off Date or Non-Standard Exercise Cut-off Date applies in order for the Event Determination Date to occur) or the relevant Standard Exercise Cut-off Date or Non-Standard Exercise Cut-off Date, as applicable (where Standard Exercise Cut-off Date or Non-Standard Exercise Cut-off Date applies in order for the Event Determination Date to occur), in each case where the Event Determination Date occurs pursuant to paragraph (ii) of the definition of “Standard Event Determination Date” or paragraph (ii)(a) of the definition of “Non-Standard Event Determination Date” or (c) the Auction Cancellation Date or No Auction Announcement Date where Cash Settlement as the Fallback Redemption Method applies; and
- (ii) each successive date as selected by the Determination Agent in its sole discretion after the date on which the Determination Agent obtains a Market Value with respect to the immediately preceding Valuation Date.

The total number of Valuation Dates shall be equal to the number of Valuation Dates specified in the relevant Pricing Supplement or such other number of Valuation Dates as selected by the Determination Agent in its sole discretion.

“Valuation Method” means the weighted arithmetic mean of the highest Quotations obtained by the Determination Agent (or in accordance with paragraph (ii) of the definition of “Quotation” in Credit Linked Condition 26(*Definitions*)), with respect to each Valuation Date.

“Valuation Obligation” means, where Cash Redemption applies, an obligation, as selected by the Determination Agent in its discretion, acting in a commercially reasonable manner, provided such obligations(s) is either a Reference Obligation and/or would constitute a Deliverable Obligation as at the Valuation Date.

“Valuation Time” means 11:00 a.m. London time or such other time as determined by the Determination Agent in its discretion, acting in a commercially reasonable manner.

“Venezuelan Covered Reference Entity” means any of the following entities:

- (i) República Bolivariana de Venezuela;
- (ii) Petroleos de Venezuela, S.A.;
- (iii) any political subdivision, agency, or instrumentality of República Bolivariana de Venezuela, including the Central Bank of Venezuela and Petroleos de Venezuela, S.A.; and
- (iv) any person owned or controlled by, or acting for or on behalf of, any entity referred to in paragraphs (i) to (iii) above.

“Venezuela Reference Entity” means a Reference Entity or an Underlying Obligor which is a Venezuelan Covered Reference Entity and the “Additional Provisions for Certain Venezuelan Entities: Excluded Obligations and Excluded Deliverable Obligations (September 19, 2017)” apply.

“Venezuelan Order” means the Executive Order 13808 of 24 August 2017 “Imposing Additional Sanctions With Respect to the Situation in Venezuela” or subsequent executive order, legislation, regulation or similar action implemented by OFAC imposing a sanction on debt of a Venezuelan Covered Reference Entity.

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

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

“Writedown Amount” means, in respect of a Relevant Event Determination Date relating to an Affected Reference Entity, the aggregate of the Incurred Loss Amounts (if any) on or about the date on which the related Loss Amount is determined.

APPENDIX – FORM OF PHYSICAL REDEMPTION ELECTION NOTICE

[Date]

From:

[*Noteholder*] (as **Noteholder**)

[*Address(es)*]

To:

[*issuer*] (as **Issuer**)

[*Address and contact details*]

The Bank of New York Mellon (as **Fiscal Agent**)

One Canada Square

London E14 5AL

United Kingdom

[*Contact details*]

CC:

[*determination agent*] (as **Determination Agent**)

[*Address and contact details*]

Re: Series [●] [insert title of notes] (ISIN: [●]) (the “Credit Linked Notes”)

Capitalised terms used but not defined herein shall have the meanings given to them in the [Pricing Supplement] dated [●] in relation to the Credit Linked Notes.

We are the Noteholder and beneficial owner holding 100% of the Credit Linked Notes outstanding. We attach to the annex (the “**Annex**”) hereto our proof of noteholding.

We hereby request, pursuant and subject to the terms of the Credit Linked Notes, that the Credit Linked Notes be redeemed by Delivery of the Physical Redemption Assets on the Physical Redemption Date. This notice constitutes our Physical Redemption Election Notice.

[Euroclear]/[Clearstream, Luxembourg] Instructions

- (i) We confirm that our [Euroclear]/[Clearstream, Luxembourg] account details are as follows for the purposes of presentation and surrender of such Credit Linked Notes for redemption on the Physical Redemption Date following Delivery of Deliverable Obligations comprising the Physical Redemption Assets (and/or, pursuant to Credit Linked Condition 14 (*Physical Redemption Terms*), following payment of any Partial Cash Redemption Amount, Fallback Cash Redemption Amount or Asset Package Cash Redemption Amount, if applicable):

Account Number: [●]

Other details: [●]; and

- (ii) We hereby irrevocably agree to instruct and authorise [Euroclear]/[Clearstream, Luxembourg] to block the Credit Linked Notes in the above account until Delivery of Deliverable Obligations comprising the Physical Redemption Assets is completed (and/or, pursuant to Credit Linked Condition 14 (*Physical Redemption Terms*), until payment in full of any Partial Cash Redemption Amount, Fallback Cash Redemption Amount or Asset Package Cash Redemption Amount, if applicable). We confirm that we

will not provide instructions to the contrary until such Delivery is completed (and/or, such relevant payment is made in full, if applicable).

We hereby represent and warrant that the Credit Linked Notes are free from all liens, charges, encumbrances and third party rights.

Delivery instructions for Physical Redemption Assets

[The [Euroclear]/[Clearstream Luxembourg]/[other clearing system] account details for Delivery of the Deliverable Obligations comprising the Physical Redemption Assets to us on the Physical Redemption Date are as follows:

Account Number: [●]

Other details: [●]]³

[For purposes of Delivery of the Deliverable Obligations comprising the Physical Redemption Assets to us on the Physical Redemption Date:

Account Number: [●]

Other details: [●]

(If the Deliverable Obligations are not transferred via clearing systems, include such details as are required for the transfer or assignment of such Deliverable Obligations which may include, without limitation, the name, address and/or details of any bank, broker or agent of the Single Noteholder to whom documents evidencing the transfer or assignment of the Deliverable Obligations are to be delivered)]⁴

[Insert any other delivery instructions and other consents/authorisations as requested by Issuer/Fiscal Agent.]

Partial Cash Redemption Amount/Fallback Cash Redemption Amount/Asset Package Cash Redemption Amount

To the extent that any Partial Cash Redemption Amount, Fallback Cash Redemption Amount or Asset Package Cash Redemption Amount, as applicable, is payable to us, our [currency] account details for payment of such amount are as follows:

Name: [●]

Address: [●]

Account Number: [●]

Other details: [●]

[Regulation S Global Note

We hereby certify that (i) we, as beneficial owner of each such Credit Linked Note, are not a U.S. Person, and (ii) each such Credit Linked Note is not being redeemed within the United States or on behalf of a U.S. Person and no cash, notes or other property have been or will be delivered within the United States or to, or for the account or benefit of a U.S. Person in connection with any redemption thereof.]⁵

³ Insert if the Deliverable Obligations comprising the Physical Redemption Assets are transferrable via the clearing systems.
⁴ Insert if the Deliverable Obligations comprising the Physical Redemption Assets are not transferred via the clearing systems.
⁵ Insert if the relevant Credit Linked Notes are represented by Regulation S Global Note(s).

[Rule 144A Global Note]

We hereby certify that we, as beneficial owner of each such Credit Linked Note, are a QIB.⁶

Costs and Expenses

We hereby acknowledge that in respect of each Credit Linked Note, an amount equal to such Credit Linked Note's *pro rata* share of all [Unwind Costs,]⁷ Delivery Expenses and Interest Suspension Shortfall Amount (in each case, if any) relating to the Credit Linked Notes relevant to this Physical Redemption Election Notice shall be deducted from the Outstanding Principal Balance or Due and Payable Amount.

We authorise the production of this Physical Redemption Election Notice in any applicable administrative or legal proceedings, as provided in the Issue and Paying Agency Agreement.

Yours sincerely:

For and on behalf of [Noteholder]

Name:

Title:

⁶ Insert if the relevant Credit Linked Notes are represented by Rule 144A Global Note(s).

⁷ Insert if "Credit Unwind Costs" is specified as being applicable in the relevant Pricing Supplement.

ANNEX

[Insert a Euroclear/Clearstream screenshot to confirm noteholding.]

Alternatively, if the Global Note Certificates have been exchanged for Individual Note Certificates (in the limited circumstances described in the Global Note Certificate) such that they are in definitive form, include the definitive Credit Linked Notes]

Confirmation of receipt on the date above written:

By the Issuer:

By the Fiscal Agent:

Name:

Name:

Title: Executive Director/Managing Director

Title:

TERMS AND CONDITIONS OF THE CASH SETTLED EXCHANGEABLE NOTES

The following is the text of the terms and conditions which, as supplemented, modified and/or replaced by the applicable Pricing Supplement will be endorsed on each Cash Settled Exchangeable Note issued in individual registered form issued under the Program. The terms and conditions applicable to any Exchangeable Notes issued in registered form will differ from those terms and conditions which would apply to the Exchangeable Notes were it in individual registered form to the extent described under "Summary of Provisions relating to the English Law Notes (Excluding CMU Notes) while in Global Form" below.

1. Introduction

1.1 Program

Morgan Stanley ("**Morgan Stanley**"), Morgan Stanley & Co. International plc ("**MSI plc**"), Morgan Stanley B.V. ("**MSBV**"), Morgan Stanley Finance LLC ("**MSFL**") and Morgan Stanley Finance II Ltd ("**MSFII**") and Morgan Stanley Europe SE ("**MSESE**") have established a Program (the "**Program**") for the issuance, *inter alia*, of notes (the "**Notes**", including Exchangeable Notes issued by MSFL (the "**Cash Settled Exchangeable Notes**" or the "**Exchangeable Notes**"). The payment obligations of MSFL (the "**Issuer**") in respect of the Cash Settled Exchangeable Notes under the Program and which are issued under the Issue and Paying Agency Agreement (as defined below) are guaranteed by Morgan Stanley (in its capacity as Guarantor (the "**Guarantor**")) under the terms of a guarantee dated as of 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time the "**Guarantee**").

Exchangeable Notes issued under the Program which are Relevant Securities 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 Pricing Supplement (each, a "**Pricing Supplement**") which supplement, modify and/or replace these terms and conditions (the "**Exchangeable Note Conditions**"). The terms and conditions applicable to any particular Tranche of Notes are these Exchangeable Note Conditions as supplemented by the applicable Pricing Supplement. In the event of any inconsistency between these Exchangeable Note Conditions and the applicable Pricing Supplement, the applicable Pricing Supplement shall prevail.

1.2 Issue and Paying Agency Agreement:

The Exchangeable Notes are the subject of an issue and paying agency agreement dated on or about 25 June 2026 and as from time to time modified and/or restated and/or replaced, the "**Issue and Paying Agency Agreement**" between Morgan Stanley, MSI plc, MSBV, MSFL, MSFII, MSESE, The Bank of New York Mellon S.A./N.V., Luxembourg Branch as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Notes), the transfer agents named therein (together with the Registrar, the "**Transfer Agents**", which expression includes any successor or additional transfer agents appointed from time to time in connection with the Exchangeable Notes) and The Bank of New York Mellon (as successor to JPMorgan Chase Bank, N.A., London Branch) as fiscal agent (the "**Fiscal Agent**", which expression includes any successor fiscal agent appointed from time to time in connection with the Exchangeable Notes 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 Exchangeable Notes) and exchange agent (the "**Exchange Agent**", which expression includes any successor or additional exchange agents appointed from time to time in connection with the Exchangeable Notes). The Fiscal Agent is also appointed as initial calculation agent. In these Exchangeable Note Conditions references to the "**Agents**" are to the Paying Agents, the Transfer Agents and Exchange Agent and any reference to an "**Agent**" is to any one of them.

1.3 Deed of Covenant

Exchangeable Notes issued by MSFL in global form are constituted by a deed of covenant entered into by MSFL dated on or about 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time the "**MSFL Deed of Covenant**").

1.4 The Exchangeable Notes

All subsequent references in these Exchangeable Note Conditions to "Notes" or "Exchangeable Notes"

are to, respectively the Notes and the Exchangeable Notes which are the subject of the applicable Pricing Supplement. Copies of the applicable Pricing Supplement are available for inspection by Noteholders during normal business hours at the Specified Office of the relevant Fiscal Agent, the initial Specified Office of which is set out below.

1.5 **Summaries**

Certain provisions of these Exchangeable Note Conditions are summaries of the Issue and Paying Agency Agreement and the Guarantee and are subject to their detailed provisions. The Noteholders are bound by, and are deemed to have notice of, all the provisions of each of the Issue and Paying Agency Agreement and the Guarantee as are applicable to them. Copies of the Issue and Paying Agency Agreement and the Guarantee 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.

2. **Interpretation**

2.1 **Definitions**

"Additional Business Centre(s)" means the city or cities specified as such in the applicable Pricing Supplement;

"Additional Financial Centre(s)" means the city or cities specified as such in the applicable Pricing Supplement;

"Affiliate" or **"Affiliates"** means in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose, "control" of any entity or person means ownership of a majority of the voting power of the entity or person;

"Alternative Options Exchange" has the meaning given to it in Exchangeable Note Condition 7.1(a)(ii);

"Averaging Date" has the meaning given to it in Exchangeable Note Condition 6.4(a);

"Business Day" means any day, other than a Saturday or Sunday that, for Exchangeable Notes denominated in:

- (a) a Specified Currency other than euro, is neither a legal holiday nor a day on which banking institutions are authorised or required by law or regulation to close in the principal financial centre of the country of the Specified Currency and in each (if any) Additional Business Centre (and if the Additional Business Centre is specified in the applicable Pricing Supplement to be or to include TARGET, then a Business Day shall also be a TARGET Settlement Day); and
- (b) euro, 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;

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

- (a) **"Following Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day;
- (b) **"Modified Following Business Day Convention"** or **"Modified Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (c) **"Preceding Business Day Convention"** means that the relevant date shall be brought forward to the first preceding day that is a Business Day;

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

"Calculation Agent" means MSI plc or, if different in relation to any series of Exchangeable Notes, the Person or the entity specified as such in the applicable Pricing Supplement(s);

"Calculation Amount" means the Specified Denomination unless otherwise specified in the applicable Pricing Supplement;

"Cash Amount" has the meaning given to it in Exchangeable Note Condition 6.4(a);

"Cash Amount Calculation Period" has the meaning given to it in Exchangeable Note Condition 6.4(a);

"Change in Law" means that, on or after Trade Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), or (C) due to the change (for any reason) outside of the United States in statutory seat, state of incorporation or tax residency of the Issuer or the Guarantor, the Issuer or the Guarantor determines in good faith or a Hedging Counterparty notifies the Issuer, the Guarantor or any of the Issuer's or the Guarantor's Affiliates that it has determined that (X) it has become illegal to hold, acquire or dispose of Shares, any Hedge Transactions or the Exchangeable Notes or effect its necessary Hedging Activities, or (Y) it would incur a materially increased cost in performing its obligations under, in the case of the Issuer or the Guarantor, the Exchangeable Notes and the Guarantee, respectively, or a Hedge Transaction or, in the case of an Affiliate of the Issuer, a Hedge Transaction, or, in the case of the Hedging Counterparty, any Hedge Transactions or in effecting its Hedging Activities (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position, and, among others, due to any withholding tax on dividends paid by the Issuer or any of its Affiliates to the Hedging Counterparty under their respective Hedge Transaction), provided that, where the Change in Law relates to the Hedging Counterparty, the Hedging Counterparty notifies the Issuer, the Guarantor or any of the Issuer's or the Guarantor's Affiliates that it has terminated or will terminate the Hedge Transaction as a result of the Change in Law;

"Clearstream, Luxembourg" means Clearstream Banking, société anonyme, Luxembourg;

"Closing Price" means, in respect of any Share, on any Scheduled Trading Day, the official closing price on such Scheduled Trading Day of a Share on the Relevant Stock Exchange as published by or derived (in the case of an Original Underlying Share) from the Relevant Screen Page specified in the applicable Pricing Supplement on the Bloomberg information system (or any successor page) (using the setting labelled "Last Price" or any equivalent successor label to this setting) or (in any other case) from the equivalent page and setting in respect of the Relevant Stock Exchange for the Share (as determined by the Calculation Agent), if any or, in any such case, such other source as shall be determined in good faith

to be appropriate by the Calculation Agent on such Scheduled Trading Day; provided that, if on any such Scheduled Trading Day (for the purpose of this definition, an "**Affected Scheduled Trading Day**") such price is not available or cannot otherwise be determined as provided above, the Closing Price of a Share in respect of such day shall be the Closing Price, determined as provided above, on the immediately following Scheduled Trading Day on which the same can be so determined as aforesaid (provided that, for the purpose of Exchangeable Note Condition 7.1(c), where such Closing Price on such immediately succeeding Scheduled Trading Day is "ex-" the Relevant Dividend, such Closing Price shall be increased by an amount equal to the Fair Market Value of such Relevant Dividend on a per Share basis as at the Relevant Record Date) or, if such price cannot be so determined on any of the two Scheduled Trading Days (or such other number of Scheduled Trading Day(s) as specified in the Pricing Supplement (the "**Number of Affected Scheduled Trading Days**") immediately following the Affected Scheduled Trading Day, as determined in good faith by the Calculation Agent;

"**Company**" means the company specified in the applicable Pricing Supplement, which is the issuer of the Shares (but for the avoidance of doubt shall not be Morgan Stanley or any subsidiary thereof);

"**Daily Cash Amount**", or "**DCA**", has the meaning given to it in Exchangeable Note Condition 6.4 (*Cash Amount*);

"**Day Count Fraction**" means, in respect of the calculation of an amount for any period of time (the "**Calculation Period**"), such day count fraction as may be specified in these Exchangeable Note Conditions or the applicable Pricing Supplement and:

- (a) if "**1/1**" is so specified, means 1;
- (b) 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;
- (c) 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:

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

where:

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

"**Y₂**" is the year, expressed as a number, in which the day immediately following the last day 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 and D₁ is greater than 29, in which case D₂ will be 30;

- (d) 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:

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

where:

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

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

- (e) 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:

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

where:

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

"Y₂" is the year, expressed as a number, in which the day immediately following the last day 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 Final Maturity Date or (ii) such number would be 31, in which case D₂ will be 30;

- (f) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;
- (g) 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);
- (h) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;
- (i) if "**Actual/Actual**", "**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);
- (j) if "**Actual/Actual (Bond)**" is so specified, the actual number of days in the relevant period divided by the product of (i) the number of days in the Calculation Period in which the relevant period falls and (ii) the number of Calculation Periods in any period of one year; and

- (k) if "**Actual/Actual (ICMA)**" is so specified, a fraction equal to "number of days accrued/number of days in year", as such terms are used in Rule 251 of the statutes, by-laws and recommendations of the International Capital Markets Association (the "**ICMA Rule Book**"), calculated in accordance with Rule 251 of the ICMA Rule Book as applied to non-U.S. Dollar denominated straight and convertible bonds issued after 31 December 1998, as though the interest coupon on a bond were being calculated for a coupon period corresponding to the Calculation Period in respect of which payment is being made;

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;

"Delisting" means, in respect of any relevant Shares, such Relevant Stock Exchange announces that, pursuant to the rules of such Relevant Stock Exchange, such Shares cease (or will cease) to be listed, traded or publicly quoted on the Relevant Stock Exchange for any reason (other than by reason of a merger, takeover or other special circumstances as contemplated by the Relevant Options Exchange Corporate Actions Procedures) and are not immediately re-listed, re-traded or re-quoted on a stock exchange or quotation system located in the same country as the Relevant Stock Exchange (or, where the Relevant Stock Exchange is within the European Union, in a member state of the European Union). If the Shares are immediately re-listed, re-traded or re-quoted on any exchange or quotation system, such exchange or quotation system shall be deemed to be the Relevant Stock Exchange in respect of such Shares;

"Determination Agent" means MSI plc or, if different in relation to any series of Exchangeable Notes, the Person or the entity specified as such in the applicable Pricing Supplement;

"Disrupted Day" has the meaning given to it in Exchangeable Note Condition 8 (*Disrupted Days*);

"Dividend" has the meaning given to it in Exchangeable Note Condition 7.1(f);

"Early Closure" has the meaning given to it in Exchangeable Note Condition 8 (*Disrupted Days*);

"Early Redemption Amount" means, in respect of each Specified Denomination of the Exchangeable Notes, the fair value per Exchangeable Notes of such Specified Denomination, being the fair value per Exchangeable Note on the Relevant Announcement Date as determined by the Calculation Agent in good faith taking into account, *inter alia*, the Share Price on the Relevant Announcement Date, the settlement amount(s) in respect of any termination of any Exchangeable Notes Hedge Transaction(s), the yield to maturity of any senior unsecured bonds of, or guaranteed by, the Issuer with a similar final maturity date to the Exchangeable Note, the credit spreads of the Issuer and/or the Guarantor and any other market parameter(s) the Calculation Agent deems in good faith to be relevant for the valuation of the Exchangeable Notes on the Relevant Announcement Date;

"Early Redemption Date" means, unless otherwise specified in the applicable Pricing Supplement, the earlier of:

- (a) the date falling the number of Exchange Business Days specified in the applicable Pricing Supplement following the Relevant Announcement Date (the "**Scheduled Early Redemption Date**"); or
- (b) where such Scheduled Early Redemption Date falls on a date after the Final Maturity Date, the Final Maturity Date;

"Euroclear" means Euroclear Bank S.A./N.V.;

"Event of Default" has the meaning given to it in Exchangeable Note Condition 14 (*Events of Default*);

"Exchange Business Day" means any Scheduled Trading Day on which the Relevant Stock Exchange and the Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Relevant Stock Exchange or Related Exchange closing prior to its Scheduled Closing Time;

"Exchange Condition" has the meaning provided in Exchangeable Note Condition 6.1(b);

"Exchange Date" means, the exchange date falling on the number of Scheduled Trading Day(s) immediately preceding the Final Maturity Date as specified in the applicable Pricing Supplement;

"Exchange Disruption" has the meaning given to it in Exchangeable Note Condition 8 (*Disrupted Days*);

"Exchange Notice" has the meaning given to it in Exchangeable Note Condition 6.2;

"Exchange Notice Delivery Date" has the meaning given to it in Exchangeable Note Condition 6.2;

"Exchange Period" has the meaning given to it in Exchangeable Note Condition 6.1(b);

"Exchange Premium" means the percentage above the Share Reference Price specified in the applicable Pricing Supplement;

the **"Exchange Price"** per Share is initially equal to the Share Reference Price multiplied by the sum of (i) one and (ii) the Exchange Premium expressed as a decimal (rounded to four decimal places, with 0.00005 being rounded upwards), as adjusted from time to time by the Calculation Agent in accordance with these Exchangeable Note Conditions;

"Exchange Ratio" means, on any day, the result (rounded to four decimal places, with 0.00005 being rounded upwards) of the division of the Nominal Value by the Exchange Price in effect on such day;

"Exchange Right" has the meaning given to it in Exchangeable Note Condition 6.1(a);

"Exchangeable Notes Hedge Transaction" means any Transaction (as defined in the definition of Hedge Transaction below) or asset which the Issuer, or the Guarantor or any Affiliate of the Issuer or the Guarantor deems appropriate, or has already in place, to hedge the equity price risk of entering into and performing its obligations with respect to the Exchangeable Notes;

"Extraordinary Event" means any of the following:

- (a) if options contracts in respect of the Shares are traded on the Related Exchange, and any event occurs as a result of which all such relevant options contracts are settled (including in accordance with the Relevant Options Exchange Corporate Actions Procedures or, in the case of an Alternative Options Exchange, the standard corporate actions procedures of the Alternative Options Exchange in effect at the relevant time, for example following the occurrence of a merger or takeover as provided in the Relevant Options Exchange Corporate Actions Procedures and other than as a result of a Nationalisation or a Delisting or Change in Law);
- (b) a Nationalisation;
- (c) a Delisting; or
- (d) a Change in Law.

"Extraordinary Event Amount" means, in respect of each Specified Denomination of the Exchangeable Notes, the fair value of the embedded option representing the performance-based component linked to the Share on the Relevant Announcement Date as determined by the Calculation Agent in good faith taking into account, *inter alia*, the Share Price on the Relevant Announcement Date, the settlement amount(s) in respect of any termination of any Exchangeable Notes Hedge Transaction(s), the effect of the Extraordinary Event and any other market parameter(s) the Calculation Agent deems in good faith to be relevant for the valuation of the Exchangeable Notes on the Relevant Announcement Date;

"Extraordinary Event Amount Payment Date" means the date falling the number of Exchange Business Days specified in the applicable Pricing Supplement following the Relevant Announcement Date;

"Extraordinary Resolution" has the meaning given to it in the Issue and Paying Agency Agreement;

"Fair Market Value" means, unless otherwise specified in the applicable Pricing Supplement, with respect to any property on any date:

- (a) in the case of an Ordinary Cash Dividend, the amount of such Ordinary Cash Dividend;
- (b) in the case of any cash, the amount of such cash;
- (c) in the case of Securities, options, warrants or other rights or assets that are publicly traded on a Relevant Stock Exchange of adequate liquidity (as determined by the Calculation Agent), the arithmetic mean of the daily Volume Weighted Average Prices of such Securities, options, warrants or other rights or assets during the period of five Scheduled Trading Days on the Relevant Stock Exchange for such Securities, options, warrants or other rights or assets commencing on such date (or, if later, the first such Scheduled Trading Day on which such Securities, options, warrants or other rights or assets are publicly traded) or such shorter period as such Securities, options, warrants or other rights or assets are publicly traded;
- (d) in the case of Securities, options, warrants or other rights or assets that are not publicly traded on a Relevant Stock Exchange of adequate liquidity (as determined by the Calculation Agent), the fair market value of such Securities, options, warrants or other rights or assets as determined by the Calculation Agent on the basis of a commonly accepted market valuation method and taking account of such factors as it considers appropriate, including the market price per Share, the dividend yield of a Share, the volatility of such market price, prevailing interest rates and the terms of such Securities, options, warrants or other rights or assets, including as to the expiry date and exercise price (if any) thereof;

Such amounts shall be translated into the Relevant Currency (if expressed in a currency other than the Relevant Currency) at the Prevailing Rate on that date. In addition, the Fair Market Value shall be determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit;

"Final Maturity Date" means the final maturity date specified in the applicable Pricing Supplement;

"Hedge Transaction" means (i) with respect to the Issuer, the Guarantor or any of their respective Affiliates, a transaction including a share option transaction (a **"Transaction"**) or asset the Issuer, the Guarantor or any Affiliate of the Issuer or the Guarantor deems appropriate to hedge the equity price risk of entering into and performing its obligations with respect to the Exchangeable Notes; or (ii) with respect to a Hedging Counterparty, (a) any Transaction or (b) any purchase, sale, entry into or maintenance of one or more (1) positions or contracts in securities, options, futures, derivatives or foreign exchange, (2) stock loan transactions or (3) other instruments or arrangements (howsoever described) by a Hedging Counterparty (or an Affiliate thereof) to hedge, individually or on a portfolio basis, a Transaction;

"Hedging Activities" means any activities or transactions undertaken in connection with the establishment, maintenance, adjustment or termination of a Hedge Transaction;

"Hedging Counterparty" means a counterparty to a Hedge Transaction of (i) the Issuer; (ii) the Guarantor or (iii) any of the Issuer's or the Guarantor's Affiliates;

"Implementation of Financial Transaction Tax" means that, on or after the Trade Date of any Exchangeable 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 Exchangeable Notes or any part thereof, or perform its obligations under such Exchangeable Notes, including for the avoidance of doubt any obligation or exercise of any Exchange Rights 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 Exchangeable Notes or (C) realise, 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;

"Increased Cost of Hedging" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Exchangeable Notes or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s) provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging;

"Independent Adviser" has the meaning given to it in Exchangeable Note Condition 14.1;

"Individual Note Certificate" means an individual Registered Note certificate representing a Noteholder's holding of a Registered Note;

"Interest Amount" means, in relation to an Exchangeable Note and an Interest Period, the amount of interest payable in respect of each Calculation Amount of that Exchangeable Note for that Interest Period;

"Interest Commencement Date" means the Issue Date of the Exchangeable Notes or such other date as may be specified as the Interest Commencement Date in the applicable Pricing Supplement;

"Interest Payment Date" means the dates so specified in the applicable Pricing Supplement;

"Interest Period" means, subject as otherwise provided in these Exchangeable Note Conditions or the applicable Pricing Supplement, 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, provided that if (a) "Unadjusted" is specified in the applicable Pricing Supplement and/or (b) the Specified Currency of the Notes is Japanese Yen, no adjustment will be made to the Interest Period, notwithstanding the adjustment to the relevant Interest Period End Date following the application of the relevant Business Day Convention and any other adjustment under the terms of the Notes;

"Interest Period End Date" means each Interest Payment Date unless specified otherwise in the applicable Pricing Supplement;

"Issue Date" means the issue date specified in the applicable Pricing Supplement;

"Market Disruption Event" has the meaning given to it in Exchangeable Note Condition 8 (*Disrupted Days*);

"Market Exchange Rate" means the noon U.S. Dollar buying rate in The City of New York for cable transfers of a Specified Currency published by the Federal Reserve Bank of New York;

"Modified Postponement" means, in relation to any Initial Averaging Date (as defined in the definition of Share Reference Price below) that is a Disrupted Day, the first succeeding Scheduled Trading Day that is not a Disrupted Day pursuant to Exchangeable Note Condition 8 (*Disrupted Days*) on which another Initial Averaging Date does not or is deemed not to occur (a "**Valid Day**"). If the first succeeding Valid Day has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Initial Averaging Date or Disrupted Day, would have been the final Initial Averaging Date, then (1) that eighth Scheduled Trading Day shall be deemed the Initial Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Initial Averaging Date), and (2) the Calculation Agent shall determine its good faith estimate of the value of the Share(s) at the Valuation Time on such eighth Scheduled Trading Day;

"Nationalisation" means that, as determined by the Calculation Agent, all the Shares or all or substantially all the assets of the Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof;

"Nominal Value" means the nominal value specified in the applicable Pricing Supplement;

"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 Financial Centre; or
- (b) in any other case, 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 Financial Centre (and if the Additional Financial Centre is specified in the applicable Pricing Supplement to be or to include TARGET, then a Payment Business Day shall also be a TARGET Settlement Day);

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

"Prevailing Rate" means, in respect of a pair of currencies on any day, the spot rate (setting **"Mid price"**) of exchange between the relevant currencies prevailing as at 5 p.m. (London time) on that date as appearing on or derived from the Relevant Page (using, where the Relevant Page is a Bloomberg page, the time zone "London", or, if not available, any other fixing rate page (if any) on Bloomberg as determined by the Calculation Agent to be appropriate) or, if such a rate cannot be determined at such time, the rate prevailing as at 5 p.m. (London time) on the immediately succeeding day on which such rate can be so determined or if such rate cannot be so determined, the rate determined in such other manner as the Calculation Agent shall deem in good faith appropriate;

"Principal Financial Centre" means, in relation to any currency, the principal financial centre for that currency provided, however, that 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 or Determination Agent (as applicable);

"QIB" means a "qualified institutional buyer" as defined in Rule 144A;

"Qualified Financial Institution" means a financial institution organised under the laws of any jurisdiction in the United States of America, the United Kingdom, the European Union or Japan, which, as at the date the Calculation Agent selects to determine the Replacement Amount and/or Replacement Value (as applicable), has outstanding debt obligations with a stated maturity of one year or less from the date of issue of such outstanding debt obligations and such financial institution is rated either:

- (a) A2 or higher by Standard & Poor's Ratings Services or any successor, or any other comparable rating then used by that rating agency, or
- (b) P-2 or higher by Moody's Investors Service, Inc. or any successor, or any other comparable rating then used by that rating agency,

provided that, if no Qualified Financial Institution is reasonably available, then the Calculation Agent shall select, in good faith and using a commercially reasonable discretion, a Qualified Financial Institution in the United States of America, the United Kingdom, the European Union or Japan of a reputable standing;

"Rate of Interest" means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Exchangeable Notes specified in applicable Pricing Supplement or calculated or determined in accordance with the provisions of these Exchangeable Note Conditions and/or the applicable Pricing Supplement;

"Record Date" has the meaning given to it in Exchangeable Note Condition 12.6;

"Register" has the meaning given to it in the Issue and Paying Agency Agreement;

"Registered Note" means an Exchangeable Note issued in registered form, as described in Exchangeable Note Condition 3 (*Form, Denomination and Title*);

"Regulation S" means Regulation S under the Securities Act;

"Regulation S Exchangeable Note" means an Exchangeable Note offered and sold outside the United States to persons that are not U.S. persons (as defined in Regulation S) in reliance on Regulation S;

"Regulation S Global Note" means a Regulation S Global Note substantially in the form set out in the Issue and Paying Agency Agreement representing Regulation S Notes;

"Regulation S/Rule 144A Global Note" means a Regulation S/Rule 144A Global Note substantially in the form set out in the Issue and Paying Agency Agreement representing Regulation S/Rule 144A Notes;

"Regulation S/Rule 144A Exchangeable Note" means an Exchangeable Note offered and sold to QIBs in reliance on Rule 144A, in addition to Regulation S;

"Related Exchange" has the meaning given to it in Exchangeable Note Condition 8 (*Disrupted Days*);

"Relevant Announcement Date" means (i) in respect of an early redemption of the Exchangeable Notes pursuant to Exchangeable Note Condition 10.2 (*Settlement of options contracts*), the date of announcement of settlement of all relevant options contracts in respect of the Shares traded on the Related Exchange, (ii) in respect of a Nationalisation, the date of the first public announcement to nationalise (whether or not subsequently amended) that leads to the Nationalisation, (iii) in respect of a Change in Law, the date on which the Issuer determines that a Change in Law has occurred or on which the Issuer or any of its Affiliates receives a notice from a Hedging Counterparty that it has determined that a Change in Law has occurred, and (iv) in respect of a Delisting, the date of the first public announcement by the Relevant Stock Exchange that the Shares will cease to be listed, traded or publicly quoted, whichever is earlier;

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

"Relevant Currency" means the currency on which the Shares are denominated or, if at the relevant time or for the purposes of the relevant calculation or determination, such currency is no longer the currency in which the Shares are quoted or dealt in on the Relevant Stock Exchange for the Shares, the currency in which the Shares are quoted or dealt in on such Relevant Stock Exchange at such time;

"Relevant Date" means, in respect of any Exchangeable Note:

- (a) the date on which any payment in respect of it first becomes due; or
- (b) if any payment is improperly withheld or refused, the date on which payment in full of the amount outstanding is made or (if earlier) the date seven calendar days after that on which notice is duly given by the Issuer to the Noteholders in accordance with Exchangeable Note Condition 21 (*Notices*) that, upon further surrender of the Individual Note Certificate representing such Exchangeable Note being made in accordance with the Exchangeable Note Conditions (if such surrender is required), such payment will be made, provided that such payment is in fact made upon such surrender;

"Relevant Options Exchange" means Eurex Exchange or such other exchange specified as such in the applicable Pricing Supplement, its successor or any substitute exchange to which trading in options contracts relating to the Shares has temporarily or permanently relocated, as determined by the Calculation Agent;

"Relevant Options Exchange Corporate Actions Procedures" means the standard corporate actions procedures of a Relevant Options Exchange, in effect from time to time;

"Relevant Screen Page" means the relevant screen page specified in the applicable Pricing Supplement;

"Relevant Page" means the "Bloomberg FX Fixings" (page BFIX) on Bloomberg or, if not available, from Bloomberg, such other information services provider (as determined by the Calculation Agent) that at the relevant time displays the relevant information;

"Relevant Securities" means, in relation to the Exchangeable Notes, Exchangeable Notes issued (or to be issued) under the Issue and Paying Agency Agreement;

"Relevant Stock Exchange" means (i) in respect of the Shares, the exchange specified as such in the applicable Pricing Supplement or its successor or any substitute exchange to which trading in the Shares has temporarily or permanently relocated, as determined by the Calculation Agent, and (ii) in respect of any Security (other than the Shares), or, as the case may be, option, warrant, or other right or asset, the principal stock exchange or securities market on which such Securities, or, as the case may be, options, warrants, or other rights or assets are then listed, admitted to trading or quoted or dealt in;

"Replacement Amount" has the meaning given to it in Exchangeable Note Condition 14 (*Events of Default*);

"Replacement Value" has the meaning given to it in Exchangeable Note Condition 26.6(b);

"Reserved Matter" has the meaning given in the Issue and Paying Agency Agreement;

"Right to Redemption" has the meaning given to it in Exchangeable Note Condition 26.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*);

"Right to Redemption Notice" means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem an Exchangeable Note at the option of the Noteholder under Exchangeable Note Condition 26.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*);

"Right to Redemption Receipt" means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of an Exchangeable Note and a Right to Redemption Notice with such Paying Agent, by any Noteholder wanting to exercise a right to redeem an Exchangeable Note at the option of the Noteholder;

"Rule 144A" means Rule 144A under the Securities Act;

"Scheduled Closing Time" has the meaning given to it in Exchangeable Note Condition 8 (*Disrupted Days*);

"Scheduled Trading Day" means, unless otherwise specified in the applicable Pricing Supplement, any day on which the Relevant Stock Exchange is scheduled to be open for trading for its regular trading session. If so specified in the applicable Pricing Supplement, "Scheduled Trading Day" means any day on which both the Relevant Stock Exchange and the Related Exchange(s) are scheduled to be open for trading for their respective regular trading sessions;

"Securities" means any securities including, without limitation, shares in the capital of the Company, or options, warrants or other rights to subscribe for or purchase or acquire shares in the capital of the Company;

"Settlement Cycle" means the period of dealing days following a trade in the Shares on the Relevant Stock Exchange in which settlement will customarily occur according to the rules of the Relevant Stock Exchange.

"Securities Act" means the United States Securities Act of 1933, as amended;

"Settlement Date" means, in respect of the Exchange Date, the Final Maturity Date;

"Shares" means the shares in the capital of the Company as specified in the applicable Pricing Supplement (the **"Original Underlying Share"**), subject to adjustment pursuant to Exchangeable Note Condition 7 (*Adjustment of Exchange Price and the Shares*);

"Share Price" means in relation to a determination of a daily Share Price or Daily Cash Amount in respect of a Scheduled Trading Day, or in relation to any other case or determination, the Volume Weighted Average Price of a Share on the relevant Scheduled Trading Day;

"Share Reference Price" means the simple arithmetic average (rounded to four decimal places, with 0.00005 being rounded upwards) of the daily Share Price on each of the number consecutive Scheduled Trading Days (each an **"Initial Averaging Date"**) as specified in the applicable Pricing Supplement, subject to Modified Postponement, commencing on and including the date specified in the applicable

Pricing Supplement (the "**Initial Averaging Commencement Date**"), as determined by the Calculation Agent and notified by or on behalf of the Issuer (failing whom the Guarantor) to the Noteholders as soon as practicable (and in any event within five Business Days) following such determination (such notice shall be given in accordance with Exchangeable Note Condition 21 (*Notices*) and shall specify the Share Reference Price, the resulting Exchange Price and the initial Exchange Ratio based on that Exchange Price);

"**Shareholders**" means the holders of Shares;

"**Specified Currency**" means the currency specified as such in the applicable Pricing Supplement;

"**Specified Denomination**" means the specified denomination specified in the applicable Pricing Supplement;

"**Specified Office**" has the meaning given in the Issue and Paying Agency Agreement;

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

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

"**Substitution Redemption Date**" has the meaning given to it in Exchangeable Note Condition 26.6;

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

"**TARGET Settlement Day**" means any day on which T2 is open for the settlement of payments in euro;

"**Trade Date**" means the date so specified in the applicable Pricing Supplement;

"**Trading Disruption**" has the meaning given to it in Exchangeable Note Condition 8 (*Disrupted Days*);

"**Treaty**" means the Treaty establishing the European Community, as amended;

"**Valuation Time**" has the meaning given to it in Exchangeable Note Condition 8 (*Disrupted Days*); and

"**Volume Weighted Average Price**" means (subject as otherwise provided in the applicable Pricing Supplement), in respect of a Share, Security, option, warrant or other right or asset, on any Scheduled Trading Day, the volume-weighted average price of a Share, Security, option, warrant or other right or asset on the Relevant Stock Exchange as published by or derived (in the case of an Original Underlying Share) from the order book volume weighted average price per Share on such Scheduled Trading Day, as published for that day on the Relevant Screen Page as specified in the applicable Pricing Supplement (or any successor page or ticker for the Shares on the Relevant Stock Exchange) on the Bloomberg information system (or any successor thereto) (using the volume weighted average price labelled "custom" (or any successor label) after (A) having selected "Condition Codes": "Normal Trade" (and deselected all other Condition Codes) of the Menu "99) Edit Custom Condition Codes" and (B) having selected the relevant Scheduled Trading Day and the relevant opening and closing times of the Relevant Stock Exchange, as determined by the Calculation Agent, or (in the case of a Security (other than an Original Underlying Share), options, warrants or other rights or assets) from the equivalent Bloomberg page (as determined by the Calculation Agent) for such Securities, options, warrants or other rights or assets in respect of the Relevant Stock Exchange in respect thereof, if any or, in case there is no such Bloomberg page, such other source (if any) as shall be determined in good faith to be appropriate by the Calculation Agent on such Scheduled Trading Day, provided that if on any such Scheduled Trading Day (the "**Affected Scheduled Trading Day**") such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of a Share, Security, option, warrant or other right or asset, in respect of such Scheduled Trading Day shall be the Volume Weighted Average Price, determined as provided above, on the immediately succeeding Scheduled Trading Day

on which the same can be so determined, and further provided that if the Volume Weighted Average Price cannot be so determined on each of the five Scheduled Trading Days (or such other number of Scheduled Trading Day(s) as specified in the Pricing Supplement (the "**Number of Affected Scheduled Trading Days**") immediately succeeding the Affected Scheduled Trading Day, the Calculation Agent shall determine the Volume Weighted Average Price in good faith.

References to any act or statute or any provision of any act or statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.

Any determination by the Calculation Agent appointed by the Issuer and the Guarantor in any of the circumstances contemplated in these Exchangeable Note Conditions shall (save in the case of a manifest error) be final and binding on the Issuer, the Guarantor and the Noteholders.

2.2 **Interpretation** In these Exchangeable Note Conditions:

- (a) any reference to principal shall be deemed to include the Cash Amount, any additional amounts in respect of principal which may be payable under Exchangeable Note Condition 13 (*Taxation*), any premium payable in respect of an Exchangeable Note and any other amount in the nature of principal payable pursuant to these Exchangeable Note Conditions;
- (b) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Exchangeable Note Condition 13 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Exchangeable Note Conditions;
- (c) references to Exchangeable Notes being "outstanding" shall be construed in accordance with the Issue and Paying Agency Agreement; and
- (d) if an expression is stated in Exchangeable Note Condition 2.1 (*Definitions*) to have the meaning given in the applicable Pricing Supplement, but the applicable Pricing Supplement gives no such meaning or specifies that such expression is "not applicable" then such expression is not applicable to the Exchangeable Notes.

3. **Form, Denomination and Title**

3.1 **Form**

MSFL may issue Exchangeable Notes in registered form only ("**Registered Notes**").

3.2 **Registered Notes**

- (a) *Form*: Registered Notes may be in either global registered form or in individual registered form. Registered Notes are in the Specified Denomination(s), which may include a minimum denomination specified in the applicable Pricing Supplement and higher integral multiples of a smaller amount specified in the applicable Pricing Supplement.
- (b) *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 Issue and Paying Agency Agreement. A certificate (each, an "**Individual Note Certificate**") will be issued to each holder of Registered Notes in respect of its registered holding. Each Individual Note Certificate will be numbered serially with an identifying number which will be recorded in the Register. A "**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.
- (c) *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 thereon or on the Individual 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.
- (d) *Transfers*: Subject to Exchangeable Note Conditions 3.2(h) (*Closed Periods*) and 3.2(i) (*Regulations concerning transfers and registration*) below, a Registered Note may be transferred upon surrender of

the relevant Individual 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 Note 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 Individual Note Certificate are the subject of the transfer, a new Individual Note Certificate in respect of the balance of the Registered Notes will be issued to the transferor. The Issuer shall have the right to refuse to honour the transfer of any Regulation S/Rule 144A Exchangeable Note to a person who is not a QIB. The Issuer shall have the right to refuse to honour the transfer of any Regulation S Exchangeable Notes to a person who is a U.S. person (as defined in Regulation S) or is in the United States. So far as permitted by applicable law, regulations and any stock exchange requirements by which the Issuer is bound, the Issuer has covenanted and agreed in the Issue and Paying Agency Agreement to give to the Fiscal Agent such information as it requires for the performance of its functions and, without prejudice to the foregoing, for so long as any Securities remain outstanding has covenanted and agreed that it shall, during any period in which it is not subject to the reporting requirements of Section 13 or 15(d) under the U.S. Securities Exchange Act of 1934, as amended, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, furnish, upon request, to any Noteholder and any beneficial owner of such Regulation S/Rule 144A Exchangeable Notes, and to any prospective purchaser of such Regulation S/Rule 144A Exchangeable Notes designated by such Noteholder or beneficial owner in connection with resale of a beneficial interest in such Exchangeable Notes, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act.

- (e) *Exercise of Options:* In the case of an exercise of an Issuer's option in respect of a holding of Exchangeable Note represented by a single Individual Note Certificate, a new Individual Note Certificate shall be issued to the holder to reflect the exercise of such option. In the case of a transfer of Exchangeable Notes to a person who is already a holder of Exchangeable Notes, a new Individual Note Certificate representing the enlarged holding shall only be issued against surrender of the Individual Note Certificate representing the existing holding.
- (f) *Registration and Delivery:* Within five business days of the surrender of an Individual Note Certificate in accordance with Exchangeable Note Condition 3.2(d) (*Transfers*) above, the Registrar will register the transfer in question and deliver a new Individual 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 Exchangeable Note Condition 3.2(f) (*Registration and Delivery*), "**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.
- (g) *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.
- (h) *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.
- (i) *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 Issue and Paying 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. The Issuer shall have the right to refuse to honour the transfer of any Exchangeable Notes to a person who is a U.S. Person (as defined in Regulation S) or is in the United States unless such Exchangeable Notes were issued to a QIB, pursuant to the exemption from registration pursuant to Rule 144A, as detailed herein.

4. Status

4.1 *Status of the Notes*

The Exchangeable Notes constitute direct and general obligations of the Issuer and are not secured by any property of the Issuer, nor are they deposits insured by the U.S. Federal Deposit Insurance Corporation or any other government authority. The Exchangeable Notes are unsecured and unsubordinated obligations of the Issuer, and not of any of its Affiliates, and will rank *pari passu* with all other unsecured and unsubordinated indebtedness of the Issuer, subject to such exceptions as may be provided by any applicable present or future law, rule, regulation, judgement, order or directive of any governmental, administrative or judicial authority or power (including a preference in favour of certain U.S. domestic deposit liabilities).

4.2 *Status of Guarantee*

The Guarantor's obligations in respect of the Exchangeable Notes constitute direct, unconditional and unsecured obligations of the Guarantor which rank without preference among themselves and *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Guarantor, present and future, but, in the event of insolvency, only to the extent permitted by laws affecting creditors' rights.

5. Fixed Rate Note Provisions

5.1 *Application*

This Exchangeable Note Condition 5 (*Fixed Rate Note Provisions*) is applicable to the Exchangeable Notes only if the Fixed Rate Note Provisions are specified in the applicable Pricing Supplement as being applicable and in each case, if applicable, in respect of an Interest Period and/or Interest Payment Date(s).

5.2 *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 Pricing Supplement. If a Rate of Interest for any period or any relevant day is specified in the Exchangeable Note Conditions or in the applicable Pricing Supplement to be a "Fixed Interest Rate", the relevant Rate of Interest will be determined in accordance with the provisions set out in this Exchangeable Note Condition 5 (*Fixed Rate Note Provisions*).

5.3 *Accrual of Interest*

The Exchangeable 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 Exchangeable Note Condition 12 (*Payments*). Each Exchangeable Note will cease to bear interest from the due date for final redemption unless, upon such due date, payment of principal in respect of such Exchangeable Note is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Exchangeable Note Condition 5 (*Fixed Rate Note Provisions*) (as well after as before judgment) until the Relevant Date.

5.4 *Fixed Coupon Amount*

If "Fixed Coupon Amount" is specified as applicable in the applicable Pricing Supplement, the amount of interest payable in respect of each Exchangeable Note on each Interest Payment Date in respect of the relevant Interest Period shall be the relevant Fixed Coupon Amount and, if the Exchangeable 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 applicable Pricing Supplement as applicable 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 Exchangeable Note per Calculation Amount shall be the Broken Amount.

Different Fixed Coupon Amounts may apply in respect of different Interest Periods and/or Interest Payment Dates, as specified in the applicable Pricing Supplement.

5.5 *Calculation of Interest*

If "Fixed Coupon Amount" is specified as not applicable in the applicable Pricing Supplement, the amount of interest payable in respect of each Exchangeable Note in respect of any period (for the avoidance of doubt including an Interest Period) shall be an amount per Calculation Amount calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the applicable Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half of any such 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. **Exchange of the Exchangeable Notes**

This Exchangeable Note Condition 6 (*Exchange of the Exchangeable Notes*) shall apply if "Exchange Right" is specified to be applicable in the applicable Pricing Supplement.

6.1 *Exchange Period and Exchange Price*

- (a) The Issuer grants to each Noteholder the right (the "**Exchange Right**") exercisable at any time during the Exchange Period, subject, if applicable, to any Exchange Condition having been satisfied, to require the Exchangeable Note(s) held by it to be redeemed in accordance with the provisions of Exchangeable Note Condition 6.2 (*Procedure for Exercise of Exchange Rights*).
- (b) For the purposes of these Exchangeable Note Conditions, the following terms shall have the following meanings:

"**Exchange Condition**" means any condition specified as such in the applicable Pricing Supplement.

"**Exchange Period**" means each of the period(s) specified in the applicable Pricing Supplement provided that, if during any Exchange Period the Issuer has given notice to Noteholders of its intention to redeem the Exchangeable Notes as provided in Exchangeable Note Condition 9 (*Nationalisation, Change in Law and/or Delisting*) and Exchangeable Note Condition 10.2 (*Settlement of options contracts*), the Exchange Period shall expire on the Relevant Announcement Date.

- (c) The Exchange Rights may not be exercised in respect of an Exchangeable Note which has been declared immediately due and repayable pursuant to Exchangeable Note Condition 14 (*Events of Default*) or in respect of which a Noteholder has exercised its option under Exchangeable Note Condition 26.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*).

6.2 *Procedure for Exercise of Exchange Rights*

Exchange Rights may be exercised by a Noteholder during any Exchange Period and subject to any Exchange Condition specified in the applicable Pricing Supplement having been satisfied, by delivering to the Specified Office of any Exchange Agent (with a copy to Euroclear and/or Clearstream, Luxembourg, as applicable), during its usual business hours, by a duly completed and signed notice of exchange (an "**Exchange Notice**") in the form (for the time being current) obtainable from the Exchange Agent, together with any Individual Note Certificate (if any) which has been issued in respect of the Exchangeable Notes. The date on which such Exchange Notice and Individual Note Certificate are delivered as aforesaid is referred to as the "**Exchange Notice Delivery Date**", and, in order for the Exchange Rights to be validly exercised, the Exchange Notice Delivery Date must fall on or before the last day of the Exchange Period.

If such delivery is made after the end of normal business hours or on a day which is not a business day in the place of the Specified Office of the Exchange Agent, the Exchange Notice Delivery Date shall be deemed for all purposes of these Exchangeable Note Conditions to have been made on the next following such business day. For the purposes of this paragraph, "**business day**" means a day other than a Saturday, Sunday or public holiday on which banks are generally open for business.

Exchange Rights shall be exercised subject in each case to any applicable fiscal or other laws or regulations applicable in the jurisdiction in which the Specified Office of the Exchange Agent is located to whom the relevant Exchange Notice is delivered.

Any determination as to whether an Exchange Notice has been duly completed and properly delivered shall be made by the Exchange Agent and shall, save in the case of manifest error, be conclusive and binding on the Issuer, the Guarantor, the Exchange Agent, the Paying Agents and the relevant Noteholder.

An Exchange Notice, once delivered, shall be irrevocable.

A Noteholder must pay all taxes, if any, imposed on it and arising by reference to any disposal or deemed disposal of an Exchangeable Note or interest therein in connection with the exercise of Exchange Rights by it.

6.3 ***Redemption of the exchanged Exchangeable Note(s) by the Issuer***

Upon the valid exercise of the Exchange Right by a Noteholder, the Issuer will redeem the relevant Exchangeable Note(s) at the Cash Amount calculated in accordance with Exchangeable Note Condition 6.4 (*Cash Amount*).

6.4 ***Cash Amount***

- (a) Upon any valid exercise of Exchange Rights by a Noteholder with respect to one or more Exchangeable Notes, the Issuer shall redeem each Exchangeable Note, in respect of which the Exchange Right has been exercised, at its Cash Amount on the Settlement Date, subject to the provisions of Exchangeable Note Condition 6.4(b). The Issuer will pay the Cash Amount in respect of each Exchangeable Note in respect of which the Exchange Right has been exercised in accordance with Exchangeable Note Condition 12 (*Payments*).

In these Exchangeable Note Conditions:

"Averaging Date" means, in respect of a Cash Amount Calculation Period, each of the Scheduled Trading Days comprised in such Cash Amount Calculation Period;

"Cash Amount" means, in respect of all Averaging Dates relating to the relevant Exchange Date and each Specified Denomination in the Specified Currency of Exchangeable Notes in respect of which the relevant Noteholder shall have exercised Exchange Rights, the sum (rounded to two decimal places, with 0.005 being rounded upwards) of the Daily Cash Amounts, where **"Daily Cash Amount"** or **"DCA"** means an amount in the Specified Currency calculated by the Calculation Agent for each Averaging Date relating to such Exchange Date in respect of each such Specified Denomination of the Exchangeable Notes in the Specified Currency, in accordance with the following formula:

$$DCA = \frac{1}{N} \times (NV + \text{Max}(0; ER_n \times P_n - NV))$$

where:

- Max** = followed by a series of amounts (or values or calculations) inside brackets, means whichever is the greater (or equal greatest) of the amounts (or values or calculations) separated by a semi-colon inside those brackets
- N** = The number of Averaging Dates specified in the applicable Pricing Supplement;
- P_n** = the Share Price on such Averaging Date;
- NV** = Nominal Value; and
- ER_n** = the Exchange Ratio prevailing on such Averaging Date.

"Cash Amount Calculation Period" means, in relation to the Exchange Date, the period of N (as defined above) consecutive Scheduled Trading Days commencing on the Specified Cash Amount Averaging Commencement Date.

"Specified Cash Amount Averaging Commencement Date" means the date falling number of Scheduled Trading Day(s) immediately following the Exchange Date as specified in the applicable Pricing Supplement.

- (b) If following the valid exercise by a Noteholder of its Exchange Right and (i) if "Early Redemption" is specified as applicable in the applicable Pricing Supplement, prior to the Settlement Date an event occurs as a result of which the Exchangeable Notes, subject to the Exchange Notice, would otherwise fall to be redeemed in accordance with Exchangeable Note Condition 9 (*Nationalisation, Change in Law and/or Delisting*) or Exchangeable Note Condition 10.2 (*Settlement of options contracts*) had the Noteholder not exercised its Exchange Right, the Issuer shall redeem the Exchangeable Notes at the Early Redemption Amount (and not the Cash Amount) on the Early Redemption Date; or (ii) if "Extraordinary Event Payment Feature" is specified as applicable in the applicable Pricing Supplement, and an Extraordinary Event occurs prior to the Settlement Date, Condition 11 (*Extraordinary Event Payment Feature*) shall apply (for the avoidance of doubt, if "Early Redemption" is specified as applicable in the applicable Pricing Supplement, then "Extraordinary Event Payment Feature" shall be specified as not applicable, and *vice versa*).

7. Adjustment of Exchange Price and the Shares

7.1 Adjustment of Exchange Price and/or the Shares

(a) Relevant Options Exchange Determination

Where "Relevant Options Exchange Determination" is specified in the applicable Pricing Supplement, the Calculation Agent will adjust the Exchange Price and/or the Shares as follows:

(i) Options contracts traded on a Relevant Options Exchange:

If options contracts in respect of the Shares are traded on a Relevant Options Exchange and the Relevant Options Exchange adjusts such options contracts following or as a result of any corporate actions, the Calculation Agent shall, to the extent required and with effect as of the same date, adjust, as relevant:

- (A) the Exchange Price of the Exchangeable Notes, in circumstances where the exercise prices of options contracts in respect of the Shares are adjusted by the Relevant Options Exchange; and/or
- (B) the Shares, in circumstances where any securities or package of securities are being substituted for the Shares as the securities underlying options contracts in respect of the Shares,

to reflect the adjustments effected by the Relevant Options Exchange (for the avoidance of doubt the Exchange Price, or, as the case may be, the Shares, shall be adjusted using, but not recalculating, such adjustment ratio or similar or other adjustment as was published by the Relevant Options Exchange), provided that:

- (A) in relation to Ordinary Cash Dividends, the Calculation Agent shall make the adjustments as set out in Exchangeable Note Condition 7.1(c) instead of any corresponding or other adjustments in respect of such Ordinary Cash Dividends under the applicable Relevant Options Exchange Corporate Actions Procedures, if any;
- (B) subject to the occurrence of an Extraordinary Event (if "Extraordinary Event Payment Feature" is specified as applicable in the applicable Pricing Supplement), in relation to any Nationalisation, Delisting or (if the Issuer has exercised its right to redeem the Exchangeable Notes pursuant to Exchangeable Note Condition 9 (*Nationalisation, Change in Law and/or Delisting*)) Change in Law, the Exchangeable Notes will be redeemed in accordance with Exchangeable Note Condition 9 (*Nationalisation, Change in Law and/or Delisting*) instead of any corresponding or other adjustment in respect of such Nationalisation, Delisting or Change in Law under the applicable Relevant Options Exchange Corporate Actions Procedures, if any; and
- (C) subject to the occurrence of an Extraordinary Event (if "Extraordinary Event Payment Feature" is specified as applicable in the applicable Pricing Supplement), in relation to any event as a result of which options contracts in respect of the Shares are settled in the circumstances the subject of Exchangeable Note Condition 10.2 (*Settlement of options contracts*), the Exchangeable Notes will be redeemed subject to and in

accordance with such Exchangeable Note Condition 10.2 (*Settlement of options contracts*) and no adjustment (if any) under the applicable Relevant Options Exchange Corporate Actions Procedures will be made.

Any adjustment made pursuant to this paragraph shall become effective on the same date as any corresponding adjustments made by the Relevant Options Exchange (other than an adjustment pursuant to Exchangeable Note Condition 7.1(c), which shall become effective as provided in Exchangeable Note Condition 7.2).

(ii) *Options contracts traded on an Alternative Options Exchange:*

If no options contracts in respect of the Shares are traded on a Relevant Options Exchange but are traded on any other exchange or quotation system which serves as the principal place of trading for options contracts and futures contracts in respect of the Shares (such other exchange or quotation system as aforesaid, being, only in circumstances where no options contracts in respect of the Shares are traded on a Relevant Options Exchange but options contracts are traded on such other exchange or quotation system as aforesaid, the "**Alternative Options Exchange**"), the Calculation Agent shall, to the extent required, adjust the Exchange Price and/or, as the case may be, the Shares to reflect the adjustments effected in respect of any options contracts relating to the Shares by the Alternative Options Exchange, provided that:

- (A) in relation to Ordinary Cash Dividends, the Calculation Agent shall make the adjustments as set out in Exchangeable Note Condition 7.1(c) instead of any corresponding or other adjustments in respect of such Ordinary Cash Dividends under the standard corporate actions procedures of the Alternative Options Exchange in effect at the relevant time, if any;
- (B) subject to the occurrence of an Extraordinary Event (if "Extraordinary Event Payment Feature" is specified as applicable in the applicable Pricing Supplement), in relation to any Nationalisation, Delisting or (to the extent the Issuer has exercised its right to redeem the Exchangeable Notes pursuant to Exchangeable Note Condition 9 (*Nationalisation, Change in Law and/or Delisting*)) Change in Law, the Exchangeable Notes will be redeemed in accordance with Exchangeable Note Condition 9 (*Nationalisation, Change in Law and/or Delisting*) instead of any corresponding or other adjustment in respect of such Nationalisation, Delisting or Change in Law under the standard corporate actions procedures of the Alternative Options Exchange in effect at the relevant time, if any; and
- (C) subject to the occurrence of an Extraordinary Event (if "Extraordinary Event Payment Feature" is specified as applicable in the applicable Pricing Supplement), in relation to any event as a result of which options contracts in respect of the Shares are settled in the circumstances the subject of Exchangeable Note Condition 10.2 (*Settlement of options contracts*), the Exchangeable Notes will be redeemed subject to and in accordance with such Exchangeable Note Condition 10.2 (*Settlement of options contracts*) and no adjustment (if any) under the standard corporate actions procedures of the Alternative Options Exchange in effect at the relevant time will be made.

Any adjustment made pursuant to this paragraph shall become effective on the same date as any corresponding adjustments made by the Alternative Options Exchange (other than an adjustment pursuant to Exchangeable Note Condition 7.1(c) which shall become effective as provided in Exchangeable Note Condition 7.2).

(iii) *Options contracts traded neither on a Relevant Options Exchange nor on an Alternative Options Exchange:*

If no options contracts in respect of the Shares are traded on a Relevant Options Exchange or an Alternative Options Exchange, and any event which would have triggered an adjustment under the Relevant Options Exchange Corporate Actions Procedures last published occurs, the Calculation Agent will determine which adjustment, if any, should be made to the Exchange Price, and/or, as the case may be, the Shares, with reference to the rules and any precedents (if any) set by the Relevant Options Exchange to account for the effect of such event that in the

determination of the Calculation Agent, would have given rise to an adjustment by the Relevant Options Exchange if such options contracts were so traded, provided that:

- (A) in relation to Ordinary Cash Dividends, the Calculation Agent shall make the adjustments as set out in Exchangeable Note Condition 7.1(c) instead of any corresponding or other adjustments in respect of such Ordinary Cash Dividends under the applicable Relevant Options Exchange Corporate Actions Procedures, if any;
- (B) subject to the occurrence of an Extraordinary Event (if "Extraordinary Event Payment Feature" is specified as applicable in the applicable Pricing Supplement), in relation to any Nationalisation, Delisting or (if the Issuer has exercised its right to redeem the Exchangeable Notes pursuant to Exchangeable Note Condition 9 (*Nationalisation, Change in Law and/or Delisting*)) Change in Law, the Exchangeable Notes will be redeemed in accordance with Exchangeable Note Condition 9 (*Nationalisation, Change in Law and/or Delisting*) instead of any corresponding or other adjustment in respect of such Nationalisation, Delisting or Change in Law under the Relevant Options Exchange Corporate Actions Procedures, if any; and
- (C) subject to the occurrence of an Extraordinary Event (if "Extraordinary Event Payment Feature" is specified as applicable in the applicable Pricing Supplement), in relation to any event as a result of which options contracts in respect of the Shares are settled in the circumstances the subject of Exchangeable Note Condition 10.2 (*Settlement of options contracts*), the Exchangeable Notes will be redeemed subject to and in accordance with such Exchangeable Note Condition 10.2 (*Settlement of options contracts*) and no adjustment (if any) under the applicable Relevant Options Exchange Corporate Actions Procedures will be made.

Any adjustment made pursuant to this paragraph shall become effective as determined by the Calculation Agent on the date such adjustment would have been effective under the Relevant Options Exchange Corporate Actions Procedures as aforesaid.

(b) *Calculation Agent Determination*

Where "Calculation Agent Determination" is specified in the applicable Pricing Supplement, the Calculation Agent will adjust the Exchange Price and/or the Shares as follows:

- (i) If any of (A) options contracts in respect of the Shares are traded on a Relevant Options Exchange and the Relevant Options Exchange adjusts such options contracts following or as a result of any corporate actions, (B) no options contracts in respect of the Shares are traded on a Relevant Options Exchange but are traded on any other Alternative Options Exchange and the Alternative Options Exchange adjusts such options contracts following or as a result of any corporate actions or (C) no options contracts in respect of the Shares are traded on a Relevant Options Exchange or an Alternative Options Exchange and the Calculation Agent determines that any event which would have triggered an adjustment under the Relevant Options Exchange Corporate Actions Procedures last published occurs, then the Calculation Agent (acting in good faith and in a commercially reasonable manner) will determine which adjustment, if any, should be made to the Exchange Price and/or the Shares to account for the relevant corporate actions, taking into account all of the circumstances and factors it considers to be relevant including (without limitation and as may be applicable) any adjustments and related actions taken by the Relevant Options Exchange, the Alternative Options Exchange or the rules and any precedents (if any) set by Relevant Options Exchange in relation to options contracts on the Shares, provided that:
 - (A) in relation to Ordinary Cash Dividends, the Calculation Agent shall make the adjustments as set out in Exchangeable Note Condition 7.1(c) instead of any corresponding or other adjustments in respect of such Ordinary Cash Dividends under Condition 7.1(b)(i), if any;
 - (B) subject to the occurrence of an Extraordinary Event (if "Extraordinary Event Payment Feature" is specified as applicable in the applicable Pricing Supplement), in relation to any Nationalisation, Delisting or (if the Issuer has exercised its right to redeem the

Exchangeable Notes pursuant to Exchangeable Note Condition 9 (*Nationalisation, Change in Law and/or Delisting*)) Change in Law, the Exchangeable Notes will be redeemed in accordance with Exchangeable Note Condition 9 (*Nationalisation, Change in Law and/or Delisting*) instead of any corresponding or other adjustment in respect of such Nationalisation, Delisting or Change in Law under Condition 7.1(b)(i), if any; and

- (C) subject to the occurrence of an Extraordinary Event (if "Extraordinary Event Payment Feature" is specified as applicable in the applicable Pricing Supplement), in relation to any event as a result of which options contracts in respect of the Shares are settled in the circumstances the subject of Exchangeable Note Condition 10.2 (*Settlement of options contracts*), the Exchangeable Notes will be redeemed subject to and in accordance with such Exchangeable Note Condition 10.2 (*Settlement of options contracts*) and no adjustment (if any) under Condition 7.1(b)(i) will be made.

Any adjustment to the Exchange Price and/or the Shares made pursuant to this Condition 7.1(b)(i) shall become effective on the date determined by the Calculation Agent (acting in good faith and in a commercially reasonable manner).

- (c) If, (A) an Ex-Date in respect of any Ordinary Cash Dividend (a "**Relevant Dividend**") falls in a Relevant Period or (B) no Ex-Date in respect of an Ordinary Cash Dividend falls in a Relevant Period, the Calculation Agent shall calculate the adjustment to the Exchange Price in accordance with the following formula (instead of any corresponding or other adjustment under the Relevant Options Exchange Corporate Actions Procedures or the procedures of an Alternative Options Exchange or other sources, as the case may be):

$$X_n = X_o \times R$$

where:

- X_n = the adjusted Exchange Price on the Relevant Record Date;
- X_o = the Exchange Price on the Relevant Record Date;
- R = $(S_{prev} - D) / (S_{prev} - T)$, provided that (a) if $D = T$ (including if $D = T = S_{prev}$), no adjustment shall be required to be made to the Exchange Price, and (b) if $D \neq T$, then (x) if $D \geq S_{prev}$ (other than where $T \geq S_{prev}$), R shall be equal to 0.0001 and (y) if $T \geq S_{prev}$, R shall be such amount as determined by the Calculation Agent;
- S_{prev} = the Closing Price of a Share on the Relevant Record Date;
- D = (in the case of (A) above) the Fair Market Value of the Relevant Dividend paid on a per Share basis on the Relevant Record Date (or, in the case of an Ordinary Dividend falling within limb (ii) of the definition of Ordinary Cash Dividend, the Fair Market Value thereof as determined in accordance with such definition) and (in the case of (B) above) zero; and
- T = the applicable Dividend Threshold,

- (d) For the purposes of calculating the adjustment to the Exchange Price pursuant to the formula in Exchangeable Note Condition 7.1(c) above:
- (i) if no Ex-Date in respect of an Ordinary Cash Dividend falls in a Relevant Period or the Fair Market Value determined as aforesaid of the Relevant Dividend paid on a per Share basis is less than the applicable Dividend Threshold for such Relevant Period, the Exchange Price will be adjusted upwards;
- (ii) if the Fair Market Value determined as aforesaid of any such Relevant Dividend paid on a per Share basis (x) exceeds the applicable Dividend Threshold, the Exchange Price will be adjusted downwards; and (y) is equal to the relevant Dividend Threshold, no adjustment to the Exchange Price shall be required to be made.

- (e) For the purposes of adjustment to the Exchange Price pursuant to the formula in Exchangeable Note Condition 7.1(c) above, any adjustment to the Exchange Price shall take effect on the Relevant Adjustment Date (or, if later, on the first date on which the Fair Market Value of the Relevant Dividend as aforesaid can be determined).

- (f) *Definitions:*

"Dividend" means any dividend or distribution (whether in cash or in specie) paid or made by the Company to its Shareholders, whether payable out of share premium account, profits, retained earnings or any other capital or revenue reserve or account;

"Dividend Threshold" means in respect of each Relevant Period, the Reference Amount on a per Share basis specified to be paid in the Relevant Period provided that, if more than one Ex-Date has occurred in a Relevant Period, the Dividend Threshold shall apply to the first such Ex-Date to occur and the Dividend Threshold in respect of any subsequent Ex-Date occurring in such Relevant Period shall be zero;

"Ex-Date" means the first Scheduled Trading Day on which the Shares are traded ex- the Relevant Dividend on the Relevant Stock Exchange;

"Ordinary Cash Dividend" means (i) any Ordinary Dividend which is, or may at the election of a Shareholder be, paid or made in cash, such Ordinary Dividend being treated as an Ordinary Cash Dividend in the amount of such cash; or (ii) any issue or delivery of Shares (or other assets or property) by the Company to its Shareholders which is announced or expressed as a Dividend or which is in lieu of a Dividend in cash (whether or not a cash Dividend amount is announced) and which is an Ordinary Dividend, such issue or delivery being treated as an Ordinary Cash Dividend in an amount equal to the Volume Weighted Average Price of such Shares or, as the case may be, the Fair Market Value of such assets or property on the first date on which the Shares are traded ex-the relevant entitlement on the Relevant Stock Exchange (or if later the first date on which the number of Shares or, as the case may be, the other assets or property which may be issued or delivered is, or is capable of being, determined);

"Ordinary Dividend" means any Dividend which does not (or would not) result in an adjustment to the options contracts in respect of the Shares pursuant to the Relevant Options Exchange Corporate Actions Procedures or the rules of the Alternative Options Exchange (if any) or as otherwise determined by the Calculation Agent;

"Reference Amount" has the meaning ascribed to it in the applicable Pricing Supplement;

"Relevant Adjustment Date" means each Ex-Date in respect of a Relevant Dividend or, if no Ex-Date in respect of an Ordinary Cash Dividend falls in a Relevant Period, the first Scheduled Trading Day following the end of such Relevant Period. If no Ex-Date in respect of an Ordinary Cash Dividend falls in a Relevant Period, for the purposes of the Relevant Adjustment Date falling on the first Scheduled Trading Day of the following Relevant Period, the Dividend Threshold shall be deemed to be equal to the Dividend Threshold in respect of such Relevant Period in which no Ex-Date in respect of an Ordinary Cash Dividend occurred;

"Relevant Period" has the meaning ascribed to it in the applicable Pricing Supplement;

"Relevant Record Date" means the Scheduled Trading Day which immediately precedes the Relevant Adjustment Date.

7.2 *Effective date of adjustment*

Adjustments in accordance with this Exchangeable Note Condition 7 (*Adjustment of Exchange Price and the Shares*) will become effective as specified in Exchangeable Note Condition 7.1 (*Adjustment of Exchange Price and/or the Shares*). Adjustments in accordance with this Exchangeable Note Condition 7 (*Adjustment of Exchange Price and the Shares*) (including Exchangeable Note Condition 7.1(c)) will not be made, if the effective date for such adjustments is later than, in the case of Exchangeable Notes in respect of which Exchange Rights have been exercised, the last Averaging Date (where the Cash Amount is to be paid in respect of such exercise), or, in relation to Exchangeable Notes not exchanged, the first day after the end of the last Exchange Period pursuant to Exchangeable Note Condition 6.1 (*Exchange Period and Exchange Price*), as the case may be.

7.3 Rounding

All adjustments to the Exchange Price will be calculated by the Calculation Agent. Any adjustment to the Exchange Price determined will, if necessary, be rounded to four decimal places, with 0.00005 being rounded upwards, and any subsequent adjustments shall be made on the basis of such adjusted Exchange Price, so rounded.

7.4 Notice to Noteholders

The Issuer (failing whom the Guarantor) will give notice to Noteholders in accordance with Exchangeable Note Condition 21 (*Notices*) of any adjustment to the Exchange Price pursuant to this Exchangeable Note Condition 7 (*Adjustment of Exchange Price and the Shares*) as soon as reasonably practicable and, in any event, not later than seven Business Days following any such adjustment.

7.5 Correction of relevant share price

If any share price relevant for any calculation of a price or Cash Amount in accordance with this Exchangeable Note Condition 7 (*Adjustment of Exchange Price and the Shares*) (other than Exchangeable Note Condition 7.1(c)) is subsequently corrected by the Relevant Stock Exchange and the correction is published within less than one Settlement Cycle after the original publication, the Issuer (failing whom the Guarantor) shall notify the Noteholders of the corrected Share Price or Cash Amount and any necessary further adjustment of the terms of the Exchangeable Notes.

7.6 Calculation Agent's determination final and binding, etc.

Adjustments to the Exchange Price calculated by the Calculation Agent and any other determinations made by the Calculation Agent pursuant to these Exchangeable Note Conditions shall be final and binding (in the absence of manifest error) on the Issuer, the Guarantor, the Agents and the Noteholders. The Calculation Agent may, subject to the provisions of the Issue and Paying Agency Agreement, consult, at the expense of the Issuer (failing whom the Guarantor), on any matter (including but not limited to, any legal matter), with any legal or other professional adviser and it shall be able to rely upon, and it shall not be liable and shall incur no liability as against the Issuer, the Guarantor, the Agents or the Noteholders in respect of anything done, or omitted to be done, relating to that matter in good faith in accordance with that adviser's opinion. In making any adjustment or other calculation or determinations pursuant to these Exchangeable Note Conditions, the Calculation Agent shall act solely upon request from and as exclusive agent of the Issuer and the Guarantor, and the Calculation Agent will not thereby assume any obligations towards or relationship of agency or trust with, and shall not be liable and shall incur no liability as against, the Noteholders or to any Hedging Counterparty.

7.7 No payment or adjustment

For the avoidance of doubt, no adjustment will be made to the Exchange Price where Shares or other securities (including rights, warrants and options) are issued, offered, exercised, allotted, purchased, appropriated, modified or granted to, or for the benefit of, employees or former employees (including the personal service company of any such employee or directors holding or formerly holding executive office) or their spouses or relatives, in each case, of the Company or any associated company or its or their Affiliates or to a trustee or trustees to be held for the benefit of any such person, or any other member of the Company's group savings plan, in any such case pursuant to any share or option scheme (including for the avoidance of doubt any share capital increase of the Company reserved for employees and related schemes or any successor or similar scheme) or pursuant to any dividend reinvestment plan or similar plan or scheme.

8. Disrupted Days

If any Averaging Date is a Disrupted Day, then such Averaging Date shall be postponed to the first succeeding Scheduled Trading Day which is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur, provided that if any Averaging Date would otherwise be postponed to a date which falls after the Disruption Long Stop Date then with respect to such Averaging Date:

- (a) the Calculation Agent shall determine its good faith estimate of the value of the Share(s) at the Valuation Time as at such Disruption Long Stop Date; and

- (b) any such determinations shall be made as soon as reasonably practicable and no later than the Scheduled Trading Day immediately following the Disruption Long Stop Date.

The following definitions shall apply:

"Disrupted Day" means any Scheduled Trading Day on which the Relevant Stock Exchange for the Shares or the Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred, as determined by the Calculation Agent;

"Disruption Long Stop Date" means, unless otherwise specified in the applicable Pricing Supplement, the date falling 5 Scheduled Trading Days prior to the Final Maturity Date;

"Early Closure" means the closure on any Exchange Business Day of the Relevant Stock Exchange or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Relevant Stock Exchange or Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Relevant Stock Exchange or, as the case may be, the Related Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the system of the Relevant Stock Exchange or, as the case may be, Related Exchange for execution at the Valuation Time on such Exchange Business Day;

"Exchange Disruption" means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Shares on the Relevant Stock Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Shares on the Related Exchange;

"Market Disruption Event" means each of (i) Trading Disruption, (ii) Exchange Disruption and (iii) Early Closure, but in respect of (i) and (ii) only if the Calculation Agent determines that such event is material at any time during the one-hour period that ends at the Valuation Time;

"Related Exchange" means any Relevant Options Exchange or any Alternative Options Exchange, as the case may be;

"Scheduled Closing Time" means, in respect of the Relevant Stock Exchange or the Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Relevant Stock Exchange or, as the case may be, Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours;

"Trading Disruption" means any suspension of or limitation imposed on trading by the Relevant Stock Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Relevant Stock Exchange or, as the case may be, Related Exchange or otherwise (i) relating to the Shares on the Relevant Stock Exchange, or, as the case may be, (ii) in futures or options contracts relating to the Shares on the Related Exchange; and

"Valuation Time" means the Scheduled Closing Time in respect of the relevant Scheduled Trading Day.

9. Nationalisation, Change in Law and/or Delisting

If "Early Redemption" is specified as applicable in the applicable Pricing Supplement and, (i) if a Nationalisation and/or Delisting occurs, the Issuer shall and (ii) if a Change in Law occurs the Issuer may, by providing notice of the occurrence of such event in accordance with Exchangeable Note Condition 21 (*Notices*) within five Business Days of the Relevant Announcement Date specifying the Early Redemption Date (or such lesser notice as may be required to comply with the Change in Law) which notice shall be irrevocable, redeem all but not only some of the outstanding Exchangeable Notes at their Early Redemption Amount on the Early Redemption Date, together with accrued but unpaid interest (if any) up to (but excluding) the Early Redemption Date. The Issuer shall give notice of the Early Redemption Amount to Noteholders in accordance with Exchangeable Note Condition 21 (*Notices*) as soon as reasonably practicable after the determination thereof and in any event not later than the date falling five Business Days prior to the Early Redemption Date.

10. Redemption and Purchase

10.1 *Final Redemption*

Subject to the occurrence of an Extraordinary Event (if "Extraordinary Event Payment Feature" is specified as applicable in the applicable Pricing Supplement) and unless previously purchased and cancelled, redeemed or in respect of which Exchange Rights have been exercised as herein provided, the Exchangeable Notes will be redeemed at their principal amount on the Final Maturity Date. The Exchangeable Notes may only be redeemed at the option of the Issuer prior to the Final Maturity Date in accordance with Exchangeable Note Condition 9 (*Nationalisation, Change in Law and/or Delisting*) or Exchangeable Note Condition 10.2 (*Settlement of options contracts*) or Exchangeable Note Condition 10.4 (*Tax Redemption*) or Exchangeable Note Condition 15 (*Illegality*).

10.2 *Settlement of options contracts*

If "Early Redemption" is specified as applicable in the applicable Pricing Supplement and if options contracts in respect of the Shares are traded on the Related Exchange, and any event occurs as a result of which all such relevant options contracts are settled (including in accordance with the Relevant Options Exchange Corporate Actions Procedures or, in the case of an Alternative Options Exchange, the standard corporate actions procedures of the Alternative Options Exchange in effect at the relevant time, for example following the occurrence of a merger or takeover as provided in the Relevant Options Exchange Corporate Actions Procedures and other than as a result of a Nationalisation or a Delisting or Change in Law) the Issuer shall give notice to Noteholders in accordance with Exchangeable Note Condition 21 (*Notices*) within five Business Days of the Relevant Announcement Date (which notice shall be irrevocable) and shall thereafter redeem all, but not some only, of the outstanding Exchangeable Notes at their Early Redemption Amount together with accrued but unpaid interest (if any) up to (but excluding) the Early Redemption Date on the Early Redemption Date. The Issuer shall give notice of the Early Redemption Amount to Noteholders in accordance with Exchangeable Note Condition 21 (*Notices*) as soon as reasonably practicable after the determination thereof and in any event not later than the date falling five Business Days prior to the Early Redemption Date.

10.3 *Nationalisation, Delisting and/or Change in Law*

If "Early Redemption" is specified as applicable in the applicable Pricing Supplement and upon the occurrence of a Nationalisation, a Delisting and/or a Change in Law, Exchangeable Note Condition 9 (*Nationalisation, Change in Law and/or Delisting*) shall apply.

10.4 *Tax Redemption*

If this Exchangeable Note Condition 10.4 (*Tax Redemption*) is specified in the applicable Pricing Supplement to be applicable to a Series of Exchangeable Notes, the Exchangeable 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, not less than 10 Business Days prior to the date on which the Exchangeable Notes are to be redeemed, if the Issuer determines in its reasonable discretion that, as a result of any change in or amendment to the laws, or any regulations or rulings promulgated under the laws, of the United States or of any political subdivision or taxing authority of or in the United States affecting taxation, or any change in official position regarding the application or interpretation of the laws, regulations or rulings referred to above, which change or amendment becomes effective on or after the date of the applicable Pricing Supplement in connection with the issuance of the Exchangeable Notes or any other date specified in the applicable Pricing Supplement, it or the Guarantor is or will become obligated to pay Additional Amounts with respect to the Exchangeable Notes as described in Exchangeable Note Condition 13 (*Taxation*). The Issuer will give notice of any tax redemption in accordance with Exchangeable Note Condition 21 (*Notices*) as a result of which the Exchangeable Notes shall be redeemed early at their principal amount, together with any accrued but unpaid interest (if any) to the date of payment.

Prior to the Issuer giving notice of redemption under Exchangeable Note Condition 10.4 (*Tax Redemption*), it will deliver to the Fiscal Agent:

- (i) 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 Fiscal Agent is the "**Redemption Determination Date**"; and

- (ii) 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 10 Business Days prior to the date fixed for redemption. The date and the applicable redemption price will be specified in the notice.

10.5 **Purchase**

The Issuer, the Guarantor or any of its Affiliates may at any time purchase Exchangeable Notes in the open market or otherwise and at any price.

10.6 **Cancellation**

All Exchangeable Notes so redeemed or in respect of which Exchange Rights are exercised shall, and all the Exchangeable Notes so purchased by MSFL or any of its Subsidiaries may, at the reasonable discretion of the relevant purchaser, be cancelled. All Exchangeable Notes so redeemed, and all Exchangeable Notes so purchased and cancelled, may not be reissued or resold.

10.7 **Multiple Notices**

If more than one notice of redemption is given pursuant to Exchangeable Note Condition 10.2 (*Settlement of options contracts*) or Exchangeable Note Condition 10.3 (*Nationalisation, Delisting and/or Change in Law*), the first of such notices to be given shall prevail.

Notwithstanding the immediately preceding paragraph, if a notice of redemption is provided in relation to the Early Redemption Amount pursuant to Exchangeable Note Condition 10.2 (*Settlement of options contracts*) or Exchangeable Note Condition 10.3 (*Nationalisation, Delisting and/or Change in Law*), then such notice shall prevail over any Exchange Notice regardless of the sequence in which any such notice and Exchange Notice are provided.

10.8 **Compliance with securities laws**

If any holder of any Regulation S/Rule 144A Exchangeable Note is determined not to be either (A) a QIB, or (B) a non-U.S. person (as defined in Regulation S), the Issuer shall have the right to (i) force such holder to sell its interest in such Exchangeable Note, or sell such interest on behalf of such holder, to (A) a QIB, or (B) in an offshore transaction in accordance with Regulation S to a non-U.S. person who, following such transaction, receives a beneficial interest in the relevant Regulation S/Rule 144A Global Note or (ii) terminate and cancel such Exchangeable Note. If any holder of any Regulation S Exchangeable Note is determined to be a U.S. person (as defined in Regulation S), the Issuer shall have the right to force such holder to sell its interest in such Exchangeable Note, or sell such interest on behalf of such holder, to a person who is not a U.S. person (as defined in Regulation S) who, following such transaction, receives a beneficial interest in the relevant Regulation S Global Note or (ii) terminate and cancel such Exchangeable Note. In the case of any termination and cancellation of an Exchangeable Note as described above no amount shall be payable to the relevant Noteholder and the Issuer shall have no further obligations in respect of the Exchangeable Note.

11. **Extraordinary Event Payment Feature**

If "Extraordinary Event Payment Feature" is specified as applicable in the applicable Pricing Supplement, upon the occurrence of an Extraordinary Event, the Issuer shall, by providing notice of the occurrence of such Extraordinary Event in accordance with Exchangeable Note Condition 21 (*Notices within five Business Days of the Relevant Announcement Date* (or such lesser notice as may be required to comply with the Change in Law) which notice shall be irrevocable:

- (a) pay on the Extraordinary Event Amount Payment Date, in respect of each Specified Denomination of the Exchangeable Notes an amount in cash equal to the Extraordinary Event Amount;

- (b) notwithstanding Condition 10.1 (*Final Redemption*), pay on the Final Maturity Date in respect of each Specified Denomination of the Exchangeable Notes an amount in cash equal to the principal amount of the Exchangeable Notes (and, for the avoidance of doubt, no Noteholder will be entitled to any Cash Amount); and
- (c) continue to pay interest (if any) on the Exchangeable Notes on each Interest Payment Date up to (and including) the Final Maturity Date.

12. Payments

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 Fiscal Agent not later than the 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 Individual 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 Fiscal Agent not later than the 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 Individual 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 (i) any applicable fiscal or other laws and regulations, but without prejudice to the provisions of Exchangeable Note Condition 13 (*Taxation*); and (ii) any withholding or deduction required pursuant to an agreement described in section 1471(b) of the United States Internal Revenue Code of 1986, as amended (the "**Code**") or otherwise imposed pursuant to sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any administrative guidance with respect thereto, any official interpretations thereof, or any law, regulations or administrative guidance implementing an intergovernmental approach thereto (in each case without prejudice to the provisions of Exchangeable Note 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 Individual 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 Exchangeable Note Condition 12 (*Payments*) 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 an Individual Note Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Individual 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 close of business in the place of the Registrar's Specified Office on such number of days before the due date for such payment as is specified in the applicable Pricing Supplement (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 close of business on the relevant Record Date.

12.7 **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 Registered 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) (in which case an "**Unavailability of Currency Event**" shall be deemed to have occurred in respect of such Exchangeable Notes), 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:

- (a) of the Specified Currency for U.S. Dollars for settlement on the payment date;
- (b) in the aggregate amount of the Specified Currency payable to those holders or beneficial owners of Exchangeable Notes; and
- (c) 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 reasonable 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, the Guarantor and the Noteholders. The Exchange Rate Agent will be Morgan Stanley & Co. International plc (the "**Exchange Rate Agent**"), unless otherwise noted in the applicable Pricing Supplement. If the Exchange Rate Agent is not an affiliate of Morgan Stanley, it may be one of the dealers providing quotations.

For the avoidance of doubt, 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 Exchangeable Notes, pay the principal of, premium, if any, or interest, if any, on any Exchangeable 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.

13. **Taxation**

- 13.1 **Additional Amounts:** If (and only if) specified in the applicable Pricing Supplement, in respect of a Series of Exchangeable Notes, the Issuer or Guarantor, if applicable, will, subject to certain exceptions and limitations set forth below, pay additional amounts (the "**Additional Amounts**") to any Noteholder who is a U.S. Alien as may be necessary in order that every net payment of the principal of and interest on the Exchangeable Note after withholding for or on account of any tax, assessment or governmental charge imposed upon or as a result of that payment by the United States or any political subdivision or taxing authority thereof or therein, will not be less than the amount provided for in the Exchangeable Note to be then due and payable under the Exchangeable Notes. For the avoidance of doubt, if not so

provided in the applicable Pricing Supplement, Additional Amounts as provided in this Exchangeable Note Condition 13.1 (*Additional Amounts*) shall not be payable.

The Issuer or Guarantor, if applicable, will not, however, be required to make any payment of Additional Amounts to any Noteholder for or on account of:

- (a) any tax, assessment or other governmental charge that would not have been so imposed but for:
 - (i) the existence of any present or former connection between the holder or beneficial owner, or between a fiduciary, settlor, beneficiary, member or shareholder of the holder or beneficial owner, if the holder or beneficial owner is an estate, a trust, a partnership or a corporation, and the United States and its possessions, including, without limitation, the holder or beneficial owner, or such fiduciary, settlor, beneficiary, member or shareholder, being or having been a citizen or resident of the United States or being or having been engaged in the conduct of a trade or business or present in the United States or having, or having had, a permanent establishment in the United States; or
 - (ii) the presentation by the Exchangeable Noteholder for payment on a date more than 15 days after the date on which payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;
- (b) any estate, inheritance, gift, sales, transfer, capital gains, corporation, income or personal property tax or any similar tax, assessment or governmental charge;
- (c) any tax, assessment or other governmental charge imposed by reason of the holder's or beneficial owner's past or present status as a "personal holding company", "controlled foreign corporation" or "passive foreign investment company" (in either case for U.S. federal income tax purposes) with respect to the United States or as a corporation that accumulates earnings to avoid U.S. federal income tax or as a private foundation or other tax exempt organisation;
- (d) any tax, assessment or other governmental charge that is payable otherwise than by withholding from payments on or in respect of any Exchangeable Note;
- (e) any tax, assessment or other governmental charge that would not have been imposed but for the failure to comply with certification, information or other reporting requirements concerning the nationality, residence or identity of the holder or beneficial owner of that Exchangeable Note, if compliance is required by statute or by regulation of the United States or of any political subdivision or taxing authority thereof or therein as a precondition to relief or exemption from the tax, assessment or other governmental charge;
- (f) any withholding tax imposed under sections 1471 through 1474 of the Code or any agreement with the Internal Revenue Service ("IRS") pursuant to these Code sections, any applicable U.S. Treasury regulations promulgated thereunder or published administrative guidance implementing such sections and any analogous provisions of non-U.S. laws (including withholding resulting from any inter-governmental agreement or an individual agreement with a taxing authority in connection with such sections of the Code, regulations, guidance or laws);
- (g) any tax, assessment or other governmental charge imposed by reason of Section 871(m) of the Code, and any applicable U.S. Treasury regulations promulgated thereunder or published administrative guidance implementing such section;
- (h) any tax, assessment or other governmental charge imposed by reason of the holder's or beneficial owner's past or present status as the actual or constructive owner of 10 per cent. or more of the total combined voting power of all classes of stock entitled to vote of Morgan Stanley or as a direct or indirect subsidiary of Morgan Stanley;
- (i) any tax, assessment or other governmental charge imposed by reason of the holder of any Exchangeable Note or beneficial owner not qualifying for the portfolio interest exemption or for an exemption with respect to coupon payments under the "other income" provision of a Qualifying Treaty; or
- (j) any combination of the items listed above.

In addition, the Issuer or Guarantor, if applicable, will not be required to make any payment of Additional Amounts with respect to any Exchangeable Note presented for payment by or on behalf of a holder or beneficial owner who would have been able to avoid such withholding or deduction by presenting the relevant Exchangeable Note to another paying agent in a Member State of the European Union.

Nor will Additional Amounts be paid with respect to any payment on an Exchangeable Note to a U.S. Alien who is a fiduciary or partnership or other than the sole beneficial owner of that payment to the extent that payment would be required by the laws of the United States (or any political subdivision thereof) to be included in the income, for tax purposes, of a beneficiary or settlor with respect to the fiduciary or a member of that partnership or a beneficial owner who would not have been entitled to the Additional Amounts had that beneficiary, settlor, member or beneficial owner been the Noteholder.

The term "**U.S. Alien**" means any person who, for U.S. federal income tax purposes, is a foreign corporation, a non-resident alien individual, a non-resident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is a foreign corporation, a non-resident alien individual or a non-resident alien fiduciary of a foreign estate or trust.

13.2 ***Withholding Taxes***

Except as otherwise provided in the applicable Pricing Supplement, all payments of principal and interest by MSFL or the Guarantor shall be made free and clear of, and without withholding or deduction for, any present or future taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected withheld or assessed by any jurisdiction, including but not limited to the United Kingdom, The Netherlands, Jersey, Germany, or the United States of America, in each case, including any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. None of MSFL or the Guarantor shall be required to make any additional payments on account of any such withholding or deductions, except as provided for in Exchangeable Note Condition 13.1 (*Additional Amounts*) above.

13.3 ***Implementation of Financial Transaction Tax***

If "Implementation of Financial Transaction Tax" is specified in the applicable Pricing Supplement to be applicable to any Series of Exchangeable Notes, then upon the occurrence of an Implementation of Financial Transaction Tax, the Issuer may (a) in its reasonable discretion, with immediate effect amend the Exchangeable Note Conditions by adjusting downward any amount payable and/or any other value or term of the Exchangeable Note Conditions to account for the economic impact of the Implementation of Financial Transaction Tax on the Issuer and its Affiliates in relation to the Exchangeable Notes, and (b) 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 Transaction Tax that has not been accounted for through the adjustment made pursuant to sub-paragraph (a) (such amount, "**Additional Increased Tax**"), it may reduce the amount otherwise payable on the Exchangeable 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. If an event or circumstance which would otherwise constitute a Change in Law or Increased Cost of Hedging (where applicable) also constitutes an Implementation of Financial Transaction Tax, it will be treated as an Implementation of Financial Transaction Tax.

14. **Events of Default**

14.1 If any of the following events (each, an "**Event of Default**") occurs and is continuing:

- (a) *Non-payment*: failure to pay any amount of principal, interest or Cash Amount or any other amount in respect of the Exchangeable Notes within thirty days of the due date for payment thereof or failure to pay any amount of interest in respect of the Exchangeable Notes within thirty days of the due date for payment thereof; or
- (b) *Insolvency, etc.*: 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), and such order or effective resolution has remained in force and has not been rescinded, revoked or set aside for sixty days after the date on which such order is made or effective resolution is passed,

then Noteholders of not less than 25 per cent. in aggregate principal amount of the Exchangeable Notes may, by written notice addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, declare the Exchangeable Notes to be immediately due and payable, whereupon they shall become so due and payable at the Replacement Amount (as defined below) of such Exchangeable Note (or in accordance with any other provisions specified in the applicable Pricing Supplement), together with any accrued but unpaid interest (if any) to the date of payment, without further action or formality.

For the purpose of this Exchangeable Note Condition 14 (*Events of Default*), "**Replacement Amount**" means an amount determined by the Calculation Agent, acting in good faith and in a commercially reasonable manner, as at such day as is selected by the Calculation Agent in its sole and absolute discretion (provided that such day is not more than 15 days before the date fixed for redemption of the Exchangeable Notes), to be the amount that a Qualified Financial Institution would charge either to assume all of the Issuer's payment and other obligations with respect to such Exchangeable Notes as if no such Event of Default had occurred or to undertake obligations that would have the effect of preserving the economic equivalent of any payment by the Issuer to the Noteholder with respect to the Exchangeable Notes PROVIDED THAT if the Calculation Agent has not determined a Replacement Amount by the date falling 30 days after the date fixed for redemption, holders of not less than 25 per cent. in aggregate principal amount of the Exchangeable Notes may (at the expense of the Issuer) appoint an independent adviser with appropriate expertise (an "**Independent Adviser**"), acting in good faith and in a commercially reasonable manner, to calculate the Replacement Amount as aforesaid.

Notice of any such declaration shall be given to the Noteholders promptly (in any event not more than 10 Business Days after such declaration is made).

Nothing herein contained shall be deemed to authorise any Noteholder to exercise any remedy against the Issuer or the Guarantor solely as a result of, or because it is related directly or indirectly to, the insolvency of the Guarantor or the commencement of any proceedings relative to the Guarantor under Title 11 of the United States Code, or the appointment of a receiver for the Guarantor under Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 or the commencement of any other applicable federal or state bankruptcy, insolvency, resolution or other similar law, or solely as a result of, or because it is related directly or indirectly to, a receiver, assignee or trustee in bankruptcy or reorganization, liquidator, sequestrator or similar official having been appointed for or having taken possession of the Guarantor or its property, or solely as a result of, or because it is related directly or indirectly to, the institution of any other comparable judicial or regulatory proceedings relative to the Guarantor, or to the creditors or property of the Guarantor. Notwithstanding the foregoing, Noteholders are authorised to exercise any remedy against the Issuer as a result of an Event of Default described in Exchangeable Note Condition 14.1(b) (*Insolvency, etc.*).

14.2 ***Annulment of Acceleration and Waiver of Defaults***

In some circumstances, if any or all Events of Default, other than the non-payment of the principal or the Cash Amount of the Exchangeable Notes of a Series that has become due as a result of an acceleration, have been cured, waived or otherwise remedied, then the holders of a majority in principal amount of such Series of Notes (voting as one class) may annul past declarations of acceleration of or waive past defaults of the Exchangeable Notes. However, any continuing default in payment of principal of or any premium or Cash Amount or interest on those Exchangeable Notes may not be waived.

15. Illegality

- 15.1 If this Exchangeable Note Condition 15 (*Illegality*) is specified in the applicable Pricing Supplement to be applicable to a Series of Exchangeable Notes, the Issuer shall have the right to redeem the Exchangeable Notes early, if it shall have determined, that its performance thereunder, or, if applicable, the Guarantor's performance of its obligation under the Guarantee, shall have become or will be unlawful in whole or in part as a result of compliance in good faith by the Issuer, or, if applicable, the Guarantor, 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**") (an "**Illegality Event**"); or
- 15.2 If this Exchangeable Note Condition 15 (*Illegality*) is specified in the applicable Pricing Supplement to be applicable to a Series of Exchangeable Notes and, subject to the conditions set out above, the Issuer determines that the Exchangeable Notes shall be redeemed early in accordance with this Exchangeable Note Condition 15 (*Illegality*), the Issuer shall give not less than five Business Days' notice to the Noteholders informing them that either an Illegality Event has occurred, as a result of which the Exchangeable Notes shall be redeemed early on the date specified for redemption in such notice at their principal amount, together with any accrued but unpaid interest (if any) to the date of payment.
- 15.3 The Issuer shall also, as soon as reasonably practicable under the circumstances, notify the Fiscal Agent and the Calculation Agent of the occurrence of an Illegality Event.

16. Prescription

The Exchangeable Notes will become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Exchangeable Note Condition 2.1 (*Definitions*)) therefor.

Claims in respect of any other amounts payable in respect of the Exchangeable Notes shall be prescribed and become void unless made within ten years following the Relevant Date.

17. Replacement of Notes

If any Exchangeable Note or Individual Note Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Registrar, during normal business hours (and, if the Exchangeable 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, Transfer Agent or Exchange Agent in any particular place, the Paying Agent, Transfer Agent or Exchange 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 or Individual Note Certificates must be surrendered before replacements will be issued.

18. Agents

- 18.1 In acting under the Issue and Paying Agency Agreement and in connection with the Exchangeable Notes, the Agents 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. All calculation and determination functions required of the relevant Agent may be delegated to such persons as the relevant Agent may decide and all notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the Exchangeable Notes by the 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 or the Issuer in connection with the exercise or non-exercise by any of them of their powers, duties and discretions for such purposes. The Determination Agent and/or the Calculation 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 and/or the Calculation Agent shall, in the absence of manifest error, wilful default or bad faith, be final and conclusive and the Determination Agent and/or the Calculation Agent shall have no liability in relation to such determinations except in the case of its wilful default or bad faith.

- 18.2 The initial Agents and their initial Specified Office are listed below on the inside back cover of this Offering Circular. The initial Calculation Agent is the Fiscal Agent. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint a successor Fiscal Agent or Registrar or Calculation Agent or Exchange Agent and additional or successor paying agents; **provided, however**, that:
- (a) there shall at all times be a Fiscal Agent appointed in respect of the Notes;
 - (b) if a Calculation Agent is specified in the applicable Pricing Supplement, the Issuer shall at all times maintain a Calculation Agent;
 - (c) if and for so long as the Exchangeable 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 and/or a Transfer Agent and/or Exchange Agent in any particular place, the Issuer shall maintain a Paying Agent and/or a Transfer Agent and/or Exchange Agent having its Specified Office in the place required by such listing authority, stock exchange and/or quotation system; and
- 18.3 Notice of any change in any of the Paying Agents or Exchange Agent or in their Specified Offices shall promptly and in any event not more than 15 Business Days after such change has been confirmed, be given to the Noteholders in accordance with Exchangeable Note Condition 21 (*Notices*).

19. Meetings of Noteholders and Modification

19.1 *Meetings of Noteholders*

The Issue and Paying Agency Agreement contains provisions for convening meetings of Noteholders to consider matters relating to the Exchangeable Notes, including the sanctioning by Extraordinary Resolution of a modification of any provision of these Exchangeable Note Conditions and, in the case of the Issue and Paying Agency Agreement, the meaning of each of Noteholder and holder for such purposes. Such a meeting may be convened by the Issuer 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 Exchangeable Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be two or more Persons holding or representing one more than half of the aggregate principal amount of the outstanding Exchangeable Notes or, at any adjourned meeting, two or more Persons being or representing Noteholders whatever the principal amount of the Exchangeable Notes held or represented, provided, however, that in respect of Reserved Matters sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders, two or more Persons holding or representing not less than three quarters or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Exchangeable Notes form a quorum.

The Issue and Paying Agency Agreement provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Issue and Paying Agency Agreement by a majority consisting of not less than three quarters of the votes cast on such resolution, (ii) a resolution in writing signed by or on behalf of all holders of the Exchangeable Notes for the time being outstanding who are entitled to receive notice of a meeting in accordance with the Issue and Paying Agency Agreement or (iii) consent given by way of electronic consents through the Relevant Clearing System(s) (in a form satisfactory to the Registrar) by or on behalf of the holders of not less than three quarters in principal amount of the Exchangeable Notes for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Noteholders. An Extraordinary Resolution passed by the Noteholders will be binding on all the Noteholders, whether or not they are present at any meeting, and whether or not they voted on the resolution.

19.2 *Modification*

- (a) The Exchangeable Notes, these Exchangeable Note Conditions, the Guarantee and the MSFL Deed of Covenant may be amended without the consent of the Noteholders where, in the reasonable opinion of the Issuer:
 - (i) the amendment is to correct a manifest error or to effect a modification which is of a formal, minor or technical nature;
 - (ii) the amendment is to cure any ambiguity or is to correct or supplement any defective provisions;

- (iii) the amendment is to correct an error or omission such that, in the absence of such correction, the relevant terms proposed to be corrected would not otherwise represent the intended terms on which the relevant Exchangeable Notes were sold and have since traded; or
 - (iv) the amendment is not materially prejudicial to the interest of the Noteholders.
- (b) The parties to the Issue and Paying Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders, to any such modification unless it is of a type contemplated in Exchangeable Note Condition 19.2(a) above.

19.3 *Interests of Noteholders*

In connection with the Exchangeable Note Conditions, the Issuer and the Fiscal Agent shall have regard to the interests of the Noteholders as a class. In particular, but without limitation, the Issuer and the Fiscal Agent shall not have regard to the consequences for individual Noteholders resulting from such individual Noteholders being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory.

19.4 *Severance*

Should any of the provisions contained in these Exchangeable Note Conditions be or become invalid, the validity of the remaining provisions shall not be affected in any way.

20. *Further Issues*

The Issuer may from time to time, without the consent of the Noteholders, 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 Exchangeable Notes.

21. *Notices*

21.1 *Registered Notes*

Notices to holders of Registered Notes in definitive form 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. Notices to holders of Registered Notes in global form shall be sent to them by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other Relevant Clearing System for communication by them to the holders of the Exchangeable Notes. In addition, subject as provided in Condition 21.2 and Condition 21.3 below (in each case as applicable), any such notices shall be published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Registered Notes are for the time being listed or by which they have been admitted to trading including publication on the website of the relevant stock exchange or relevant authority if required by those rules.

21.2 *Exchangeable Notes admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market*

In relation to Exchangeable Notes admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market, notices to Noteholders will be published in accordance with the rules of Euronext Dublin.

21.3 *Exchangeable Notes admitted to the Official List of the Luxembourg Stock Exchange and trading on the Euro MTF market*

In relation to Exchangeable Notes admitted to the Official List of the Luxembourg Stock Exchange and trading on the Luxembourg Stock Exchange's Euro MTF market, notices will be valid if published in a daily newspaper of general circulation in Luxembourg and/or on the website of the Luxembourg Stock Exchange (www.luxse.com). Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

21.4 Notwithstanding any other provision in the Exchangeable Note Conditions, any failure by the Issuer, the Calculation Agent, the Determination Agent or any other party to provide Noteholders or any stock exchange on which the Exchangeable Notes are listed or admitted to trading with any notice due to be given to Noteholders or published on any such stock exchange in accordance with the Exchangeable Note Conditions shall not of itself affect the validity of the determination, adjustment, event or any other occurrence to which such notice relates.

21.5 If an adjustment is made, or any other action is taken, by the Determination Agent and/or the Calculation Agent under Exchangeable Note Condition 7 (*Adjustment of Exchange Price and the Shares*), the Determination Agent and/or the Calculation Agent shall notify the Issuer and the Fiscal Agent of such adjustment. The Fiscal Agent shall, on behalf of and on instruction of the Issuer, provide notice (which notice shall, for the avoidance of doubt, be in the form provided to it by or on behalf of the Issuer) to the Noteholders of the relevant adjustment within 15 Business Days of receipt of such notification from the Determination Agent and/or the Calculation Agent.

22. Losses

In no event shall the Issuer or the 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 Exchangeable 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 Exchangeable Note.

23. Currency Indemnity

23.1 If any sum due from the Issuer in respect of the Exchangeable Notes 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 Exchangeable Note 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 Exchangeable 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 Fiscal 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.

23.2 This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

24. Rounding

For the purposes of any calculations referred to in these Exchangeable Note Conditions (unless otherwise specified in these Exchangeable Note Conditions or the applicable Pricing Supplement), (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).

25. Redenomination, Renominalisation and Reconventioning

25.1 Application

This Exchangeable Note Condition 25 (*Redenomination, Renominalisation and Reconventioning*) is applicable to the Exchangeable Notes only if it is specified in the applicable Pricing Supplement as being applicable.

25.2 ***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, on giving at least 15 Business Days' prior notice to the Noteholders and the Paying Agents, designate a date (the "**Redenomination Date**"), being an Interest Payment Date under the Exchangeable Notes falling on or after the date on which such country becomes a Participating Member State.

25.3 ***Redenomination***

Notwithstanding the other provisions of these Exchangeable Note Conditions, with effect from the Redenomination Date, the Exchangeable Notes shall be deemed to be redenominated into euro in the denomination of euro 0.01 with a principal amount for each Exchangeable Note equal to the principal amount of that Exchangeable 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 Union regulations); provided, however, that, if the Issuer determines, with the agreement of the Fiscal 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, and in any event within not more than 15 Business Days of the Issuer making such determination, notify the Noteholders, each listing authority, stock exchange and/or quotation system (if any) by which the Exchangeable Notes have been admitted to listing, trading and/or quotation and the Paying Agents of such deemed amendments;

25.4 ***Interest***

Following redenomination of the Exchangeable Notes pursuant to this Exchangeable Note Condition 25 (*Redenomination, Renominalisation and Reconventioning*), where Exchangeable Notes have been issued in definitive form, the amount of interest due in respect of such Exchangeable Notes will be calculated by reference to the aggregate principal amount of the Exchangeable Notes presented for payment by the relevant holder.

26. ***Substitution***

26.1 ***Substitution of Issuer with Morgan Stanley Group entities***

Subject to the conditions set out in this Exchangeable Note Condition 26 (*Substitution*), but without the consent of Noteholders, the Issuer may, substitute Morgan Stanley or a subsidiary of Morgan Stanley in place of MSFL as principal debtor under the Exchangeable Notes, provided that, unless Morgan Stanley is the substitute issuer, any Exchangeable Notes in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of Morgan Stanley as to the payment of Cash Amount, principal of, premium, interest and supplemental amounts, if any, and any Additional Amounts on those Exchangeable Notes when and as the same will become due and payable, whether at maturity or otherwise, and provided further that under the terms of the guarantee, Noteholders will not be required to exercise their remedies against the substitute prior to proceeding directly against Morgan Stanley (as guarantor);

26.2 ***Substitution of Issuer or Guarantor with non-Morgan Stanley Group entities***

If this Exchangeable Note Condition 26.2 (*Substitution of Issuer or Guarantor with non-Morgan Stanley Group entities*) is specified in the applicable Pricing Supplement to be applicable to a Series of Exchangeable Notes, subject to the conditions set out in this Exchangeable Note Condition 26 (*Substitution*), including the rights of Noteholders under Exchangeable Note Condition 26.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*), but without the consent of Noteholders, the Issuer or the Guarantor may, in the event that the Issuer or the Guarantor (as the case may be) has determined that any of the following events has occurred in respect of the Issuer or the Guarantor (as the case may be): an insolvency, receivership or equivalent event under the jurisdiction of the Issuer or the Guarantor (as the case may be); a divestment mandated for regulatory reasons; any action being required to satisfy any regulatory licensing requirements; or a change of control (each a "**Substitution Event**"), substitute for itself any entity which is not a Morgan Stanley Group entity, provided that such entity has a long term credit rating from at least one rating agency of standard

application on the international capital markets (including but not limited to S&P, Moody's and Fitch) which is at least as high as the long term credit rating of the Issuer or Guarantor (as the case may be) being substituted immediately prior to the occurrence of the relevant Substitution Event. Notwithstanding the foregoing, for any Series of Exchangeable Notes in respect of which Morgan Stanley is the Issuer, Morgan Stanley may not be substituted as Issuer with any entity which is not a Morgan Stanley Group entity within one year of the Issue Date of such Exchangeable Notes.

26.3 ***Conditions to substitution***

Substitution of an Issuer or Guarantor for another entity (the "**Substitute**") as provided in Exchangeable Note Condition 26.1 (*Substitution of Issuer with Morgan Stanley Group entities*) or 26.2 (*Substitution of Issuer or Guarantor with non-Morgan Stanley Group entities*) above (as applicable) are subject to the following conditions:

- (a) the Substitute becoming party to the Issue and Paying Agency Agreement with any appropriate consequential amendments, as if it had been an original party to it in place of the Issuer or the Guarantor (as the case may be);
- (b) the Substitute is validly existing under the laws under which it is established or incorporated, has capacity to assume all rights, obligations and liabilities under the Exchangeable Notes, receipts, coupons and Guarantee, as applicable, and has obtained all necessary corporate authorisations to assume all such rights, obligations and liabilities under the Exchangeable Notes or Guarantee (as applicable);
- (c) the Substitute has obtained all necessary governmental or regulatory approvals and consents for the performance by it of its obligations in connection with the Exchangeable Notes or Guarantee (as applicable) and that all such approvals and consents are in full force and effect and that the Substitute and the Exchangeable Notes comply with all applicable requirements of the Securities Act;
- (d) in the case of substitution of an Issuer or Guarantor pursuant to Exchangeable Note Condition 26.1 (*Substitution of Issuer with Morgan Stanley Group entities*) above only:
 - (i) the Substitute and the Issuer having obtained (a) legal opinions from independent legal advisors of recognised standing in the country of incorporation of the Substitute and in England that the obligations of the Substitute, in the case of a substitution of an Issuer, under the Exchangeable Notes and the MSFL Deed of Covenant, or, in New York in the case of a substitution of the Guarantor under the Deed of Guarantee, are legal, valid and binding obligations of the Substitute and (b) a legal opinion from an independent legal advisor in New York, of recognised standing, that the Deed of Guarantee will apply to the Substitute mutatis mutandis as it applies to the Issuer prior to the substitution and will constitute legal, valid and binding obligations of the Guarantor, in respect of the Substitute, provided that no opinion as referred to in this paragraph (d) shall be required where the Substitute is the Guarantor;
 - (ii) if the relevant Exchangeable Notes are rated at the relevant time, the Substitute has obtained, prior to the substitution date, acknowledgement from the relevant rating agencies that the substitution will not result in whole or in part in a withdrawal, downgrading, placement in creditwatch or negative outlook of the Exchangeable Notes.
- (e) the Fiscal Agent has confirmed to the Issuer or Guarantor (as the case may be) that it has completed its relevant "know your customer" requirements on the proposed Substitute;
- (f) such substitution being permitted by the rules of any stock exchange on which the Exchangeable Notes are listed and each such stock exchange confirming that, following the proposed substitution of the Substitute, the Exchangeable Notes will continue to be listed on such stock exchange;
- (g) no payment in respect of the Exchangeable Notes, receipts and coupons is overdue at the relevant time;
- (h) at the time of any such substitution, the Substitute is in a position to fulfil all payment obligations arising from or in connection with the Exchangeable Notes in freely convertible and transferable lawful money without the necessity of any taxes or duties to be withheld at source, and to transfer all amounts which are required therefor to the Fiscal Agent without any restrictions;

- (i) if appropriate, the Substitute appointing a process agent as its agent in England to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Exchangeable Notes; and
- (j) the Exchangeable Notes shall continue to benefit from the Guarantee following substitution of the Issuer, pursuant to Exchangeable Note Condition 26.1 (*Substitution of Issuer with Morgan Stanley Group entities*) and the terms of the Guarantee;

For the avoidance of doubt, nothing will preclude the substitution of the Issuer with the Guarantor.

26.4 Reference in the Exchangeable Note Conditions to the Issuer or the Guarantor (as the case may be)

In the event of a substitution pursuant to this Exchangeable Note Condition 26 (*Substitution*), any reference in the Exchangeable Note Conditions to the Issuer or the Guarantor (as the case may be) shall be construed as a reference to the entity substituted.

26.5 Notification to Noteholders of substitutions with Morgan Stanley Group entities

The Issuer shall as soon as reasonably practicable and in any event not more than 15 Business Days after the date on which a substitution pursuant to Exchangeable Note Condition 26.1 (*Substitution of Issuer with Morgan Stanley Group entities*) has taken place, notify Noteholders of such substitution in accordance with Exchangeable Note Condition 21 (*Notices*).

26.6 Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities

- (a) With respect to the right of substitution referred to in Exchangeable Note Condition 26.2, (*Substitution of Issuer or Guarantor with non-Morgan Stanley Group entities*) the Issuer shall provide 60 calendar days' notice of any substitution under such Exchangeable Note Condition to Noteholders in accordance with Exchangeable Note Condition 21 (*Notices*). Noteholders who object to the substitution will have the right to require the Issuer to redeem their Exchangeable Notes at a price determined in accordance with the provisions of this Exchangeable Note Condition 26.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*), by providing notice of their intention to exercise such right in the manner set out in this Exchangeable Note Condition 26.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*) (the "**Right to Redemption**").
- (b) The redemption of any Exchangeable Notes in respect of which the Right to Redemption has been exercised by Noteholders shall take place 10 Business Days prior to the relevant substitution becoming effective (the "**Substitution Redemption Date**"). The Issuer shall redeem any Exchangeable Notes in respect of which the Right to Redemption has been exercised at a price equal to (i) in the case of Exchangeable Notes the terms of which provide for the repayment in full of principal at maturity, the Replacement Value of such Notes or (ii) in every other case, the fair market value of such Exchangeable Notes on the day on which the relevant Right to Redemption Notice is deposited, in accordance with the provisions of this Exchangeable Note Condition 26.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*), as determined by the Determination Agent in its reasonable discretion, together with interest (if any) accrued to such date (to the extent that such interest is not otherwise taken into account in determining the fair market value of such Exchangeable Notes).

For the purpose of this Condition 26.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*), "**Replacement Value**" means an amount determined by the Determination Agent, acting in good faith and in a commercially reasonable manner, as at the day on which the relevant Right to Redemption Notice is deposited in accordance with the provisions of this Condition 26.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*) to be the amount that a Qualified Financial Institution would charge to assume all of the Issuer's payment and other obligations with respect to the Exchangeable Notes as if the relevant Substitution Event described in Condition 26.2 (*Substitution of Issuer or Guarantor with non-Morgan Stanley Group entities*) and the substitution described in this Condition 26 (*Substitution*) had not occurred or to undertake obligations that would have the effect of preserving the economic equivalent of any payment by the Issuer to the Noteholder with respect to the Exchangeable Notes.

- (c) In order to exercise the option contained in this Exchangeable Note Condition 26.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*) the holder of an Exchangeable Note must, not less than 15 Business Days before the date on which the substitution is due to take place,

deposit such Exchangeable Note (together with all unmatured coupons relating thereto) with the Registrar, and a duly completed Right to Redemption Notice in the form obtainable from any Paying Agent. The Paying Agent with which an Exchangeable Note is so deposited shall deliver a duly completed Right to Redemption Receipt to the depositing Noteholder. No Exchangeable Note, once deposited with a duly completed Right to Redemption Notice in accordance with this Exchangeable Note Condition 26.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*), may be withdrawn; provided, however, that if, prior to the relevant Substitution Redemption Date, any such Exchangeable Note becomes due and payable or, upon due presentation of any such Note on the relevant Substitution Redemption Date, 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 Right to Redemption Notice and shall hold such Exchangeable Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Right to Redemption Receipt. For so long as any outstanding Exchangeable Note is held by a Paying Agent in accordance with this Exchangeable Note Condition 26.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*), the depositor of such Exchangeable Note and not such Paying Agent shall be deemed to be the holder of such Exchangeable Note for all purposes.

- (d) Any payments made to Noteholders in accordance with this Exchangeable Note Condition 26.6 (*Right to Redemption in respect of substitutions with non-Morgan Stanley Group entities*) shall be made in accordance with the provisions of Exchangeable Note Condition 12 (*Payments*).

26.7 ***Tax Consequences of substitution***

If the Issuer substitutes an entity in place of the Issuer as principal debtor under the Exchangeable Notes, the tax consequences (including the withholding tax consequences) of holding the Exchangeable Notes may change. Except as provided in Exchangeable Note Condition 13.1 (*Additional Amounts*), if withholding is required on the Exchangeable Notes, no additional amounts will be required to be paid.

27. **Representations and Acknowledgements by Noteholders**

- 27.1 Each Noteholder shall be deemed to represent and acknowledge to the Issuer on acquiring any Exchangeable Notes that:
 - (a) neither the Issuer nor any Affiliate or any of their agents is acting as a fiduciary for it or provides investment, tax, accounting, legal or other advice in respect of the Exchangeable Notes and that such Noteholder and its advisors are not relying on any communication (written or oral and including, without limitation, opinions of third party advisors) of the Issuer or any Affiliate as (i) legal, regulatory, tax, business, investment, financial, accounting or other advice, (ii) a recommendation to invest in any Exchangeable Notes or (iii) an assurance or guarantee as to the expected results of an investment in the Exchangeable Notes (it being understood that information and explanations related to the terms and conditions of the Exchangeable Notes shall not be considered to be any such advice, recommendation, assurance or guarantee and should be independently confirmed by the recipient and its advisors prior to making any such investment);
 - (b) such Noteholder (i) has consulted with its own legal, regulatory, tax, business, investments, financial and accounting advisors to the extent that it has deemed necessary, and has made its own investment, hedging, and trading decisions based upon its own judgment and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the Issuer or any Affiliate or any of their agents and (ii) is acquiring the Exchangeable Notes with a full understanding of the terms, conditions and risks thereof and it is capable of and willing to assume those risks; and
 - (c) the Issuer and/or any Affiliates may have banking or other commercial relationships with issuers of any securities to which the Exchangeable Notes relate and may engage in proprietary trading in any securities, indices, futures contracts, commodities, fund interests or other property to which the Exchangeable Notes relate or options, futures, derivatives or other instruments relating thereto (including such trading as the Issuer and/or any Affiliate deem appropriate in their reasonable discretion to hedge the market risk on the Exchangeable Notes and other transactions between the Issuer and/or any Affiliates and any third parties), and that such trading (i) may affect the price or level thereof and consequently the amounts payable under the Exchangeable Notes and (ii) may be effected at any time, including on or near any Averaging Date (as applicable).

28. Governing Law and Jurisdiction

28.1 *Governing Law*

The Exchangeable 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*

Each of MSFL and the Guarantor 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 Exchangeable Notes (respectively, "**Proceedings**" and "**Disputes**") and, for such purposes, irrevocably submits to the jurisdiction of such courts.

28.3 *Appropriate Forum*

Each of MSFL and the Guarantor irrevocably waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and agrees not to claim that any such court is not a convenient or appropriate forum.

28.4 *Process Agent*

Each of MSFL and the Guarantor agrees that the process by which any Proceedings in England are begun may be served on it by being delivered to (i) in the case of the Guarantor, Morgan Stanley & Co. International plc, 25 Cabot Square, Canary Wharf, London E14 4QA or, if different, its registered office for the time being and (ii) in the case of MSFL, Morgan Stanley (UK) Limited, 25 Cabot Square, Canary Wharf, London E14 4QA or, if different, its registered office for the time being or (iii) at any address of the Issuer in Great Britain at which process may be served on it in accordance with Part 34 of the UK Companies Act 2006. If such Person is not or ceases to be effectively appointed to accept service of process on behalf of the Issuer or the Guarantor, the Issuer or the Guarantor (as applicable) shall, on the written demand of any Noteholder addressed to the Issuer or the Guarantor (as applicable) and delivered to the Issuer, the Guarantor (as applicable) or to the Specified Office of the Fiscal Agent, appoint another Person in England to accept service of process on its behalf and, failing such appointment within 15 days, any Noteholder shall be entitled to appoint such a Person by written notice addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent. Nothing in this Exchangeable Note Condition shall affect the right of any Noteholder to serve process in any other manner permitted by law.

29. Rights of the Issuer, Determination Agent and the Calculation Agent are Cumulative

Each of the Issuer, the Determination Agent and the Calculation Agent may have rights exercisable under different provisions of these Exchangeable Note Conditions arising from the occurrence of the same event. In such circumstances, the rights of the Issuer or the Determination Agent or the Calculation Agent, as the case may be, shall be cumulative and the Issuer or the Determination Agent or the Calculation Agent shall be entitled to exercise its rights under whichever provision (or provisions) of these Exchangeable Note Conditions that may apply following the occurrence of the relevant event, as it may select in its discretion. The exercise by the Issuer or the Determination Agent or the Calculation Agent of a right under one provision shall not preclude the exercise by the Issuer or the Determination Agent or the Calculation Agent of a right under another provision.

30. Rights of Third Parties

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

USE OF PROCEEDS

The net proceeds of each issue of Notes will be used by the relevant Issuer either (i) for general corporate purposes and/or, in connection with hedging its obligations under the Notes, or (ii) for any other particular identified use of proceeds, all as stated in the applicable Pricing Supplement.

In respect of each issue of Notes by MSBV, at least 95% of the proceeds will be invested (*uitzetten*) within the group of which it forms part. MSBV will not issue Sustainable Bonds under this Offering Circular.

MSFL intends to lend the net proceeds from its issuances of the Notes to Morgan Stanley. Morgan Stanley intends to use the proceeds from such loans (i) for general corporate purposes, or (ii) if the Notes constitute Sustainable Bonds, to finance or refinance, in whole or in part, Eligible Projects as described below.

If the Notes constitute Sustainable Bonds, an amount equal to the gross proceeds raised by way of Sustainable Bonds issued pursuant to the Morgan Stanley Sustainable Issuance Framework dated January 2025 (the "**Morgan Stanley Sustainable Issuance Framework**") will be allocated to the financing or refinancing, in whole or in part, of new or existing green or social loans, investments and expenditures ("**Eligible Projects**"), that Morgan Stanley or any of its wholly owned subsidiaries, considers consistent with the eligibility criteria in the Morgan Stanley Sustainable Issuance Framework, and which together form the "Eligible Portfolio". Under this Offering Circular, Sustainable Bonds may only be issued by Morgan Stanley or by MSFL.

"**Sustainable Bonds**" include green bonds ("**Green Bonds**"), social bonds ("**Social Bonds**") and sustainability bonds ("**Sustainability Bonds**"), in accordance with the Morgan Stanley Sustainable Issuance Framework. Such Notes are not issued as European Green Bonds in accordance with Regulation 2023/2631 (the "**EuGB Regulation**").

If the applicable Pricing Supplement specifies that the Notes are "Green Bonds", an amount equal to the gross proceeds raised will be allocated to green Eligible Projects ("**Green Eligible Projects**") within the Eligible Portfolio.

If the applicable Pricing Supplement specifies that the Notes are "Social Bonds", an amount equal to the gross proceeds raised will be allocated to social Eligible Projects ("**Social Eligible Projects**") within the Eligible Portfolio.

If the applicable Pricing Supplement specifies that the Notes are "Sustainability Bonds", an amount equal to the gross proceeds raised will be allocated to Green Eligible Projects and Social Eligible Projects within the Eligible Portfolio.

To qualify for the Eligible Portfolio, a Green Eligible Project must meet the eligibility criteria for at least one of the following project categories: Renewable Energy, Energy Storage, Green Buildings, Clean Transportation and/or Sustainable Water & Wastewater Management, all as further described in the Morgan Stanley Sustainable Issuance Framework and in the applicable Pricing Supplement.

To qualify for the Eligible Portfolio, a Social Eligible Project must meet the eligibility criteria for at least one of the following project categories: Affordable Housing and Access to Education, all as further described in the Morgan Stanley Sustainable Issuance Framework and the applicable Pricing Supplement.

In the case of insufficient Eligible Projects in the Eligible Portfolio, Morgan Stanley will hold the balance of the unallocated amount in cash, cash equivalents and/or other high quality liquid assets in a segregated account established for tracking purposes until the amount and proceeds therefrom can be allocated to the Eligible Portfolio.

The Morgan Stanley Sustainable Issuance Framework further describes, in addition to the eligibility criteria, the management of proceeds, the reporting and the external reviews (second party opinion and external assurance) applicable for the relevant Sustainable Bonds.

On an annual basis until the outstanding Green, Social, and Sustainable Bonds have matured, Morgan Stanley will publicly disclose on its website at www.morganstanley.com or in its ESG report:

- The total amount of sustainable instruments outstanding pursuant to the Morgan Stanley Sustainable Issuance Framework;

- The reported amounts of the assets in the Eligible Portfolio determined in accordance with U.S. GAAP;
- The amount of unallocated proceeds, if any; and
- The breakdown of the Eligible Portfolio by Eligible Category.

The Issuer will apply processes for project evaluation and selection, management of proceeds and reporting which are aligned to the Green Bond Principles ("**GBP**") 2021, the Social Bond Principles ("**SBP**") 2023 and the Sustainability Bond Guidelines ("**SBG**") 2021 (collectively, the "**Principles**"), as administered by the International Capital Market Association. The Principles are voluntary process guidelines designed to encourage transparency and disclosure, and to promote integrity in the development of the green bonds, social bonds, and sustainability bonds markets by clarifying the approach for the issuance of these bonds. Alignment with these Principles means that the Issuer intends to follow the guidelines outlined in the four core components of the GBP, SBP, and SBG, namely: the use of proceeds, the process for project evaluation and selection, the management of proceeds, and reporting.

Morgan Stanley has appointed an independent second-party opinion provider to review the Morgan Stanley Sustainable Issuance Framework and attest to the alignment to the Principles. A second party opinion (the "**Second Party Opinion**") on the alignment of the Morgan Stanley Sustainable Issuance Framework to the appropriate standards, as well as the Morgan Stanley Sustainable Issuance Framework, is available on Morgan Stanley's website (<https://www.morganstanley.com/about-us/sustainability-reports-research>).

PRO FORMA PRICING SUPPLEMENT FOR THE NEW YORK LAW NOTES

(to be issued by Morgan Stanley only)

PRICING SUPPLEMENT NO. [NY-[]]

(To Offering Circular Dated 25 June 2026)

MORGAN STANLEY

NOTES, SERIES [A/B]

[Description of Notes]

under the

Regulation S / 144A Program for the Issuance of Notes, Series A and B, Warrants and Certificates

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. [Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 25 June 2026 and the supplement(s) (if any) to the Offering Circular published and approved on or before the date of this Pricing Supplement and any supplement to the Offering Circular which may have been published and approved before the Issue Date (as defined below) (the "**Supplement(s)**") (provided that to the extent any such Supplement (i) is published and approved after the date of this Pricing Supplement and (ii) provides for any change to the Conditions such changes shall have no effect with respect to the Conditions of the Notes to which this Pricing Supplement relate, unless otherwise stated in such Supplement) (together, the "**Offering Circular**").] [Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated [●] (as supplemented from time to time) (the "**Offering Circular**").] This Pricing Supplement must be read in conjunction with such Offering Circular. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. [The Offering Circular and any Supplement are available for viewing at [address] [and] [website] and copies may be obtained from [address].]

Warning: Neither this Pricing Supplement nor the Offering Circular constitutes a "prospectus" for the purposes of Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**"), and the Pricing Supplement and the Offering Circular have been prepared on the basis that no prospectus shall be required under the Prospectus Regulation in relation to any Notes (as described below) offered and sold hereby.

Any person making or intending to make an offer of Notes in the United Kingdom may only do so pursuant to an exception from the public offer prohibition contained in the Public Offers and Admissions to Trading Regulations 2024 and in circumstances in which no obligation arises for the Issuer or any Distribution Agent to publish or supplement a prospectus pursuant to the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook. Neither the Issuer nor any Distribution Agent has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

[We, Morgan Stanley, may not redeem these Notes, Series [A/B] (*Description of Notes*) (the "**Notes**") prior to the maturity date other than under the circumstances described under "*Description of the New York Law Notes - Tax Redemption*" in the accompanying Offering Circular.]

[We, Morgan Stanley, may redeem these Notes, Series [A/B] (*Description of Notes*) (the "**Notes**") (i) in accordance with the provisions of this Pricing Supplement and the accompanying Offering Circular (subject always to compliance with all applicable laws and regulations [and the requirements of [insert listing authority]]), and (ii) under the circumstances described under "*Description of the New York Law Notes - Tax Redemption*" in the accompanying Offering Circular.]

[Notwithstanding anything to the contrary in the accompanying Offering Circular, we, Morgan Stanley, may not redeem these Notes, Series [A/B] (*Description of Notes*) (the "**Notes**") prior to the maturity date.]

We will issue the Notes in registered form, which form is further described under "*Form of Notes*" in the accompanying Offering Circular. [The Notes will not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system.] [[We will apply to Euronext Dublin for admission of the Notes to the Official List of Euronext Dublin and trading on its Global Exchange Market] [We will apply to [name

of listing authority] for admission of the Notes to [*specify list*] and to the [name of stock exchange] for admission of the Notes to [trading/quotation] on [*specify exchange or quotation system*], subject to meeting the applicable admission requirements. [*name of stock exchange*] assumes no responsibility for the correctness of any of the statements or opinions made or reports contained in this document. Admission to [the Official List of Euronext Dublin and trading on its Global Exchange Market] is not to be taken as an indication of the merits of the Issuer or the Notes.]

We have described the basic feature of this type of Note in the section called "*Description of the New York Law Notes - [Fixed/Floating] Rate Notes*" in the accompanying Offering Circular, subject to and as modified by the provisions described below.⁸

Principal Amount:	☐	⁹ Annual Redemption Percentage Reduction:	☐
Issue Date:	☐	Calculation Agent:	[Morgan Stanley & Co. International plc][name of other Calculation Agent]
Maturity Date:	☐	Denomination:	☐
Settlement Date (Original Issue Date):	☐		
Interest Accrual Date:	☐	Interest Payment Dates:	☐
Issue Price:	☐	Optional Repayment Date(s):	☐
Specified Currency:	☐	Distribution Agent:	☐
Interest Payment Period:	☐	Paying Agent:	☐
Interest Payment Period End-Date:	☐	Common Code:	☐
Interest Rate:	☐		
Redemption Percentage at Maturity:	☐	ISIN:	☐
Initial Redemption Percentage:	☐	Governing Law:	☐
		Other Provisions:	☐
Business Days:	☐		

THE NOTES ARE NOT DEPOSITS OR SAVINGS ACCOUNTS AND ARE NOT INSURED BY THE U.S. FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY OR INSTRUMENTALITY OR DEPOSIT PROTECTION SCHEME ANYWHERE, NOR ARE THEY OBLIGATIONS OF, OR GUARANTEED BY, A BANK.

Additional provisions for Floating Rate Notes

Base Rate:	☐	Spread (Plus or Minus):	☐
Spread Multiplier:	☐	Index Currency:	☐
Index Maturity:	☐	Maximum Interest Rate:	☐
Minimum Interest Rate:	☐	Initial Interest Rate:	☐
Interest Reset Dates:	☐	Interest Determination Dates:	☐
Reporting Service:	☐		
<i>SOFR Benchmark provisions: (delete if the Notes are not linked to SOFR)</i>			
1) SOFR Compound with Lookback:	[Applicable / Not Applicable]	2) SOFR Compound with Observation Period Shift:	[Applicable / Not Applicable]

⁸ If any Currency-Linked Notes, Commodity-Linked Notes, Equity-Linked Notes, Credit Linked Notes, Bond-Linked Notes, ETN-Linked Notes, Preference Share-Linked Notes, Notes with ADR provisions or Notes linked to the performance of any other underlying are issued, a drawdown prospectus will need to be prepared for any New York Law Notes which are to be admitted to listing and trading.

⁹ Where the amount is not known at the beginning of the offer period (e.g. an "up to" amount), notices of final offer amount will need to be submitted where the Notes are to be listed or admitted to trading.

[Lookback Days:	☐ U.S. Government Securities Business Days]	[Observation Shift Days:	☐ U.S. Government Securities Business Days]
3) SOFR Compound with Payment Delay:	[Applicable / Not Applicable]	4) SOFR Index Average:	[Applicable / Not Applicable]
		[SOFR Index Index _{Start} :	☐ U.S. Government Securities Business Days preceding the first day of the relevant Interest Payment Period
		SOFR Index Index _{End} :	☐ U.S. Government Securities Business Days preceding the Interest Payment Period End Date relating to the relevant Interest Payment Period
		Observation Shift Days:	☐ U.S. Government Securities Business Days]

SONIA Benchmark provisions: (delete if the Notes are not linked to SONIA)

1) SONIA Compound with Lookback:	[Applicable / Not Applicable]	2) SONIA Compound with Observation Period Shift:	[Applicable / Not Applicable]
[Lookback Days:	☐ London Banking Days]	[Observation Period Shift Days:	☐ London Banking Days]
3) SONIA Compound with Payment Delay:	[Applicable / Not Applicable]	4) SONIA Index Average:	[Applicable / Not Applicable]
[SONIA Rate Cut-Off Date:	☐ London Banking Days]	[Observation Shift Days:	☐ London Banking Days]

Additional provisions for Index-Linked Notes

The Index:	☐	Index Performance:	☐
Index Value:	☐	Initial Index Value:	☐
Adjustment Amount:	☐	Valuation Date:	☐
Relevant Exchange:	☐	Successor Index:	☐
Trading Day	☐	Additional Events of Default:	☐
Market Disruption Event:	☐	Other Provisions:	☐

Terms not defined above have the meanings given to those terms in the accompanying Offering Circular.

THE NOTES DESCRIBED HEREIN AND THE SECURITIES TO BE DELIVERED ON REDEMPTION OF THE NOTES (IF ANY) HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE ISSUER IS NOT REGISTERED AND WILL NOT REGISTER UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED. TRADING IN THE NOTES HAS NOT BEEN APPROVED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION UNDER THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED.

THE NOTES DESCRIBED HEREIN, ANY INTEREST THEREIN [, ANY GUARANTEE IN RESPECT THEREOF] AND THE SECURITIES TO BE DELIVERED ON REDEMPTION OF THE NOTES (IF ANY) MAY NOT BE OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED 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). HEDGING TRANSACTIONS INVOLVING

ANY "EQUITY SECURITIES" OF "DOMESTIC ISSUERS" (AS SUCH TERMS ARE DEFINED IN THE SECURITIES ACT AND REGULATIONS THEREUNDER) MAY ONLY BE CONDUCTED IN ACCORDANCE WITH THE SECURITIES ACT. SEE "SUBSCRIPTION AND SALE" AND "TRANSFER RESTRICTIONS" IN THE ACCOMPANYING OFFERING CIRCULAR DATED 25 JUNE 2026. IN PURCHASING THE NOTES, A PURCHASER WILL BE DEEMED TO REPRESENT AND WARRANT THAT IT IS NOT (I) LOCATED IN THE UNITED STATES, (II) A U.S. PERSON[, (III) SUBJECT TO U.S. FEDERAL INCOME TAX ON A NET BASIS (A "U.S. TAXPAYER")]¹⁰, OR (IV) PURCHASING ON BEHALF OF, OR FOR THE ACCOUNT OR BENEFIT OF, ANY PERSON LOCATED WITHIN THE UNITED STATES[, /OR] U.S. PERSON [OR U.S. TAXPAYER].

Status

The Notes constitute direct and general obligations of Morgan Stanley which rank *pari passu* among themselves.

Prescription

Under the law of the state of New York, claims for payment under the Notes are time-barred after six years from the time of breach.

United States Taxation

This discussion is limited to the U.S. federal tax issues addressed below. Additional issues may exist that are not addressed in this discussion and that could affect the federal tax treatment of an investment in the Notes. Investors should seek their own advice based upon their particular circumstances from an independent tax advisor.

An investor should review carefully the section entitled "*United States Federal Taxation*" in the Offering Circular.

¹¹[Withholding on "Other Income" Coupon Payments]

The following discussion applies to Notes issued by Morgan Stanley that pay periodic coupons and provide for a payment at maturity or upon early settlement (other than the stated coupon) that is determined by reference to the performance of a Relevant Underlying. The U.S. federal tax treatment of the Notes is unclear due to the absence of statutory, judicial or administrative authorities that directly address the Notes or similar securities, and no ruling is being requested from the Internal Revenue Service ("IRS") with respect to the Notes. Significant aspects of the U.S. federal income tax consequences of an investment in the Notes are uncertain, and no assurance can be given that the IRS or a court will agree with the tax treatment described herein. Accordingly, investors should consult their tax adviser regarding the U.S. federal income tax consequences of an investment in the Notes (including possible alternative treatment thereof).

A non-U.S. investor should expect that a withholding agent will treat any coupon payments as subject to U.S. federal withholding tax at a rate of 30 per cent., unless the non-U.S. investor establishes an exemption under the "other income" provision of a Qualifying Treaty (as defined below) or, to the extent that any portion of a coupon payment is treated as interest for U.S. federal income tax purposes, an exemption under the "portfolio interest exemption" rules as described below.

An income tax treaty between a non-U.S. jurisdiction and the United States is a "Qualifying Treaty" if it provides for a 0 per cent. rate of tax on "other income" earned by a resident of the non-U.S. jurisdiction from sources within the United States. Accordingly, if a non-U.S. investor is a resident of a non-U.S. jurisdiction that qualifies for benefits under such a Qualifying Treaty, it should generally be eligible for an exemption under the "other income" provision referred to above if the non-U.S. investor complies with the certification requirement described in the section entitled "*United States Federal Taxation—Notes—Other Income Coupons*" in the Offering Circular. However, because most income tax treaties contain complex eligibility rules and limitations, a non-U.S. investor should consult its tax advisor about its eligibility for this exemption. To demonstrate eligibility for the "other income" exemption to the Issuer or an applicable withholding agent, a non-U.S. investor generally will be required to provide a properly completed Internal Revenue Service ("IRS") Form W-8BEN or W-8BEN-E certifying that it is not a U.S. person and that it is eligible for the benefits of the "other income" article of a Qualifying Treaty (or, if the non-U.S. investor holds its Notes through certain intermediaries, it may be permitted to provide

¹⁰ Insert for actively managed securities.

¹¹ Insert for "other income" Notes issued by MS that pay periodic coupons and provide for a payment at maturity or early settlement based on the value of the underlying securities (and thus it is possible that the final payment could be significantly lower than the Note's issue price), excluding Notes that pay periodic coupons at a fixed rate with no possible upside payment at maturity or upon early settlement.

alternative documentation in lieu of the appropriate Form W-8BEN or W-8BEN-E to establish that it is not a U.S. person and that it is eligible for the benefits of the "other income" article of a Qualifying Treaty) as discussed in the section entitled "*United States Federal Taxation—Notes—Other Income Coupons*" in the Offering Circular.

Notwithstanding the discussion above, because the U.S. federal income tax treatment of the Notes is unclear, any coupon payments on such Notes could alternatively be treated in whole or part as payments of interest. Nonetheless, even if the coupon payments are treated in whole or in part as interest and thus not eligible for the "other income" exemption described above, under current law and administrative practice a non-U.S. investor may qualify for the "portfolio interest exemption" with respect to the coupon payments if the non-U.S. investor has timely provided certifications to establish that it is not a U.S. person and certain other conditions are met, as discussed in the section entitled "*United States Federal Taxation—Notes—Notes Treated as Indebtedness*" in the Offering Circular.

As described in "*United States Federal Taxation*" in the Offering Circular, U.S. withholding may also be imposed in other circumstances, such as under FATCA, the U.S. backup withholding rules or Section 871(m) of the Internal Revenue Code of 1986, as amended (the "**Code**").

If withholding is so required, the relevant Issuer will not be required to pay any additional amounts with respect to the amounts so withheld.

None of the Issuer, Guarantor and Dealer, nor any of their respective Affiliates are qualified to give legal, tax or accounting advice to its clients and does not purport to do so in this document. Clients are urged to seek the advice of their own professional advisors about the consequences of the proposals contained herein.

Each Noteholder should seek advice, based on its particular circumstances from an independent tax advisor, regarding the U.S. federal income tax consequences of an investment in the Notes, including possible alternative treatments and any tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.]

ADDITIONAL SELLING RESTRICTIONS

[]

[PURPOSE OF PRICING SUPPLEMENT

This Pricing Supplement comprises the pricing supplement required to list and have admitted to trading on [specify relevant market] the issue of Notes described herein pursuant to the Regulation S / 144A Program for the Issuance of Notes, Series A and B, Warrants and Certificates.]

POTENTIAL SECTION 871(M) TRANSACTION

Please see paragraph 10 of Part A – Other Information to this Pricing Supplement for additional information regarding withholding under Section 871(m) of the Code.

[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 (THE "EEA"). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF:

- (A) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU, AS AMENDED ("MIFID II");
- (B) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97, AS AMENDED WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR
- (C) NOT A QUALIFIED INVESTOR AS DEFINED IN REGULATION (EU) 2017/1129, AS AMENDED.

CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014, AS AMENDED (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.]¹²

[PROHIBITION OF SALES TO UK RETAIL INVESTORS:

THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD, DISTRIBUTED OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD, DISTRIBUTED 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 EITHER ONE (OR BOTH) OF THE FOLLOWING:

- (A) NOT A PROFESSIONAL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF THE LAWS OF THE UNITED KINGDOM; OR
- (B) NOT A QUALIFIED INVESTOR AS DEFINED IN PARAGRAPH 15 OF SCHEDULE 1 TO THE PUBLIC OFFERS AND ADMISSIONS TO TRADING REGULATIONS 2024.

CONSEQUENTLY, NO DISCLOSURE DOCUMENT REQUIRED BY THE FCA PRODUCT DISCLOSURE SOURCEBOOK ("DISC") FOR OFFERING, SELLING OR DISTRIBUTING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE UK HAS BEEN OR WILL BE PREPARED AND THEREFORE OFFERING, SELLING OR DISTRIBUTING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE UK MAY BE UNLAWFUL UNDER DISC AND THE CONSUMER COMPOSITE INVESTMENTS (DESIGNATED ACTIVITIES) REGULATIONS 2024.]¹³

[Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the SFA) – In connection with the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018), the Issuer has determined the classification of the Notes as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]¹⁴**

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement. [(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

¹² Insert if "Prohibition of Sales to EEA Retail Investors" is specified as Applicable in Part B of the Pricing Supplement.

¹³ Insert if "Prohibition of Sales to UK Retail Investors" is specified as Applicable in Part B of the Pricing Supplement.

¹⁴ Legend to be included on front of the Pricing Supplement if the Issuer has re-classified the Notes as "prescribed capital markets products " and "Excluded Investment Products" pursuant to Section 309B of the SFA prior to the launch of the offer and the Notes are to be offered in Singapore to persons other than Accredited Investors and Institutional Investors. Relevant Dealer(s)/Distribution Agent(s) to consider whether it / they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.

PART A – 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 the Official List of Euronext Dublin and trading on its Global Exchange Market 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 on [the Luxembourg Stock Exchange's Euro MTF market] and to the Official List of the Luxembourg Stock Exchange 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 on [the International Securities Market of the London Stock Exchange] 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 listing and trading on [the SIX Swiss Exchange] with effect from [].]

[No assurances can be given that such application for listing and/or admission to trading will be granted (or, if granted, will be granted by [] [the Issue Date.))]

[The Issuer has no duty to maintain the listing (if any) of the Notes on the relevant stock exchange(s) over their entire lifetime.]

[Not Applicable.]

(Where documenting a fungible issue, indicate that original securities are already admitted to trading.)

[Last day of Trading:]

[]

[Estimate of total expenses related to admission to trading:

[]]

2. RATINGS

Ratings:

[The Notes will not be rated.] [The Notes to be issued have been rated:

[S & P: []]

[Moody's: []]

[Fitch: []]

[[Other]: []]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the

Program generally or, where the issue has been specifically rated, that rating.)

3. **[INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]**

☐

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, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

(i) [Reasons for the offer: ☐

(If reasons for offer different from making profit and/or hedging certain risks, include those reasons here.)

(ii) [Estimated net proceeds:] ☐

(It is only necessary to include disclosure of net proceeds where disclosure is included at (i) above, although either estimated net proceeds or estimated total expenses at (iii) below should be disclosed.)

(iii) [Estimated total expenses:] ☐ [Include breakdown of expenses.]

(It is only necessary to include disclosure of total expenses where disclosure is included at (i) above, although either estimated total expenses or estimated net proceeds at (ii) above should be disclosed.)

5. **[Fixed Rate Notes and Regular Coupon 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 [EURIBOR/other] rates can be obtained from [Reuters].]

7. **[Notes linked to a Relevant Underlying only – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, [EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS] AND OTHER INFORMATION CONCERNING THE UNDERLYING**

(Include details of where past and future performance and volatility of the index/equity/commodity/currency/inflation/formula/other variable can be obtained. Where the underlying is an index, include the name of the index and a description if composed by the Issuer and if the index is not

composed by the Issuer, include details of where the information about the index can be obtained. Where the underlying is not an index, include equivalent information, including the NAV source in relation to any fund. Include other information concerning the underlying required by the rules of Euronext Dublin.)

*[To be inserted if an Index is a decrement Index: The [Insert name of the relevant Index/Indices] ([the][each a] "**Decrement Index**") [is][are each] a 'decrement' index. This means [each] such Decrement Index represents the performance of a strategy tracking a given total return index from which a pre-determined amount (a "**synthetic dividend**") is deducted periodically. [In respect of [Insert name of relevant Index/Indices].] [T] [t] he synthetic dividend is expressed as [a fixed percentage ([●]%)]/[an index point ([●] index points)] (specify per decrement index). Depending on the level of dividends paid by the relevant companies, a decrement index may perform differently in comparison to other market indices that include dividend adjustments due to the different methodologies adopted.*

A "price return" index is calculated on the basis that dividends paid on the components are not reinvested. A standard "total return" index is calculated on the basis that dividends paid on the components are reinvested, thereby increasing the value of the index compared to the price return version. Due to the fixed amount of synthetic dividend being subtracted from [the][each] Decrement Index, such Decrement Index will underperform an otherwise equivalent total return index where dividends are invested. In case the synthetic dividend is larger than the realised level of dividends paid by the relevant companies, the decrement index will underperform an otherwise equivalent price return index.

[Insert this additional language in respect of a Decrement Index which tracks the performance of a single component security: As [Insert name of the relevant Index/Indices] (insert relevant decrement index/indices) tracks the performance of a single component security, [each] such Decrement Index (after deduction of the pre-determined synthetic dividend) will underperform a direct investment in such component security (i.e. because such direct investment would benefit from dividends paid by the component security without any deduction of the synthetic dividend).]The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information with regard to the underlying].

8. **[Dual Currency-Linked Notes only – PERFORMANCE OF RATE[S] OF EXCHANGE [AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT]**

☐

(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[s] and the circumstances when the risks are most evident.]

9. **OPERATIONAL INFORMATION**

ISIN: ☐

Common Code: ☐

CFI: ☐/[See]/☐, as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN]/[Not Applicable]]

(Where known, both the CFI and FISN codes should be specified together with the reference to the website of ANNA as the codes are dynamic and subject to change)

FISN:	[[]/[See]/[]], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN]/[Not Applicable]]		
Form of Notes:	[Registered Notes: [Global Registered Note registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg, and/or any other Relevant Clearing System exchangeable for Individual Note Certificates on 30 days' notice in the limited circumstances described in the Global Registered Note] [Individual Note Certificates] [Not Applicable/give name(s) and number(s)] [Japan Securities Depository Center, Inc.] [Other relevant clearing system, as applicable]		
Any clearing system(s) other than Euroclear Bank S.A./N.V., Clearstream Banking <i>société anonyme</i> , and the relevant identification number(s):			
Delivery:	Delivery [against/free of] payment		
Name(s) and address(es) of initial Paying Agent(s):	[]		
Name(s) and address(es) of additional Paying Agent(s) (if any):	[]		
10. POTENTIAL TRANSACTION	SECTION 871(m)	[Not Applicable] / [The Issuer has determined that the Notes should not be subject to withholding under Section 871(m) of the Code[, and hereby instructs its agents and withholding agents that no withholding is required, unless such agent or withholding agent knows or has reason to know otherwise].] / [The Issuer has determined that the Notes should not be subject to withholding under Section 871(m) of the Code because the Relevant Underlying is a "qualified index" under the applicable U.S. Treasury Regulations[, and hereby instructs its agents and withholding agents that no withholding is required, unless such agent or withholding agent knows or has reason to know otherwise].] / [The Notes are U.S. equity linked Notes subject to withholding under Section 871(m) of the Code.] [For further information please [call [●]] / [visit our website at [●]] / [write to [●]].].]	
11. [PROHIBITION OF SALES TO EEA RETAIL INVESTORS]/[PROHIBITION OF SALES TO UK RETAIL INVESTORS]:	[Applicable]/[Not Applicable] <i>(If the offer of the Notes do not constitute "packaged" products, "Not Applicable" should be specified. If the offer of the Notes may constitute "packaged" products and no "key information document" will be prepared, "Applicable" should be specified)</i>		
12. SWISS OFFER RESTRICTIONS:	[The Notes documented in this Pricing Supplement may be considered structured products in Switzerland]		

pursuant to Article 70 the Swiss Financial Services Act of 15 June 2018 ("**FinSA**") and are not subject to supervision by the Swiss Financial Market Supervisory Authority ("**FINMA**"). None of the Notes constitute a participation in a collective investment scheme within the meaning of the Collective Investment Schemes Act of 23 June 2006 ("**CISA**") and are neither subject to the authorisation nor the supervision by the FINMA and investors do not benefit from the specific investor protection provided under the CISA. Investors bear the credit risk of the Issuer.

(Insert for any Securities other than FinSA Exempt Securities:) [The Offering Circular has been approved in Switzerland by SIX Exchange Regulation in its capacity as Swiss Prospectus Office and this Pricing Supplement has been registered with SIX Exchange Regulation in its capacity as Swiss Prospectus Office in accordance with FinSA. The Offering Circular and this Pricing Supplement are available on [specify website] or may be requested as hard copies on request of the investor at [specify address]. The Notes may be offered, sold or advertised, directly or indirectly, in Switzerland to retail clients (*Privatkundinnen und -kunden*) within the meaning of FinSA ("**Retail Clients**") in accordance with FinSA.]

(Insert for FinSA Exempt Securities:) [Neither the Offering Circular nor this Pricing Supplement or any other offering or marketing material relating to the Notes constitute a prospectus pursuant to the FinSA, and such documents may not be publicly distributed or otherwise made publicly available in Switzerland, unless the requirements of FinSA for such public distribution are complied with.

The Notes documented in this Pricing Supplement are not being publicly offered, sold or advertised, directly or indirectly, in Switzerland. The offering of the Notes, directly or indirectly, in Switzerland is only made by way of private placement by placing the Notes (a) solely with investors classified as professional clients (*professionelle Kunden*) or institutional clients (*institutionelle Kunden*) within the meaning of FinSA ("**Professional or Institutional Clients**"), (b) with fewer than 500 retail clients (*Privatkundinnen und -kunden*) within the meaning of FinSA, and/or (c) with investors acquiring securities to the value of at least CHF 100,000.]

(Insert for any FinSA Exempt Securities which will not be offered in Switzerland:) [The Notes documented in this Pricing Supplement are not being offered, sold or advertised, directly or indirectly, in Switzerland.]

13. **PROHIBITION TO OFFER TO RETAIL INVESTORS IN SWITZERLAND** [Applicable]/[Not Applicable]

14. **SINGAPORE SALES TO [Applicable] / [Not Applicable]**
INSTITUTIONAL INVESTORS AND
ACCREDITED INVESTORS ONLY:

PRO FORMA PRICING SUPPLEMENT FOR THE ENGLISH LAW NOTES

[These Securities are Other Income Securities]¹⁵

Pricing Supplement dated []

[Morgan Stanley / Morgan Stanley & Co. International plc / Morgan Stanley B.V. / Morgan Stanley Finance LLC / Morgan Stanley Finance II Ltd / Morgan Stanley Europe SE] as Issuer

Legal Entity Identifier (LEI): [IGJSJL3JD5P30I6NJZ34]¹⁶ / [4PQUHN3JPFGFNF3BB653]¹⁷ / [KG1FTTDCK4KNVM3OHB52]¹⁸ / [5493003FCPSE9RKT4B56]¹⁹ / [9JTFSIOT3N7GCDN62R31]²⁰ / [54930056FHWP7GIWYY08]²¹

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes] due [●]

[to be consolidated and to form a single series with the Series [●] Tranche [1] [Title of Notes] due [●]²²

[Guaranteed by Morgan Stanley]

under the

Regulation S / 144A Program for the Issuance of Notes, Series A and B, Warrants and Certificates (the "Program")

The Offering Circular referred to below (as completed by this Pricing Supplement) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area (each, a **"Relevant State"**) will be made pursuant to an exemption under Regulation (EU) 2017/1129 (as amended, 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 Distribution Agent to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor any Distribution Agent has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

Warning: Neither this Pricing Supplement nor the Offering Circular referred to below constitutes a "prospectus" for the purposes of Prospectus Regulation, and the Pricing Supplement and the Offering Circular have been prepared on the basis that no prospectus shall be required under the Prospectus Regulation in relation to any Notes be offered and sold under hereby.

Any person making or intending to make an offer of Notes in the United Kingdom may only do so pursuant to an exception from the public offer prohibition contained in the Public Offers and Admissions to Trading Regulations 2024 and in circumstances in which no obligation arises for the Issuer or any Distribution Agent to publish or supplement a prospectus pursuant to the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook. Neither the Issuer nor any Distribution Agent has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

THE NOTES ARE NOT DEPOSITS OR SAVINGS ACCOUNTS AND ARE NOT INSURED BY THE U.S. FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY OR INSTRUMENTALITY OR DEPOSIT PROTECTION SCHEME ANYWHERE NOR ARE THEY OBLIGATIONS OF, OR GUARANTEED BY, A BANK.

[(Insert for all Notes publicly offered in Switzerland or admitted to trading in Switzerland:)] SSPA product type: [SSPA product type]

¹⁵ Insert if Morgan Stanley Finance LLC is the Issuer and the Notes are classified as Other Income Securities.

¹⁶ Insert if Morgan Stanley is the Issuer.

¹⁷ Insert if Morgan Stanley & Co. International plc is the Issuer.

¹⁸ Insert if Morgan Stanley B.V. is the Issuer.

¹⁹ Insert if Morgan Stanley Finance LLC is the Issuer.

²⁰ Insert if Morgan Stanley Finance II Ltd is the Issuer.

²¹ Insert if Morgan Stanley Europe SE is the Issuer.

²² Insert language if the issue is a fungible tranche.

[Public offering in Switzerland or Admission to trading in Switzerland: This Pricing Supplement will be or has been registered with SIX Exchange Regulation in its capacity as Swiss Prospectus Office pursuant to FinSA prior to the public offering of the Notes in Switzerland or the admission to trading of the Notes on SIX Swiss Exchange.]]

A key information document in accordance with Regulation (EU) No 1286/2014 (the "**PRIIPs KID**") or a key information document in accordance with FinSA (the "**FinSA KID**") has been prepared in relation to the Notes. The PRIIPs KID can be obtained in electronic form on [*specify website*] or upon request and free of charge from the [Issuer/Guarantor/Distribution Agent]. The FinSA KID can be obtained upon request and free of charge from the [Issuer/Guarantor/Distribution Agent].

[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 (THE "EEA"). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF:

- (A) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU, AS AMENDED ("MIFID II");
- (B) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97, AS AMENDED, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR
- (C) NOT A QUALIFIED INVESTOR AS DEFINED IN REGULATION (EU) 2017/1129, AS AMENDED.

CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014, AS AMENDED (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.]²³

[PROHIBITION OF SALES TO UK RETAIL INVESTORS:

THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD, DISTRIBUTED OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD, DISTRIBUTED 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 EITHER ONE (OR BOTH) OF THE FOLLOWING:

- (A) NOT A PROFESSIONAL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF THE LAWS OF THE UNITED KINGDOM; OR
- (B) NOT A QUALIFIED INVESTOR AS DEFINED IN PARAGRAPH 15 OF SCHEDULE 1 TO THE PUBLIC OFFERS AND ADMISSIONS TO TRADING REGULATIONS 2024.

CONSEQUENTLY, NO DISCLOSURE DOCUMENT REQUIRED BY THE FCA PRODUCT DISCLOSURE SOURCEBOOK ("DISC") FOR OFFERING, SELLING OR DISTRIBUTING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE UK HAS BEEN OR WILL BE PREPARED AND THEREFORE OFFERING, SELLING OR DISTRIBUTING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE UK MAY BE UNLAWFUL UNDER DISC AND THE CONSUMER COMPOSITE INVESTMENTS (DESIGNATED ACTIVITIES) REGULATION 2024.]²⁴

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

²³ Insert if "Prohibition of Sales to EEA Retail Investors" is specified as Applicable in Part B of the Pricing Supplement.

²⁴ Insert if "Prohibition of Sales to UK Retail Investors" is specified as Applicable in Part B of the Pricing Supplement.

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]/[DIRECTIVE 2014/65/EU (AS AMENDED, "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.] /

[MIFID II PRODUCT GOVERNANCE/ RETAIL INVESTORS/ PROFESSIONAL INVESTORS AND ECPS 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, PROFESSIONAL CLIENTS AND RETAIL CLIENTS, EACH AS DEFINED IN [MIFID II]/[DIRECTIVE 2014/65/EU (AS AMENDED, "MIFID II")]; [AND]

[EITHER:]

- (B) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES ARE APPROPRIATE [, INCLUDING INVESTMENT ADVICE, PORTFOLIO MANAGEMENT, NON-ADVISED SALES AND PURE EXECUTION SERVICES]]

[OR]

- (B) [ALL CHANNELS FOR DISTRIBUTION TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE; AND
- (C) THE FOLLOWING CHANNELS FOR DISTRIBUTION OF THE NOTES TO RETAIL CLIENTS ARE APPROPRIATE - INVESTMENT ADVICE[, AND] PORTFOLIO MANAGEMENT[, AND][[NON-ADVISED SALES][AND PURE EXECUTION SERVICES]], SUBJECT TO THE DISTRIBUTOR'S SUITABILITY AND APPROPRIATENESS OBLIGATIONS UNDER MIFID II, AS APPLICABLE]].

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 [, SUBJECT TO THE DISTRIBUTOR'S SUITABILITY AND APPROPRIATENESS OBLIGATIONS UNDER MIFID II, AS APPLICABLE].]

[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 THE LAWS OF THE UNITED KINGDOM ("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.] /

[UK MIFIR PRODUCT GOVERNANCE/ RETAIL INVESTORS/ PROFESSIONAL INVESTORS AND ECPS 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 RETAIL CLIENTS (FOR THESE PURPOSES, A RETAIL CLIENT MEANS A PERSON WHO IS NOT A PROFESSIONAL CLIENT AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF THE LAWS OF THE UNITED KINGDOM ("UK MIFIR") ("PROFESSIONAL CLIENT)), AND ELIGIBLE COUNTERPARTIES, AS DEFINED IN THE FCA HANDBOOK CONDUCT OF BUSINESS SOURCEBOOK ("COBS"), AND PROFESSIONAL CLIENTS; [AND]

[EITHER]

- (B) [ALL CHANNELS FOR DISTRIBUTION OF THE NOTES ARE APPROPRIATE[, INCLUDING INVESTMENT ADVICE, PORTFOLIO MANAGEMENT, NON-ADVISED SALES AND PURE EXECUTION SERVICES]]

[OR]

- (B) [ALL CHANNELS FOR DISTRIBUTION TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE; AND
- (C) THE FOLLOWING CHANNELS FOR DISTRIBUTION OF THE NOTES TO RETAIL CLIENTS ARE APPROPRIATE - INVESTMENT ADVICE[./ AND] PORTFOLIO MANAGEMENT[./ AND][NON-ADVISED SALES][AND PURE EXECUTION SERVICES][, SUBJECT TO THE DISTRIBUTOR'S SUITABILITY AND APPROPRIATENESS OBLIGATIONS UNDER COBS, AS APPLICABLE].

ANY [PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A "DISTRIBUTOR")]/[DISTRIBUTOR] SHOULD TAKE INTO CONSIDERATION THE MANUFACTURER'S 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 MANUFACTURER'S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS[, SUBJECT TO THE DISTRIBUTOR'S SUITABILITY AND APPROPRIATENESS OBLIGATIONS UNDER COBS, AS APPLICABLE].]

[The contents of the Offering Circular (as completed by this Pricing Supplement) has not been reviewed and will not be reviewed by the Securities and Futures Commission ("SFC") or any other regulatory authority in Hong

Kong and the prospective investors are advised to exercise caution in relation to the Notes. If you are in any doubt about any of the contents of these documents, you should obtain independent professional advice.]

[THE NOTES ARE ELIGIBLE FOR TRADING THROUGH THE SOUTHBOUND TRADING LINK OF THE "BOND CONNECT" REGIME. PRC INVESTORS WHO PURCHASE THE NOTES THROUGH THE "BOND CONNECT" REGIME SHOULD, IN CONNECTION WITH THE REGISTRATION, TRADING, CUSTODY, CLEARING, SETTLEMENT OF THE NOTES AND REMITTANCE AND CONVERSION OF FUNDS, COMPLY WITH APPLICABLE LAWS AND REGULATIONS OF THE PRC AND HONG KONG, INCLUDING THE INTERIM MEASURES FOR THE ADMINISTRATION OF THE CONNECTION AND COOPERATION BETWEEN THE MAINLAND AND THE HONG KONG BOND MARKET (内地与香港债券市场互联互通合作管理暂行办法) AND THE NOTICE ON THE LAUNCH OF SOUTHBOUND COOPERATION ON THE INTERCONNECTION OF BOND MARKETS BETWEEN THE MAINLAND AND HONG KONG (关于开展内地与香港债券市场互联互通南向合作的通知) PUBLISHED BY THE PEOPLE'S BANK OF CHINA (PBOC), NATIONAL INTERBANK FUNDING CENTER SOUTHBOUND BOND CONNECT TRANSACTION RULES (全国银行间同业拆借中心债券通"南向通"交易规则) PUBLISHED BY NATIONAL INTERBANK FUNDING CENTER, DETAILED RULES FOR THE IMPLEMENTATION OF THE MAINLAND CHINA AND HONG KONG BOND MARKET CONNECTIVITY SOUTHBOUND COOPERATION BUSINESS (内地与香港债券市场互联互通南向合作业务实施细则) AND GUIDANCE FOR THE IMPLEMENTATION OF THE MAINLAND CHINA AND HONG KONG BOND MARKET CONNECTIVITY SOUTHBOUND COOPERATION BUSINESS (内地与香港债券市场互联互通南向合作业务指南) PUBLISHED BY SHANGHAI CLEARING HOUSE, AS WELL AS RULES AND REGULATIONS BY OTHER RELEVANT PARTIES.]²⁵

[Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the SFA) – In connection with the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), the Issuer has determined the classification of the Notes as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]²⁶

[(Insert for all Notes publicly offered in Switzerland or admitted to trading in Switzerland)] [The Offering Circular has been approved in Switzerland by SIX Exchange Regulation in its capacity as Swiss Prospectus Office and this Pricing Supplement has been registered with SIX Exchange Regulation in its capacity as Swiss Prospectus Office in accordance with FinSA. The Offering Circular is available on <https://sp.morganstanley.com/eu/prospectus/> or may be requested as a hard copy on request of the investor at the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA. The Notes may be offered, sold or advertised, directly or indirectly, in Switzerland to retail clients (*Privatkundinnen und -kunden*) within the meaning of FinSA ("**Retail Clients**") in accordance with FinSA.]

[SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES: THE SECURITIES DO NOT CONSTITUTE COLLECTIVE INVESTMENT SCHEMES WITHIN THE MEANING OF THE SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES ("CISA"). ACCORDINGLY, HOLDERS OF THE NOTES DO NOT BENEFIT FROM PROTECTION UNDER THE CISA OR SUPERVISION BY THE SWISS FINANCIAL MARKET SUPERVISORY AUTHORITY FINMA. INVESTORS BEAR THE CREDIT RISK OF THE ISSUER.]

(Insert for Securities admitted to trading on SIX Swiss Exchange or publicly offered in Switzerland) **[FOR SIX SWISS EXCHANGE REGULATION PURPOSES THIS PRICING SUPPLEMENT, TOGETHER WITH THE OFFERING CIRCULAR COMPRISE THE PROSPECTUS IN ACCORDANCE WITH FINSA.]**

²⁵ To be included for CMU Notes.

²⁶ Legend to be included on front of the Pricing Supplement if the Issuer has re-classified the Notes as "prescribed capital markets products " and "Excluded Investment Products" pursuant to Section 309B of the SFA prior to the launch of the offer and the Notes are to be offered in Singapore to persons other than Accredited Investors and Institutional Investors. Relevant Dealer(s)/Distribution Agent(s) to consider whether it / they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.

PART A – CONTRACTUAL TERMS

THE NOTES DESCRIBED HEREIN [AND ANY GUARANTEE IN RESPECT THEREOF,] AND THE SECURITIES TO BE DELIVERED ON REDEMPTION OF THE NOTES (IF ANY) HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. [THE ISSUER IS NOT REGISTERED AND WILL NOT REGISTER] [NEITHER THE ISSUER NOR THE GUARANTOR IS REGISTERED, OR WILL REGISTER,] UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED. TRADING IN THE NOTES HAS NOT BEEN APPROVED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION UNDER THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED.

[If Notes are offered under Regulation S only, insert:

THE NOTES DESCRIBED HEREIN, ANY INTEREST THEREIN[, ANY GUARANTEE IN RESPECT THEREOF] AND THE SECURITIES TO BE DELIVERED ON REDEMPTION OF THE NOTES (IF ANY) MAY NOT BE OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED 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). HEDGING TRANSACTIONS INVOLVING ANY "EQUITY SECURITIES" OF "DOMESTIC ISSUERS" (AS SUCH TERMS ARE DEFINED IN THE SECURITIES ACT AND REGULATIONS THEREUNDER) MAY ONLY BE CONDUCTED IN ACCORDANCE WITH THE SECURITIES ACT. SEE "**SUBSCRIPTION AND Sale**" AND "**TRANSFER RESTRICTIONS**" IN THE ACCOMPANYING OFFERING CIRCULAR DATED 25 JUNE 2026. IN PURCHASING THE NOTES, A PURCHASER WILL BE DEEMED TO REPRESENT AND WARRANT THAT IT IS NOT (I) LOCATED IN THE UNITED STATES, (II) A U.S. PERSON[, (III) SUBJECT TO U.S. FEDERAL INCOME TAX ON A NET BASIS (A "**U.S. TAXPAYER**")]²⁷ OR (IV) PURCHASING ON BEHALF OF, OR FOR THE ACCOUNT OR BENEFIT OF, ANY PERSON LOCATED WITHIN THE UNITED STATES[, /OR] U.S. PERSON [OR U.S. TAXPAYER.]]

[If Notes are offered under both Rule 144A and Regulation S, insert:

INTERESTS IN THIS NOTE MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**") TO A PERSON WHO TAKES DELIVERY IN THE FORM OF AN INTEREST IN A REGISTERED GLOBAL INSTRUMENT THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER ("**QIB**") WITHIN THE MEANING OF RULE 144A (AND IN THE CASE OF A REGISTERED GLOBAL INSTRUMENT ISSUED BY MSBV, SUCH QIB IS ALSO A QUALIFIED PURCHASER ("**QIB/QP**") AS DEFINED IN SECTION 2(a)(51) OF THE INVESTMENT COMPANY ACT AND THE RULES THEREUNDER), PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QIBS (EACH OF WHICH IS ALSO A QP, IN THE CASE OF A REGISTERED GLOBAL INSTRUMENT ISSUED BY MSBV), WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT SUCH OFFER, SALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, AND IN A NOMINAL AMOUNT OR PURCHASE PRICE FOR EACH ACCOUNT OF NOT LESS THAN U.S.\$100,000 OR (2) TO A PERSON THAT IS NOT A U.S. PERSON (WITHIN THE MEANING OF REGULATION S) WHO TAKES DELIVERY IN THE FORM OF AN INTEREST IN A REGISTERED GLOBAL INSTRUMENT IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S, AND, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION.

SEE "**SUBSCRIPTION AND Sale**" AND "**TRANSFER RESTRICTIONS**" IN THE OFFERING CIRCULAR. IN PURCHASING THE NOTES, PURCHASERS WILL BE DEEMED TO REPRESENT AND WARRANT, AMONG OTHERS, THAT (A)(I) THEY ARE NEITHER LOCATED IN THE UNITED STATES NOR A U.S. PERSON AND (II) THAT THEY ARE NOT PURCHASING FOR, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON OR (B)(I) THEY ARE A QIB, OR IN THE CASE OF NOTES ISSUED BY MSBV, THEY ARE A QIB/QP, (II) ARE ACTING FOR THEIR OWN ACCOUNT OR FOR ONE OR MORE ACCOUNTS, EACH OF WHICH IS A QIB, OR IN THE CASE OF NOTES ISSUED BY MSBV, EACH OF WHICH IS A QIB/QP, (III) WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS APPLICABLE

²⁷ Insert for actively managed securities.

TO THE SECURITIES TO ANY SUBSEQUENT TRANSFEREE (WHICH TRANSFEREE SHALL BE DEEMED TO MAKE THE SAME REPRESENTATIONS HEREIN), (IV) THEY WILL, ALONG WITH EACH ACCOUNT FOR WHICH THEY ARE PURCHASING, HOLD AND TRANSFER BENEFICIAL INTERESTS IN THE NOTES IN AN AGGREGATE PRINCIPAL AMOUNT THAT IS NOT LESS THAN THE MINIMUM DENOMINATION OF THE NOTES AND (V) ARE AWARE, AND EACH BENEFICIAL OWNER OF THE NOTES HAS BEEN ADVISED, THAT THE SALE OF THE NOTES TO IT IS BEING MADE IN RELIANCE ON RULE 144A.]

As used herein, "U.S. person" means (i) an individual who is a citizen or resident of the United States; (ii) a corporation, partnership or other entity treated as a corporation or partnership for United States federal income tax purposes, created or organised in or under the laws of the United States, any State thereof or the District of Columbia, or which has its principal place of business in the United States; (iii) any estate or trust which is subject to United States federal income taxation regardless of the source of its income; (iv) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and if one or more United States trustees have the authority to control all substantial decisions of the trust (or any trust which elected to be treated as a United States person prior to 20 August 1996); (v) a pension plan for the employees, officers or principals of a corporation, partnership or other entity described in (ii) above; or (vi) any other "U.S. person" as such term may be defined in Regulation S under the Securities Act or in the Final Exemptive Order Regarding Compliance with Certain Swap Regulations, as amended from time to time, promulgated by the U.S. Commodity Futures Trading Commission under the Commodity Exchange Act.]

[THE NOTES ARE NOT RATED.]²⁸

This document constitutes the Pricing Supplement relating to the issue of the Notes described herein. This Pricing Supplement must be read in conjunction with the Offering Circular dated 25 June 2026²⁹ and the supplement(s) (if any) to the Offering Circular published and approved on or before the date of this Pricing Supplement and any supplement to the Offering Circular which may have been published and approved before the Issue Date (as defined below) (the **Supplement(s)**) (provided that to the extent any such Supplement (i) is published and approved after the date of this Pricing Supplement and (ii) provides for any change to the Conditions such changes shall have no effect with respect to the Conditions of the Notes to which this Pricing Supplement relate, unless otherwise stated in such Supplement) (together, the "**Offering Circular**"). Full information on the Issuer [, the Guarantor] and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. Copies of the Offering Circular and any Supplement are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA. The Offering Circular has also been published on the website of Euronext Dublin (www.live.euronext.com) and the Luxembourg Stock Exchange (www.luxse.com).

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions of the Notes set forth in the offering circular dated [●].]³⁰

(If the Notes reference a Proprietary Index then cross reference should be made to bespoke risk factors contained in the relevant Index Rules and consideration should be given as to whether with any additional disclosure or risk factors are required to be included (or cross-referred to) in the pricing supplement.)

Information Concerning Investment Risk

[]

[A Non-U.S. holder will be subject to U.S. withholding tax unless the beneficial owner of the Note (or a financial institution holding the Notes on behalf of the beneficial owner) furnishes the appropriate Form W-8, on which the beneficial owner certifies under penalties of perjury that it is not a U.S. person. If withholding or deduction of taxes is required by law (regardless of whether a holder furnished an appropriate form), payments on the Notes will be made net of applicable withholding taxes, and Morgan Stanley Finance LLC will not be required to pay any additional amounts to Non-U.S. holders with respect to any taxes withheld.]³¹

[A Non-U.S. holder will be subject to U.S. withholding tax unless the beneficial owner of the Notes (or a financial institution holding the Notes on behalf of the beneficial owner) furnishes the appropriate Form W-8 BEN, on

²⁸ Delete if the Notes are rated.

²⁹ Any offer by an issuer of Notes which fall outside the scope of the Pricing Supplement, will be by way of a drawdown prospectus approved by the Luxembourg Stock Exchange rather than a pricing supplement.

³⁰ Only include this language where it is a fungible issue and the original Tranche was issued under an offering circular with a different date.

³¹ Insert if Morgan Stanley Finance LLC is the Issuer.

which the beneficial owner certifies under penalties of perjury that it is not a U.S. person and that it is eligible for treaty benefits under an "other income" provision of a US income tax treaty. If withholding or deduction of taxes is required by law (regardless of whether a holder furnished an appropriate form), payments on the Notes will be made net of applicable withholding taxes, and Morgan Stanley Finance LLC will not be required to pay any additional amounts to Non-U.S. holders with respect to any taxes withheld.]³²

(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 Pricing Supplement.)

(When completing any pricing supplement, or adding any information, consideration should be given as to whether (i) such terms constitute a "significant change" or "significant new matter" for the purposes of the rules of the Global Exchange Market of Euronext Dublin and consequently trigger the need for a supplementary listing particulars; or (ii) whether such terms trigger any other disclosure obligations pursuant to the rules of the Luxembourg Stock Exchange).

GENERAL

1. (i) [Issuer:] [Morgan Stanley/Morgan Stanley & Co. International plc/Morgan Stanley B.V./Morgan Stanley Finance LLC/Morgan Stanley Finance II Ltd/Morgan Stanley Europe SE]
- (ii) [[Guarantor:] [Morgan Stanley]]
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).* [Fungible with the Series [●] Tranche [1] [Title of Notes] due [●] issued by the Issuer, bearing ISIN [●]. To be consolidated to form a single series with Tranche [1] with effect as of the Issue Date of Tranche [2]]
3. Specified Currency or Currencies: []
4. Aggregate [Nominal Amount]/[Number] of the Notes: []
[In respect of the Tranche [2] Notes, [●] and the total Aggregate Nominal Amount of [●] represents the sum of the aggregate nominal amounts of Tranche 1 and Tranche 2 as of their respective issue dates]
- (i) [Series:] []
- (ii) [Tranche:] []
5. Issue Price [] per cent. of Par per Note/[] per Note
6. (i) Specified Denominations: [] [and integral multiples of [] in excess thereof].

(N.B. Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of

³² Insert if Morgan Stanley, Morgan Stanley Finance LLC or Morgan Stanley Finance II Ltd is the Issuer and the Notes are classified as Other Income Securities.

- section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies)).
- (ii) Calculation Amount ("Par"): ☐
7. (i) Issue Date: ☐
- (ii) ☐ [[Tranche 1 Issue Date:]] ☐³³
- (iii) ☐ [[Tranche 2 Issue Date:]] ☐
- (iv) Trade Date: ☐
- (v) Interest Commencement Date ☐ (*Specify*)/Issue Date/Not Applicable]
- (vi) ☐ [[Strike Date:]] ☐
- (vii) ☐ [[Determination Date:]] ☐
8. Maturity Date: ☐, [subject to adjustment in accordance with the Business Day Convention in the event such date is not a Business Day and provided that the Maturity Date shall always be at least five (5) Business Days following the Determination Date.]
- (*specify date or (for Floating Rate Notes) Interest Payment Date falling in, or nearest to, the relevant month and year*)
9. (i) Supplementary Provisions for Belgian Notes: ☐ [Applicable/Not Applicable]
- (ii) Minimum Redemption Amount: ☐ [Applicable]/[Not Applicable] (*specify as Applicable if the Final Redemption Amount is subject to a minimum redemption amount or is the principal amount of the Note*)
10. Interest Basis: ☐ [% Fixed Rate]
- ☐ (*specify reference rate*) +/- ☐ % Floating Rate]
- ☐ [Zero Coupon]
- ☐ [Regular Coupon]
- ☐ [Dual Currency Interest]
- ☐ [Equity and Proprietary Index-Linked Interest]³⁴
- ☐ [Commodity-Linked Interest]
- ☐ [Currency-Linked Interest]
- ☐ [Credit Linked Interest]
- ☐ [ETN-Linked Interest]
- ☐ [Inflation-Linked Interest]
- ☐ [Property-Linked Interest]

³³ Delete if not an additional Tranche issue

³⁴ Specify if interest provisions are linked to ETF Interests or a Basket of ETF Interests.

- [Fund-Linked Interest]
- [Futures Contract-Linked Interest]
- [Preference Share-Linked Interest]
- [Other (*specify*)]
- (further particulars specified below)*
- (include all that apply)*
11. Redemption/Payment Basis:
- [Redemption at Par]
- [Redemption at Final Redemption Amount]
- [Final Redemption Amount with Final Bonus]
- [Dual Currency Redemption]
- [Equity and Proprietary Index-Linked Redemption]³⁵
- [Commodity-Linked Redemption]
- [Currency-Linked Redemption]
- [Credit Linked Redemption]
- [ETN-Linked Redemption]
- [Bond-Linked Redemption]
- [Inflation-Linked Redemption]
- [Property-Linked Redemption]
- [Fund-Linked Redemption]
- [Futures Contract-Linked Redemption]
- [Preference Share-Linked Redemption]
- [Partly Paid]
- [Instalment]
- [Other (*specify*)]
- (include all that apply)*
12. Change of Interest or Redemption/Payment Basis:
- []
- (Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis)*
13. Put/Call Options/Autocallable Early Redemption:
- (i) Redemption at the Option of the Issuer: [Applicable/Not Applicable]

³⁵ Specify if redemption provisions are linked to ETF Interests or a Basket of ETF Interests.

	(Condition 26.5)	
(ii)	Redemption at the Non-discretionary Option of the Issuer	[Applicable/Not Applicable]
	(Condition 26.6)	
(iii)	Model-based Redemption:	[Applicable/Not Applicable]
	(Condition 26.7)	
(iv)	Redemption at the Option of Noteholders:	[Applicable/Not Applicable]
	(Condition 26.9)	
(v)	Autocallable Early Redemption:	[Applicable/Not Applicable]
	(Condition 23)	
(vi)	Other put/call options:	[Applicable/Not Applicable]
14.	(i) Status of the Notes:	[As set out in Condition 4.1]
	(Condition 4)	
	(ii) [Status of the Guarantee:	As set out in Condition 4.2]
15.	Method of distribution:	[Syndicated/Non-syndicated]
RELEVANT UNDERLYING		
16.		
(A)	Hybrid Equity Basket Notes:	[Applicable/Not Applicable]
	<i>(If Not Applicable, delete remaining sub-paragraphs of (A))</i>	
	(i) Details of the relevant Shares, Indices or ETF Interests (each, a "Basket Component") which make up the Basket:	See items [16(B)][16(C)][16(D)] below
(B)	Single Share Notes, Share Basket Notes: ³⁶	[Applicable/Not Applicable]
	(Condition 11)	<i>(If Not Applicable, delete remaining sub-paragraphs of (B))</i>
	(i) Whether the Notes relate to a single share or a basket of shares (each, a "Share" and an "Underlying") and the identity of the relevant issuer(s) and class of the Share (each, a "Share Issuer")	[Single Share Notes]/[Share Basket Notes]
	(a) Share/Shares: [] (ISIN: [])	
	(b) Share Issuer(s): []	
	<i>(insert (c) and (d) below for ADRs/GDRs)</i>	
	(c) Underlying Share/Shares: (ISIN: [])	
	(d) Underlying Share Issuer(s): []	

³⁶ Where the Note is to be admitted to the Luxembourg Stock Exchange's Euro MTF market and to the Official List of the Luxembourg Stock Exchange and Physical Settlement is applicable, a description of the Relevant Underlying in accordance with Appendix VIII of the Luxembourg Stock Exchange's Rules & Regulations is to be inserted.

- (ii) Partial Lookthrough Depositary Receipt Provisions: [Applicable/Not Applicable]
- (iii) Full Lookthrough Depositary Receipt Provisions: [Applicable/Not Applicable]
- (iv) Exchange(s): [] / [(China Connect [– [ChiNext Shares][STAR Shares]])] / [QFII]
- (v) Related Exchange(s): []/[All Exchanges]/[None specified]
- (C) Single Index Notes, Index Basket Notes: [Applicable/Not Applicable]
- (Condition 11)
- (i) Whether the Notes relate to a single index or a basket of indices (each, an "**Index**" and an "**Underlying**") [Single Index Notes]/[Index Basket Notes]
 []
(Bloomberg® code: [])
(specify Index/Indices)
(If Single Index Notes only, include sub-paragraph below)
- (ii) Proprietary Index: The Index [is] / [is not] a Proprietary Index
- (iii) Exchange(s): [] / [(China Connect [– [ChiNext Shares][STAR Shares]])] / [QFII] / Multi-Exchange Index is applicable *(specify Exchange or Multi-Exchange Index in relation to each Index)*
- (iv) Related Exchange(s): []/[All Exchanges]/[None specified]
- (v) Benchmark Trigger Provisions: [Applicable]/[Not Applicable]
- (vi) Alternative Pre-nominated Index: [None][Specify] *(specify in respect of each Relevant Equity Index Benchmark)*
- (D) Single ETF Notes, ETF Basket Notes:³⁷ [Applicable/Not Applicable]
- (Condition 11)
- (i) Whether the Notes relate to a single ETF or a basket of ETFs (each, an "**ETF Interest**" and an "**Underlying**" and the identity of the related ETF (each, an "**ETF**")): [Single ETF Notes]/[ETF Basket Notes]
(specify ETF Interest(s) and ETF(s))
(ISIN: [])
- (ii) Exchange(s): []
- (iii) Related Exchange(s): []/[All Exchanges]/[None specified]
- (E) Commodity-Linked Notes: [Applicable/Not Applicable]

³⁷ Where the Note is to be admitted to the Luxembourg Stock Exchange's Euro MTF market and to the Official List of the Luxembourg Stock Exchange and Physical Settlement is applicable, a description of the Relevant Underlying in accordance with Appendix VIII of the Luxembourg Stock Exchange's Rules & Regulations is to be inserted.

(Condition 12)	<i>(If Not Applicable, delete remaining sub-paragraphs of (E))</i>	
(i)	Commodity/Is or Commodity Index/Indices:	☐ <i>(if applicable, specify whether Non Metal, Base Metal or Precious Metal)</i>
(ii)	Commodity Reference Price:	<i>(specify Commodity Reference Price)</i>
(iii)	Exchange:	☐
(iv)	Benchmark Trigger Provisions:	☐ [Applicable][Not Applicable]
(v)	Alternative Pre-nominated Index:	☐ [None][Specify] <i>(specify in respect of each Relevant Commodity Benchmark)</i>
(vi)	Other Relevant Commodity Benchmark:	☐ [None][Specify] <i>(specify in respect of each Relevant Commodity Benchmark)</i>
(F)	Currency-Linked Notes:	☐ [Applicable/Not Applicable]
(Condition 13)	<i>(If Not Applicable, delete remaining sub-paragraphs of (F))</i>	
(i)	Base Currency:	☐
(ii)	Reference Currency:	☐
(iii)	Event Currency:	☐ [Reference Currency][Specify other]
(iv)	Specified Amount:	☐
(v)	Settlement Rate:	☐
(vi)	Reference Source:	☐
(vii)	Benchmark Trigger Provisions:	☐ [Applicable][Not Applicable]
(viii)	Other Relevant FX Benchmark:	☐ [None][Specify] <i>(specify in respect of each Relevant FX Benchmark)</i>
(ix)	Additional Currency Financial Centre (paragraph (a) of the definition of Currency Business Day):	☐ [Not Applicable][Specify] <i>(specify any additional currency centres required for the purposes of paragraph (a) of the definition of "Currency Business Day" for Valuation Date purposes)</i>
(x)	Additional Currency Financial Centre (paragraph (a) of the definition of Currency Business Day):	☐ [Not Applicable][Specify] <i>(specify any additional currency centres required for the purposes of paragraph (a) of the definition of "Currency Business Day")</i>
(G)	Inflation-Linked Notes:	☐ [Applicable/Not Applicable]
(Condition 14)	<i>(If Not Applicable, delete remaining sub-paragraphs of (G))</i>	
(i)	Index/Indices:	☐ ☐ , sponsored by ☐ <i>(Bloomberg® code: ☐)</i>

		<i>(specify Index/Indices/Index Sponsors (including place of))</i>
	(ii) Inflation Business Days:	☐
(H)	Property-Linked Notes:	[Applicable/Not Applicable]
	(Condition 15)	<i>(If Not Applicable, delete remaining sub-paragraphs of (H))</i>
	(i) Property Index:	☐
	(ii) Benchmark Trigger Provisions:	[Applicable][Not Applicable]
	(iii) Alternative Pre-nominated Index:	[None][Specify] <i>(specify in respect of each Relevant Property Index Benchmark)</i>
(I)	Fund-Linked Notes:	[Applicable/Not Applicable]
	(Condition 16)	<i>(If Not Applicable, delete remaining sub-paragraphs of (I))</i>
	(i) Fund:	☐ ³⁸ <i>(specify)</i>
	(ii) Fund Interest:	☐ <i>(ISIN: []) (specify)</i>
	(iii) Basket of Funds:	☐ <i>(specify or delete if not applicable, include any relevant weightings of each Fund)</i>
	(iv) Market of Listing for Fund:	☐ /[Not Applicable]
(J)	Futures Contract-Linked Notes	[Applicable/Not Applicable]
	(Condition 17)	<i>(if not applicable, delete remaining sub-paragraphs of (J))</i>
	(i) Whether the Notes relate to a single futures contract or a basket of futures contracts (each, a " Futures Contract "):	[Single Futures Contract-Linked Notes] [Futures Contract Basket-Linked Notes]
	(ii) Futures Contract(s):	<i>[Specify name of futures contract] [having an Expiry Date scheduled to fall [on] [immediately before] [immediately after] [●] [specify date]]</i> <i>(In respect of each Scheduled Reference Date and Scheduled Averaging Date, where the final settlement price is being referenced, the Scheduled Reference Date or Scheduled Averaging Date (as applicable) should be expressed as "The Expiry Date")</i>
	(iii) Futures Contract Underlier(s):	[●] [None specified]
	(iv) Exchange:	[●]
	(v) Benchmark Trigger Provisions:	[Applicable] [Not Applicable]
	(vi) Alternative Pre-nominated Futures Contract[s]:	[●] [None][Specify] <i>(specify in respect of each Relevant Futures Contract Benchmark)</i>

³⁸

In order for Notes to be listed on Euronext Dublin: (i) there must be a publicly available price source for the Fund and (ii) the Fund must be either (a) a UCITS or (b) an investment fund authorised by the CBI or other competent authority of an EU member state.

(vii)	Additional Disruption Events:	[Change in Law] [Hedging Disruption] [Increased Cost of Hedging] [Increased Regulatory Capital]
		<i>(delete any which are not applicable)</i>
(K)	Rate-Linked Notes: (Condition 21)	[Applicable/Not Applicable] <i>(If Not Applicable, delete remaining sub-paragraphs of (K))</i>
(i)	Underlying Rate:	☐
(ii)	Underlying Rate Jurisdiction:	☐
(iii)	Condition 21.10 (<i>Underlying CMS Reference Rate - Effect of Index Cessation Event</i>):	[Applicable][Not Applicable]
(iv)	Alternative Pre-nominated Reference Rate:	[None][Specify] <i>(specify in respect of each Relevant Underlying Rates Benchmark)</i>
(L)	Preference Share-Linked Notes (Condition 22)	[Applicable/Not Applicable] <i>(If Not Applicable, delete remaining sub-paragraphs of (L))</i>
(i)	Preference Share:	Series [...] issued by the Preference Share Issuer on [...] which references the performance of [...], [...] and [...]. <i>(ISIN: [])</i> <i>(specify)</i>
(ii)	Preference Share Issuer:	Sienna Finance UK Limited
(iii)	Preference Share Underlying Market of Listing / Price Source:	<i>[In the case of equities or funds, insert relevant stock exchange. In the case of indices or currencies, insert relevant Bloomberg page.]</i>

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE³⁹

17.	Fixed Rate Note Provisions (Condition 5)	[Applicable/Not Applicable] <i>(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Fixed Interest Rate(s):	☐ per cent. per annum [payable [annually/semi-annually/quarterly/monthly/ other <i>(specify)</i>] in arrear]
(ii)	Interest Period:	[As set out in Condition 2.1 / <i>(Insert "Unadjusted" if the application of the relevant Business Day Convention is not intended to affect the Interest Period)</i>]
(iii)	Interest Payment Date(s):	☐ in each year [adjusted in accordance with <i>(specify Business Day Convention and any applicable Additional Business Centre(s) for the definition of "Business Day")</i> /not adjusted]

³⁹ For Notes that are listed on the SIX Swiss Exchange, information on whether the Notes will be traded or quoted including accrued interest or whether the accrued interest will be shown separately (i.e. whether at clean/flat price or dirty price) will need to be provided.

(iv)	Fixed Coupon Amount[(s)]:	[] per Calculation Amount/[Not Applicable]
(v)	Broken Amount(s):	[] per Calculation Amount, payable on the Interest Payment Date falling [in/on] []/[Not Applicable]
(vi)	Day Count Fraction:	[Actual/Actual; Actual/365(Fixed); Actual/360; 30/360; 30E/360; Eurobond Basis; Bond Basis; Actual/Actual (ICMA); other]
(vii)	Business Day Convention:	[Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other (<i>give details</i>)]
(viii)	Additional Business Centre(s):	[]
(ix)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	[Not Applicable/(<i>give details</i>)]
(x)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s):	[]
(xi)	Additional provisions for determining Interest Amount:	[]/[Not Applicable]
18. Regular Coupon Note Provisions [Applicable/Not Applicable]
- (Condition 6) *(If Not Applicable, delete the remaining subparagraphs of this paragraph)*
- | | | |
|-------|--|--|
| (i) | Interest Payment Date(s): | [] in each year [adjusted in accordance with (specify Business Day Convention)/not adjusted] |
| (ii) | Coupon Rate: | []% |
| (iii) | Business Day Convention: | [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other (<i>give details</i>)] |
| (iv) | Additional Business Centre(s): | [] |
| (v) | Other terms relating to the method of calculating interest for Regular Coupon Notes: | [Not Applicable/(<i>give details</i>)] |
19. Floating Rate Note Provisions [Applicable/Not Applicable]
- (Condition 7) *(If Not Applicable, delete the remaining subparagraphs of this paragraph)*
- | | | |
|-------|------------------------------|---|
| (i) | Interest Payment Dates: | [] |
| (ii) | First Interest Payment Date: | [] (<i>delete if not applicable</i>) |
| (iii) | Interest Period: | [As set out in Condition 2.1 / (<i>Insert "Unadjusted" if the application of the relevant Business Day Convention is not intended to affect the Interest Period</i>)] |

- (iv) Interest Period End Dates: [Each Interest Payment Date]/ [*specify other*]
- (v) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other (*give details*)]
- (vi) Specified Period: []/[Not Applicable]
- (vii) Additional Business Centre(s): []
- (viii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/CMS Rate Determination/other (*give details*)]
- (ix) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): []
- (x) Screen Rate Determination: [Applicable/Not Applicable]
- (a) Reference Rate: []
- (b) Interest Determination Date(s): []
- (c) Relevant Screen Page: []
- (d) Relevant Time: []
- (e) Reference Banks: []
- (f) Relevant Financial Centre: []
- (xi) ISDA Determination: [Applicable/Not Applicable]
- (a) Floating Rate Option: []
- (b) Designated Maturity: []/[Not Applicable] (*Only applicable where the Floating Rate Option is not an overnight rate*)
- (c) Fixing Day: []
- (d) Fixing Time: []
- (e) Reset Date: []
- (f) Overnight Floating Rate Option: [Applicable/Not Applicable]
- (g) Index Floating Rate Option: [Applicable/Not Applicable]
- (h) Overnight Rate Compounding Method: [Not Applicable] (*Specify as Not Applicable if Averaging applies and delete the remaining sub-paragraphs of this paragraph*)
- (1) OIS Compounding: [Applicable]
- Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]

- [Daily Capped Rate: []]
 [Daily Floored Rate: []]
 /
 [Not Applicable]
- (2) Compounding with Lookback: [Applicable]
 Lookback: [] Applicable Business Days
 Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]
 [Daily Capped Rate: []]
 [Daily Floored Rate: []]
 /
 [Not Applicable]
- (3) Compounding with Observation Shift: [Applicable]
 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: []]
 /
 [Not Applicable]
- (4) Compounding with Lockout: [Applicable]
 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: []]
 /
 [Not Applicable]

- (5) [ISDA Definitions]: [Applicable, as per the Floating Rate Matrix (as defined in the ISDA Definitions)]
- (i) Overnight Rate Averaging Method: [Not Applicable] (*Specify as Not Applicable if Compounding applies and delete remaining sub-paragraphs of this paragraph*)
- (1) Overnight Averaging: [Applicable
Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]
[Daily Capped Rate: []]
[Daily Floored Rate: []]
/
[Not Applicable]
- (2) Averaging Lookback: [Applicable
[Lookback: [] Applicable Business Days]
[Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]
[Daily Capped Rate: []]
[Daily Floored Rate: []]
/
[Not Applicable]
- (3) Averaging with Observation Shift: [Applicable
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: []]
/
[Not Applicable]
- (4) Averaging with Lockout: [Applicable
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: []]
- /
- [Not Applicable]
- (5) [ISDA Definitions]: [Applicable, as per the Floating Rate Matrix (as defined in the ISDA Definitions)]
- (j) Index Method: [Applicable/Not Applicable] *(If Not Applicable delete the remaining sub-paragraphs of this paragraph)*
- (1) Standard Index Method: [Applicable/Not Applicable]
- (2) Compound Index Method: [Applicable/Not Applicable]
- (3) Compound Index Method with Observation Period Shift: [Applicable]
- Set-in-Advance: [Applicable]/[Not Applicable]
- Observation Period Shift: [] Observation Period Shift Business Days
- [Observation Period Shift Additional Business Days: []/[Not Applicable]]
- /
- [Not Applicable]
- (k) Payment Delay: [Applicable, with the specified number of days being [●] Business Days]/[Not Applicable]
- (l) 2021 ISDA Definitions Linear Interpolation: [Applicable]/[Not Applicable]
- (m) Unscheduled Holidays: [Applicable]/[Not Applicable]
- (n) Period Date/Termination Date adjustment for Unscheduled Holiday: [Applicable]/[Not Applicable]
- (o) Non-Representative: [Applicable]/[Not Applicable]
- (p) Successor Benchmark: [●]
- Successor Benchmark Effective Date: [●]
- (q) [TEC10 Adjustment: [Applicable]/[Not Applicable]]
- (Only include where the TEC10 is the underlying)*
- (xii) Margin(s): [+/-] per cent. per annum

(xiii) [Interest Participation Rate: [●]/[As specified in the Rate Table below]]

(xiv) [Rate Table:]

Rate Table		
Interest Payment Date(s)	Margin	Interest Participation Rate
[●] (repeat as required)	[[+/-][●] per cent. per annum] (repeat as required)	[●] (repeat as required)

(xv) Minimum Rate of Interest: [] per cent. per annum

(xvi) Maximum Rate of Interest: [] per cent. per annum

(xvii) Day Count Fraction: []

(xviii) 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: []

(xix) CMS Rate Determination: [Applicable]/[Not Applicable]

(If Not Applicable, delete the remaining subparagraphs of this paragraph)

(a) CMS Interest Rate: [Single CMS Rate] [Spread CMS Rate]

[CMS Reference Rate [1]] [CMS Reference Rate [2]]
(If CMS Interest Rate is "Spread CMS Rate", insert this column and heading "CMS Reference Rate 1")
(If CMS Interest Rate is "Spread CMS Rate", insert this column and heading "CMS Reference Rate 2")

(b) Specified Swap Rate: [the swap rate/annual swap rate/semi-annual swap rate/quarterly swap rate/quarterly-annual swap rate/quarterly-quarterly swap rate]
 [the swap rate/annual swap rate/semi-annual swap rate/quarterly swap rate/quarterly-annual swap rate/quarterly-quarterly swap rate]

(c) Reference Currency: [●] [●]

(d) Designated Maturity: [●][month[s]/year[s]] [●][month[s]/year[s]]

(e) Relevant Screen Page: [●] [●]

(f) Relevant Time: [●] [●]

(g)	Interest Date(s):	Determination	[Periodic 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]	[Periodic 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]
(h)	Fallback Determination:	Rate	[Determination Agent Fallback: Applicable – to be applied first/second/third]/[Not Applicable] Fallback Screen Page: Applicable – to be applied first/second/third/[Not Applicable] Mid-Market Quotations: Applicable – to be applied first/second/third/[Not Applicable] [Reference Banks: [●]]	[Determination Agent Fallback: Applicable – to be applied first/second/third]/[Not Applicable] Fallback Screen Page: Applicable – to be applied first/second/third/[Not Applicable] Mid-Market Quotations: Applicable – to be applied first/second/third/[Not Applicable] [Reference Banks: [●]]
(i)	Specified Fixed Leg (<i>for determination of Mid-Market Quotations if specified to be applicable</i>):		[annual fixed leg/semi-annual fixed leg/quarterly-annual fixed leg/quarterly-annual fixed leg/quarterly fixed leg]	[annual fixed leg/semi-annual fixed leg/quarterly-annual fixed leg/quarterly-annual fixed leg/quarterly fixed leg]
(j)	Fixed Leg Day Count Basis:		[Actual/Actual (ICMA)]/[Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/[Actual/360]/[30/360]/[30/360 (ICMA)]/[30/360 (ISDA)]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1]	[Actual/Actual (ICMA)]/[Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/[Actual/360]/[30/360]/[30/360 (ICMA)]/[30/360 (ISDA)]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1]
(k)	Floating Leg Day Count Basis:		[Actual/Actual (ICMA)]/[Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/[Actual/360]/[30/360]/[30/360 (ICMA)]/[30/360 (ISDA)]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1]	[Actual/Actual (ICMA)]/[Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/[Actual/360]/[30/360]/[30/360 (ICMA)]/[30/360 (ISDA)]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1]

- (ISDA)/[Actual/365 (Fixed)]/[Actual/365L]/ [Actual/360]/[30/360]/ [30/360 (ICMA)]/ [30/360 (ISDA)]/ [360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1] (ISDA)/[Actual/365 (Fixed)]/[Actual/365L]/ [Actual/360]/[30/360]/ [30/360 (ICMA)]/ [30/360 (ISDA)]/ [360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1]
- (l) Floating Leg Rate Option: ☐
- (m) Margin [1]: (If CMS Interest Rate is "Spread CMS Rate", insert "Margin 1") ☐/[As specified in the Rate Table below]
- (n) Margin 2: ☐/[As specified in the Rate Table below] (Specify "Margin 2" if CMS Interest Rate is "Spread CMS Rate", otherwise delete this paragraph)
- (o) [Interest Participation Rate [1]: (If CMS Interest Rate is "Spread CMS Rate", insert "Interest Participation Rate 1") ☐/[As specified in the Rate Table below]
- (p) Interest Participation Rate 2: ☐/[As specified in the Rate Table below] (Specify "Interest Participation Rate 2" if CMS Interest Rate is "Spread CMS Rate", otherwise delete this paragraph)
- (q) [Rate Table:]
- | Rate Table | | | | |
|--|--|--|--|--|
| Interest Payment Date | [Margin [1]] | [Margin 2] | [Interest Participation Rate [1]] | [Interest Participation Rate 2] |
| ☐
(repeat as required) | ☐
(repeat as required) | ☐
(repeat as required) | ☐
(repeat as required) | ☐
(repeat as required) |
- (xx) Condition 7.6 (Provisions specific to SOFR as Reference Rate): [Applicable]/[Not Applicable]
- (1) SOFR Compound with Lookback: [Applicable]
- Lookback Days: ☐ U.S. Government Securities Business Days
- /
- [Not Applicable]
- (2) SOFR Compound with Observation Period Shift: [Applicable]
- Observation Shift Days: ☐ U.S. Government Securities Business Days]

- /
- [Not Applicable]
- (3) SOFR Compound with Payment Delay: [Applicable]/[Not Applicable]
- (4) SOFR Index Average: [Applicable]
- SOFR Index_{Start}: ☐ U.S. Government Securities Business Days preceding the first day 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]
- /
- [Not Applicable]
- (xxi) Condition 7.7 (*Provisions specific to SONIA as Reference Rate*): [Applicable]/[Not Applicable] (*if Not Applicable delete the remaining sub-paragraphs of this paragraph*)
- (1) SONIA Compound with Lookback: [Applicable]
- Lookback Days: ☐ London Banking Days]/
- [Not Applicable]
- (2) SONIA Compound Observation Period Shift: [Applicable]
- Observation Shift Days: ☐ London Banking Days]/
- [Not Applicable]
- (3) SONIA Compound with Payment Delay: [Applicable]/[Not Applicable]
- [SONIA Rate Cut-Off Date: ☐ London Banking Days]
- (4) SONIA Index Average: [Applicable]
- Relevant Number: ☐
- Observation Shift Days: ☐ London Banking Days]
- /
- [Not Applicable]
- (xxii) Condition 7.8 (*Provisions specific to €STR as Reference Rate*): [Applicable]/[Not Applicable]
- (1) €STR Compound with Lookback: [Applicable]
- Lookback Days: ☐ TARGET Settlement Days]
- /

- [Not Applicable]
- (2) €STR Compound with Observation Period Shift: [Applicable
Observation Shift Days: ☐ TARGET Settlement Days]
/
- [Not Applicable]
- (3) €STR Compound with Payment Delay: [Applicable]/[Not Applicable]
[€STR Rate Cut-Off Date: ☐ TARGET Settlement Days]
- (4) €STR Index Average: [Applicable
Relevant Number: ☐
Observation Shift Days: ☐ TARGET Settlement Days]
/
- [Not Applicable]
- (xxiii) Condition 7.9 (*Provisions specific to SARON as Reference Rate*): [Applicable]/[Not Applicable]
- (1) SARON Compound with Lookback: [Applicable
Lookback Days: ☐ Zurich Banking Days]
/
- [Not Applicable]
- (2) SARON Compound with Observation Period Shift: [Applicable
Observation Shift Days: Zurich Banking Days]
/
- [Not Applicable]
- (3) SARON Compound with Payment Delay: [Applicable]/[Not Applicable]
[SARON Rate Cut-Off Date: ☐ Zurich Banking Days]
- (4) SAION Index Average: [Applicable
Relevant Number: ☐
Observation Shift Days: Zurich Banking Days]
/
- [Not Applicable]

- (xxiv) Condition 7.10 (*Provisions specific to TONA as Reference Rate*): [Applicable]/[Not Applicable]
- (1) TONA Compound with Lookback: [Applicable]
Lookback Days: ☐ Tokyo Banking Days
/
[Not Applicable]
- (2) TONA Compound with Observation Period Shift: [Applicable]
Observation Shift Days: Tokyo Banking Days
/
[Not Applicable]
- (3) TONA Compound with Payment Delay: [Applicable]/[Not Applicable]
[TONA Rate Cut-Off Date: ☐ Tokyo Banking Days]
- (4) TONA Index Average: [Applicable]
Relevant Number: ☐
Observation Shift Days: Tokyo Banking Days
/
[Not Applicable]
- (xxv) Condition 7.18 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*): [Applicable]/[Not Applicable]⁴⁰ (*if Not Applicable delete the remaining sub-paragraphs of this paragraph*)
- (1) Other Relevant Rates Benchmark: [specify]/[Not Applicable] (*specify any applicable Relevant Rates Benchmark Rate which is not a Reference Rate. Otherwise delete line*)
- (2) Alternative Pre-nominated Reference Rate: [specify]/[Not Applicable] (*specify in respect of each Relevant Rates Benchmark*)
- (3) Administrator/Benchmark Event applicable for Condition 7.18 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*): [Applicable as per the Conditions] [Not Applicable]
- (4) If ISDA Determination applies, ISDA Bespoke Fallbacks to apply in priority to other fallbacks in Condition 7.18 (*Relevant Rates Benchmark*): [Yes]/[No]

⁴⁰ Not applicable where the Relevant Rates Benchmark is U.S. Dollar LIBOR.

	<i>Discontinuance or Prohibition on Use):</i>	
(xxvi)	Correction Cut-off Time	☐ /[As set out in the Conditions]/[Not Applicable] <i>(specify per trade as required)</i>
(xxvii)	Additional provisions for determining Interest Amount:	☐ /[Not Applicable]
20.	Zero Coupon Note Provisions	[Applicable/Not Applicable]
	(Condition 8)	<i>(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Accrual Yield:	☐ per cent. per annum
(ii)	Reference Price:	☐
(iii)	Accrued Value Commencement Date:	☐ /[Not Applicable]
(iv)	Day Count Fraction:	☐
(v)	Additional Business Centre(s):	☐
(vi)	Compounded Zero Coupon:	[Applicable/Not Applicable] <i>(One of either Compounded or Linear Zero Coupon must be Applicable)</i>
(vii)	Linear Zero Coupon:	[Applicable/Not Applicable]
(viii)	Any other formula/basis of determining amount payable:	☐
21.	Dual Currency-Linked Note Interest Provisions	[Applicable/Not Applicable]
	(Condition 9)	<i>(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Rate of Exchange/method of calculating Rate of Exchange:	<i>(give details)</i>
(ii)	Party, if any, responsible for calculating the Rate(s) of interest and/or Interest Amount(s):	☐
(iii)	Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable or otherwise disrupted:	☐ <i>(Include a description of market disruption or settlement disruption events and adjustment provisions)</i>
(iv)	Person at whose option Specified Currency(ies) is/are payable:	☐
(v)	Other special terms and conditions:	☐
22.	Equity and Proprietary Index-Linked Interest Note Provisions:	[Applicable/Not Applicable]
	(Condition 11)	

- (A) Hybrid Equity Basket Notes: *(if applicable, insert the following and delete any repeated paragraphs in paragraphs 22(B), 22(C) or 22(D) below, as applicable:*
- The Notes are linked to each of the Underlyings set out below:
- ☐/[See paragraph 22(B)]
- ☐/[See paragraph 22(C)]
- ☐/[See paragraph 22(D)]
- (if not applicable, delete sub-paragraph 22(A))*
- (i) Scheduled Trading Days and Disrupted Dates: [Common Scheduled Trading Days and Common Disrupted Days: Applicable]
- [Individual Scheduled Trading Days and Individual Disrupted Days: Applicable]
- [Common Scheduled Trading Days and Individual Disrupted Days: Applicable]
- (select one as appropriate and delete the other two)*
- (ii) Weighting for each Basket Component comprising the Basket: ☐/[Not Applicable]
- (iii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): ☐
- (iv) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculated by reference to Basket Components: ☐
- (v) Interest Determination Date(s): ☐
- (vi) Interest Period: [As set out in Condition 2.1 /[Unadjusted]]
- (Insert "Unadjusted" if the Application of the relevant Business Day Convention is not intended to affect the Interest Period)*
- (vii) Valuation Date(s) ☐
- (viii) Interest Payment Dates: ☐
- (ix) Averaging Date(s): [Applicable/Not Applicable]
- (x) Averaging Date Disruption: [Omission/Postponement/Modified Postponement]
- (xi) Observation Date(s): ☐
- (xii) Observation Period(s): ☐
- (xiii) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other *(give details)*]

- (xiv) Additional Business Centre(s): ☐
- (xv) Day Count Fraction: ☐
- (xvi) Minimum Rate/Amount of Interest: ☐ per cent. per annum
- (xvii) Maximum Rate/Amount of Interest: ☐ per cent. per annum
- (xviii) Other special terms and conditions ☐ / [In making any determination of adjustment to the terms of the Notes to account for the economic effect on the Notes of the relevant Market Disruption Event, Potential Adjustment Event, Extraordinary Event, Additional Disruption Event or otherwise, the Determination Agent shall take into account any requirement, adjustment and/or limitation that may be imposed by the China Connect Service or any action or inaction by any one or more of the Exchange, SEHK, CSDCC and HKSCC in relation to such event in respect of Shares held through the China Connect Service.] *(include this language if China Connect Service provisions are specified)*
- (B) [Single Share Notes]/[Share Basket Notes]/[Shares comprising the Hybrid Equity Basket Notes]: [Applicable/Not Applicable]
(if Not Applicable, delete sub-paragraph (B))
- (if Single Share Notes or Hybrid Equity Basket Notes, delete sub-paragraph below)*
- (i) Scheduled Trading Days and Disrupted Dates: [Common Scheduled Trading Days and Common Disrupted Days: Applicable]
 [Individual Scheduled Trading Days and Individual Disrupted Days: Applicable]
 [Common Scheduled Trading Days and Individual Disrupted Days: Applicable]
(select one as appropriate and delete the other two)
- (ii) Partial Lookthrough Depositary Receipt Provisions: [Applicable/Not Applicable]
- (iii) Full Lookthrough Depositary Receipt Provisions: [Applicable/Not Applicable]
- (iv) Weighting for each Share comprising the Basket of Shares: ☐/[Not Applicable]
- (v) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): ☐
- (vi) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculated by reference to one or more Shares: ☐
- (vii) Provisions for determining Rate(s) of Interest and/or Interest

	Amount(s) where calculation by reference to one or more Shares is impossible or impracticable or otherwise disrupted:	<i>(Include a description of market disruption or settlement disruption events and adjustment provisions)</i>
(viii)	Interest Determination Date(s):	☐
(ix)	Interest Period:	[As set out in Condition 2.1 / ☐ Unadjusted]] <i>(Insert "Unadjusted" if the Application of the relevant Business Day Convention is not intended to affect the Interest Period)</i>
(x)	Valuation Date(s):	☐
(xi)	Interest Payment Dates:	☐
(xii)	Averaging Date(s):	[Applicable/Not Applicable]
(xiii)	Averaging Date Disruption:	[Omission/Postponement/Modified Postponement]
(xiv)	Observation Date(s):	☐
(xv)	Observation Period(s):	☐
(xvi)	Additional Disruption Events:	Change in Law, Hedging Disruption, Loss of Stock Borrow, [and] Increased Cost of Hedging[, China Connect Service Termination[, [and] China Connect Share Disqualification[, [and] ChiNext and STAR Event][,]] [Change in QFII Status and Regulatory Request ADE] shall apply. <i>(specify if any are not applicable, or any further Additional Disruption Events)</i> <i>[For the avoidance of doubt, the Issuer and/or its affiliates are not obliged to hedge by utilising the Qualified Foreign Institutional Investor (QFII) or Renminbi Qualified Foreign Institutional Investor (RQFII) schemes.] (include this language if China Connect Service Termination and China Connect Share Disqualification are specified as Additional Disruption Events)</i>
(xvii)	Business Day Convention:	[Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other <i>(give details)</i>]
(xviii)	Additional Business Centre(s):	☐
(xix)	Day Count Fraction:	☐
(xx)	Minimum Rate/Amount of Interest:	☐ per cent. per annum
(xxi)	Maximum Rate/Amount of Interest:	☐ per cent. per annum
(xxii)	Other special terms and conditions:	☐ / ☐ [In making any determination of adjustment to the terms of the Notes to account for the economic effect on the Notes of the relevant Market Disruption Event, Potential Adjustment Event, Extraordinary Event, Additional Disruption Event or otherwise, the

- Determination Agent shall take into account any requirement, adjustment and/or limitation that may be imposed by the China Connect Service or any action or inaction by any one or more of the Exchange, SEHK, CSDCC and HKSCC in relation to such event in respect of Shares held through the China Connect Service.] *(include this language if China Connect Service provisions are specified)*
- (C) [Single Index Notes]/[Index Basket Notes]/[Indices comprising the Hybrid Equity Basket Notes]: *(If not applicable, delete sub-paragraph (C))*
- (if Single Index Notes or Hybrid Equity Basket Notes, delete sub-paragraph below)*
- (i) Scheduled Trading Days and Disrupted Dates: [Common Scheduled Trading Days and Common Disrupted Days: Applicable]
- [Individual Scheduled Trading Days and Individual Disrupted Days: Applicable]
- [Common Scheduled Trading Days and Individual Disrupted Days: Applicable]
- (select one as appropriate and delete the other two)*
- (ii) Weighting for each Index: [[] *(insert details)*]/Not Applicable]
- (iii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): []
- (iv) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculated by reference to Index: []
- (v) Interest Determination Date(s): []
- (vi) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculation by reference to Index is impossible or impracticable or otherwise disrupted: [Include a description of market disruption or settlement disruption events and adjustment provisions)]
- (vii) Interest Period: [As set out in Condition 2.1 / Unadjusted]
- (Insert "Unadjusted" if the application of the relevant Business Day Convention is not intended to affect the Interest Period)*
- (viii) Valuation Date(s): []
- (ix) Interest Payment Dates: []
- (x) Averaging Date: [Applicable/Not Applicable]
- (xi) Averaging Date Disruption: [Omission/Postponement/Modified Postponement]
- (xii) Observation Date(s): []
- (xiii) Observation Period: []

- (xiv) Additional Disruption Events: Change in Law, Hedging Disruption, [and] Increased Cost of Hedging[, China Connect Service Termination[, [and] China Connect Share Disqualification[,] [[and] ChiNext and STAR Event][,]] [Change in QFII Status and Regulatory Request ADE] shall apply.
- (specify if any are not applicable, or any further Additional Disruption Events)*
- [For the avoidance of doubt, the Issuer and/or its affiliates are not obliged to hedge by utilising the Qualified Foreign Institutional Investor (QFII) or Renminbi Qualified Foreign Institutional Investor (RQFII) schemes.] *(include this language if China Connect Service Termination and China Connect Share Disqualification are specified as Additional Disruption Events)*
- (xv) Proprietary Index Additional Market Disruption Event: [Not Applicable / *(specify)*]
- (xvi) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other *(give details)*]
- (xvii) Additional Business Centre(s): []
- (xviii) Minimum Rate/Amount of Interest: [] per cent. per annum
- (xix) Maximum Rate/Amount of Interest: [] per cent. per annum
- (xx) Day Count Fraction: []
- (xxi) Other special terms and conditions: [] / [In making any determination of adjustment to the terms of the Notes to account for the economic effect on the Notes of the relevant Market Disruption Event, Potential Adjustment Event, Extraordinary Event, Additional Disruption Event or otherwise, the Determination Agent shall take into account any requirement, adjustment and/or limitation that may be imposed by the China Connect Service or any action or inaction by any one or more of the Exchange, SEHK, CSDCC and HKSCC in relation to such event in respect of Shares held through the China Connect Service.] *(include this language if China Connect Service provisions are specified)*
- (D) [Single ETF Notes]/[ETF Basket Notes] /[ETF Interests comprising the Hybrid Equity Basket Notes]: *(if not applicable, delete sub-paragraph (D))*
- (if Single ETF Notes, delete sub-paragraph below)*
- (i) Scheduled Trading Days and Disrupted Dates: [Common Scheduled Trading Days and Common Disrupted Days: Applicable]
- [Individual Scheduled Trading Days and Individual Disrupted Days: Applicable]

- [Common Scheduled Trading Days and Individual Disrupted Days: Applicable]
- (select one as appropriate and delete the other two)*
- (ii) Weighting for each ETF Interest comprising the basket: ☐ *(Insert details)/ N/A]*
- (iii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): ☐
- (iv) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculated by reference to one or more ETFs: ☐
- (v) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculation by reference to one or more ETFs is impossible or impracticable or otherwise disrupted: ☐ *(Include a description of market disruption or settlement disruption events and adjustment provisions)*
- (vi) Interest Determination Date(s): ☐
- (vii) Interest Period: ☐ *[As set out in Condition 2.1]/[Insert "Unadjusted" if the application of the relevant Business Day Convention is not intended to affect the Interest Period]*
- (viii) Valuation Date(s): ☐
- (ix) Interest Payment Dates: ☐
- (x) Averaging Date: ☐ *[Applicable/Not Applicable]*
- (xi) Averaging Date Disruption: ☐ *[Omission/Postponement/Modified Postponement]*
- (xii) Observation Date(s): ☐
- (xiii) Observation Period: ☐
- (xiv) Additional Disruption Events: ☐ *Change in Law, Hedging Disruption, Loss of Stock Borrow, Increased Regulatory Capital and Increased Cost of Hedging shall apply*
(specify if any are Not Applicable, or any further Additional Disruption Events)
- (xv) Business Day Convention: ☐ *[Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other (give details)]*
- (xvi) Additional Business Centre(s): ☐
- (xvii) Day Count Fraction: ☐
- (xviii) Minimum Rate/Amount of Interest: ☐ per cent. per annum

- (xix) Maximum Rate/Amount of ☐ per cent. per annum Interest:
- (xx) Other special terms and conditions: ☐
23. Commodity-Linked Interest Note Provisions ☐ [Applicable/Not Applicable]
- (Condition 12) *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Weighting: ☐
- (ii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): ☐
- (iii) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculated by reference to Commodity/ies and/or Index: ☐
- (iv) Interest Determination Date(s): ☐
- (v) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculation by reference to Commodity/ies and/or Index is impossible or impracticable or otherwise disrupted: ☐
- (vi) Interest Period: *[As set out in Condition 2.1/(Insert "Unadjusted" if the application of the relevant Business Day Convention is not intended to affect the Interest Period)]*
- (vii) Interest Payment Dates: ☐
- (viii) Business Day Convention: *[Floating Rate Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/No Adjustment/other (give details)]*
- (ix) Additional Business Centre(s): ☐
- (x) Minimum Rate/Amount of Interest: ☐ per cent. per annum
- (xi) Maximum Rate/Amount of Interest: ☐ per cent. per annum
- (xii) Price Source: ☐
- (specify for each Commodity)*
- (xiii) Specified Price: *[high][low][average of high and low][closing price][opening price][bid] [asked] [average of high and low prices][settlement price][official settlement price][official price][morning fixing][afternoon fixing][spot price][Other (specify)]*
- (if appropriate, specify time as of which the price will be determined)*

- (xiv) Delivery Date: ☐
- (specify whether price based on spot market, First Nearby Month, Second Nearby Month, etc.)*
- (xv) [Pricing Date: ☐
- (xvi) Common Pricing: ☐ [Applicable] ☐ [Not Applicable]
- (include only if Basket of Commodities)*
- (xvii) Commodity Disruption Events: ☐ [Price Source Disruption]
- ☐ [Trading Disruption]
- ☐ [Disappearance of Commodity Reference Price]
- ☐ [Material Change in Formula]
- ☐ [Material Change in Content]
- ☐ [Tax Disruption]
- ☐ [Not Applicable]
- (specify any applicable additional Commodity Disruption Events)*
- (xviii) Commodity Disruption Fallback: ☐ [Determination Agent Determination as defined in Condition 12.3 /Other *(specify)*]
- (xix) Commodity Index Disruption Events: ☐ As per Condition 12.6(a)
- (xx) Commodity Index Disruption Fallback ☐ As per Condition 12.6(b)
- (xxi) Physical Hedging Fallback: ☐ [Applicable/Not Applicable]
- (xxii) Day Count Fraction: ☐
- (xxiii) Other special terms and conditions: ☐
24. Currency-Linked Interest Note Provisions ☐ [Applicable] ☐ [Not Applicable]
- (Condition 13) *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): ☐
- (ii) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculated by reference to other variable: ☐
- (iii) Interest Determination Date(s): ☐
- (iv) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculation by ☐

- reference to other variable is impossible or impracticable or otherwise disrupted: *(Include a description of market disruption or settlement disruption events and adjustment provisions)*
- (v) Interest Period: *[As set out in Condition 2.1 / (Insert "Unadjusted" if the application of the relevant Business Day Convention is not intended to affect the Interest Period)]*
- (vi) Interest Payment Dates: ☐
- (vii) Business Day Convention: *[Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other (give details)]*
- (viii) Additional Business Centre(s): ☐
- (ix) Day Count Fraction: ☐
- (x) Minimum Rate/Amount of Interest: ☐ per cent. per annum
- (xi) Maximum Rate/Amount of Interest: ☐ per cent. per annum
- (xii) Specified Time: ☐
- (xiii) Valuation Date(s): ☐
- (xiv) Averaging Date(s): ☐
- (xv) Reference Dealers: ☐
- (xvi) EM Unscheduled Holiday: *[Applicable/Not Applicable] (If Not Applicable, delete the remaining provisions of this paragraph. If applicable, note that the provisions of Condition 13.4(a)(ii)(B) (Currency Disruption Events – Additional Price Source Disruption) shall not apply through the election of "Additional Price Source Disruption" in paragraph (xvii) below if so elected)*
- Maximum Days of Unscheduled Holiday Postponement: ☐
- (xvii) Currency Disruption Events: *[Price Source Disruption]*
- [Additional Price Source Disruption] (If not applicable, delete the remaining sub-paragraph of this paragraph)*
- [Price Materiality Event:] (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- Price Materiality Percentage: ☐
- Primary Rate: ☐
- Secondary Rate: ☐
- (If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))*

[Dual Exchange Rate]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[General Inconvertibility]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[General Non-Transferability]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[Illiquidity]

Minimum Amount: [Specified Amount][Specify other]

Illiquidity Valuation Date: [Not Applicable][Specify]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[Governmental Authority Default]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[Nationalization]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[Material Change in Circumstance]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[Other (specify)]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

(xviii) Currency Disruption Fallbacks:

[The following Currency Disruption Fallbacks apply in the following order:]

[Determination Agent Determination of Settlement Rate];

[Fallback Reference Price];

[Currency Reference Dealers]

[Specified Rate:

(Specify one of:)

Reference Currency bid exchange rate;

Reference Currency offer exchange rate;

		Average of Reference Currency bid and offer exchange rates;
		Base Currency bid exchange rate;
		Base Currency offer exchange rate;
		Average of Base Currency bid and offer exchange rates;
		Official fixing rate;]
		[Other <i>(specify)</i>]
		[EM Valuation Postponement
		Maximum Days of EM Valuation Postponement: []
		[EM Valuation Fallback Postponement
		Maximum Days of EM Valuation Fallback Postponement: []
		[Cumulative Events
		Maximum Days of Cumulative Postponement: []
		[Other <i>(specify)</i>]
		<i>(where applicable, specify which Currency Disruption Fallback applies to which Currency Disruption Event, and if more than one Currency Disruption Fallback may apply to a Currency Disruption Event, the order in which such Currency Disruption Fallbacks will apply)</i>
	(xix) Other special terms and conditions:	[]
25.	Inflation-Linked Interest Note Provisions	[Applicable/Not Applicable]
	(Condition 14)	<i>(if Applicable, insert relevant provisions)</i>
	(i) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s):	[]
	(ii) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculated by reference to Index:	[]
	(iii) Interest Determination Date(s):	[]
	(iv) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculation by reference to Index is impossible or impracticable or otherwise disrupted:	[<i>(Include a description of market disruption or settlement disruption events and adjustment provisions)</i>]

- (v) Interest Period: [As set out in Condition 2.1/(Insert "Unadjusted" if the application of the relevant Business Day Convention is not intended to affect the Interest Period)]
- (vi) Specified Interest Payment Dates: []
- (vii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/No Adjustment/other (give details)]
- (viii) Additional Business Centre(s): []
- (ix) Day Count Fraction: []
- (x) Minimum Rate/Amount of Interest: [] per cent. per annum
- (xi) Maximum Rate/Amount of Interest: [] per cent. per annum
- (xii) Other special terms and conditions: []
26. Property-Linked Interest Note Provisions [Applicable/Not Applicable]
(Condition 15) *(if Applicable, insert relevant provisions)*
- (i) Property Index Level: []
- (ii) Additional Disruption Event: [Change in Law/Hedging Disruption/Increased Cost of Hedging/[] (specify)]
27. Fund-Linked Interest Note Provisions [Applicable/Not Applicable] *(if applicable, insert relevant provisions)*
(Condition 16)
- (i) Fund Business Days and Disrupted Dates: [Common Fund Business Days and Common Disrupted Days: Applicable]
[Individual Fund Business Days and Individual Disrupted Days: Applicable]
[Common Fund Business Days and Individual Disrupted Days: Applicable]
(select one as appropriate and delete the other two)
- (ii) Cut-off Period: [] *(specify or delete if not applicable or if fallback is applicable)*
(Condition 16.1)
- (iii) Final Cut-off Date: [] *(specify)/[Not Applicable] (if "Supplementary Provisions for Belgian Notes" is specified as Applicable, specify Not Applicable (because payment of the relevant early redemption amount may not extend beyond the Maturity Date in these circumstances))*
(Condition 16.1)
- (iv) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): []

- (v) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculated by reference to Fund: ☐
- (vi) Interest Determination Date(s): ☐
- (vii) Interest Period: [As set out in Condition 2.1/(Insert "Unadjusted" if the application of the relevant Business Day Convention is not intended to affect the Interest Period)]
- (viii) Interest Payment Dates: ☐
- (ix) Valuation Date(s): ☐
(Condition 16.1) *(specify or delete if not applicable or if fallback is applicable)*
- (x) Observation Date: ☐
- (xi) Averaging Date: ☐ *(specify or delete if not applicable or if fallback is applicable)*
(Condition 16.1)
- (xii) Scheduled Fund Valuation Date(s): ☐ *(specify or delete if not applicable or if fallback is applicable)*
- (xiii) Scheduled Redemption Valuation Date: ☐ *(specify or delete if not applicable or if fallback is applicable)*
- (xiv) Redemption Notice Date: ☐ *(specify or delete if not applicable or if fallback is applicable)*
- (xv) Reference Price: [Reported Net Asset Value][Redemption Proceeds] *(specify in respect of a Fund Interest)*
- (xvi) Non-Applicable Fund Event(s): ☐ *(specify if any Fund Events are not applicable)*
(Condition 16.4)
- (xvii) Additional Fund Event(s): [Not Applicable]☐ *(specify any additional Fund Events)*
- (xviii) Fund Event Unscheduled Redemption: [Applicable/Not Applicable]
- (xix) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ Other *(give details)*]
- (xx) Additional Business Centre(s): ☐
- (xxi) Other terms: ☐ *(insert any other relevant terms)*
28. Futures Contract-Linked Interest Note Provisions [Applicable/Not Applicable] *(if applicable, insert relevant provisions)*
(Condition 17)
- (i) Scheduled Trading Days and Disrupted Days: [Common Scheduled Trading Days and Common Disrupted Days: Applicable]

		[Individual Scheduled Trading Days and Individual Disrupted Days: Applicable]
		[Common Scheduled Trading Days and Individual Disrupted Days: Applicable]
		<i>(select one as appropriate and delete other two)</i>
(ii)	Determination Agent responsible for calculating the Interest Amount:	[●]
(iii)	Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculated by reference to Futures Contract:	[●]
(iv)	Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculation by reference to Futures Contract is impossible or impracticable or otherwise disrupted:	[●] <i>(Include a description of market disruption or settlement disruption events and adjustment provisions)</i>
(v)	Interest Determination Date(s):	[●]
(vi)	Specified Number of Scheduled Trading Days:	[●] [As per Condition 17.7]
(vii)	Specified Number of Common Scheduled Trading Days:	[●] [As per Condition 17.7]
(viii)	Futures Contract Adjustment Events:	[Price Source Disruption] [Trading Restriction] [Disappearance of Futures Contract or Settlement Price] [Material Change in Formula] [Material Change in Content] [Tax Disruption] [Change of Exchange] [Illiquidity Event]
(ix)	Adjustments for Futures Contract Adjustment Events:	<i>(Specify criteria for replacement of futures contract contemplated by Condition 17.4(a)(ii), if any)</i>
(x)	Additional Disruption Events:	[Change in Law] [Hedging Disruption] [Increased Cost of Hedging] [Increased Regulatory Capital]
(xi)	Correction Cut-Off Time:	[●]
(xii)	Weighting for each Futures Contract comprising the Basket of Futures Contracts:	<i>[Insert details]</i> [N/A]
(xiii)	Averaging Date(s):	[●]
(xiv)	Averaging Date Disruption:	[Omission/Postponement/Modified Postponement]
(xv)	Observation Date(s):	[●]
(xvi)	Valuation Date(s):	[●]
29.	Credit Linked Interest Note Provisions (Condition 18)	[Applicable/Not Applicable] <i>(if Applicable, insert relevant provisions)</i>
30.	ETN-Linked Interest Note Provisions	[Applicable/Not Applicable]

	(Condition 20)	<i>(if Applicable, insert relevant provisions)</i>
	(i) Exchange(s):	☐
31.	Rate-Linked Interest Note Provisions	[Applicable/Not Applicable]
	(Condition 21)	<i>(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Interest Payment Dates:	☐
	(ii) First Interest Payment Date:	☐ <i>(delete if not applicable)</i>
	(iii) Interest Period:	[As set out in Condition 2.1 / <i>(Insert "Unadjusted" if the application of the relevant Business Day Convention is not intended to affect the Interest Period)</i>]
	(iv) Interest Reference Period:	☐
	(v) Interest Period End Dates:	[Each Interest Payment Date]/ <i>[specify other]</i>
	(vi) Business Day Convention:	[Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other <i>(give details)</i>]
	(vii) Specified Period:	☐ /[Not Applicable]
	(viii) Additional Business Centre(s):	☐
	(ix) Manner in which the Rate(s) of Interest is/are to be determined by reference to the Underlying Rate(s):	[Screen Rate Determination/ISDA Determination/CMS Underlying Rate Determination/other <i>(give details)</i>]
	(x) Determination Agent responsible for calculating the Rate(s) of Interest and/or Interest Amount(s):	☐
	(xi) Screen Rate Determination:	[Applicable/Not Applicable]
	(a) Underlying Rate Determination Date(s):	☐
	(b) Averaging Dates:	☐ /[Not Applicable]
	(c) Relevant Screen Page:	☐
	(d) Relevant Time:	☐
	(e) Reference Banks:	☐
	(f) Relevant Financial Centre:	☐
	(xii) ISDA Determination:	[Applicable/Not Applicable]
	(a) Floating Rate Option:	☐
	(b) Designated Maturity:	☐ /[Not Applicable] <i>(Only applicable where the Floating Rate Option is not an overnight rate)</i>
	(c) Fixing Day:	☐

- (d) Fixing Time: ☐
- (e) Reset Date: ☐
- (f) Overnight Floating Rate Option: ☐ [Applicable/Not Applicable]
- (g) Index Floating Rate Option: ☐ [Applicable/Not Applicable]
- (h) Overnight Rate Compounding Method: ☐ [Not Applicable] *(Specify as Not Applicable if Averaging applies and delete the remaining sub-paragraphs of this paragraph)*
- (1) OIS Compounding: ☐ [Applicable]
- Daily Capped Rate and/or Daily Floored Rate: ☐ [Applicable]/☐ [Not Applicable]]
- ☐ [Daily Capped Rate: ☐]
- ☐ [Daily Floored Rate: ☐]
- /
- ☐ [Not Applicable]
- (2) Compounding with Lookback: ☐ [Applicable]
- Lookback: ☐ ☐ Applicable Business Days
- Daily Capped Rate and/or Daily Floored Rate: ☐ [Applicable]/☐ [Not Applicable]]
- ☐ [Daily Capped Rate: ☐]
- ☐ [Daily Floored Rate: ☐]
- /
- ☐ [Not Applicable]
- (3) Compounding with Observation Shift: ☐ [Applicable]
- 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: ☐]
- /
- ☐ [Not Applicable]

- (4) Compounding with Lockout: [Applicable
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: ☐
/
[Not Applicable]
- (5) [ISDA Definitions]: [Applicable, as per the Floating Rate Matrix (as defined in the ISDA Definitions)]
- (i) Overnight Rate Averaging Method: [Not Applicable] (*Specify as Not Applicable if Compounding applies and delete remaining subparagraphs of this paragraph*)
- (1) Overnight Averaging: [Applicable
Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]
[Daily Capped Rate: ☐
[Daily Floored Rate: ☐
/
[Not Applicable]
- (2) Averaging Lookback: [Applicable
[Lookback: ☐ Applicable Business Days]
[Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]
[Daily Capped Rate: ☐
[Daily Floored Rate: ☐
/
[Not Applicable]
- (3) Averaging with Observation Shift: [Applicable
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: []]
- /
- [Not Applicable]
- (4) Averaging with Lockout: [Applicable]
- 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: []]
- /
- [Not Applicable]
- (5) [ISDA Definitions]: [Applicable, as per the Floating Rate Matrix (as defined in the ISDA Definitions)]
- (j) Index Method: [Applicable/Not Applicable] *(If Not Applicable delete the remaining sub-paragraphs of this paragraph)*
- (1) Standard Index Method: [Applicable/Not Applicable]
- (2) Compound Index Method: [Applicable/Not Applicable]
- (3) Compound Index Method with Observation Period Shift: [Applicable]
- Set-in-Advance: [Applicable]/[Not Applicable]
- Observation Period Shift: [] Observation Period Shift Business Days
- [Observation Period Shift Additional Business Days: []/[Not Applicable]]
- /
- [Not Applicable]
- (k) Payment Delay: [Applicable, with the specified number of days being [●] Business Days]/[Not Applicable]
- (l) 2021 ISDA Definitions Linear Interpolation: [Applicable]/[Not Applicable]
- (m) Unscheduled Holidays: [Applicable]/[Not Applicable]

- (n) Period End Date/Termination Date adjustment for Unscheduled Holiday: [Applicable]/[Not Applicable]
- (o) Non-Representative: [Applicable]/[Not Applicable]
- (p) Successor Benchmark: [●]
Successor Benchmark Effective Date: [●]
- (q) [TEC10 Adjustment: [Applicable]/[Not Applicable]]
(Only include where the TEC10 is the underlying)
- (xiii) Margin(s): [+/-] [] per cent. per annum
- (xiv) [Underlying Rate Participation Rate: [●]/[As specified in the Rate Table below]]
- (xv) [Rate Table:]
- | Rate Table | |
|-----------------------------|------------------------------------|
| Interest Reference Period | Underlying Rate Participation Rate |
| [●]
(repeat as required) | [●]
(repeat as required) |
- (xvi) Minimum Rate of Interest: [] per cent. per annum
- (xvii) Maximum Rate of Interest: [] per cent. per annum
- (xviii) Day Count Fraction: []
- (xix) Business Day Convention: []
- (xx) Fallback provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Rate-Linked Notes, if different from those set out in the Conditions: []
- (xxi) CMS Underlying Rate Determination: [Applicable]/[Not Applicable]
(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) CMS Underlying Rate: [Single CMS Underlying Rate] [Spread CMS Underlying Rate]
[CMS Underlying Rate 1] (If CMS Underlying Rate is "Spread CMS Underlying Rate", insert this column and heading "CMS Underlying Rate 1")
[CMS Underlying Rate 2] (If CMS Underlying Rate is "Spread CMS Underlying Rate", insert this column and heading "CMS Underlying Rate 2")

(b)	Specified Swap Rate:	[the swap rate/annual swap rate/semi-annual swap rate/quarterly swap rate/quarterly-annual swap rate/quarterly- quarterly swap rate]	[the swap rate/annual swap rate/semi-annual swap rate/quarterly swap rate/quarterly-annual swap rate/quarterly- quarterly swap rate]
(c)	Reference Currency:	[●]	[●]
(d)	Designated Maturity:	[●][month[s]/year[s]]	[●][month[s]/year[s]]
(e)	Relevant Screen Page:	[●]	[●]
(f)	Relevant Time:	[●]	[●]
(g)	Underlying Rate Determination Date(s):	[The Underlying Rate Determination Date(s) [is/are]: [●]/[the first day of each Interest Reference Period]/[the second TARGET Settlement Day prior to the start of each Interest Reference Period]]/[Daily Rate Determination is applicable]	[The Underlying Rate Determination Date(s) [is/are]: [●]/[the first day of each Interest Reference Period]/[the second TARGET Settlement Day prior to the start of each Interest Reference Period]]/[Daily Rate Determination is applicable]
(h)	Fallback Determination:	Rate [Determination Agent Fallback: Applicable – to be applied first/second/third]/[Not Applicable] Fallback Screen Page: Applicable – to be applied first/second/third/[Not Applicable] Mid-Market Quotations: Applicable – to be applied first/second/third/[Not Applicable] [Reference Banks: [●]]	Rate [Determination Agent Fallback: Applicable – to be applied first/second/third]/[Not Applicable] Fallback Screen Page: Applicable – to be applied first/second/third/[Not Applicable] Mid-Market Quotations: Applicable – to be applied first/second/third/[Not Applicable] [Reference Banks: [●]]
(i)	Specified Fixed Leg (<i>for determination of Mid-Market Quotations if specified to be applicable</i>):	[annual fixed leg/semi-annual fixed leg/quarterly-annual fixed leg/quarterly- quarterly fixed leg]	[annual fixed leg/semi-annual fixed leg/quarterly-annual fixed leg/quarterly- quarterly fixed leg]

- (j) Fixed Leg Day Count Basis: $\frac{[\text{Actual/Actual (ICMA)}]/[\text{Actual/Actual (ISDA)}]/[\text{Actual/365 (Fixed)}]/[\text{Actual/365L}]/[\text{Actual/360}]/[\text{30/360}]/[\text{30/360 (ICMA)}]/[\text{30/360 (ISDA)}]/[\text{360/360}]/[\text{Bond Basis}]/[\text{30E/360}]/[\text{Eurobond Basis}]/[\text{30E/360 (ISDA)}]/[1/1]}{[\text{Actual/Actual (ICMA)}]/[\text{Actual/Actual (ISDA)}]/[\text{Actual/365 (Fixed)}]/[\text{Actual/365L}]/[\text{Actual/360}]/[\text{30/360}]/[\text{30/360 (ICMA)}]/[\text{30/360 (ISDA)}]/[\text{360/360}]/[\text{Bond Basis}]/[\text{30E/360}]/[\text{Eurobond Basis}]/[\text{30E/360 (ISDA)}]/[1/1]}$
- (k) Floating Leg Day Count Basis: $\frac{[\text{Actual/Actual (ICMA)}]/[\text{Actual/Actual (ISDA)}]/[\text{Actual/365 (Fixed)}]/[\text{Actual/365L}]/[\text{Actual/360}]/[\text{30/360}]/[\text{30/360 (ICMA)}]/[\text{30/360 (ISDA)}]/[\text{360/360}]/[\text{Bond Basis}]/[\text{30E/360}]/[\text{Eurobond Basis}]/[\text{30E/360 (ISDA)}]/[1/1]}{[\text{Actual/Actual (ICMA)}]/[\text{Actual/Actual (ISDA)}]/[\text{Actual/365 (Fixed)}]/[\text{Actual/365L}]/[\text{Actual/360}]/[\text{30/360}]/[\text{30/360 (ICMA)}]/[\text{30/360 (ISDA)}]/[\text{360/360}]/[\text{Bond Basis}]/[\text{30E/360}]/[\text{Eurobond Basis}]/[\text{30E/360 (ISDA)}]/[1/1]}$
- (l) Floating Leg Rate Option: ☐ ☐
- (m) Margin [1]: (If CMS Underlying Rate is "Spread CMS Underlying Rate", insert "Margin 1") ☐/[As specified in the Rate Table below]
- (n) Margin 2: ☐/[As specified in the Rate Table below] (Specify "Margin 2" if CMS Underlying Rate is "Spread CMS Underlying Rate", otherwise delete this paragraph)
- (o) [Underlying Rate Participation Rate [1]: (If CMS Underlying Rate is "Spread CMS Underlying Rate", insert "Underlying Rate Participation Rate 1") ☐/[As specified in the Rate Table below]
- (p) Underlying Rate Participation Rate 2: ☐/[As specified in the Rate Table below] (Specify "Underlying Rate Participation Rate 2" if CMS Underlying Rate is "Spread CMS Underlying Rate", otherwise delete this paragraph)

(q) [Rate Table:]

Rate Table		
Interest Reference Period	[Underlying Rate Participation Rate [1]]	[Underlying Rate Participation Rate 2]
[●] <i>(repeat as required)</i>	[●] <i>(repeat as required)</i>	[●] <i>(repeat as required)</i>

(xxii) Condition 21.4 (*Provisions specific to SOFR as Underlying Rate*):

[Applicable]/[Not Applicable]

(1) SOFR Compound with Lookback:

[Applicable]

Lookback Days: ☐ U.S. Government Securities Business Days

/

[Not Applicable]

(2) SOFR Compound with Observation Period Shift:

[Applicable]

Observation Shift Days: ☐ U.S. Government Securities Business Days

/

[Not Applicable]

(3) SOFR Compound with Payment Delay:

[Applicable]/[Not Applicable]

(4) SOFR Index Average:

[Applicable]

SOFR Index_{Start}: ☐ U.S. Government Securities Business Days preceding the first day of the relevant Interest Reference Period;SOFR Index_{End}: ☐ U.S. Government Securities Business Days preceding the last day of the relevant Interest Reference Period;Observation Shift Days: ☐ U.S. Government Securities Business Days

/

[Not Applicable]

(xxiii) Condition 21.5 (*Provisions specific to SONIA as Underlying Rate*):[Applicable]/[Not Applicable] (*if Not Applicable delete the remaining sub-paragraphs of this paragraph*)

(1) SONIA Compound with Lookback:

[Applicable]

Lookback Days: ☐ London Banking Days/

- [Not Applicable]
- (2) SONIA Compound Observation Period Shift: [Applicable]
Observation Shift Days: ☐ London Banking Days/
[Not Applicable]
- (3) SONIA Compound with Payment Delay: [Applicable]/[Not Applicable]
[SONIA Rate Cut-Off Date: ☐ London Banking Days]
- (4) SONIA Index Average: [Applicable]
Relevant Number: ☐
Observation Shift Days: ☐ London Banking Days
/
[Not Applicable]
- (xxiv) Condition 21.6 (*Provisions specific to €STR as Underlying Rate*): [Applicable]/[Not Applicable]
- (1) €STR Compound with Lookback: [Applicable]
Lookback Days: ☐ TARGET Settlement Days
/
[Not Applicable]
- (2) €STR Compound with Observation Period Shift: [Applicable]
Observation Shift Days: ☐ TARGET Settlement Days
/
[Not Applicable]
- (3) €STR Compound with Payment Delay: [Applicable]/[Not Applicable]
[€STR Rate Cut-Off Date: ☐ TARGET Settlement Days]
- (4) €STR Index Average: [Applicable]
Relevant Number: ☐
Observation Shift Days: ☐ TARGET Settlement Days
/
[Not Applicable]
- (xxv) Condition 21.7 (*Provisions specific to SARON as Underlying Rate*): [Applicable]/[Not Applicable]
- (1) SARON Compound with Lookback: [Applicable]

- Lookback Days: ☐ Zurich Banking Days]
- /
- [Not Applicable]
- (2) SARON Compound with Observation Period Shift: [Applicable
Observation Shift Days: Zurich Banking Days]
- /
- [Not Applicable]
- (3) SARON Compound with Payment Delay: [Applicable]/[Not Applicable]
[SARON Rate Cut-Off Date: ☐ Zurich Banking Days]
- (4) SAION Index Average: [Applicable
Relevant Number: ☐
Observation Shift Days: Zurich Banking Days]
- /
- [Not Applicable]
- (xxvi) Condition 21.8 (*Provisions specific to TONA as Underlying Rate*): [Applicable]/[Not Applicable]
- (1) TONA Compound with Lookback: [Applicable
Lookback Days: ☐ Tokyo Banking Days]
- /
- [Not Applicable]
- (2) TONA Compound with Observation Period Shift: [Applicable
Observation Shift Days: Tokyo Banking Days]
- /
- [Not Applicable]
- (3) TONA Compound with Payment Delay: [Applicable]/[Not Applicable]
[TONA Rate Cut-Off Date: ☐ Tokyo Banking Days]
- (4) TONA Index Average: [Applicable
Relevant Number: ☐
Observation Shift Days: Tokyo Banking Days]
- /
- [Not Applicable]

- (xxvii) Condition 21.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*): ☐ [Applicable] ☐ [Not Applicable] (*if Not Applicable delete the remaining sub-paragraphs of this paragraph*)
- (1) Other Relevant Underlying Rates Benchmark: ☐ [specify] ☐ [Not Applicable] (*specify any applicable Relevant Underlying Rates Benchmark Rate which is not an Underlying Rate. Otherwise delete line*)
- (2) Alternative Pre-nominated Reference Rate: ☐ [specify] ☐ [Not Applicable] (*specify in respect of each Relevant Underlying Rates Benchmark*)
- (3) Administrator/Benchmark Event applicable for Condition 21.9: ☐ [Applicable as per the Conditions] ☐ [Not Applicable]
- (4) If ISDA Determination applies, ISDA Bespoke Fallbacks to apply in priority to other fallbacks in Condition 21.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*): ☐ [Yes] ☐ [No]
- (xxviii) Additional provisions for determining Interest Amount: ☐ [] ☐ [Not Applicable]
32. Preference Share-Linked Interest Note Provisions ☐ [Applicable/Not Applicable]
(*if Applicable, insert relevant provisions*)
(Condition 22)
- (i) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): ☐ []
- (ii) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculated by reference to one or more Preference Shares: ☐ []
- (iii) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculation by reference to one or more Preference Shares is impossible or impracticable or otherwise disrupted: ☐ []
(*Include a description of market disruption or settlement disruption events and adjustment provisions*)
- (iv) Interest Determination Date(s): ☐ [] (*insert any additional provisions, for example applicable disruption provisions*)
- (v) Interest Period: ☐ [As set out in Condition 2.1 /☐ [Unadjusted]]
(*Insert "Unadjusted" if the Application of the relevant Business Day Convention is not intended to affect the Interest Period*)

- (vi) Valuation Date(s): ☐
- (vii) Interest Payment Dates: ☐
- (viii) [Averaging Date(s): ☐ [Applicable/Not Applicable] *(insert relevant details)*
- (ix) Averaging Date Disruption: ☐ *(insert relevant details)*
- (x) Observation Date(s): ☐ *(insert relevant details)*
- (xi) Observation Period(s): ☐ *(insert relevant details)*
- (xii) Additional Disruption Events: [Change in Law, Hedging Disruption, Insolvency Filing and Increased Cost of Hedging] shall apply
(delete any which are not applicable)
- (xiii) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other *(give details)*]
- (xiv) Day Count Fraction: ☐
- (xv) Other special terms and conditions: ☐ *(insert any other relevant terms)*

PROVISIONS RELATING TO REDEMPTION

33. Call Option ☐ [Applicable/Not Applicable]
(Condition 26.5 (Redemption at the Option of the Issuer) and Condition 26.6 (Redemption at the Non-Discretionary Option of the Issuer) (to the extent applicable)) *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): ☐
- (ii) Optional Redemption Amount (Call) of each Note and method, if any, of calculation of such amount(s): ☐ per Calculation Amount
- (iii) Maximum Call Notice Number of Day(s): ☐ [calendar day[s]] / [Business Day[s]]
- (iv) Minimum Call Notice Number of Day(s): ☐ [5] [Business Day[s]] / [calendar day[s]]⁴¹
- (v) Non-discretionary Call Option: ☐ [Applicable/Not Applicable]
34. Model-based Redemption ☐ [Applicable/Not Applicable]
(Condition 26.7) *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Model-based Redemption Date(s) (Call) ☐

⁴¹ Euroclear/Clearstream require a minimum of 5 Business Days' notice to exercise a call option.

- (ii) Model-based Redemption Amount(s) (Call) ☐
- (iii) Model-based Redemption Notice Date(s) (Call) ☐
- (iv) Model-based Redemption Determination Cut-off Date(s) (Call) ☐
35. Put Option ☐ [Applicable/Not Applicable]
(Condition 26.9) *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): ☐
- (ii) Optional Redemption Amount (Put) of each Note and method, if any, of calculation of such amount(s): ☐ per Calculation Amount
- (iii) Maximum Put Notice Number of Day(s): ☐ [calendar day[s]] / [Business Day[s]]
- (iv) Minimum Put Notice Number of Day(s): ☐ [15] [Business Day[s]] / [calendar day[s]]⁴²
36. Autocallable Early Redemption ☐ [Applicable/Not Applicable]
(Condition 23) *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph) (if Applicable, insert relevant provisions)*
- (i) Autocallable Early Redemption Observation Date(s): ☐
- (ii) Autocallable Early Redemption Amount(s) of each Note and method and calculation of such amount(s): ☐
- (iii) Autocallable Early Redemption Date(s): ☐
- (iv) Autocall Override: ☐ [Applicable/Not Applicable]
37. Final Redemption Amount of each Note ☐ [[] per Calculation Amount]/[Final Redemption Amount specified below]
(Condition 26.1)
- (i) Final Bonus: ☐ [Applicable /Not Applicable]
- (ii) [Final Bonus Amount: ☐ per Calculation Amount/[Specify]] *(delete line if Final Bonus is Not Applicable)*
38. Dual Currency Redemption Provisions ☐ [Applicable /Not Applicable]
(Condition 9)

⁴² Clearstream requires a minimum of 15 Business Days' notice to exercise a put option. Euroclear requires 5 Business Days' notice.

- (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: ☐
(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) Terms and conditions: ☐
39. Equity and Proprietary Index-Linked Redemption Provisions: ☐ [Applicable/Not Applicable] (If Not Applicable, delete the remaining sub-paragraphs of this paragraph)
- (Condition 11)
- (A) Hybrid Equity Basket Notes: (if applicable, insert the following and delete any repeated paragraphs in paragraphs 39(A), 39(B) or 39(C) below, as applicable:
- The Notes are linked to each of the types of Underlying set out below:
- ☐/[See paragraph 39(A)]
- ☐/[See paragraph 39(B)]
- ☐/[See paragraph 39(C)]
- (if not applicable, delete sub-paragraph 39(A))
- (i) Scheduled Trading Days and Disrupted Dates: ☐ [Common Scheduled Trading Days and Common Disrupted Days: Applicable]
- [Individual Scheduled Trading Days and Individual Disrupted Days: Applicable]
- [Common Scheduled Trading Days and Individual Disrupted Days: Applicable]
- (select one as appropriate and delete the other two)
- (ii) Determination Agent responsible for calculating the Final Redemption Amount: ☐
- (iii) Provisions for determining Final Redemption Amount: ☐

- (iv) Whether redemption of the Notes will be by (a) Cash Settlement or (b) Physical Settlement or (c) in certain circumstances depending on the closing price of the Basket Components, Cash Settlement or Physical Delivery at the option of the Issuer: [Cash Settlement/Physical Settlement]
[In the event of ☐ (*describe triggers linked to the closing price of the Basket Components*), Cash Settlement or Physical Settlement at the option of the Issuer]
- (v) Weighting for each Basket Component comprising the Basket: ☐/[Not Applicable]
- (vi) Averaging Dates: [Omission/Postponement/Modified Postponement]
- (vii) Averaging Date Disruption:
- (viii) Observation Date(s): ☐
- (ix) Observation Period(s): ☐
- (x) Determination Time(s): ☐
- (xi) Valuation Date(s): ☐
- (xii) Delivery provisions for Basket Components (including details of who is to make such delivery): ☐
(*only where Physical Settlement is applicable*)
- (xiii) Physical Settlement: [Applicable / Not Applicable]
- (xiv) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other (*give details*)]
- (xv) Additional Business Centre(s): ☐
- (xvi) Other special terms and conditions: ☐
- (B) [Single Share Notes]/[Share Basket Notes]/[Shares comprising the Hybrid Equity Basket Notes]: (*if not applicable, delete sub-paragraph (B)*)
(*if Single Share Notes, delete sub-paragraph (i) below*)
- (i) Scheduled Trading Days and Disrupted Days: [Common Scheduled Trading Days and Common Disrupted Days: Applicable]
[Individual Scheduled Trading Days and Individual Disrupted Days: Applicable]
[Common Scheduled Trading Days and Individual Disrupted Days: Applicable]
(*select one as appropriate and delete other two*)
- (ii) Determination Agent responsible for calculating the Final Redemption Amount: ☐

- (iii) Provisions for determining Final Redemption Amount: ☐
- (iv) Whether redemption of the Notes will be by (a) Cash Settlement or (b) Physical Settlement or (c) in certain circumstances depending on the closing price of the Shares, Cash Settlement or Physical Delivery at the option of the Issuer: ☐ [Cash Settlement/Physical Settlement]
[In the event of ☐ (describe triggers linked to the closing price of the Shares), Cash Settlement or Physical Settlement at the option of the Issuer]
- (v) Provisions for determining Final Redemption Amount where calculation by reference to one or more Shares is impossible or impracticable or otherwise disrupted: ☐
- (vi) Weighting for each Share comprising the Basket of Shares: ☐/[Not Applicable]
- (vii) Averaging Dates: ☐ [Applicable/Not Applicable]
- (viii) Averaging Date Disruption: ☐ [Omission/Postponement/Modified Postponement]
- (ix) Observation Date(s): ☐
- (x) Observation Period(s): ☐
- (xi) Determination Time(s): ☐
- (xii) Valuation Date(s): ☐
- (xiii) Delivery provisions for Shares (including details of who is to make such delivery): ☐
(only where Physical Settlement is applicable)
- (xiv) Physical Settlement: ☐ [Applicable / Not Applicable]
- (xv) Additional Disruption Events: ☐ Change in Law, Hedging Disruption, Loss of Stock Borrow, [and] Increased Cost of Hedging[, China Connect Service Termination[, [and] China Connect Share Disqualification[, [and] ChiNext and STAR Event[,]] [Change in QFII Status and Regulatory Request ADE] shall apply. (specify if any are not applicable, or any further Additional Disruption Events)

[For the avoidance of doubt, the Issuer and/or its affiliates are not obliged to hedge by utilising the Qualified Foreign Institutional Investor (QFII) or Renminbi Qualified Foreign Institutional Investor (RQFII) schemes.] (include this language if China Connect Service Termination and China Connect Share Disqualification are specified as Additional Disruption Events)
- (xvi) Eligible Share: ☐
(specify or delete if not applicable)

- (xvii) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other (*give details*)]
- (xviii) Additional Business Centre(s): []
- (xix) Other special terms and conditions: []
- (C) [Single Index Notes]/[Index Basket Notes]/[Indices comprising the Hybrid Equity Basket Notes]: (*If not applicable, delete sub-paragraph (C)*)
(*if Single Index Notes, delete sub-paragraph below*)
- (i) Scheduled Trading Days and Disrupted Days: [Common Scheduled Trading Days and Common Disrupted Days: Applicable]
[Individual Scheduled Trading Days and Individual Disrupted Days: Applicable]
[Common Scheduled Trading Days and Individual Disrupted Days: Applicable]
(*select one as appropriate and delete other two*)
- (ii) Averaging Dates: [Applicable/Not Applicable]
- (iii) Averaging Date Disruption: [Omission/Postponement/Modified Postponement]
- (iv) Observation Date(s): []
- (v) Observation Period: []
- (vi) Determination Time(s): []
- (vii) Valuation Date(s): []
- (viii) Determination Agent responsible for calculating the Final Redemption Amount: []
- (ix) Provisions for determining Final Redemption Amount: []
- (x) Provisions for determining Final Redemption Amount where calculation by reference to Index is impossible or impracticable or otherwise disrupted: []
- (xi) Weighting for each Index: [[](*insert details*)/Not Applicable]
- (xii) Additional Disruption Events: Change in Law, Hedging Disruption, [and] Increased Cost of Hedging[, China Connect Service Termination[, [and] China Connect Share Disqualification[, [and] ChiNext and STAR Event][,]] [Change in QFII Status and Regulatory Request ADE] shall apply.

(*specify if any are not applicable, or any further Additional Disruption Events*)

- [For the avoidance of doubt, the Issuer and/or its affiliates are not obliged to hedge by utilising the Qualified Foreign Institutional Investor (QFII) or Renminbi Qualified Foreign Institutional Investor (RQFII) schemes.] *(include this language if China Connect Service Termination and China Connect Share Disqualification are specified as Additional Disruption Events)*
- (xiii) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other *(give details)*]
- (xiv) Additional Business Centre(s): []
- (xv) Other special terms and conditions: []
- (D) [Single ETF Notes]/[ETF Basket Notes]/[ETF Interests comprising the Hybrid Equity Basket Notes]: *(if not applicable, delete sub-paragraph (D))*
- (if Single ETF Notes, delete sub-paragraph below)*
- (i) Scheduled Trading Days and Disrupted Days: [Common Scheduled Trading Days and Common Disrupted Days: Applicable]
- [Individual Scheduled Trading Days and Individual Disrupted Days: Applicable]
- [Common Scheduled Trading Days and Individual Disrupted Days: Applicable]
- (select one as appropriate and delete other two)*
- (ii) Determination Agent responsible for calculating the Final Redemption Amount: []
- (iii) Provisions for determining Final Redemption Amount: []
- (iv) Whether redemption of the Notes will be by (a) Cash Settlement or (b) Physical Settlement or (c) in certain circumstances depending on the closing price of the ETF Interests or Basket of ETF Interests, Cash Settlement or Physical Delivery at the option of the Issuer: [Cash Settlement/Physical Settlement]
- [In the event of *(describe triggers linked to the closing price of the ETF Interests/ Basket of ETF Interests)*, Cash Settlement or Physical Settlement at the option of the Issuer]
- (v) Weighting for each ETF Interest comprising the basket: [[] *(Insert details)*]/Not Applicable]
- (vi) Averaging Dates: [Applicable/Not Applicable]
- (vii) Averaging Date Disruption: [Omission/Postponement/Modified Postponement]/[Not Applicable]
- (viii) Observation Date(s): []
- (ix) Observation Period: []

- (x) Determination Time(s): ☐
- (xi) Valuation Date(s): ☐
- (xii) Delivery provisions for ETF Interests (including details of who is to make such delivery): ☐ *(only where Physical Settlement is Applicable)*
- (xiii) Physical Settlement: ☐ [Applicable / Not Applicable]
- (xiv) Eligible ETF Interest: ☐ *(specify or delete if not applicable)*
- (xv) Additional Extraordinary ETF Event(s): ☐ *(specify if applicable)*
- (xvi) Additional Disruption Events: ☐ Change in Law, Hedging Disruption, Loss of Stock Borrow, Increased Regulatory Capital and Increased Cost of Hedging shall apply *(specify if any are not applicable, or any further Additional Disruption Events)*
- (xvii) Business Day Convention: ☐
- (xviii) Additional Business Centre(s): ☐
- (xix) Other special terms and conditions: ☐
40. Commodity-Linked Redemption Provisions ☐ [Applicable/Not Applicable]
- (Condition 12) ☐ *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Weighting: ☐
- (ii) Determination Agent responsible for calculating the Final Redemption Amount: ☐
- (iii) Provisions for determining Final Redemption Amount: ☐
- (iv) Observation Date(s): ☐
- (v) Observation Period: ☐
- (vi) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or other variable is impossible or impracticable or otherwise disrupted: ☐
- (vii) Price Source: ☐ *(specify for each Commodity)*
- (viii) Specified Price: ☐ [high][low][average of high and low][closing price][opening price][bid] [asked] [average of high and low prices][settlement price][official settlement

			price][official price][morning fixing][afternoon fixing][spot price][Other (<i>specify</i>)]
			(if appropriate, specify time as of which the price will be determined)
(ix)	Delivery Date:		☐
			(specify whether price based on spot market, First Nearby Month, Second Nearby Month, etc.)
(x)	[Pricing Date:		☐
(xi)	Common Pricing:		[Applicable] [Not Applicable]
			(include only if Basket of Commodities)
(xii)	Commodity Disruption Events:		[Price Source Disruption [- Price Materiality Percentage: ☐]
			[Trading Disruption]
			[Disappearance of Commodity Reference Price]
			[Material Change in Formula]
			[Material Change in Content]
			[Tax Disruption]
			[Not Applicable]
			(specify any applicable additional Commodity Disruption Events)
(xiii)	(A) Commodity Disruption Fallback:		[Determination Agent Determination as defined in Condition 12.3 /Other (<i>specify</i>)]
(xiv)	Commodity Disruption Fallback for Administrator/Benchmark Event (Condition 12.4):		[Determination Agent Determination as defined in Condition 12.3/Other (<i>specify</i>)]
(xv)	Commodity Index Disruption Events:		[As per Condition 12.6(a)][Not Applicable]
(xvi)	Commodity Index Disruption Fallback:		[As per Condition 12.6(b)][Not Applicable]
(xvii)	Business Day Convention:		☐
(xviii)	Physical Hedging Fallback:		[Applicable / Not Applicable]
(xix)	Additional Disruption Events:		[Change in Law, Hedging Disruption, Increased Cost of Hedging shall apply]
			(specify if any are <u>not</u> applicable, or any further Additional Disruption Events)
(xx)	Other special terms and conditions:		☐
41.	Currency-Linked Redemption Provisions		[Applicable/Not Applicable]

- (Condition 13) *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Determination Agent responsible for calculating the Final Redemption Amount: ☐
 - (ii) Provisions for determining Final Redemption Amount: ☐
 - (iii) Specified Time: ☐
 - (iv) Valuation Date(s): ☐
 - (v) Averaging Date(s): ☐
 - (vi) [Observation Date(s): ☐
 - (vii) Observation Period: ☐
 - (viii) Provisions for determining Final Redemption Amount where calculation by reference to Settlement Rate and/or other variable is impossible or impracticable or otherwise disrupted: ☐
 - (ix) Business Day Convention: ☐ [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ Other *(give details)*]
 - (x) Additional Business Centre(s): ☐
 - (xi) Reference Dealers: ☐
 - (xii) EM Unscheduled Holiday: ☐ [Applicable/Not Applicable] *(If Not Applicable, delete the remaining provisions of this paragraph. If applicable, note that the provisions of Condition 13.4(a)(ii)(B) (Currency Disruption Events – Additional Price Source Disruption) shall not apply through the election of "Additional Price Source Disruption" in paragraph (xiii) below if so elected)*
 - Maximum Days of Unscheduled Holiday Postponement: ☐
 - (xiii) Currency Disruption Events: ☐ [Price Source Disruption]
 - ☐ [Additional Price Source Disruption] *(If not applicable, delete the remaining sub-paragraph of this paragraph)*
 - ☐ [Price Materiality Event:] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
 - Price Materiality Percentage: ☐
 - Primary Rate: ☐
 - Secondary Rate: ☐

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[Dual Exchange Rate]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[General Inconvertibility]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[General Non-Transferability]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[Illiquidity]

Minimum Amount: [Specified Amount][Specify other]

Illiquidity Valuation Date: [Not Applicable][Specify]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[Governmental Authority Default]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[Nationalization]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[Material Change in Circumstance]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[Other (specify)]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

(xiv)	(A)	Currency Fallbacks:	Disruption	[The following Currency Disruption Fallbacks apply in the following order:] [Determination Agent Determination of Settlement Rate]; [Fallback Reference Price]; [Currency Reference Dealers] [Specified Rate: <i>(Specify one of:)</i> Reference Currency bid exchange rate;

- Reference Currency offer exchange rate;
- Average of Reference Currency bid and offer exchange rates;
- Base Currency bid exchange rate;
- Base Currency offer exchange rate;
- Average of Base Currency bid and offer exchange rates;
- Official fixing rate;]
- [Other *(specify)*]
- [EM Valuation Postponement
- Maximum Days of EM Valuation Postponement: []]
- [EM Valuation Fallback Postponement
- Maximum Days of EM Valuation Fallback Postponement: []]
- [Cumulative Events
- Maximum Days of Cumulative Postponement: []]
- [Other *(specify)*]
- (where applicable, specify which Currency Disruption Fallback applies to which Currency Disruption Event, and if more than one Currency Disruption Fallback may apply to a Currency Disruption Event, the order in which such Currency Disruption Fallbacks will apply)*
- (xv) Currency Disruption Fallbacks for Administrator/Benchmark Event (Condition 13.6): [Determination Agent Determination of Settlement Rate];
- [Fallback Reference Price];
- [Currency Reference Dealers]
- [Specified Rate:
- (Specify one of:)*
- Reference Currency bid exchange rate;
- Reference Currency offer exchange rate;
- Average of Reference Currency bid and offer exchange rates;
- Base Currency bid exchange rate;
- Base Currency offer exchange rate;
- Average of Base Currency bid and offer exchange rates;

- Official fixing rate;]
 [Other (*specify*)]
 [EM Valuation Postponement
 Maximum Days of EM Valuation Postponement: []
 [EM Valuation Fallback Postponement
 Maximum Days of EM Valuation Fallback Postponement: []
 [Cumulative Events
 Maximum Days of Cumulative Postponement: []
 [Other (*specify*)]
(if more than one Currency Disruption Fallback may apply, specify the order in which such Currency Disruption Fallbacks will apply)
- (xvi) Additional Disruption Events: Change in Law – [Applicable / Not Applicable]
 Hedging Disruption - [Applicable / Not Applicable]
 Increased Cost of Hedging - [Applicable / Not Applicable]
(specify any further Additional Disruption Events)
- (xvii) Other special terms and conditions: []
42. Inflation-Linked Redemption Provisions
 (Condition 14) [Applicable/Not Applicable]
(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Determination Agent responsible for calculating the Final Redemption Amount: []
- (ii) Provisions for determining Final Redemption Amount: []
- (iii) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or other variable is impossible or impracticable or otherwise disrupted: []
- (iv) Related Bond: [[]/Fallback Bond]
- (v) Fallback Bond: [Applicable/Not Applicable]
- (vi) Additional Disruption Events Change in Law – [Applicable / Not Applicable]
 Hedging Disruption - [Applicable / Not Applicable]

		Increased Cost of Hedging - [Applicable / Not Applicable]
		<i>(specify any further Additional Disruption Events)</i>
	(vii) Other special terms and conditions:	☐
43.	Property-Linked Redemption Provisions	[Applicable/Not Applicable]
	(Condition 15)	<i>(if Applicable, insert relevant provisions)</i>
	(i) Property Index Level:	☐
	(ii) Additional Disruption Event:	[Change in Law/Hedging Disruption/Increased Cost of Hedging/ ☐ <i>(specify)</i>]
44.	Fund-Linked Redemption Provisions	[Applicable/Not Applicable]
	(Condition 16)	<i>(if Applicable, insert relevant information specified below, if Not Applicable, delete sub-paragraphs below)</i>
		<i>(if Single Fund Notes, delete sub-paragraph below)</i>
	(i) Fund Business Days and Disrupted Dates:	[Common Fund Business Days and Common Disrupted Days: Applicable]
		[Individual Fund Business Days and Individual Disrupted Days: Applicable]
		[Common Fund Business Days and Individual Disrupted Days: Applicable]
		<i>(select one as appropriate and delete the other two)</i>
	(ii) Determination Agent responsible for calculating the Final Redemption Amount:	☐
	(iii) Provisions for determining Final Redemption Amount:	☐
	(iv) Cut-off Period:	☐
	(Condition 16.1)	<i>(specify or delete if not applicable or if fallback is applicable)</i>
	(v) Final Cut-off Date:	[<i>(specify)</i> /Not Applicable] <i>(if "Supplementary Provisions for Belgian Notes" is specified as Applicable, specify Not Applicable (because payment of the relevant early redemption amount may not extend beyond the Maturity Date in these circumstances))</i>
	(Condition 16.1)	
	(vi) Valuation Date(s):	☐
	(Condition 16.1)	<i>(specify or delete if not applicable or if fallback is applicable)</i>
	(vii) Averaging Date:	☐

	(Condition 16.1)	<i>(specify or delete if not applicable or if fallback is applicable)</i>
(viii)	Determination Date(s):	☐
	(Condition 16.1)	<i>(specify or delete if not applicable or if fallback is applicable)</i>
(ix)	Scheduled Fund Valuation Date(s):	☐
		<i>(specify or delete if not applicable or if fallback is applicable)</i>
(x)	Scheduled Redemption Valuation Date:	☐
		<i>(specify or delete if not applicable or if fallback is applicable)</i>
(xi)	Redemption Notice Date:	☐
		<i>(specify or delete if not applicable or if fallback is applicable)</i>
(xii)	Reference Price:	[Reported Net Asset Value] [Redemption Proceeds]
		<i>(specify in respect of a Fund Interest)</i>
(xiii)	Non-Applicable Fund Event(s):	[Not Applicable] ☐
	(Condition 16.4)	<i>(specify if any Fund Events are not applicable)</i>
(xiv)	Additional Fund Event(s):	[Not Applicable] ☐
		<i>(specify)</i>
(xv)	Fund Event Unscheduled Redemption:	[Applicable][Not Applicable]
(xvi)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/No Adjustment/Other <i>(give details)</i>]
(xvii)	Additional Business Centre(s):	☐
(xviii)	Other terms:	☐
		<i>(insert any other relevant terms)</i>
45.	Futures Contract-Linked Redemption Provisions	[Applicable/ Not Applicable] <i>(if applicable, insert relevant provisions)</i>
	(Condition 17)	<i>(if Single Futures Contract-Linked Notes, delete subparagraph below)</i>
(i)	Scheduled Trading Days and Disrupted Days:	[Common Scheduled Trading Days and Common Disrupted Days: Applicable]
		[Individual Scheduled Trading Days and Individual Disrupted Days: Applicable]

		[Common Scheduled Trading Days and Individual Disrupted Days: Applicable]
		<i>(select one as appropriate and delete other two)</i>
(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 Fund is impossible or impracticable or otherwise disrupted:	[●]
(v)	Specified Number of Scheduled Trading Days:	[●] [As per Condition 17.7]
(vi)	Specified Number of Common Scheduled Trading Days:	[●] [As per Condition 17.7]
(vii)	Futures Contract Adjustment Events:	[Price Source Disruption] [Trading Restriction] [Disappearance of Futures Contract or Settlement Price] [Material Change in Formula] [Material Change in Content] [Tax Disruption] [Change of Exchange] [Illiquidity Event]
(viii)	Adjustments for Futures Contract Adjustment Events:	<i>(Specify criteria for replacement of futures contract contemplated by Condition 17.4(a)(ii), if any)</i>
(ix)	Additional Disruption Events:	[Change in Law] [Hedging Disruption] [Increased Cost of Hedging] [Increased Regulatory Capital]
(x)	Correction Cut-Off Time:	[●]
(xi)	Weighting for each Futures Contract comprising the Basket of Futures Contracts:	[Insert details] [N/A]
(xii)	Averaging Date(s):	[●]
(xiii)	Averaging Date Disruption:	[Omission/Postponement/Modified Postponement]
(xiv)	Observation Date(s):	[●]
(xv)	Valuation Date(s):	[●]
(xvi)	Determination Date(s):	[●]
46.	Credit Linked Redemption Provisions (Condition 18)	[Applicable/Not Applicable] <i>(if Applicable, insert relevant provisions)</i>
47.	Bond-Linked Redemption Provisions (Condition 19)	[Applicable/Not Applicable] <i>(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)</i>

- (i) Provisions for determining Final Redemption Amount: ☐
- (ii) Underlying Securities: ☐ [Description: ☐
ISIN: ☐
Maturity: ☐
Underlying Security Issuer: ☐
Price: [Ask/Mid/Bid/[☐]]]
- (iii) Exchange(s): ☐ []/[Not Applicable]⁴³
- (iv) Scheduled Trading Day: ☐
- (v) Valuation Date: ☐
- (vi) Valuation Time: ☐
- (vii) Spot Price: ☐ []/[As set out in Condition 19]
- (viii) Price Source: ☐ []/[Not Applicable]
- (ix) Additional Disruption Events: Change in Law, Hedging Disruption, Increased Cost of Hedging and Price Source Disruption shall apply. *(specify if any are not applicable, or any further Additional Disruption Events)*
- (x) Other special terms and conditions ☐
48. ETN-Linked Redemption Provisions ☐ [Applicable/Not Applicable]
(Condition 20) *(if Applicable, insert relevant provisions)*
49. Rate-Linked Redemption Provisions ☐ [Applicable/Not Applicable]
(Condition 21) *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Underlying Rate Determination Date: ☐
- (ii) Averaging Dates: ☐ []/[Not Applicable]
- (iii) Redemption Reference Period: ☐
- (iv) Manner in which the Final Redemption Amount is to be determined by reference to the Underlying Rate: ☐ [Screen Rate Determination/ISDA Determination/CMS Underlying Rate Determination/other *(give details)*]
- (v) Determination Agent responsible for calculating the Final Redemption Amount: ☐
- (vi) Screen Rate Determination: ☐ [Applicable/Not Applicable]
- (a) Underlying Rate: ☐
- (b) Underlying Rate Determination Date(s): ☐

⁴³ In order for the Securities to be listed on Euronext Dublin the Relevant Underlying must be traded on a regulated, regularly operating, recognised open market.

- (c) Relevant Screen Page: ☐
- (d) Relevant Time: ☐
- (e) Reference Banks: ☐
- (f) Relevant Financial Centre: ☐
- (vii) ISDA Determination: ☐ [Applicable/Not Applicable]
- (a) Floating Rate Option: ☐
- (b) Designated Maturity: ☐/[Not Applicable] *(Only applicable where the Floating Rate Option is not an overnight rate)*
- (c) Fixing Day: ☐
- (d) Fixing Time: ☐
- (e) Reset Date: ☐
- (f) Overnight Floating Rate Option: ☐ [Applicable/Not Applicable]
- (g) Index Floating Rate Option: ☐ [Applicable/Not Applicable]
- (h) Overnight Rate Compounding Method: ☐ [Not Applicable] *(Specify as Not Applicable if Averaging applies and delete the remaining sub-paragraphs of this paragraph)*
- (1) OIS Compounding: ☐ [Applicable]
- Daily Capped Rate and/or Daily Floored Rate: ☐ [Applicable]/[Not Applicable]
- [Daily Capped Rate: ☐
- [Daily Floored Rate: ☐
- /
- [Not Applicable]
- (2) Compounding with Lookback: ☐ [Applicable]
- Lookback: ☐ Applicable Business Days
- Daily Capped Rate and/or Daily Floored Rate: ☐ [Applicable]/[Not Applicable]
- [Daily Capped Rate: ☐
- [Daily Floored Rate: ☐
- /
- [Not Applicable]
- (3) Compounding with Observation Shift: ☐ [Applicable]
- 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: ☐
- /
- [Not Applicable]
- (4) Compounding with Lockout: [Applicable
- 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: ☐
- /
- [Not Applicable]
- (5) [ISDA Definitions]: [Applicable, as per the Floating Rate Matrix (as defined in the ISDA Definitions)]
- (i) Overnight Rate Averaging Method: [Not Applicable] (*Specify as Not Applicable if Compounding applies and delete remaining subparagraphs of this paragraph*)
- (1) Overnight Averaging: [Applicable
- Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]]
- [Daily Capped Rate: ☐
- [Daily Floored Rate: ☐
- /
- [Not Applicable]
- (2) Averaging Lookback: [Applicable
- [Lookback: ☐ Applicable Business Days]
- [Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]]
- [Daily Capped Rate: ☐

- [Daily Floored Rate: []]
- /
- [Not Applicable]
- (3) Averaging with [Applicable
Observation
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: []]
- /
- [Not Applicable]
- (4) Averaging with [Applicable
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: []]
- /
- [Not Applicable]
- (5) [ISDA [Applicable, as per the Floating Rate Matrix (as
Definitions]: defined in the ISDA Definitions)]
- (j) Index Method: [Applicable/Not Applicable] *(If Not Applicable delete
the remaining sub-paragraphs of this paragraph)*
- (1) Standard Index [Applicable/Not Applicable]
Method:
- (2) Compound Index [Applicable/Not Applicable]
Method:
- (3) Compound Index [Applicable
Method with
Observation Set-in-Advance: [Applicable]/[Not Applicable]
Period Shift: Observation Period Shift
Business Days

- [Observation Period Shift Additional Business Days:
[]/[Not Applicable]]
- /
- [Not Applicable]
- (k) Payment Delay: [Applicable, with the specified number of days being
[●] Business Days]/[Not Applicable]
- (l) 2021 ISDA Definitions Linear Interpolation: [Applicable]/[Not Applicable]
- (m) Unscheduled Holidays: [Applicable]/[Not Applicable]
- (n) Period End Date/Termination Date adjustment for Unscheduled Holiday: [Applicable]/[Not Applicable]
- (o) Non-Representative: [Applicable]/[Not Applicable]
- (p) Successor Benchmark: [●]
Successor Benchmark Effective Date: [●]
- (q) [TEC10 Adjustment: [Applicable]/[Not Applicable]]
(Only include where the TEC10 is the underlying)
- (viii) Margin(s): [+/-] [] per cent. per annum
- (ix) [Underlying Rate Participation Rate: [●]/[As specified in the Rate Table below]]
- (x) [Rate Table:]
- | Rate Table | |
|-----------------------------|------------------------------------|
| Redemption Reference Period | Underlying Rate Participation Rate |
| [●]
(repeat as required) | [●]
(repeat as required) |
- (xi) Day Count Fraction: []
- (xii) CMS Underlying Rate Determination: [Applicable]/[Not Applicable]
(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) CMS Underlying Rate: [Single CMS Underlying Rate] [Spread CMS Underlying Rate]
[CMS Underlying Rate 1] [CMS Underlying Rate 2]
(If CMS Underlying Rate is "Spread CMS Underlying Rate", insert this column and heading "CMS Underlying Rate") (If CMS Underlying Rate is "Spread CMS Underlying Rate", insert this column and heading "CMS Underlying Rate")

		<i>"CMS Reference Rate 1")</i>	<i>Underlying Rate 2")</i>	<i>Reference</i>
(b)	Specified Swap Rate:	[the swap rate/annual swap rate/semi-annual swap rate/quarterly swap rate/quarterly-annual swap rate/quarterly-quarterly swap rate]	[the swap rate/annual swap rate/semi-annual swap rate/quarterly swap rate/quarterly-annual swap rate/quarterly-quarterly swap rate]	
(c)	Reference Currency:	[●]	[●]	
(d)	Designated Maturity:	[●][month[s]/year[s]]	[●][month[s]/year[s]]	
(e)	Relevant Screen Page:	[●]	[●]	
(f)	Relevant Time:	[●]	[●]	
(g)	Underlying Rate Determination Date(s):	[Periodic Rate Determination is applicable. The Underlying Rate Determination Date(s) [is/are]: [●]/[the first day of each Redemption Reference Period]/[the second TARGET Settlement Day prior to the start of each Redemption Reference Period]]/[Daily Rate Determination is applicable]	[Periodic Rate Determination is applicable. The Underlying Rate Determination Date(s) [is/are]: [●]/[the first day of each Redemption Reference Period]/[the second TARGET Settlement Day prior to the start of each Redemption Reference Period]]/[Daily Rate Determination is applicable]	
(h)	Fallback Determination:	Rate [Determination Agent Fallback: Applicable – to be applied first/second/third]/[Not Applicable] Fallback Screen Page: Applicable – to be applied first/second/third/[Not Applicable] Mid-Market Quotations: Applicable – to be applied first/second/third/[Not Applicable] [Reference Banks: [●]]	[Determination Agent Fallback: Applicable – to be applied first/second/third]/[Not Applicable] Fallback Screen Page: Applicable – to be applied first/second/third/[Not Applicable] Mid-Market Quotations: Applicable – to be applied first/second/third/[Not Applicable] [Reference Banks: [●]]	
(i)	Specified Fixed Leg (for determination of Mid-Market Quotations if specified to be applicable):	[annual fixed leg/semi-annual fixed leg/quarterly-annual fixed leg/quarterly-quarterly fixed leg]	[annual fixed leg/semi-annual fixed leg/quarterly-annual fixed leg/quarterly-quarterly fixed leg]	

- (j) Fixed Leg Day Count Basis: $\frac{[\text{Actual}/\text{Actual} [\text{ICMA}]]/[\text{Actual}/\text{Actual} [\text{ICMA}]]/[\text{Actual}/\text{Actual} [\text{Actual}/\text{Actual} [\text{ISDA}]]/[\text{Actual}/365 (\text{Fixed})]/[\text{Actual}/365\text{L}]/[\text{Actual}/360]/[30/360]/[30/360 (\text{ICMA})]/[30/360 (\text{ISDA})]/[360/360]/[\text{Bond Basis}]/[30\text{E}/360]/[\text{Eurobond Basis}]/[30\text{E}/360 (\text{ISDA})]/[1/1]}{[\text{Actual}/\text{Actual} [\text{ICMA}]]/[\text{Actual}/\text{Actual} [\text{ICMA}]]/[\text{Actual}/\text{Actual} [\text{Actual}/\text{Actual} [\text{ISDA}]]/[\text{Actual}/365 (\text{Fixed})]/[\text{Actual}/365\text{L}]/[\text{Actual}/360]/[30/360]/[30/360 (\text{ICMA})]/[30/360 (\text{ISDA})]/[360/360]/[\text{Bond Basis}]/[30\text{E}/360]/[\text{Eurobond Basis}]/[30\text{E}/360 (\text{ISDA})]/[1/1]}$
- (k) Floating Leg Day Count Basis: $\frac{[\text{Actual}/\text{Actual} (\text{ICMA})]/[\text{Actual}/\text{Actual} [\text{ICMA}]]/[\text{Actual}/\text{Actual} [\text{Actual}/\text{Actual} [\text{ISDA}]]/[\text{Actual}/365 (\text{Fixed})]/[\text{Actual}/365\text{L}]/[\text{Actual}/360]/[30/360]/[30/360 (\text{ICMA})]/[30/360 (\text{ISDA})]/[360/360]/[\text{Bond Basis}]/[30\text{E}/360]/[\text{Eurobond Basis}]/[30\text{E}/360 (\text{ISDA})]/[1/1]}{[\text{Actual}/\text{Actual} (\text{ICMA})]/[\text{Actual}/\text{Actual} [\text{ICMA}]]/[\text{Actual}/\text{Actual} [\text{Actual}/\text{Actual} [\text{ISDA}]]/[\text{Actual}/365 (\text{Fixed})]/[\text{Actual}/365\text{L}]/[\text{Actual}/360]/[30/360]/[30/360 (\text{ICMA})]/[30/360 (\text{ISDA})]/[360/360]/[\text{Bond Basis}]/[30\text{E}/360]/[\text{Eurobond Basis}]/[30\text{E}/360 (\text{ISDA})]/[1/1]}$
- (l) Floating Leg Rate Option: ☐ ☐
- (m) Margin [1]: (If CMS Underlying Rate is "Spread CMS Underlying Rate", insert "Margin 1") ☐/[As specified in the Rate Table below]
- (n) Margin 2: ☐/[As specified in the Rate Table below] (*Specify "Margin 2" if CMS Underlying Rate is "Spread CMS Underlying Rate", otherwise delete this paragraph*)
- (o) [Underlying Rate Participation Rate [1]: (If CMS Underlying Rate is "Spread CMS Underlying Rate", insert "Underlying Rate Participation Rate 1")] ☐/[As specified in the Rate Table below]
- (p) Underlying Rate Participation Rate 2: ☐/[As specified in the Rate Table below] (*Specify "Underlying Rate Participation Rate 2" if CMS Underlying Rate is "Spread CMS Underlying Rate", otherwise delete this paragraph*)

(q) [Rate Table:]

Rate Table		
Redemption Reference Period	[Underlying Rate Participation Rate [1]]	[Underlying Rate Participation Rate 2]
[●] <i>(repeat as required)</i>	[●] <i>(repeat as required)</i>	[●] <i>(repeat as required)</i>

(xiii) Condition 21.4 (*Provisions specific to SOFR as Underlying Rate*):

[Applicable]/[Not Applicable]

(1) SOFR Compound with Lookback:

[Applicable]

Lookback Days: [] U.S. Government Securities Business Days

/

[Not Applicable]

(2) SOFR Compound with Observation Period Shift:

[Applicable]

Observation Shift Days: [] U.S. Government Securities Business Days

/

[Not Applicable]

(3) SOFR Compound with Payment Delay:

[Applicable]/[Not Applicable]

(4) SOFR Index Average:

[Applicable]

SOFR Index_{Start}: [] U.S. Government Securities Business Days preceding the first day of the relevant Redemption Reference Period;SOFR Index_{End}: [] U.S. Government Securities Business Days preceding the last day of the relevant Redemption Reference Period;

Observation Shift Days: [] U.S. Government Securities Business Days

/

[Not Applicable]

(xiv) Condition 21.5 (*Provisions specific to SONIA as Underlying Rate*):[Applicable]/[Not Applicable] (*if Not Applicable delete the remaining sub-paragraphs of this paragraph*)

(1) SONIA Compound with Lookback:

[Applicable]

Lookback Days: [] London Banking Days/

- [Not Applicable]
- (2) SONIA Compound Observation Period Shift: [Applicable]
Observation Shift Days: ☐ London Banking Days]/
[Not Applicable]
- (3) SONIA Compound with Payment Delay: [Applicable]/[Not Applicable]
[SONIA Rate Cut-Off Date: ☐ London Banking Days]
- (4) SONIA Index Average: [Applicable]
Relevant Number: ☐
Observation Shift Days: ☐ London Banking Days]
/
[Not Applicable]
- (xv) Condition 21.6 (*Provisions specific to €STR as Underlying Rate*): [Applicable]/[Not Applicable]
- (1) €STR Compound with Lookback: [Applicable]
Lookback Days: ☐ TARGET Settlement Days]
/
[Not Applicable]
- (2) €STR Compound with Observation Period Shift: [Applicable]
Observation Shift Days: ☐ TARGET Settlement Days]
/
[Not Applicable]
- (3) €STR Compound with Payment Delay: [Applicable]/[Not Applicable]
[€STR Rate Cut-Off Date: ☐ TARGET Settlement Days]
- (4) €STR Index Average: [Applicable]
Relevant Number: ☐
Observation Shift Days: ☐ TARGET Settlement Days]
/
[Not Applicable]
- (xvi) Condition 21.7 (*Provisions specific to SARON as Underlying Rate*): [Applicable]/[Not Applicable]

(1)	SARON Compound with Lookback:	[Applicable Lookback Days: ☐ Zurich Banking Days / [Not Applicable]
(2)	SARON Compound with Observation Period Shift:	[Applicable Observation Shift Days: Zurich Banking Days / [Not Applicable]
(3)	SARON Compound with Payment Delay:	[Applicable]/[Not Applicable] [SARON Rate Cut-Off Date: ☐ Zurich Banking Days]
(4)	SAION Index Average:	[Applicable Relevant Number: ☐ Observation Shift Days: Zurich Banking Days / [Not Applicable]
(xvii)	Condition 21.8 (<i>Provisions specific to TONA as Underlying Rate</i>):	[Applicable]/[Not Applicable]
(1)	TONA Compound with Lookback:	[Applicable Lookback Days: ☐ Tokyo Banking Days / [Not Applicable]
(2)	TONA Compound with Observation Period Shift:	[Applicable Observation Shift Days: Tokyo Banking Days / [Not Applicable]
(3)	TONA Compound with Payment Delay:	[Applicable]/[Not Applicable] [TONA Rate Cut-Off Date: ☐ Tokyo Banking Days]
(4)	TONA Index Average:	[Applicable Relevant Number: ☐ Observation Shift Days: Tokyo Banking Days]

			/	
				[Not Applicable]
(xviii)	Condition 21.9 <i>(Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use):</i>			[Applicable][Not Applicable] <i>(if Not Applicable delete the remaining sub-paragraphs of this paragraph)</i>
	(1) Other Relevant Underlying Rates Benchmark:			<i>[specify]</i> [Not Applicable] <i>(specify any applicable Relevant Underlying Rates Benchmark Rate which is not an Underlying Rate. Otherwise delete line)</i>
	(2) Alternative Pre-nominated Reference Rate:			<i>[specify]</i> [Not Applicable] <i>(specify in respect of each Relevant Underlying Rates Benchmark)</i>
	(3) Administrator/Benchmark Event applicable for Condition 21.9:			[Applicable as per the Conditions] [Not Applicable]
	(4) If ISDA Determination applies, ISDA Bespoke Fallbacks to apply in priority to other fallbacks in Condition 21.9 <i>(Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use):</i>			[Yes][No][Not Applicable]
(xix)	Additional Disruption Events:			[Change in Law, Hedging Disruption, Increased Cost of Hedging shall apply] <i>(specify if any are not applicable, or any further Additional Disruption Events)</i>
50.	Preference Share-Linked Redemption Provisions: (Condition 22)			[Applicable/Not Applicable] <i>(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Determination Agent responsible for calculating the Final Redemption Amount:			[] <i>(specify only if Determination Agent is not Morgan Stanley & Co. International plc)</i>
	(ii) Provisions for determining Final Redemption Amount:			[] per cent. per Calculation Amount
				OR
				[The Final Redemption Amount in respect of each Note is an amount in the Specified Currency calculated by the Determination Agent equal to:
				$\text{Calculation Amount} \times \frac{\text{Preference Share Value}_{\text{final}}}{\text{Preference Share Value}_{\text{initial}}}]$
				<i>(delete as appropriate)</i>
	(iii) Final Valuation Date:			[] (date)

	(iv)	Valuation Time:	[[/ As per Condition 22.9]
	(v)	Additional Disruption Events:	[Change in Law, Hedging Disruption, Insolvency Filing and Increased Cost of Hedging] shall apply (delete any which are not applicable)
51.	(i)	Early Redemption Amount upon Event of Default: (Condition 31)	[As determined in accordance with Condition 26.10]/[specify other] (this applies to Zero Coupon Notes only per limb (a) of the definition of "Early Redemption Amount") [Accrued Value – [Linear]/[Compounded] Zero Coupon]. The Accrued Value Commencement Date is [●](where "n" means the number of years from (and including) a date other than the Issue Date, specify such other date here)] (this applies to Notes other than Zero Coupon Notes per limb (b) of the definition of "Early Redemption Amount") [Fair Market Value] [Fair Market Value Less Costs] [Par Redemption] [Qualified Financial Institution Determination] [Theoretical Value]
	(ii)	Early Redemption Amount payable upon an event described in Condition 11.2(d)/11.2(f)/11.4(a)(iii)/11.4(b)(iii)/11.5(c)/11.6(c)/11.7(c)/11.8(c)/12.4(c)/12.6(d)/12.7(d)/12.8(b)/13.6(a)(iii)/13.8(c)/14.2(e)/14.6(c)/15.3/15.8/15.10(c)/16.4/17.4/17.6(c)/19.1(c)/19.3(c)/21.10/21.12/22.6/22.7: ⁴⁴	[Fair Market Value]/[Fair Market Value Less Costs]/[Par Redemption]/[Theoretical Value]/[As per the Annex to the Terms and Conditions of the English Law Notes: Supplementary Provisions for Belgian Notes]/[In respect of a Conversion pursuant to Condition 19, [as set out in Condition 19]/[]].
	(iii)	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons: ⁴⁵ (Condition 26.2)/[26.3]	[Fair Market Value]/[Fair Market Value Less Costs]/[Early Preference Share Redemption Note Amount] / [Par Redemption]/[Theoretical Value]/[As per the Annex to the Terms and Conditions of the English Law Notes: Supplementary Provisions for Belgian Notes]/[Not Applicable]
	(iv)	Early Redemption Amount (Condition 7.18 (Relevant Rates Benchmark Discontinuance or Prohibition on Use)) ⁴⁶ :	[Not Applicable]/[As determined in accordance with Condition 26.10] OR (specify) (if Zero Coupon Notes)

⁴⁴ Note: If "Supplementary Provisions for Belgian Notes" is specified to apply, this amount will be determined in accordance with the Supplementary Provisions for Belgian Notes Annex to the Terms and Conditions for English law Notes

⁴⁵ Note: If "Supplementary Provisions for Belgian Notes" is specified to apply, this amount will be determined in accordance with the Supplementary Provisions for Belgian Notes Annex to the Terms and Conditions for English law Notes

⁴⁶ Note: If "Supplementary Provisions for Belgian Notes" is specified to apply, this amount will be determined in accordance with the Supplementary Provisions for Belgian Notes Annex to the Terms and Conditions for English law Notes

- [Accrued Value – [Linear]/[Compounded] Zero Coupon [. The Accrued Value Commencement Date is [●]](where "n" means the number of years from (and including) a date other than the Issue Date, specify such other date here)]
- [Fair Market Value]
- [Fair Market Value Less Costs]
- [Par Redemption]
- [Qualified Financial Institution Determination]
- [Theoretical Value]
- [As per the Annex to the Terms and Conditions of the English Law Notes: Supplementary Provisions for Belgian Notes]
- (v) CMS Reference Rate – Effect of Benchmark Transition Event and Benchmark Amendment Event as described in Condition 7.19 (CMS Reference Rate - Effect of Index Cessation Event)
- [Administrator/Benchmark Event: applicable for Condition 7.19(d): [Not Applicable] [Applicable as per the Conditions] (Note – this sub-paragraph 51(v) applies to CMS Reference Rates only. For Underlying CMS Reference Rates in respect of which Condition 21.10 (Underlying CMS Reference Rate – Effect of Index Cessation Event) applies, see sub-paragraph 16(J) and 51(ii) above for relevant elections)
- [Alternative Pre-nominated Reference Rate: [None] [Specify]]
- [[Early Redemption Amount (CMS Reference Rate) – Fixed Redemption: [●] per Calculation Amount] / [Early Redemption Amount (CMS Reference Rate) – Fixed Redemption Less Costs: [●] per Calculation Amount] / [Early Redemption Amount (CMS Reference Rate) – Fair Market Value Less Costs] / [Early Redemption Amount (CMS Reference Rate) – Fair Market Value] shall apply] / [Not Applicable]
- (Note – for issuances of Notes to retail investors, ["Early Redemption Amount (CMS Reference Rate) – Fair Market Value Less Costs"/["Early Redemption Amount (CMS Reference Rate) – Fixed Redemption Less Costs"] may not be selected)
- Reference Time: [●]/[Not Applicable]
52. Illegality and Regulatory Event:
- (Condition 32)
- (i) Illegality and Regulatory Event:
- [Applicable] / [Not Applicable] (Note that the Illegality and Regulatory Event provision may only be specified as "Not Applicable" in relation to a Series of Notes which is issued by MSBV, MSFL or MSFII and is (i) rated and/or (ii) listed on an Italian Exchange)

- (ii) Early Redemption Amount (Illegality and Regulatory Event)⁴⁷: $\frac{[\text{Early Redemption Amount (Illegality and Regulatory Event)} - \text{Fair Market Value Less Costs}]}{[\text{Early Redemption Amount (Illegality and Regulatory Event)} - \text{Fair Market Value}]} \div \frac{[\text{Early Redemption Amount (Illegality and Regulatory Event)} - \text{Par}]}{[\text{The Annex to the Terms and Conditions of the English Law Notes: Supplementary Provisions for Belgian Notes}]}$ shall apply]
53. Substitution of Issuer or Guarantor with non-Morgan Stanley Group entities:
(Condition 43.2) [Applicable] / [Not Applicable] (*Note that this provision may only be specified as "Not Applicable" in relation to a Series of Notes which is issued by MSBV, MSFL or MSFII and is (i) rated and/or (ii) listed on an Italian Exchange*)
54. Governing Law: [English law/other (*specify*)]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

55. Form of Notes:
(Condition 3) [[Registered Notes:
[Global Note Certificate registered in the name of [a nominee for] [a common depositary for Euroclear and Clearstream, Luxembourg]/[a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS))]⁴⁸ [a sub-custodian for Hong Kong Monetary Authority as operator of the Central Moneymarkets Unit Service (the "CMU")]⁴⁹, exchangeable for Individual Note Certificates on [] days' notice⁵⁰/in the limited circumstances described in the Global Note Certificate]
[Individual Note Certificates]]
[Nordic Notes:
[Finnish Notes]
[Swedish Notes]
[Norwegian Notes]
[Danish Notes]]
[Uncertificated Notes]
56. Record Date: [For so long as the Notes are represented by a Global Note Certificate, the Record Date shall be one Clearing System Business Day before the relevant due date for payment. The Record Date for Notes in definitive form shall be 15 days before the relevant due date for payment][As per Condition 27.8 (*Payments of Principal and Interest in respect of Nordic Notes*)]⁵¹[Not Applicable]

⁴⁷ Note: If "Supplementary Provisions for Belgian Notes" is specified to apply, this amount will be determined in accordance with the Supplementary Provisions for Belgian Notes Annex to the Terms and Conditions for English law Notes

⁴⁸ To be included for Registered Notes in global form which are to be held under the NSS.

⁴⁹ To be included for CMU Notes.

⁵⁰ In respect of Morgan Stanley Notes, notice should be 30 days.

⁵¹ To be included for Nordic Notes.

57. Additional Financial Centre(s) or other special provisions relating to Payment Business Days: [Not Applicable/[] (*specify Additional Financial Centre(s)*).]
58. Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/No Adjustment/Not Applicable/See paragraph [] above/other (*give details*)]
59. Additional Business Centre(s): [[]/[Not Applicable]]
60. Determination Agent: Morgan Stanley & Co. International plc/[] (*insert other Morgan Stanley Group entity*)
61. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/[] (*give details*)]
62. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: [Not Applicable/[] (*give details*)]
63. Redenomination, renominatisation and reconventioning provisions: [Not Applicable/The provisions [in Condition 42] [annexed to this Pricing Supplement apply]]
64. Restrictions on free transferability of the Notes: [None/[] (*give details*)]
65. (A) Inconvertibility Event Provisions A:
(Condition 24) [Applicable/Not Applicable]
(If Not Applicable, delete the remaining sub-paragraphs of this paragraph. Note that if paragraph 65(B) below is specified as Applicable, then this line item 65.(A) must be specified as Not Applicable)
- (i) Consequences of the occurrence of an Inconvertibility Event: [Converted Payment]/[Early Redemption]/[Suspended Payment]
- (ii) Inconvertibility Early Redemption Amount⁵²: [Not Applicable] [OR]
(For Zero Coupon Notes, choose one of the following options)
[[] per cent. per Calculation Amount]/
[an amount per Calculation Amount determined by the Determination Agent in accordance with Condition 26.10. For these purposes, the Accrual Yield is [] per cent., the Reference Price is (*specify*)[and the Accrued Value Commencement Date is [].]
(For Notes which are not Zero Coupon Notes, choose one of the following options)

⁵² Note: If "Supplementary Provisions for Belgian Notes" is specified to apply, this amount will be determined in accordance with the Supplementary Provisions for Belgian Notes Annex to the Terms and Conditions for English law Notes

			[[] per cent. per Calculation Amount]/
			[[Early Redemption Amount]/[Early Redemption Amount Less Costs] applies. For the purposes of the definition of Early Redemption Amount, Par Redemption applies.]
			[Qualified Financial Institution Determination applies provided that the words "Event of Default" in the definition thereof shall be deemed to be replaced with the words "Inconvertibility Event."]
			[Fair Market Value (Inconvertibility)]/[Fair Market Value Less Costs (Inconvertibility)]
			[As per the Annex to the Terms and Conditions of the English Law Notes: Supplementary Provisions for Belgian Notes]
	(iii)	Relevant Currency/ies:	[[]
	(iv)	Relevant Jurisdiction:	[[]
	(v)	Inconvertibility Specified Currency:	[[]
	(vi)	Settlement Rate Option:	[Currency Reference Dealers]/[Not Applicable]
	(vii)	Fallback FX Spot Rate	[[]
(B)		Inconvertibility Event Provisions B:	[Applicable/Not Applicable]
		(Condition 24	<i>(If applicable, following the occurrence of an Inconvertibility Event, the Issuer will specify in the Inconvertibility Event Notice (a) if Converted Payment is to apply instead of the default position of payment suspension, (b) the Relevant Currency, (c) the Relevant Jurisdiction, (d) the Inconvertibility Specified Currency and (e) where Converted Payment is specified to apply, the Fallback FX Spot Rate)</i>
66.		CNY Center:	[[]/[Not Applicable]
67.		Taxation:	
	(i)	Condition 30.1:	"Additional Amounts" is [Applicable/Not Applicable]
	(ii)	Condition 30.3:	Implementation of Financial Transaction Tax: [Applicable/Not Applicable]
68.		Other terms:	[[]

DISTRIBUTION

69.	(i)	If syndicated, of Managers and underwriting commitments (and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers)	[Not Applicable/[[] <i>(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis.)</i>

- (ii) [Date of [Subscription] Agreement: []]
- (iii) Stabilising Manager(s) (if any): [Not Applicable/[] (*give name*)]
70. If non-syndicated, name and address of Dealer/Distribution Agent: [Not Applicable/[] (*give name and address*)]
71. U.S. Selling Restrictions: [Regulation S]/[Regulation S / 144A]⁵³
72. [Total commission and concession: [] per cent. of the Aggregate Nominal Amount]⁵⁴
73. Singapore Sales to Institutional Investors and Accredited Investors only: [Applicable] / [Not Applicable]
74. Additional selling restrictions: [Not Applicable/[] (*give details*)]

[United States Taxation]

⁵⁵[This discussion is limited to the U.S. federal tax issues addressed below. Additional issues may exist that are not addressed in this discussion and that could affect the federal tax treatment of an investment in the Notes. Investors should seek their own advice based upon their particular circumstances from an independent tax advisor.]

Investors should review carefully the section entitled "*United States Federal Taxation*" in the Offering Circular.]

⁵⁶[Withholding on "Other Income" Coupon Payments]

The following discussion applies to Notes issued by Morgan Stanley, MSFL or MSFII that pay periodic coupons and provide for a payment at maturity or upon early settlement (other than the stated coupon) that is determined by reference to the performance of a Relevant Underlying and thus may be lower or higher than their issue price. The U.S. federal tax treatment of the Notes is unclear due to the absence of statutory, judicial or administrative authorities that directly address the Notes or similar securities, and no ruling is being requested from the Internal Revenue Service ("**IRS**") with respect to the Notes. Significant aspects of the U.S. federal income tax consequences of an investment in the Notes are uncertain, and no assurance can be given that the IRS or a court will agree with the tax treatment described herein. Accordingly, investors should consult their tax adviser regarding the U.S. federal income tax consequences of an investment in the Notes (including possible alternative treatment thereof).

A non-U.S. investor should expect that a withholding agent will treat any coupon payments as subject to U.S. federal withholding tax at a rate of 30 per cent., unless the non-U.S. investor establishes an exemption under the "other income" provision of a Qualifying Treaty (as defined below) or, to the extent that any portion of a coupon payment is treated as interest for U.S. federal income tax purposes, an exemption under the "portfolio interest exemption" rules as described below.

An income tax treaty between a non-U.S. jurisdiction and the United States is a "**Qualifying Treaty**" if it provides for a 0 per cent. rate of tax on "other income" earned by a resident of the non-U.S. jurisdiction from sources within the United States. Accordingly, if a non-U.S. investor is a resident of a non-U.S. jurisdiction that qualifies for benefits under such a Qualifying Treaty, it should generally be eligible for an exemption under the "other income" provision referred to above if the non-U.S. investor complies with the certification requirement described in the section entitled "*United States Federal Taxation—Notes—Other Income Coupons*" in the Offering Circular. However, because most income tax treaties contain complex eligibility rules and limitations, a non-U.S. investor should consult its tax advisor about its eligibility for this exemption. To demonstrate eligibility for the "other income" exemption to the Issuer or an applicable withholding agent, a non-U.S. investor generally will be required to provide a properly completed IRS Form W-8BEN or W-8BEN-E certifying that it is not a U.S. person and that it is eligible for the benefits of the "other income" article of a Qualifying Treaty (or, if the non-U.S. investor holds

⁵³ MSBV, MSFL and MSIP may offer and sell Regulation S Notes or Regulation S/Rule 144A Notes. Morgan Stanley, MSFII and MSESE may only offer and sell Regulation S Notes.

⁵⁴ Optional.

⁵⁵ Insert for coupon-paying Notes issued by MS, MSFL or MSFII.

⁵⁶ Insert for "other income" Notes issued by MS, MSFL or MSFII where the principal is at risk, pay periodic coupons and provide for a payment at maturity or early settlement that may be either lower or higher than the Notes' issue price based on the value of the underlying securities.

its Notes through certain intermediaries, it may be permitted to provide alternative documentation in lieu of the appropriate Form W-8BEN or W-8BEN-E to establish that it is not a U.S. person and that it is eligible for the benefits of the "other income" article of a Qualifying Treaty) as discussed in the section entitled "*United States Federal Taxation—Notes—Other Income Coupons*" in the Offering Circular.

Any withholding rate described above may be increased under future legislation, regulation or administrative guidance.

Notwithstanding the discussion above, because the U.S. federal income tax treatment of the Notes is unclear, any coupon payments on such Notes could alternatively be treated in whole or part as payments of interest. Nonetheless, even if the coupon payments are treated in whole or in part as interest and thus not eligible for the "other income" exemption described above, under current law and administrative practice a non-U.S. investor may qualify for the "portfolio interest exemption" with respect to the coupon payments if the non-U.S. investor has timely provided certifications to establish that it is not a U.S. person and certain other conditions are met, as discussed in the section entitled "*United States Federal Taxation—Notes—Notes Treated as Indebtedness*" in the Offering Circular.

As described in "*United States Federal Taxation*" in the Offering Circular, U.S. withholding may also be imposed in other circumstances, such as under FATCA, the U.S. backup withholding rules or Section 871(m) of the Internal Revenue Code of 1986, as amended (the "**Code**").

If withholding is so required, the relevant Issuer will not be required to pay any additional amounts with respect to the amounts so withheld.

None of the Issuer, Guarantor and Dealer, nor any of their respective Affiliates are qualified to give legal, tax or accounting advice to its clients and does not purport to do so in this document. Clients are urged to seek the advice of their own professional advisors about the consequences of the proposals contained herein.

Each Noteholder should seek advice, based on its particular circumstances from an independent tax advisor, regarding the U.S. federal income tax consequences of an investment in the Notes, including possible alternative treatments and any tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.]

[PURPOSE OF PRICING SUPPLEMENT

This Pricing Supplement comprises the pricing supplement required to [issue]/[list and have admitted to trading on (*specify relevant market*) the issue of] the Notes described herein pursuant to the Regulation S / 144A Program for the Issuance of Notes, Series A and B, Warrants and Certificates.]

POTENTIAL SECTION 871(M) TRANSACTION

Please see paragraph 6 of Part B – Other Information to this Pricing Supplement for additional information regarding withholding under Section 871(m) of the Code.

RESPONSIBILITY

The Issuer [and the Guarantor] accept[s] responsibility for the information contained in this Pricing Supplement.

[(Relevant third party information) has been extracted from [] (specify source)]. [Each of the] [The] Issuer [and the Guarantor] confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from 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 the Official List of Euronext Dublin and trading on its Global Exchange Market 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 on [the Luxembourg Stock Exchange's Euro MTF market] and to the Official List of the Luxembourg Stock Exchange 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 on [the International Securities Market of the London Stock Exchange] 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 listing and trading on [the SIX Swiss Exchange] with effect from [].]

[Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on EuroTLX within ten (10) calendar days within the Issue Date.]

[No assurances can be given that such application for listing and/or admission to trading will be granted (or, if granted, will be granted by [] [the Issue Date.])] [The Issuer has no duty to maintain the listing (if any) of the Notes on the relevant stock exchange(s) over their entire lifetime.]

[Not Applicable.]

(Where documenting a fungible issue, indicate that original Notes are already admitted to trading.)

[Last day of Trading:

[])

2. RATINGS

Ratings:

[The Notes to be issued have been rated:

[S & P: []]

[Moody's: []]

[Fitch: []]

[[Other]: []]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the

Program generally or, where the issue has been specifically rated, that rating.)

[The Notes will not be rated].]

3. **USE OF PROCEEDS, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

(i) [Use of proceeds:]

[If the Issuer is Morgan Stanley or MSIP or MSESE and the Notes do not constitute Sustainable Bonds: The net proceeds from the issue of Notes will be applied by the Issuer for [its general corporate purposes and/or, in connection with hedging its obligations under the Notes] / [specify any other reasons].]

[If the Issuer is MSBV: At least 95% of the proceeds will be invested (uitzetten) within the group of which MSBV forms part.]

[If the Issuer is MSFL: MSFL intends to lend the net proceeds from its issuances of the Notes to Morgan Stanley.]

[If the Issuer is Morgan Stanley or MSFL and the Notes constitute Sustainable Bonds: The Notes constitute [Green Bonds]/[Social Bonds]/[Sustainability Bonds] and an amount equal to the gross proceeds raised will be used to finance and/or refinance, in whole or in part, one or more of the projects included in the [Green Eligible Projects]/[Social Eligible Projects]/[Green Eligible Projects and Social Eligible Projects] pursuant to the Morgan Stanley Sustainable Issuance Framework which is available on the website of the Morgan Stanley ([●]) and described below:

[Describe specific projects included in the Green Eligible Projects and/or Social Eligible Projects]

(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 are insufficient to fund all the proposed uses state amount and sources of other funding.)

(iii) [Estimated expenses relating to the issue:] [●]

4. **[Notes linked to a Relevant Underlying only – PERFORMANCE OF EQUITY/INDEX/COMMODITY/CURRENCY/FUND/FUTURES CONTRACT/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING**

[●]

(Include details of where past and future performance and volatility of the index/equity/commodity/currency/fund/formula/other variable can be obtained. Where the underlying is an index, include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer, include details of where the information about the index can be obtained, including for these purposes where the index is published. Where the underlying is not an index, include equivalent information, including the NAV source in relation to any fund. Include other

information concerning the underlying required by the rules of Euronext Dublin, or the Luxembourg Stock Exchange, including in respect of the Luxembourg Stock Exchange and an underlying that is a fund which is neither listed nor admitted to trading on any exchange, information on where the prospectus of the fund is available for inspection.)

[To be inserted if an Index is a decrement Index: The [Insert name of the relevant Index/Indices] ([the][each a] "**Decrement Index**") [is][are each] a 'decrement' index. This means [each] such Decrement Index represents the performance of a strategy tracking a given total return index from which a pre-determined amount (a "**synthetic dividend**") is deducted periodically. [In respect of [Insert name of relevant Index/Indices].] [T] [t]he synthetic dividend is expressed as [a fixed percentage ([●]%)][an index point ([●] index points)] (specify per decrement index) Depending on the level of dividends paid by the relevant companies, a decrement index may perform differently in comparison to other market indices that include dividend adjustments due to the different methodologies adopted.

A "price return" index is calculated on the basis that dividends paid on the components are not reinvested. A standard "total return" index is calculated on the basis that dividends paid on the components are reinvested, thereby increasing the value of the index compared to the price return version. Due to the fixed amount of synthetic dividend being subtracted from [the][each] Decrement Index, such Decrement Index will underperform an otherwise equivalent total return index where dividends are invested. In case the synthetic dividend is larger than the realised level of dividends paid by the relevant companies, the decrement index will underperform an otherwise equivalent price return index.

[Insert this additional language in respect of a Decrement Index which tracks the performance of a single component security: As [Insert name of the relevant Index/Indices] (insert relevant decrement index/indices) tracks the performance of a single component security, [each] such Decrement Index (after deduction of the pre-determined synthetic dividend) will underperform a direct investment in such component security (i.e. because such direct investment would benefit from dividends paid by the component security without any deduction of the synthetic dividend).]

The Issuer [intends to provide post-issuance information (specify what information will be reported and where it can be obtained)/does not intend to provide post-issuance information with regard to [the underlying [specify Underlying]]

5. OPERATIONAL INFORMATION

ISIN:

Common Code:

[[SEDOL:]]

CFI: [[See]/, as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN]/[Not Applicable]]

(Where known, both the CFI and FISN codes should be specified together with the reference to the website of ANNA as the codes are dynamic and subject to change)

FISN: [[See]/, as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN]/[Not Applicable]]

Any clearing system(s) other than Euroclear Bank S.A./N.V., Clearstream Banking [Not Applicable/[] (give name(s) and number(s))]

société anonyme and the relevant identification number(s):

(*specify for Finnish Notes*) [Finnish CSD: Euroclear Finland Oy, Itämerenkatu 25, FI-00180 Helsinki, Finland (Postal address: Box 1110, FI-00101 Helsinki, Finland)]

(*specify for Swedish Notes*) [Swedish CSD: Euroclear Sweden AB, Klarabergsviadukten 63, Box 191, SE 101 23, Stockholm, Sweden]

(*specify for Norwegian Notes*) [Norwegian CSD: Euronext Securities Oslo, Tollbugata 2, 0152 Oslo, Norway (Postal address: P.O. Box 1174, Sentrum, 0107 Oslo, Norway)]

(*specify for Danish Notes*) [Danish CSD, VP Securities A/S, trading as Euronext Securities Copenhagen, Nicolai Eigtveds Gade 8, DK-1402 Copenhagen, Denmark]

[Japan Securities Depository Center, Inc.]

(*specify for CMU Notes*) [Central Moneymarkets Unit Services]

[other relevant clearing system, as applicable]

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 manner which would allow Eurosystem eligibility:

[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to 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,](*include this text for Registered Notes which are to be held under the NSS*) and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.] /

[No. Whilst the designation is specified as "no" at the date of these Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,](*include this text for Registered Notes*). Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being

Supplement has been registered with SIX Exchange Regulation in its capacity as Swiss Prospectus Office in accordance with FinSA. The Offering Circular and this Pricing Supplement are available on [*specify website*] or may be requested as hard copies on request of the investor at [*specify address*]. The Notes may be offered, sold or advertised, directly or indirectly, in Switzerland to retail clients (*Privatkundinnen und -kunden*) within the meaning of FinSA ("**Retail Clients**") in accordance with FinSA.]

(*Insert for FinSA Exempt Securities:*) [Neither the Offering Circular nor this Pricing Supplement or any other offering or marketing material relating to the Notes constitute a prospectus pursuant to the FinSA, and such documents may not be publicly distributed or otherwise made publicly available in Switzerland, unless the requirements of FinSA for such public distribution are complied with.]

The Notes documented in this Pricing Supplement are not being publicly offered, sold or advertised, directly or indirectly, in Switzerland. The offering of the Notes, directly or indirectly, in Switzerland is only made by way of private placement by placing the Securities (a) solely to investors classified as professional clients (*professionelle Kunden*) or institutional clients (*institutionelle Kunden*) within the meaning of FinSA ("**Professional or Institutional Clients**"), (b) to fewer than 500 retail clients (*Privatkundinnen und -kunden*) within the meaning of FinSA, and/or (c) to investors acquiring securities to the value of at least CHF 100,000.]

(*Insert for any FinSA Exempt Securities which will not be offered in Switzerland:*) [The Notes documented in this Pricing Supplement are not being offered, sold or advertised, directly or indirectly, in Switzerland.]

10. **PROHIBITION TO OFFER TO RETAIL INVESTORS IN SWITZERLAND:**

[Applicable]/[Not Applicable]

11. **PROHIBITION OF SALES TO CONSUMERS IN BELGIUM:**

[Applicable]/[Not Applicable]

**[SUMMARY
Information on the Notes]**

Title of Notes	[<i>Title of the Notes</i>]	SSPA Product type	[SSPA Product Type] [SSPA Product Code] (as defined in the SSPA Swiss Derivative Map)
Valoren	[<i>Valoren</i>]	ISIN	[<i>ISIN</i>]
Issuer	[●]	Issue Price	[<i>issue price</i>] [[●] per cent.] [of par]

Aggregate [Nominal Amount]/[Number] of the Notes	[up to] [●]	Denomination	[●]
Issue Date	[●]	Maturity Date	[●] [(subject to adjustment in accordance with the Business Day Convention)]
[Relevant Underlying(s)]	[Specify underlying(s)]		
Capital Protection	[Capital protected] / [not applicable]	Central Depository	[SIX SIS AG] [Euroclear] [Clearstream, Luxembourg] [Other]
[Coupon]	[Coupon Rate] [Interest Payment Dates]	Specified Currency	[●]
[Other important features such as Strike Price, if any]	[●]		

Information on the Public Offering and Admission to Trading

Public Offering	The Notes [are][are not] publicly offered in Switzerland
Listing	[The Securities are not listed or admitted to trading in Switzerland.] / [SIX Swiss Exchange AG] [First trading date: [[●] (anticipated)]]
Relevant Clearing System	[Euroclear] [Clearstream, Luxembourg] [Other]
Selling Restrictions	[See [Offering Circular]]

Any investment decision regarding the Notes must not only be based on the information provided in this Summary.

The Issuer may only be held liable for the content of this Summary if it is misleading, inaccurate or inconsistent when read together with the other parts of the Pricing Supplement and the Offering Circular.]

**PRO FORMA PRICING SUPPLEMENT FOR THE ENGLISH LAW NOTES LINKED TO AN
ACTIVELY MANAGED STRATEGY OR INDEX**

[These Securities are Actively Managed Securities]

[These Securities are Other Income Securities]⁵⁷

Pricing Supplement dated []

**[Morgan Stanley / Morgan Stanley & Co. International plc / Morgan Stanley B.V. / Morgan Stanley
Finance LLC / Morgan Stanley Finance II Ltd/Morgan Stanley Europe SE] as Issuer**

**Legal Entity Identifier (LEI): [IGJSJL3JD5P30I6NJZ34]⁵⁸ / [4PQUHN3JPF3BB653]⁵⁹ /
[KG1FTTDCK4KNVM3OHB52]⁶⁰ / [5493003FCPSE9RKT4B56]⁶¹ / [9JTFSIOT3N7GCDN62R31]⁶² /
[54930056FHWP7GIWYY08]⁶³**

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes] due [●]

[to be consolidated and to form a single series with the Series [●] Tranche [1] [Title of Notes] due [●]⁶⁴

[Guaranteed by Morgan Stanley]

under the

**Regulation S / 144A Program for the Issuance of Notes, Series A and B, Warrants and Certificates (the
"Program")**

The Offering Circular referred to below (as completed by this Pricing Supplement) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area (each, a "**Relevant State**") will be made pursuant to an exemption under Regulation (EU) 2017/1129 (as amended, 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 Distribution Agent to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor any Distribution Agent has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

Warning: Neither this Pricing Supplement nor the Offering Circular referred to below constitutes a "prospectus" for the purposes of Prospectus Regulation, and the Pricing Supplement and the Offering Circular have been prepared on the basis that no prospectus shall be required under the Prospectus Regulation in relation to any Notes be offered and sold under hereby.

Any person making or intending to make an offer of Notes in the United Kingdom may only do so pursuant to an exception from the public offer prohibition contained in the Public Offers and Admissions to Trading Regulations 2024 and in circumstances in which no obligation arises for the Issuer or any Distribution Agent to publish or supplement a prospectus pursuant to the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook. Neither the Issuer nor any Distribution Agent has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

**THE NOTES ARE NOT DEPOSITS OR SAVINGS ACCOUNTS AND ARE NOT INSURED BY THE
U.S. FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL
AGENCY OR INSTRUMENTALITY OR DEPOSIT PROTECTION SCHEME ANYWHERE NOR ARE
THEY OBLIGATIONS OF, OR GUARANTEED BY, A BANK.**

⁵⁷ Insert if Morgan Stanley Finance LLC is the Issuer and the Notes are classified as Other Income Securities.

⁵⁸ Insert if Morgan Stanley is the Issuer.

⁵⁹ Insert if Morgan Stanley & Co. International plc is the Issuer.

⁶⁰ Insert if Morgan Stanley B.V. is the Issuer.

⁶¹ Insert if Morgan Stanley Finance LLC is the Issuer.

⁶² Insert if Morgan Stanley Finance II Ltd is the Issuer.

⁶³ Insert if Morgan Stanley Europe SE is the Issuer.

⁶⁴ Insert language if the issue is a fungible tranche.

[(Insert for all Notes publicly offered in Switzerland or admitted to trading in Switzerland:) SSPA product type:
[SSPA product type]

[Public offering in Switzerland or Admission to trading in Switzerland: This Pricing Supplement will be or has been registered with SIX Exchange Regulation in its capacity as Swiss Prospectus Office pursuant to FinSA prior to the public offering of the Notes in Switzerland or the admission to trading of the Notes on SIX Swiss Exchange.]]

A key information document in accordance with Regulation (EU) No 1286/2014 (the "**PRIIPs KID**") or a key information document in accordance with FinSA (the "**FinSA KID**") has been prepared in relation to the Notes. The PRIIPs KID can be obtained in electronic form on [*specify website*] or upon request and free of charge from the [Issuer/Guarantor/Distribution Agent]. The FinSA KID can be obtained upon request and free of charge from the [Issuer/Guarantor/Distribution Agent].

[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 (THE "EEA"). FOR THESE PURPOSES, A "RETAIL INVESTOR" MEANS A PERSON WHO IS ONE (OR MORE) OF:

- (A) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU, AS AMENDED ("MIFID II");
- (B) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97, AS AMENDED, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR
- (C) NOT A QUALIFIED INVESTOR AS DEFINED IN REGULATION (EU) 2017/1129, AS AMENDED.

CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014, AS AMENDED (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.]⁶⁵

[PROHIBITION OF SALES TO UK RETAIL INVESTORS:

THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD, DISTRIBUTED OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD, DISTRIBUTED 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 EITHER ONE (OR BOTH) OF THE FOLLOWING:

- (A) NOT A PROFESSIONAL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF THE LAWS OF THE UNITED KINGDOM; OR
- (B) NOT A QUALIFIED INVESTOR AS DEFINED IN PARAGRAPH 15 OF SCHEDULE 1 TO THE PUBLIC OFFERS AND ADMISSIONS TO TRADING REGULATIONS.

CONSEQUENTLY, NO DISCLOSURE DOCUMENT REQUIRED BY THE FCA PRODUCT DISCLOSURE SOURCEBOOK ("DISC") FOR OFFERING, SELLING OR DISTRIBUTING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE UK HAS BEEN OR WILL BE PREPARED AND THEREFORE OFFERING, SELLING OR DISTRIBUTING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE UK MAY BE UNLAWFUL UNDER DISC AND THE CONSUMER COMPOSITE INVESTMENTS (DESIGNATED ACTIVITIES) REGULATION 2024.]⁶⁶

⁶⁵ Insert if "Prohibition of Sales to EEA Retail Investors" is specified as Applicable in Part B of the Pricing Supplement.

⁶⁶ Insert if "Prohibition of Sales to UK Retail Investors" is specified as Applicable in Part B of the Pricing Supplement.

[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]/[DIRECTIVE 2014/65/EU (AS AMENDED, "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.] /

[MIFID II PRODUCT GOVERNANCE/ RETAIL INVESTORS/ PROFESSIONAL INVESTORS AND ECPS 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, PROFESSIONAL CLIENTS AND RETAIL CLIENTS, EACH AS DEFINED IN [MIFID II]/[DIRECTIVE 2014/65/EU (AS AMENDED, "MIFID II")]; [AND]

[EITHER:]

- (B) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES ARE APPROPRIATE [, INCLUDING INVESTMENT ADVICE, PORTFOLIO MANAGEMENT, NON-ADVISED SALES AND PURE EXECUTION SERVICES]]

[OR]

- (B) [ALL CHANNELS FOR DISTRIBUTION TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE; AND
- (C) THE FOLLOWING CHANNELS FOR DISTRIBUTION OF THE NOTES TO RETAIL CLIENTS ARE APPROPRIATE - INVESTMENT ADVICE[,/ AND] PORTFOLIO MANAGEMENT[,/ AND][[NON-ADVISED SALES][AND PURE EXECUTION SERVICES]], SUBJECT TO THE DISTRIBUTOR'S SUITABILITY AND APPROPRIATENESS OBLIGATIONS UNDER MIFID II, AS APPLICABLE]].

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 [, SUBJECT TO THE DISTRIBUTOR'S SUITABILITY AND APPROPRIATENESS OBLIGATIONS UNDER MIFID II, AS APPLICABLE].]

[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 THE LAWS OF THE UNITED KINGDOM ("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.] /

[UK MIFIR PRODUCT GOVERNANCE/ RETAIL INVESTORS/ PROFESSIONAL INVESTORS AND ECPS 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 RETAIL CLIENTS (FOR THESE PURPOSES, A RETAIL CLIENT MEANS A PERSON WHO IS NOT A PROFESSIONAL CLIENT AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF THE LAWS OF THE UNITED KINGDOM ("PROFESSIONAL CLIENT")), AND ELIGIBLE COUNTERPARTIES, AS DEFINED IN THE FCA HANDBOOK CONDUCT OF BUSINESS SOURCEBOOK ("COBS"), AND PROFESSIONAL CLIENTS; [AND]

[EITHER]

- (B) [ALL CHANNELS FOR DISTRIBUTION OF THE NOTES ARE APPROPRIATE[, INCLUDING INVESTMENT ADVICE, PORTFOLIO MANAGEMENT, NON-ADVISED SALES AND PURE EXECUTION SERVICES]]

[OR]

- (B) [ALL CHANNELS FOR DISTRIBUTION TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE; AND
- (C) THE FOLLOWING CHANNELS FOR DISTRIBUTION OF THE NOTES TO RETAIL CLIENTS ARE APPROPRIATE - INVESTMENT ADVICE[./ AND] PORTFOLIO MANAGEMENT[./ AND][[NON-ADVISED SALES][AND PURE EXECUTION SERVICES]], SUBJECT TO THE DISTRIBUTOR'S SUITABILITY AND APPROPRIATENESS OBLIGATIONS UNDER COBS, AS APPLICABLE].

ANY [PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A "DISTRIBUTOR")]/[DISTRIBUTOR] SHOULD TAKE INTO CONSIDERATION THE MANUFACTURER'S 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 MANUFACTURER'S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS[, SUBJECT TO THE DISTRIBUTOR'S SUITABILITY AND APPROPRIATENESS OBLIGATIONS UNDER COBS, AS APPLICABLE].]

[The contents of the Offering Circular (as completed by this Pricing Supplement) has not been reviewed and will not be reviewed by the Securities and Futures Commission ("SFC") or any other regulatory authority in Hong Kong and the prospective investors are advised to exercise caution in relation to the Notes. If you are in any doubt about any of the contents of these documents, you should obtain independent professional advice.]

[THE NOTES ARE ELIGIBLE FOR TRADING THROUGH THE SOUTHBOUND TRADING LINK OF THE "BOND CONNECT" REGIME. PRC INVESTORS WHO PURCHASE THE NOTES THROUGH THE "BOND CONNECT" REGIME SHOULD, IN CONNECTION WITH THE REGISTRATION, TRADING, CUSTODY, CLEARING, SETTLEMENT OF THE NOTES AND REMITTANCE AND CONVERSION OF FUNDS, COMPLY WITH APPLICABLE LAWS AND REGULATIONS OF THE PRC AND HONG KONG, INCLUDING THE INTERIM MEASURES FOR THE ADMINISTRATION OF THE CONNECTION AND COOPERATION BETWEEN THE MAINLAND AND THE HONG KONG BOND MARKET (内地与香港债券市场互联互通合作管理暂行办法) AND THE NOTICE ON THE LAUNCH OF SOUTHBOUND COOPERATION ON THE INTERCONNECTION OF BOND MARKETS BETWEEN THE MAINLAND AND HONG KONG (关于开展内地与香港债券市场互联互通南向合作的通知) PUBLISHED BY THE PEOPLE'S BANK OF CHINA (PBOC), NATIONAL INTERBANK FUNDING CENTER SOUTHBOUND BOND CONNECT TRANSACTION RULES (全国银行间同业拆借中心债券通"南向通"交易规则) PUBLISHED BY NATIONAL INTERBANK FUNDING CENTER, DETAILED RULES FOR THE IMPLEMENTATION OF THE MAINLAND CHINA AND HONG KONG BOND MARKET CONNECTIVITY SOUTHBOUND COOPERATION BUSINESS (内地与香港债券市场互联互通南向合作业务实施细则) AND GUIDANCE FOR THE IMPLEMENTATION OF THE MAINLAND CHINA AND HONG KONG BOND MARKET CONNECTIVITY SOUTHBOUND COOPERATION BUSINESS (内地与香港债券市场互联互通南向合作业务指南) PUBLISHED BY SHANGHAI CLEARING HOUSE, AS WELL AS RULES AND REGULATIONS BY OTHER RELEVANT PARTIES.]⁶⁷

[Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the SFA) – In connection with the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), the Issuer has determined the classification of the Notes as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]⁶⁸

[(Insert for all Notes publicly offered in Switzerland or admitted to trading in Switzerland)] [The Offering Circular has been approved in Switzerland by SIX Exchange Regulation in its capacity as Swiss Prospectus Office and this Pricing Supplement has been registered with SIX Exchange Regulation in its capacity as Swiss Prospectus Office in accordance with FinSA. The Offering Circular is available on <https://sp.morganstanley.com/eu/prospectus/> or may be requested as a hard copy on request of the investor at the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA. The Notes may be offered, sold or advertised, directly or indirectly, in Switzerland to retail clients (*Privatkundinnen und -kunden*) within the meaning of FinSA ("Retail Clients") in accordance with FinSA.]

[SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES: THE SECURITIES DO NOT CONSTITUTE COLLECTIVE INVESTMENT SCHEMES WITHIN THE MEANING OF THE SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES ("CISA"). ACCORDINGLY, HOLDERS OF THE NOTES DO NOT BENEFIT FROM PROTECTION UNDER THE CISA OR SUPERVISION BY THE SWISS FINANCIAL MARKET SUPERVISORY AUTHORITY FINMA. INVESTORS BEAR THE CREDIT RISK OF THE ISSUER].

***(Insert for Securities admitted to trading on SIX Swiss Exchange or publicly offered in Switzerland)* [FOR SIX SWISS EXCHANGE REGULATION PURPOSES THIS PRICING SUPPLEMENT, TOGETHER WITH THE OFFERING CIRCULAR COMPRISE THE PROSPECTUS IN ACORDANCE WITH FINSA.]**

⁶⁷ To be included for CMU Notes.

⁶⁸ Legend to be included on front of the Pricing Supplement if the Issuer has re-classified the Notes as "prescribed capital markets products " and "Excluded Investment Products " pursuant to Section 309B of the SFA prior to the launch of the offer and the Notes are to be offered in Singapore to persons other than Accredited Investors and Institutional Investors. Relevant Dealer(s)/Distribution Agent(s) to consider whether it / they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.

PART A – CONTRACTUAL TERMS

THE NOTES DESCRIBED HEREIN [AND ANY GUARANTEE IN RESPECT THEREOF,] AND THE SECURITIES TO BE DELIVERED ON REDEMPTION OF THE NOTES (IF ANY) HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. [THE ISSUER IS NOT REGISTERED AND WILL NOT REGISTER] [NEITHER THE ISSUER NOR THE GUARANTOR IS REGISTERED, OR WILL REGISTER,] UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED. TRADING IN THE NOTES HAS NOT BEEN APPROVED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION UNDER THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED.

[If Notes are offered under Regulation S only, insert:

THE NOTES DESCRIBED HEREIN, ANY INTEREST THEREIN[, ANY GUARANTEE IN RESPECT THEREOF] AND THE SECURITIES TO BE DELIVERED ON REDEMPTION OF THE NOTES (IF ANY) MAY NOT BE OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED 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). HEDGING TRANSACTIONS INVOLVING ANY "**EQUITY SECURITIES**" OF "**DOMESTIC ISSUERS**" (AS SUCH TERMS ARE DEFINED IN THE SECURITIES ACT AND REGULATIONS THEREUNDER) MAY ONLY BE CONDUCTED IN ACCORDANCE WITH THE SECURITIES ACT. SEE "SUBSCRIPTION AND SALE" AND "TRANSFER RESTRICTIONS IN THE ACCOMPANYING OFFERING CIRCULAR DATED 25 JUNE 2026. IN PURCHASING THE NOTES, A PURCHASER WILL BE DEEMED TO REPRESENT AND WARRANT THAT IT IS NOT (I) LOCATED IN THE UNITED STATES, (II) A U.S. PERSON, (III) SUBJECT TO U.S. FEDERAL INCOME TAX ON A NET BASIS (A "**U.S. TAXPAYER**"), OR (IV) PURCHASING ON BEHALF OF, OR FOR THE ACCOUNT OR BENEFIT OF, ANY PERSON LOCATED WITHIN THE UNITED STATES[, /OR] U.S. PERSON OR U.S. TAXPAYER.]

[If Notes are offered under both Rule 144A and Regulation S, insert:

INTERESTS IN THIS NOTE MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**") TO A PERSON WHO TAKES DELIVERY IN THE FORM OF AN INTEREST IN A REGISTERED GLOBAL INSTRUMENT THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER ("**QIB**") WITHIN THE MEANING OF RULE 144A (AND IN THE CASE OF A REGISTERED GLOBAL INSTRUMENT ISSUED BY MSBV, SUCH QIB IS ALSO A QUALIFIED PURCHASER ("**QIB/QP**") AS DEFINED IN SECTION 2(A)(51) OF THE INVESTMENT COMPANY ACT AND THE RULES THEREUNDER), PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QIBS (EACH OF WHICH IS ALSO A QP, IN THE CASE OF A REGISTERED GLOBAL INSTRUMENT ISSUED BY MSBV), WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT SUCH OFFER, SALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, AND IN A NOMINAL AMOUNT OR PURCHASE PRICE FOR EACH ACCOUNT OF NOT LESS THAN U.S.\$100,000 OR (2) TO A PERSON THAT IS NOT A U.S. PERSON (WITHIN THE MEANING OF REGULATION S) WHO TAKES DELIVERY IN THE FORM OF AN INTEREST IN A REGISTERED GLOBAL INSTRUMENT IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S, AND, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION.

SEE "SUBSCRIPTION AND SALE" AND "TRANSFER RESTRICTIONS" IN THE OFFERING CIRCULAR. IN PURCHASING THE NOTES, PURCHASERS WILL BE DEEMED TO REPRESENT AND WARRANT, AMONG OTHERS, THAT (A)(I) THEY ARE NEITHER LOCATED IN THE UNITED STATES NOR A U.S. PERSON AND (II) THAT THEY ARE NOT PURCHASING FOR, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON OR (B)(I) THEY ARE A QIB, OR IN THE CASE OF NOTES ISSUED BY MSBV, THEY ARE A QIB/QP, (II) ARE ACTING FOR THEIR OWN ACCOUNT OR FOR ONE OR MORE ACCOUNTS, EACH OF WHICH IS A QIB, OR IN THE CASE OF NOTES ISSUED BY MSBV, EACH OF WHICH IS A QIB/QP, (III) WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS APPLICABLE TO THE SECURITIES TO ANY SUBSEQUENT TRANSFEREE (WHICH TRANSFEREE SHALL BE DEEMED TO MAKE THE SAME REPRESENTATIONS HEREIN), (IV) THEY WILL, ALONG WITH EACH

ACCOUNT FOR WHICH THEY ARE PURCHASING, HOLD AND TRANSFER BENEFICIAL INTERESTS IN THE NOTES IN AN AGGREGATE PRINCIPAL AMOUNT THAT IS NOT LESS THAN THE MINIMUM DENOMINATION OF THE NOTES AND (V) ARE AWARE, AND EACH BENEFICIAL OWNER OF THE NOTES HAS BEEN ADVISED, THAT THE SALE OF THE NOTES TO IT IS BEING MADE IN RELIANCE ON RULE 144A.

As used herein, "U.S. person" means (i) an individual who is a citizen or resident of the United States; (ii) a corporation, partnership or other entity treated as a corporation or partnership for United States federal income tax purposes, created or organised in or under the laws of the United States, any State thereof or the District of Columbia, or which has its principal place of business in the United States; (iii) any estate or trust which is subject to United States federal income taxation regardless of the source of its income; (iv) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and if one or more United States trustees have the authority to control all substantial decisions of the trust (or any trust which elected to be treated as a United States person prior to 20 August 1996); (v) a pension plan for the employees, officers or principals of a corporation, partnership or other entity described in (ii) above; or (vi) any other "U.S. person" as such term may be defined in Regulation S under the Securities Act or in the Final Exemptive Order Regarding Compliance with Certain Swap Regulations, as amended from time to time, promulgated by the U.S. Commodity Futures Trading Commission under the Commodity Exchange Act.]

[THE NOTES ARE NOT RATED.]⁶⁹

This document constitutes the Pricing Supplement relating to the issue of the Notes described herein. This Pricing Supplement must be read in conjunction with the Offering Circular dated 25 June 2026⁷⁰ and the supplement(s) (if any) to the Offering Circular published and approved on or before the date of this Pricing Supplement and any supplement to the Offering Circular which may have been published and approved before the Issue Date (as defined below) (the **Supplement(s)**) (provided that to the extent any such Supplement (i) is published and approved after the date of this Pricing Supplement and (ii) provides for any change to the Conditions such changes shall have no effect with respect to the Conditions of the Notes to which this Pricing Supplement relate, unless otherwise stated in such Supplement) (together, the **"Offering Circular"**). Full information on the Issuer [, the Guarantor] and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. Copies of the Offering Circular and any Supplement are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA. The Offering Circular has also been published on the website of Euronext Dublin (www.live.euronext.com) and the Luxembourg Stock Exchange (www.luxse.com).

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions of the Notes set forth in the offering circular dated [●] (as supplemented from time to time).]⁷¹

(If the Notes reference a Proprietary Index then cross reference should be made to bespoke risk factors contained in the relevant Index Rules and consideration should be given as to whether with any additional disclosure or risk factors are required to be included (or cross-referred to) in the pricing supplement.)

Information Concerning Investment Risk

[]

[A Non-U.S. holder will be subject to U.S. withholding tax unless the beneficial owner of the Note (or a financial institution holding the Notes on behalf of the beneficial owner) furnishes the appropriate Form W-8, on which the beneficial owner certifies under penalties of perjury that it is not a U.S. person. If withholding or deduction of taxes is required by law (regardless of whether a holder furnished an appropriate form), payments on the Notes will be made net of applicable withholding taxes, and Morgan Stanley Finance LLC will not be required to pay any additional amounts to Non-U.S. holders with respect to any taxes withheld.]⁷²

[A Non-U.S. holder will be subject to U.S. withholding tax unless the beneficial owner of the Notes (or a financial institution holding the Notes on behalf of the beneficial owner) furnishes the appropriate Form W-8 BEN, on which the beneficial owner certifies under penalties of perjury that it is not a U.S. person and that it is eligible for treaty benefits under an "other income" provision of a US income tax treaty. If withholding or deduction of taxes

⁶⁹ Delete if the Notes are rated.

⁷⁰ Any offer by an issuer of Notes which fall outside the scope of the Pricing Supplement, will be by way of a drawdown prospectus approved by the Luxembourg Stock Exchange rather than a pricing supplement.

⁷¹ Only include this language where it is a fungible issue and the original Tranche was issued under an offering circular with a different date.

⁷² Insert if Morgan Stanley Finance LLC is the Issuer.

is required by law (regardless of whether a holder furnished an appropriate form), payments on the Notes will be made net of applicable withholding taxes, and Morgan Stanley Finance LLC will not be required to pay any additional amounts to Non-U.S. holders with respect to any taxes withheld.]⁷³

(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 Pricing Supplement.)

(When completing any pricing supplement, or adding any information, consideration should be given as to whether (i) such terms constitute a "significant change" or "significant new matter" for the purposes of the rules of the Global Exchange Market of Euronext Dublin and consequently trigger the need for a supplementary listing particulars; or (ii) whether such terms trigger any other disclosure obligations pursuant to the rules of the Luxembourg Stock Exchange).

GENERAL

1. (i) [Issuer:] [Morgan Stanley/Morgan Stanley & Co. International plc/Morgan Stanley B.V./Morgan Stanley Finance LLC/Morgan Stanley Finance II Ltd/Morgan Stanley Europe SE]
- (ii) [[Guarantor:] [Morgan Stanley]]
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).* [Fungible with the Series [●] Tranche [1] [Title of Notes] due [●] issued by the Issuer, bearing ISIN [●]. To be consolidated to form a single series with Tranche [1] with effect as of the Issue Date of Tranche [2]]
3. Specified Currency or Currencies: []
4. Aggregate [Nominal Amount]/[Number] of the Notes: []
- [In respect of the Tranche [2] Notes, [●] and the total Aggregate Nominal Amount of [●] represents the sum of the aggregate nominal amounts of Tranche 1 and Tranche 2 as of their respective issue dates]
- (i) [Series:] []
- (ii) [Tranche:] [[]]
5. Issue Price [] per cent. of par per Note/[] per Note
6. (i) Specified Denominations: [] [and integral multiples of [] in excess thereof].
- (N.B. Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies)).

⁷³ Insert if Morgan Stanley, Morgan Stanley Finance II Ltd or Morgan Stanley Finance LLC is the Issuer and the Notes are classified as Other Income Securities.

- (ii) Calculation Amount (Par): ☐
7. (i) Issue Date: ☐
- (ii) ☐ [[Tranche 1 Issue Date:]] ☐⁷⁴
- (iii) ☐ [[Tranche 2 Issue Date:]] ☐
- (iv) Trade Date: ☐
- (v) Interest Commencement Date ☐ (*Specify*)/Issue Date/Not Applicable]
- (vi) ☐ [[Strike Date:]] ☐
- (vii) ☐ [[Determination Date:]] ☐
8. Maturity Date: ☐, [subject to adjustment in accordance with the Business Day Convention (i) in the event such date is not a Business Day or (ii) such that the Maturity Date shall always be at least five (5) Business Days following the Determination Date.]
- (specify date or (for Floating Rate Notes) Interest Payment Date falling in, or nearest to, the relevant month and year)*
9. (i) Supplementary Provisions for Belgian Notes: ☐ Applicable]/[Not Applicable]
- (ii) Minimum Redemption Amount: ☐ Applicable]/[Not Applicable] *(specify as Applicable if the Final Redemption Amount is subject to a minimum redemption Amount or is the principal amount of the Note)*
10. Interest Basis: ☐ [% Fixed Rate]
- ☐ [(specify reference rate) +/- ☐ % Floating Rate]
- ☐ [Zero Coupon]
- ☐ [Regular Coupon]
- ☐ [Dual Currency Interest]
- ☐ [Equity and Proprietary Index-Linked Interest]⁷⁵
- ☐ [Commodity-Linked Interest]
- ☐ [Currency-Linked Interest]
- ☐ [Credit Linked Interest]
- ☐ [ETN-Linked Interest]
- ☐ [Inflation-Linked Interest]
- ☐ [Property-Linked Interest]
- ☐ [Fund-Linked Interest]

⁷⁴ Delete if not an additional Tranche issue

⁷⁵ Specify if interest provisions are linked to ETF Interests or a Basket of ETF Interests.

- [Futures Contract-Linked Interest]
 [Preference Share-Linked Interest]
 [Other (*specify*)]
(further particulars specified below)
(include all that apply)
11. Redemption/Payment Basis: [Redemption at Par]
 [Redemption at Final Redemption Amount]
 [Final Redemption Amount with Final Bonus]
 [Dual Currency Redemption]
 [Equity and Proprietary Index-Linked Redemption]⁷⁶
 [Commodity-Linked Redemption]
 [Currency-Linked Redemption]
 [Credit Linked Redemption]
 [ETN-Linked Redemption]
 [Bond-Linked Redemption]
 [Inflation-Linked Redemption]
 [Property-Linked Redemption]
 [Fund-Linked Redemption]
 [Futures Contract-Linked Redemption]
 [Preference Share-Linked Redemption]
 [Partly Paid]
 [Instalment]
 [Other (*specify*)]
(include all that apply)
12. Change of Interest or Redemption/Payment Basis: []
(Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis)
13. Put/Call Options/Autocallable Early Redemption: [Applicable/Not Applicable]
 (i) Redemption at the Option of the Issuer:
 (Condition 26.5)

⁷⁶ Specify if redemption provisions are linked to ETF Interests or a Basket of ETF Interests.

- (ii) Redemption at the Non-discretionary Option of the Issuer [Applicable/Not Applicable]
(Condition 26.6)
- (iii) Model-based Redemption: [Applicable/Not Applicable]
(Condition 26.7)
- (iv) Redemption at the Option of Noteholders: [Applicable/Not Applicable]
(Condition 26.9)
- (v) Autocallable Early Redemption: [Applicable/Not Applicable]
(Condition 23)
- (vi) Other put/call options: [Applicable/Not Applicable]
14. (i) Status of the Notes: [As set out in Condition 4.1]
(Condition 4)
- (ii) [Status of the Guarantee: As set out in Condition 4.2]
15. Method of distribution: [Syndicated/Non-syndicated]

RELEVANT UNDERLYING⁷⁷

16.

- (A) Single Share Notes, Share Basket Notes:⁷⁸ [Applicable/Not Applicable]
(Condition 11) *(If Not Applicable, delete remaining sub-paragraphs of (A))*
- (i) Whether the Notes relate to a single share or a basket of shares (each, a "Share") and the identity of the relevant issuer(s) and class of the Share (each, a "Share Issuer") [Single Share Notes]/[Share Basket Notes]
- (a) Share/Shares: [] (ISIN: [])
- (b) Share Issuer(s): []
- (insert (c) and (d) below for ADRs/GDRs)*
- (c) Underlying Share/Shares: (ISIN: [])
- (d) Underlying Share Issuer(s): []
- (ii) Partial Lookthrough Depositary Receipt Provisions: [Applicable/Not Applicable]
- (iii) Full Lookthrough Depositary Receipt Provisions: [Applicable/Not Applicable]
- (iv) Exchange(s): [] / [(China Connect [– [ChiNext Shares][STAR Shares]])] / [QFII]
- (v) Related Exchange(s): []/[All Exchanges]/[None specified]

⁷⁷ Where the Note is to be listed on the SIX Swiss Exchange, all information required as per cipher 3.3.7 lit. a-e of annex 3 of the Financial Services Ordinance has to be inserted.

⁷⁸ Where the Note is to be admitted to the Luxembourg Stock Exchange's Euro MTF market and to the Official List of the Luxembourg Stock Exchange and Physical Settlement is applicable, a description of the Relevant Underlying in accordance with Appendix VIII of the Luxembourg Stock Exchange's Rules & Regulations is to be inserted.

- (B) Single Index Notes, Index Basket Notes: [Applicable/Not Applicable]
(Condition 11) *(If Not Applicable, delete remaining sub-paragraphs of (B))*
- (i) Whether the Notes relate to a single index or a basket of indices (each, an "**Index**") [Single Index Notes]/[Index Basket Notes]
[]
(Bloomberg® code: [])
(specify Index/Indices)
(If Single Index Notes only, include sub-paragraph below)
- (ii) Proprietary Index: The Index [is] / [is not] a Proprietary Index
- (iii) Exchange(s): [] / [(China Connect [- [ChiNext Shares][STAR Shares]])] / [QFII] / Multi-Exchange is applicable
(specify Exchange or Multi-Exchange Index in relation to each Index)
- (iv) Related Exchange(s): []/[All Exchanges]/[None specified]
- (v) Benchmark Trigger Provisions: [Applicable]/[Not Applicable]
- (vi) Alternative Pre-nominated Index: [None][Specify] *(specify in respect of each Relevant Equity Index Benchmark)*
- (C) Single ETF Notes, ETF Basket Notes:⁷⁹ [Applicable/Not Applicable]
(Condition 11) *(If Not Applicable, delete remaining sub-paragraphs of (C))*
- (i) Whether the Notes relate to a single ETF or a basket of ETFs (each, an "**ETF Interest**" and the identity of the related ETF (each, an "**ETF**")): [Single ETF Notes]/[ETF Basket Notes]
(specify ETF Interest(s) and ETF(s))
(ISIN: [])
- (ii) Exchange(s): []
- (iii) Related Exchange(s): []/[All Exchanges]/[None specified]
- (D) Commodity-Linked Notes: [Applicable/Not Applicable]
(Condition 12) *(If Not Applicable, delete remaining sub-paragraphs of (D))*
- (i) Commodity/is or Commodity Index/Indices: []
(if applicable, specify whether Non Metal, Base Metal or Precious Metal)
- (ii) Commodity Reference Price: *(specify Commodity Reference Price)*
- (iii) Exchange: []

⁷⁹ Where the Note is to be admitted to the Luxembourg Stock Exchange's Euro MTF market and to the Official List of the Luxembourg Stock Exchange and Physical Settlement is applicable, a description of the Relevant Underlying in accordance with Appendix VIII of the Luxembourg Stock Exchange's Rules & Regulations is to be inserted.

(iv)	Benchmark Trigger Provisions:	[Applicable][Not Applicable]
(v)	Alternative Pre-nominated Index:	[None][Specify] (specify in respect of each Relevant Commodity Benchmark)
(vi)	Other Relevant Commodity Benchmark:	[None][Specify] (specify in respect of each Relevant Commodity Benchmark)
(E)	Currency-Linked Notes:	[Applicable/Not Applicable]
	(Condition 13)	(If Not Applicable, delete remaining sub-paragraphs of (E))
(i)	Base Currency:	☐
(ii)	Reference Currency:	☐
(iii)	Event Currency:	[Reference Currency][Specify other]
(iv)	Specified Amount:	☐
(v)	Settlement Rate:	☐
(vi)	Reference Source:	☐
(vii)	Benchmark Trigger Provisions:	[Applicable][Not Applicable]
(viii)	Other Relevant FX Benchmark:	[None][Specify] (specify in respect of each Relevant FX Benchmark)
(ix)	Additional Currency Financial Centre (paragraph (a) of the definition of Currency Business Day):	[Not Applicable]/[Specify] (specify any additional currency centres required for the purposes of paragraph (a) of the definition of "Currency Business Day" for Valuation Date purposes)
(x)	Additional Currency Financial Centre (paragraph (a) of the definition of Currency Business Day):	[Not Applicable]/[Specify] (specify any additional currency centres required for the purposes of paragraph (a) of the definition of "Currency Business Day")
(F)	Inflation-Linked Notes:	[Applicable/Not Applicable]
	(Condition 14)	(If Not Applicable, delete remaining sub-paragraphs of (F))
(i)	Index/Indices:	☐ , sponsored by ☐ (Bloomberg [®] code: ☐ (specify Index/Indices/Index Sponsors (including place of))
(ii)	Inflation Business Days:	☐
(G)	Property-Linked Notes:	[Applicable/Not Applicable]
	(Condition 15)	(If Not Applicable, delete remaining sub-paragraphs of (G))
(i)	Property Index:	☐
(ii)	Benchmark Trigger Provisions:	[Applicable][Not Applicable]

- (iii) Alternative Pre-nominated Index: [None][Specify] (specify in respect of each Relevant Property Index Benchmark)
- (H) Fund-Linked Notes: [Applicable/Not Applicable]
- (Condition 16) (If Not Applicable, delete remaining sub-paragraphs of (H))
- (i) Fund: []⁸⁰ (specify)
- (ii) Fund Interest: [] (ISIN: []) (specify)
- (iii) Basket of Funds: [] (specify or delete if not applicable, include any relevant weightings of each Fund)
- (iv) Market of Listing for Fund: []/[Not Applicable]
- (I) Futures Contract-Linked Notes [Applicable/Not Applicable]
- (Condition 17) (If Not Applicable, delete remaining sub-paragraphs of (I))
- (i) Whether the Notes relate to a single futures contract or a basket of futures contracts (each, a "**Futures Contract**): [Single Futures Contract-Linked Notes]
[Futures Contract Basket-Linked Notes]
- (ii) Futures Contract(s): [Specify name of futures contract] [having an Expiry Date scheduled to fall [on] [immediately before] [immediately after] [●] [specify date]]
- (In respect of each Scheduled Reference Date and Scheduled Averaging Date, where the final settlement price is being referenced, the Scheduled Reference Date or Scheduled Averaging Date (as applicable) should be expressed as "The Expiry Date")
- (iii) Futures Contract Underlier(s): [●] [None specified]
- (iv) Exchange: [●]
- (v) Benchmark Trigger Provisions: [Applicable] [Not Applicable]
- (vi) Alternative Pre-nominated Futures Contract[s]: [●] [None][Specify] (specify in respect of each Relevant Futures Contract Benchmark)
- (J) Rate-Linked Notes: [Applicable/Not Applicable]
- (Condition 21) (If Not Applicable, delete remaining sub-paragraphs of (J))
- (i) Underlying Rate: []
- (ii) Underlying Rate Jurisdiction: []
- (iii) Condition 21.10 (Underlying CMS Reference Rate - Effect of Index Cessation Event): [Applicable][Not Applicable]

⁸⁰

In order for Notes to be listed on Euronext Dublin: (i) there must be a publicly available price source for the Fund and (ii) the Fund must be either (a) a UCITS or (b) an investment fund authorised by the CBI or other competent authority of an EU member state.

	(iv) Alternative Reference Rate:	Pre-nominated	[None][Specify] (specify in respect of each Relevant Underlying Rates Benchmark)
(K)	Preference Share-Linked Notes		[Applicable/Not Applicable]
	(Condition 22)		(If Not Applicable, delete remaining sub-paragraphs of (K))
	(i) Preference Share:		Series [...] issued by the Preference Share Issuer on [...] which references the performance of [...], [...] and [...]. (ISIN: []) (specify)
	(ii) Preference Share Issuer:		Sienna Finance UK Limited
	(iii) Preference Share Underlying Market of Listing / Price Source:		[In the case of equities or funds, insert relevant stock exchange. In the case of indices or currencies, insert relevant Bloomberg page.]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE⁸¹

17.	Fixed Rate Note Provisions		[Applicable/Not Applicable]
	(Condition 5)		(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)
	(i) Fixed Interest Rate(s):		[] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/ other (specify)] in arrear]
	(ii) Interest Period:		[As set out in Condition 2.1 / (Insert "Unadjusted" if the application of the relevant Business Day Convention is not intended to affect the Interest Period)]
	(iii) Interest Payment Date(s):		[] in each year [adjusted in accordance with (specify Business Day Convention and any applicable Additional Business Centre(s) for the definition of "Business Day")/not adjusted]
	(iv) Fixed Coupon Amount[(s)]:		[[] per Calculation Amount]/[Not Applicable]
	(v) Broken Amount(s):		[[] per Calculation Amount, payable on the Interest Payment Date falling [in/on] []]/[Not Applicable]
	(vi) Day Count Fraction:		[Actual/Actual; Actual/365(Fixed); Actual/360; 30/360; 30E/360; Eurobond Basis; Bond Basis; Actual/Actual (ICMA); other]
	(vii) Business Day Convention:		[Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other (give details)]
	(viii) Additional Business Centre(s):		[]

⁸¹ For Notes that are listed on the SIX Swiss Exchange, information on whether the Notes will be traded or quoted including accrued interest or whether the accrued interest will be shown separately (i.e. whether at clean/flat price or dirty price) will need to be provided.

- (ix) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/(give details)]
- (x) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): []
- (xi) Additional provisions for determining Interest Amount: []/[Not Applicable]
18. Regular Coupon Note Provisions [Applicable/Not Applicable]
- (Condition 6) *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Interest Payment Date(s): [] in each year [adjusted in accordance with (specify Business Day Convention)/not adjusted]
- (ii) Coupon Rate: []%
- (iii) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other (give details)]
- (iv) Additional Business Centre(s): []
- (v) Other terms relating to the method of calculating interest for Regular Coupon Notes: [Not Applicable/(give details)]
19. Floating Rate Note Provisions [Applicable/Not Applicable]
- (Condition 7) *(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 2.1 / *(Insert "Unadjusted" if the application of the relevant Business Day Convention is not intended to affect the Interest Period)*]
- (iv) Interest Period End Dates: [Each Interest Payment Date]/ *[specify other]*
- (v) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other (give details)]
- (vi) Specified Period: []/[Not Applicable]
- (vii) Additional Business Centre(s): []
- (viii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/CMS Rate Determination/other (give details)]

- (ix) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): ☐
- (x) Screen Rate Determination: ☐ [Applicable/Not Applicable]
- (a) Reference Rate: ☐
- (b) Interest Determination Date(s): ☐
- (c) Relevant Screen Page: ☐
- (d) Relevant Time: ☐
- (e) Reference Banks: ☐
- (f) Relevant Financial Centre: ☐
- (xi) ISDA Determination: ☐ [Applicable/Not Applicable]
- (a) Floating Rate Option: ☐
- (b) Designated Maturity: ☐/[Not Applicable] *(Only applicable where the Floating Rate Option is not an overnight rate)*
- (c) Fixing Day: ☐
- (d) Fixing Time: ☐
- (e) Reset Date: ☐
- (f) Overnight Floating Rate Option: ☐ [Applicable/Not Applicable]
- (g) Index Floating Rate Option: ☐ [Applicable/Not Applicable]
- (h) Overnight Rate Compounding Method: ☐ [Not Applicable] *(Specify as Not Applicable if Averaging applies and delete the remaining sub-paragraphs of this paragraph)*
- (1) OIS Compounding: ☐ [Applicable]
- Daily Capped Rate and/or Daily Floored Rate: ☐ [Applicable]/[Not Applicable]
- [Daily Capped Rate: ☐]
- [Daily Floored Rate: ☐]
- /
- [Not Applicable]
- (2) Compounding with Lookback: ☐ [Applicable]
- Lookback: ☐ Applicable Business Days
- Daily Capped Rate and/or Daily Floored Rate: ☐ [Applicable]/[Not Applicable]
- [Daily Capped Rate: ☐]

- [Daily Floored Rate: []]
/
[Not Applicable]
- (3) Compounding with Observation Shift: [Applicable]
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: []]

/
[Not Applicable]
- (4) Compounding with Lockout: [Applicable]
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: []]

/
[Not Applicable]
- (5) [ISDA Definitions]: [Applicable, as per the Floating Rate Matrix (as defined in the ISDA Definitions)]
- (i) Overnight Rate Averaging Method: [Not Applicable] (*Specify as Not Applicable if Compounding applies and delete remaining sub-paragraphs of this paragraph*)
- (1) Overnight Averaging: [Applicable]
Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]

[Daily Capped Rate: []]

[Daily Floored Rate: []]

/

- [Not Applicable]
- (2) Averaging [Applicable]
 Lookback: [Lookback: ☐ Applicable Business Days]
- [Daily Capped Rate and/or Daily Floored Rate:
 [Applicable]/[Not Applicable]]
- [Daily Capped Rate: ☐

 [Daily Floored Rate: ☐

 /

 [Not Applicable]

(3) Averaging with [Applicable]
 Observation 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: ☐

 /

 [Not Applicable]

(4) Averaging with [Applicable]
 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: ☐

 /

 [Not Applicable]

(5) [ISDA [Applicable, as per the Floating Rate Matrix (as
 Definitions]: defined in the ISDA Definitions)]

(j) Index Method: [Applicable/Not Applicable] *(If Not Applicable delete
 the remaining sub-paragraphs of this paragraph)*

- (1) Standard Index Method: [Applicable/Not Applicable]
- (2) Compound Index Method: [Applicable/Not Applicable]
- (3) Compound Index Method with Observation Period Shift: [Applicable]
Set-in-Advance: [Applicable]/[Not Applicable]
Observation Period Shift: [] Observation Period Shift Business Days
[Observation Period Shift Additional Business Days: []/[Not Applicable]]
/
[Not Applicable]
- (k) Payment Delay: [Applicable, with the specified number of days being [●] Business Days]/[Not Applicable]
- (l) 2021 ISDA Definitions Linear Interpolation: [Applicable]/[Not Applicable]
- (m) Unscheduled Holidays: [Applicable]/[Not Applicable]
- (n) Period Date/Termination Date adjustment for Unscheduled Holiday: [Applicable]/[Not Applicable]
- (o) Non-Representative: [Applicable]/[Not Applicable]
- (p) Successor Benchmark: [●]
Successor Benchmark Effective Date: [●]
- (q) [TEC10 Adjustment: [Applicable]/[Not Applicable]]
(Only include where the TEC10 is the underlying)
- (xii) Margin(s): [+/-][] per cent. per annum
- (xiii) [Interest Participation Rate: [●]/[As specified in the Rate Table below]]
- (xiv) [Rate Table:]

Rate Table		
Interest Payment Date(s)	Margin	Interest Participation Rate
[●] (repeat as required)	[[+/-][●] per cent. per annum] (repeat as required)	[●] (repeat as required)

- (xv) Minimum Rate of Interest: ☐ per cent. per annum
- (xvi) Maximum Rate of Interest: ☐ per cent. per annum
- (xvii) Day Count Fraction: ☐
- (xviii) 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: ☐
- (xix) CMS Rate Determination: ☐ [Applicable]/[Not Applicable]
- (If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) CMS Interest Rate: ☐ [Single CMS Rate] ☐ [Spread CMS Rate]
- ☐ [CMS Reference Rate 1] *(If CMS Interest Rate is "Spread CMS Rate", insert this column and heading "CMS Reference Rate 1")* ☐ [CMS Reference Rate 2] *(If CMS Interest Rate is "Spread CMS Rate", insert this column and heading "CMS Reference Rate 2")*
- (b) Specified Swap Rate: ☐ [the swap rate/annual swap rate/semi-annual swap rate/quarterly swap rate/quarterly-annual swap rate/quarterly-quarterly swap rate] ☐ [the swap rate/annual swap rate/semi-annual swap rate/quarterly swap rate/quarterly-annual swap rate/quarterly-quarterly swap rate]
- (c) Reference Currency: ☐ [●] ☐ [●]
- (d) Designated Maturity: ☐ [●][month[s]/year[s]] ☐ [●][month[s]/year[s]]
- (e) Relevant Screen Page: ☐ [●] ☐ [●]
- (f) Relevant Time: ☐ [●] ☐ [●]
- (g) 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] ☐ [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]
- (h) Fallback Determination: Rate ☐ [Determination Agent Fallback: Applicable – to be applied] ☐ [Determination Agent Fallback: Applicable – to be applied]

		first/second/third]/[Not Applicable]	first/second/third]/[Not Applicable]
		Fallback Screen Page: Applicable – to be applied first/second/third]/[Not Applicable]	Fallback Screen Page: Applicable – to be applied first/second/third]/[Not Applicable]
		Mid-Market Quotations: Applicable – to be applied first/second/third]/[Not Applicable]	Mid-Market Quotations: Applicable – to be applied first/second/third]/[Not Applicable]
		[Reference Banks: [●]]	[Reference Banks: [●]]
(i)	Specified Fixed Leg (<i>for determination of Mid-Market Quotations if specified to be applicable</i>):	[annual fixed leg/semi-annual fixed leg/quarterly-annual fixed leg/quarterly-annual fixed leg]	[annual fixed leg/semi-annual fixed leg/quarterly-annual fixed leg/quarterly-annual fixed leg]
(j)	Fixed Leg Day Count Basis:	[Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/[Actual/360]/[30/360]/[30/360 (ICMA)]/[30/360 (ISDA)]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1]	[Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/[Actual/360]/[30/360]/[30/360 (ICMA)]/[30/360 (ISDA)]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1]
(k)	Floating Leg Day Count Basis:	[Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/[Actual/360]/[30/360]/[30/360 (ICMA)]/[30/360 (ISDA)]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1]	[Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/[Actual/360]/[30/360]/[30/360 (ICMA)]/[30/360 (ISDA)]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1]
(l)	Floating Leg Rate Option:	[●]	[●]
(m)	Margin [1]: (<i>If CMS Interest Rate is "Spread</i>	[●]/[As specified in the Rate Table below]	

CMS Rate", insert
"Margin 1")

(n) Margin 2: [●]/[As specified in the Rate Table below] (Specify "Margin 2" if CMS Interest Rate is "Spread CMS Rate", otherwise delete this paragraph)

(o) [Interest Participation Rate [1]: (If CMS Interest Rate is "Spread CMS Rate", insert "Interest Participation Rate 1") [●]/[As specified in the Rate Table below]

(p) Interest Participation Rate 2: [●]/[As specified in the Rate Table below] (Specify "Interest Participation Rate 2" if CMS Interest Rate is "Spread CMS Rate", otherwise delete this paragraph)

(q) [Rate Table:]

Rate Table				
Interest Payment Date	[Margin [1]]	[Margin 2]	[Interest Participation Rate [1]]	[Interest Participation Rate 2]
[●]	[●]	[●]	[●]	[●]
(repeat as required)	(repeat as required)	(repeat as required)	(repeat as required)	(repeat as required)

(xx) Condition 7.6 (Provisions specific to SOFR as Reference Rate): [Applicable]/[Not Applicable]

(1) SOFR Compound with Lookback: [Applicable]
Lookback Days: [] U.S. Government Securities Business Days

/

[Not Applicable]

(2) SOFR Compound with Observation Period Shift: [Applicable]
Observation Shift Days: [] U.S. Government Securities Business Days

/

[Not Applicable]

(3) SOFR Compound with Payment Delay: [Applicable]/[Not Applicable]

(4) SOFR Index Average: [Applicable]

SOFR Index_{Start}: [] U.S. Government Securities Business Days preceding the first day 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
- /
- [Not Applicable]
- (xxi) Condition 7.7 (*Provisions specific to SONIA as Reference Rate*): [Applicable]/[Not Applicable] (*if Not Applicable delete the remaining sub-paragraphs of this paragraph*)
- (1) SONIA Compound with Lookback: [Applicable]
- Lookback Days: ☐ London Banking Days/
- [Not Applicable]
- (2) SONIA Compound Observation Period Shift: [Applicable]
- Observation Shift Days: ☐ London Banking Days/
- [Not Applicable]
- (3) SONIA Compound with Payment Delay: [Applicable]/[Not Applicable]
- [SONIA Rate Cut-Off Date: ☐ London Banking Days]
- (4) SONIA Index Average: [Applicable]
- Relevant Number: ☐
- Observation Shift Days: ☐ London Banking Days
- /
- [Not Applicable]
- (xxii) Condition 7.8 (*Provisions specific to €STR as Reference Rate*): [Applicable]/[Not Applicable]
- (1) €STR Compound with Lookback: [Applicable]
- Lookback Days: ☐ TARGET Settlement Days
- /
- [Not Applicable]
- (2) €STR Compound with Observation Period Shift: [Applicable]
- Observation Shift Days: ☐ TARGET Settlement Days
- /
- [Not Applicable]
- (3) €STR Compound with Payment Delay: [Applicable]/[Not Applicable]
- [€STR Rate Cut-Off Date: ☐ TARGET Settlement Days]
- (4) €STR Index Average: [Applicable]

- Relevant Number: []
- Observation Shift Days: [] TARGET Settlement Days]
- /
- [Not Applicable]
- (xxiii) Condition 7.9 (*Provisions specific to SARON as Reference Rate*): [Applicable]/[Not Applicable]
- (1) SARON Compound with Lookback: [Applicable]
- Lookback Days: [] Zurich Banking Days]
- /
- [Not Applicable]
- (2) SARON Compound with Observation Period Shift: [Applicable]
- Observation Shift Days: Zurich Banking Days]
- /
- [Not Applicable]
- (3) SARON Compound with Payment Delay: [Applicable]/[Not Applicable]
- [SARON Rate Cut-Off Date: [] Zurich Banking Days]
- (4) SAION Index Average: [Applicable]
- Relevant Number: []
- Observation Shift Days: Zurich Banking Days]
- /
- [Not Applicable]
- (xxiv) Condition 7.10 (*Provisions specific to TONA as Reference Rate*): [Applicable]/[Not Applicable]
- (1) TONA Compound with Lookback: [Applicable]
- Lookback Days: [] Tokyo Banking Days]
- /
- [Not Applicable]
- (2) TONA Compound with Observation Period Shift: [Applicable]
- Observation Shift Days: Tokyo Banking Days]
- /
- [Not Applicable]

- (3) TONA Compound with Payment Delay: [Applicable]/[Not Applicable]
[TONA Rate Cut-Off Date: ☐ Tokyo Banking Days]
- (4) TONA Index Average: [Applicable]
Relevant Number: ☐
Observation Shift Days: Tokyo Banking Days
/
[Not Applicable]
- (xxv) Condition 7.18 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*): [Applicable][Not Applicable] (*if Not Applicable delete the remaining sub-paragraphs of this paragraph*)
- (1) Other Relevant Rates Benchmark: [specify][Not Applicable] (*specify any applicable Relevant Rates Benchmark Rate which is not a Reference Rate. Otherwise delete line*)
- (2) Alternative Pre-nominated Reference Rate: [specify][Not Applicable] (*specify in respect of each Relevant Rates Benchmark*)
- (3) Administrator/Benchmark Event applicable for Condition 7.18: [Applicable as per the Conditions] [Not Applicable]
- (4) If ISDA Determination applies, ISDA Bespoke Fallbacks to apply in priority to other fallbacks in Condition 7.18 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*): [Yes][No]
- (xxvi) Correction Cut-off Time ☐/[As set out in the Conditions]/[Not Applicable]
(*specify per trade as required*)
- (xxvii) Additional provisions for determining Interest Amount: ☐/[Not Applicable]
20. Zero Coupon Note Provisions [Applicable/Not Applicable]
(Condition 8) (*If Not Applicable, delete the remaining sub-paragraphs of this paragraph*)
- (i) Accrual Yield: ☐ per cent. per annum
- (ii) Reference Price: ☐
- (iii) Accrued Value Commencement Date: ☐/[Not Applicable]
- (iv) Day Count Fraction: ☐
- (v) Additional Business Centre(s): ☐

- (vi) Compounded Zero Coupon: [Applicable/Not Applicable]
(One of either Compounded or Linear Zero Coupon must be Applicable)
- (vii) Linear Zero Coupon: [Applicable/Not Applicable]
- (viii) Any other formula/basis of determining amount payable: []
21. Dual Currency-Linked Note Interest Provisions [Applicable/Not Applicable]
(Condition 9) (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): []
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable or otherwise disrupted: []
(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: []
22. Equity and Proprietary Index-Linked Interest Note Provisions: [Applicable/Not Applicable]
(Condition 11)
- (A) [Single Share Notes]/[Share Basket Notes]: [Applicable/Not Applicable] (if Not Applicable, delete sub-paragraph (A))
(if Single Share Notes, delete sub-paragraph below)
- (i) Scheduled Trading Days and Disrupted Dates: [Common Scheduled Trading Days and Common Disrupted Days: Applicable]
[Individual Scheduled Trading Days and Individual Disrupted Days: Applicable]
[Common Scheduled Trading Days and Individual Disrupted Days: Applicable]
(select one as appropriate and delete the other two)
- (ii) Partial Lookthrough Depositary Receipt Provisions: [Applicable/Not Applicable]
- (iii) Full Lookthrough Depositary Receipt Provisions: [Applicable/Not Applicable]

- (iv) Weighting for each Share comprising the Basket of Shares: ☐/[Not Applicable]
- (v) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): ☐
- (vi) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculated by reference to one or more Shares: ☐
- (vii) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculation by reference to one or more Shares is impossible or impracticable or otherwise disrupted: ☐ *(Include a description of market disruption or settlement disruption events and adjustment provisions)*
- (viii) Interest Determination Date(s): ☐
- (ix) Interest Period: [As set out in Condition 2.1 /☐Unadjusted]]
(Insert "Unadjusted" if the Application of the relevant Business Day Convention is not intended to affect the Interest Period)
- (x) Valuation Date(s): ☐
- (xi) Interest Payment Dates: ☐
- (xii) Averaging Date(s): [Applicable/Not Applicable]
- (xiii) Averaging Date Disruption: [Omission/Postponement/Modified Postponement]
- (xiv) Observation Date(s): ☐
- (xv) Observation Period(s): ☐
- (xvi) Additional Disruption Events: Change in Law, Hedging Disruption, Loss of Stock Borrow, [and] Increased Cost of Hedging[, China Connect Service Termination[, [and] China Connect Share Disqualification[, [[and] ChiNext and STAR Event][,]] [Change in QFII Status and Regulatory Request ADE] shall apply. *(specify if any are not applicable, or any further Additional Disruption Events)*

[For the avoidance of doubt, the Issuer and/or its affiliates are not obliged to hedge by utilising the Qualified Foreign Institutional Investor (QFII) or Renminbi Qualified Foreign Institutional Investor (RQFII) schemes.] *(include this language if China Connect Service Termination and China Connect Share Disqualification are specified as Additional Disruption Events)*
- (xvii) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other *(give details)*]

- (xviii) Additional Business Centre(s): ☐
- (xix) Day Count Fraction: ☐
- (xx) Minimum Rate/Amount of Interest: ☐ per cent. per annum
- (xxi) Maximum Rate/Amount of Interest: ☐ per cent. per annum
- (xxii) Other special terms and conditions: ☐ / [In making any determination of adjustment to the terms of the Notes to account for the economic effect on the Notes of the relevant Market Disruption Event, Potential Adjustment Event, Extraordinary Event, Additional Disruption Event or otherwise, the Determination Agent shall take into account any requirement, adjustment and/or limitation that may be imposed by the China Connect Service or any action or inaction by any one or more of the Exchange, SEHK, CSDCC and HKSCC in relation to such event in respect of Shares held through the China Connect Service.] *(include this language if China Connect Service provisions are specified)*
- (B) [Single Index Notes]/[Index Basket Notes]: *(If not applicable, delete sub-paragraph (B))*
(if Single Index Notes, delete sub-paragraph below)
- (i) Scheduled Trading Days and Disrupted Dates: [Common Scheduled Trading Days and Common Disrupted Days: Applicable]
[Individual Scheduled Trading Days and Individual Disrupted Days: Applicable]
[Common Scheduled Trading Days and Individual Disrupted Days: Applicable]
(select one as appropriate and delete the other two)
- (ii) Weighting for each Index: ☐ *(insert details)/Not Applicable]*
- (iii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): ☐
- (iv) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculated by reference to Index: ☐
- (v) Interest Determination Date(s): ☐
- (vi) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculation by reference to Index is impossible or impracticable or otherwise disrupted: ☐ *(Include a description of market disruption or settlement disruption events and adjustment provisions)*
- (vii) Interest Period: [As set out in Condition 2.1 / Unadjusted]

(Insert "Unadjusted" if the application of the relevant Business Day Convention is not intended to affect the Interest Period)

(viii)	Valuation Date(s):	[]
(ix)	Interest Payment Dates:	[]
(x)	Averaging Date:	[Applicable/Not Applicable]
(xi)	Averaging Date Disruption:	[Omission/Postponement/Modified Postponement]
(xii)	Observation Date(s):	[]
(xiii)	Observation Period:	[]
(xiv)	Additional Disruption Events:	Change in Law, Hedging Disruption, [and] Increased Cost of Hedging[, China Connect Service Termination[, [and] China Connect Share Disqualification[,] [[and] ChiNext and STAR Event][,]] [Change in QFII Status and Regulatory Request ADE] shall apply. <i>(specify if any are not applicable, or any further Additional Disruption Events)</i> [For the avoidance of doubt, the Issuer and/or its affiliates are not obliged to hedge by utilising the Qualified Foreign Institutional Investor (QFII) or Renminbi Qualified Foreign Institutional Investor (RQFII) schemes.] <i>(include this language if China Connect Service Termination and China Connect Share Disqualification are specified as Additional Disruption Events)</i>
(xv)	Proprietary Index Additional Market Disruption Event:	[Not Applicable / <i>(specify)</i>]
(xvi)	Business Day Convention:	[Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other <i>(give details)</i>]
(xvii)	Additional Business Centre(s):	[]
(xviii)	Minimum Rate/Amount of Interest:	[] per cent. per annum
(xix)	Maximum Rate/Amount of Interest:	[] per cent. per annum
(xx)	Day Count Fraction:	[]
(xxi)	Other special terms and conditions:	[] / [In making any determination of adjustment to the terms of the Notes to account for the economic effect on the Notes of the relevant Market Disruption Event, Potential Adjustment Event, Extraordinary Event, Additional Disruption Event or otherwise, the Determination Agent shall take into account any requirement, adjustment and/or limitation that may be imposed by the China Connect Service or any action or inaction by any one or more of the Exchange,

- SEHK, CSDCC and HKSCC in relation to such event in respect of Shares held through the China Connect Service.] *(include this language if China Connect Service provisions are specified)*
- (C) [Single ETF Notes]/[ETF Basket Notes]: *(if not applicable, delete sub-paragraph (C))*
(if Single ETF Notes, delete sub-paragraph below)
- (i) Scheduled Trading Days and Disrupted Dates: [Common Scheduled Trading Days and Common Disrupted Days: Applicable]
[Individual Scheduled Trading Days and Individual Disrupted Days: Applicable]
[Common Scheduled Trading Days and Individual Disrupted Days: Applicable]
(select one as appropriate and delete the other two)
- (ii) Weighting for each ETF Interest comprising the basket: [[] *(Insert details)*]/N/A]
- (iii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): []
- (iv) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculated by reference to one or more ETFs: []
- (v) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculation by reference to one or more ETFs is impossible or impracticable or otherwise disrupted: []
(Include a description of market disruption or settlement disruption events and adjustment provisions)
- (vi) Interest Determination Date(s): []
- (vii) Interest Period: [As set out in Condition 2.1]/[Insert "Unadjusted" if the application of the relevant Business Day Convention is not intended to affect the Interest Period]
- (viii) Valuation Date(s): []
- (ix) Interest Payment Dates: []
- (x) Averaging Date: [Applicable/Not Applicable]
- (xi) Averaging Date Disruption: [Omission/Postponement/Modified Postponement]
- (xii) Observation Date(s): []
- (xiii) Observation Period: []
- (xiv) Additional Disruption Events: Change in Law, Hedging Disruption, Loss of Stock Borrow, Increased Regulatory Capital and Increased Cost of Hedging shall apply

- (specify if any are Not Applicable, or any further Additional Disruption Events)*
- (xv) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other *(give details)*]
- (xvi) Additional Business Centre(s): ☐
- (xvii) Day Count Fraction: ☐
- (xviii) Minimum Rate/Amount of Interest: ☐ per cent. per annum
- (xix) Maximum Rate/Amount of Interest: ☐ per cent. per annum
- (xx) Other special terms and conditions: ☐
23. Commodity-Linked Interest Note Provisions [Applicable/Not Applicable]
- (Condition 12) *(if Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Weighting: ☐
- (ii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): ☐
- (iii) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculated by reference to Commodity/ies and/or Index: ☐
- (iv) Interest Determination Date(s): ☐
- (v) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculation by reference to Commodity/ies and/or Index is impossible or impracticable or otherwise disrupted: ☐
- (vi) Interest Period: [As set out in Condition 2.1/*(Insert "Unadjusted" if the application of the relevant Business Day Convention is not intended to affect the Interest Period)*]
- (vii) Interest Payment Dates: ☐
- (viii) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/No Adjustment/other *(give details)*]
- (ix) Additional Business Centre(s): ☐
- (x) Minimum Rate/Amount of Interest: ☐ per cent. per annum

- (xi) Maximum Rate/Amount of ☐ per cent. per annum Interest:
- (xii) Price Source: ☐
(specify for each Commodity)
- (xiii) Specified Price: [high][low][average of high and low][closing price][opening price][bid] [asked] [average of high and low prices][settlement price][official settlement price][official price][morning fixing][afternoon fixing][spot price][Other (specify)]
(if appropriate, specify time as of which the price will be determined)
- (xiv) Delivery Date: ☐
(specify whether price based on spot market, First Nearby Month, Second Nearby Month, etc.)
- (xv) [Pricing Date: ☐
- (xvi) Common Pricing: [Applicable] [Not Applicable]
(include only if Basket of Commodities)
- (xvii) Commodity Disruption Events: [Price Source Disruption]
[Trading Disruption]
[Disappearance of Commodity Reference Price]
[Material Change in Formula]
[Material Change in Content]
[Tax Disruption]
[Not Applicable]
(specify any applicable additional Commodity Disruption Events)
- (xviii) Commodity Disruption Fallback: [Determination Agent Determination as defined in Condition 12.3 /Other (specify)]
- (xix) Commodity Index Disruption Events: As per Condition 12.6(a)
- (xx) Commodity Index Disruption Fallback As per Condition 12.6(b)
- (xxi) Physical Hedging Fallback: [Applicable/Not Applicable]
- (xxii) Day Count Fraction: ☐
- (xxiii) Other special terms and conditions: ☐
24. Currency-Linked Interest Note Provisions [Applicable] [Not Applicable]
(Condition 13) (if Not Applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): ☐
- (ii) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculated by reference to other variable: ☐
- (iii) Interest Determination Date(s): ☐
- (iv) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculation by reference to other variable is impossible or impracticable or otherwise disrupted: ☐ *(Include a description of market disruption or settlement disruption events and adjustment provisions)*
- (v) Interest Period: [As set out in Condition 2.1 / *(Insert "Unadjusted" if the application of the relevant Business Day Convention is not intended to affect the Interest Period)*]
- (vi) Interest Payment Dates: ☐
- (vii) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other *(give details)*]
- (viii) Additional Business Centre(s): ☐
- (ix) Day Count Fraction: ☐
- (x) Minimum Rate/Amount of Interest: ☐ per cent. per annum
- (xi) Maximum Rate/Amount of Interest: ☐ per cent. per annum
- (xii) Specified Time: ☐
- (xiii) Valuation Date(s): ☐
- (xiv) Averaging Date(s): ☐
- (xv) Reference Dealers: ☐
- (xvi) EM Unscheduled Holiday: [Applicable/Not Applicable] *(If Not Applicable, delete the remaining provisions of this paragraph. If applicable, note that the provisions of Condition 13.5(a)(iii)(B) (Currency Disruption Fallbacks – Additional Price Source Disruption) shall not apply through the election of "Additional Price Source Disruption" in paragraph (xvii) below if so elected)*
- Maximum Days of Unscheduled Holiday Postponement: ☐
- (xvii) Currency Disruption Events: [Price Source Disruption]

[Additional Price Source Disruption] *(If not applicable, delete the remaining sub-paragraph of this paragraph)*

[Price Materiality Event:] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

Price Materiality Percentage: []

Primary Rate: []

Secondary Rate: []

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[Dual Exchange Rate]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[General Inconvertibility]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[General Non-Transferability]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[Illiquidity]

Minimum Amount: [Specified Amount][Specify other]

Illiquidity Valuation Date: [Not Applicable][Specify]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[Governmental Authority Default]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[Nationalization]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[Material Change in Circumstance]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[Other (specify)]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

- (xviii) Currency Disruption Fallbacks: [The following Currency Disruption Fallbacks apply in the following order:]
- [Determination Agent Determination of Settlement Rate];
- [Fallback Reference Price];
- [Currency Reference Dealers]
- [Specified Rate:
- (Specify one of:)*
- Reference Currency bid exchange rate;
- Reference Currency offer exchange rate;
- Average of Reference Currency bid and offer exchange rates;
- Base Currency bid exchange rate;
- Base Currency offer exchange rate;
- Average of Base Currency bid and offer exchange rates;
- Official fixing rate;]
- [Other *(specify)*]
- [EM Valuation Postponement
- Maximum Days of EM Valuation Postponement: []
- [EM Valuation Fallback Postponement
- Maximum Days of EM Valuation Fallback Postponement: []
- [Cumulative Events
- Maximum Days of Cumulative Postponement: []
- [Other *(specify)*]
- (where applicable, specify which Currency Disruption Fallback applies to which Currency Disruption Event, and if more than one Currency Disruption Fallback may apply to a Currency Disruption Event, the order in which such Currency Disruption Fallbacks will apply)*
- (xix) Other special terms and conditions: []
25. Inflation-Linked Interest Note Provisions [Applicable/Not Applicable]
- (Condition 14) *(if Applicable, insert relevant provisions)*
- (i) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): []

- (ii) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculated by reference to Index: ☐
- (iii) Interest Determination Date(s): ☐
- (iv) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculation by reference to Index is impossible or impracticable or otherwise disrupted: ☐ *(Include a description of market disruption or settlement disruption events and adjustment provisions)*
- (v) Interest Period: [As set out in Condition 2.1/(Insert "Unadjusted" if the application of the relevant Business Day Convention is not intended to affect the Interest Period)]
- (vi) Specified Interest Payment Dates: ☐
- (vii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/No Adjustment/other (give details)]
- (viii) Additional Business Centre(s): ☐
- (ix) Day Count Fraction: ☐
- (x) Minimum Rate/Amount of Interest: ☐ per cent. per annum
- (xi) Maximum Rate/Amount of Interest: ☐ per cent. per annum
- (xii) Other special terms and conditions: ☐
26. Property-Linked Interest Note Provisions [Applicable/Not Applicable]
(Condition 15) *(if Applicable, insert relevant provisions)*
- (i) Property Index Level: ☐
- (ii) Additional Disruption Event: [Change in Law/Hedging Disruption/Increased Cost of Hedging/☐ (specify)]
27. Fund-Linked Interest Note Provisions [Applicable/Not Applicable] *(if applicable, insert relevant provisions)*
(Condition 16) *(if Single Fund Notes, delete sub-paragraph below)*
- (i) Fund Business Days and Disrupted Dates: [Common Fund Business Days and Common Disrupted Days: Applicable]
[Individual Fund Business Days and Individual Disrupted Days: Applicable]
[Common Fund Business Days and Individual Disrupted Days: Applicable]
- (ii) *(select one as appropriate and delete the other two)*

(ii)	Cut-off Period: (Condition 16.1)	(iii) ☐ (specify or delete if not applicable or if fallback is applicable)
(iii)	Final Cut-off Date: (Condition 16.1)	☒ (specify)/[Not Applicable] (if "Supplementary Provisions for Belgian Notes" is specified as Applicable, specify Not Applicable (because payment of the relevant early redemption amount may not extend beyond the Maturity Date in these circumstances))
(iv)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s):	☐
(v)	Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculated by reference to Fund:	☐
(vi)	Interest Determination Date(s):	☐
(vii)	Interest Period:	[As set out in Condition 2.1 /(Insert "Unadjusted" if the application of the relevant Business Day Convention is not intended to affect the Interest Period)]
(viii)	Interest Payment Dates:	☐
(ix)	Valuation Date(s): (Condition 16.1)	☐ (specify or delete if not applicable or if fallback is applicable)
(x)	Observation Date:	☐
(xi)	Averaging Date: (Condition 16.1)	☐ (specify or delete if not applicable or if fallback is applicable)
(xii)	Scheduled Fund Valuation Date(s):	☐ (specify or delete if not applicable or if fallback is applicable)
(xiii)	Scheduled Redemption Valuation Date:	☐ (specify or delete if not applicable or if fallback is applicable)
(xiv)	Redemption Notice Date:	☐ (specify or delete if not applicable or if fallback is applicable)
(xv)	Reference Price:	[Reported Net Asset Value][Redemption Proceeds] (specify in respect of a Fund Interest)
(xvi)	Non-Applicable Fund Event(s): (Condition 16.4)	☐ (specify if any Fund Events are not applicable)
(xvii)	Additional Fund Event(s):	[Not Applicable] ☐ (specify any additional Fund Events)
(xviii)	Fund Event Unscheduled Redemption:	[Applicable/Not Applicable]

- (xix) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ Other (*give details*)]
- (xx) Additional Business Centre(s): []
- (xxi) Other terms: [] (*insert any other relevant terms*)
28. Futures Contract-Linked Interest Note Provisions [Applicable/Not Applicable] (*if applicable, insert relevant provisions*)
- (Condition 17) (*if Single Futures Contract-Linked Notes, delete subparagraph below*)
- (i) Scheduled Trading Days and Disrupted Days: [Common Scheduled Trading Days and Common Disrupted Days: Applicable]
- [Individual Scheduled Trading Days and Individual Disrupted Days: Applicable]
- [Common Scheduled Trading Days and Individual Disrupted Days: Applicable]
- (*select one as appropriate and delete other two*)
- (ii) Determination Agent responsible for calculating the Interest Amount: [●]
- (iii) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculated by reference to Futures Contract: [●]
- (iv) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculation by reference to Futures Contract is impossible or impracticable or otherwise disrupted: [●] (*Include a description of market disruption or settlement disruption events and adjustment provisions*)
- (v) Interest Determination Date(s): [●]
- (vi) Specified Number of Scheduled Trading Days: [●] [As per Condition 17.7]
- (vii) Specified Number of Common Scheduled Trading Days: [●] [As per Condition 17.7]
- (viii) Futures Contract Adjustment Events: [Price Source Disruption] [Trading Restriction] [Disappearance of Futures Contract or Settlement Price] [Material Change in Formula] [Material Change in Content] [Tax Disruption] [Change of Exchange] [Illiquidity Event]
- (ix) Adjustments for Futures Contract Adjustment Events: (*Specify criteria for replacement of futures contract contemplated by Condition 17.4(a)(ii), if any*)
- (x) Additional Disruption Events: [Change in Law] [Hedging Disruption] [Increased Cost of Hedging] [Increased Regulatory Capital]
- (xi) Correction Cut-Off Time: [●]

- (xii) Weighting for each Futures Contract comprising the Basket of Futures Contracts: *[Insert details]* [N/A]
- (xiii) Averaging Date(s): [●]
- (xiv) Averaging Date Disruption: [Omission/Postponement/Modified Postponement]
- (xv) Observation Date(s): [●]
- (xvi) Valuation Date(s): [●]
29. Credit Linked Interest Note Provisions [Applicable/Not Applicable]
(Condition 18) *(if Applicable, insert relevant provisions)*
30. ETN-Linked Interest Note Provisions [Applicable/Not Applicable]
(Condition 20) *(if Applicable, insert relevant provisions)*
- (i) Exchange(s): []
31. Rate-Linked Interest Note Provisions [Applicable/Not Applicable]
(Condition 21) *(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 2.1 / *(Insert "Unadjusted" if the application of the relevant Business Day Convention is not intended to affect the Interest Period)*]
- (iv) Interest Reference Period: []
- (v) Interest Period End Dates: [Each Interest Payment Date]/ *[specify other]*
- (vi) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other *(give details)*]
- (vii) Specified Period: []/[Not Applicable]
- (viii) Additional Business Centre(s): []
- (ix) Manner in which the Rate(s) of Interest is/are to be determined by reference to the Underlying Rate(s): [Screen Rate Determination/ISDA Determination/CMS Underlying Rate Determination/other *(give details)*]
- (x) Determination Agent responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): []
- (xi) Screen Rate Determination: [Applicable/Not Applicable]
- (a) Underlying Rate Determination Date(s): []

- (b) Averaging Dates: ☐/[Not Applicable]
- (c) Relevant Screen Page: ☐
- (d) Relevant Time: ☐
- (e) Reference Banks: ☐
- (f) Relevant Financial Centre: ☐
- (xii) ISDA Determination: ☐[Applicable/Not Applicable]
- (a) Floating Rate Option: ☐
- (b) Designated Maturity: ☐/[Not Applicable] *(Only applicable where the Floating Rate Option is not an overnight rate)*
- (c) Fixing Day: ☐
- (d) Fixing Time: ☐
- (e) Reset Date: ☐
- (f) Overnight Floating Rate Option: ☐[Applicable/Not Applicable]
- (g) Index Floating Rate Option: ☐[Applicable/Not Applicable]
- (h) Overnight Rate Compounding Method: ☐[Not Applicable] *(Specify as Not Applicable if Averaging applies and delete the remaining sub-paragraphs of this paragraph)*
- (1) OIS Compounding: ☐[Applicable]
- Daily Capped Rate and/or Daily Floored Rate: ☐[Applicable]/☐[Not Applicable]
- [Daily Capped Rate: ☐]
- [Daily Floored Rate: ☐]
- /
- [Not Applicable]
- (2) Compounding with Lookback: ☐[Applicable]
- Lookback: ☐ Applicable Business Days
- Daily Capped Rate and/or Daily Floored Rate: ☐[Applicable]/☐[Not Applicable]
- [Daily Capped Rate: ☐]
- [Daily Floored Rate: ☐]
- /
- [Not Applicable]

- (3) Compounding with Observation Shift: [Applicable]
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: []]

/

[Not Applicable]
- (4) Compounding with Lockout: [Applicable]

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: []]

/

[Not Applicable]
- (5) [ISDA Definitions]: [Applicable, as per the Floating Rate Matrix (as defined in the ISDA Definitions)]
- (i) Overnight Rate Averaging Method: [Not Applicable] (*Specify as Not Applicable if Compounding applies and delete remaining subparagraphs of this paragraph*)
- (1) Overnight Averaging: [Applicable]

Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]

[Daily Capped Rate: []]

[Daily Floored Rate: []]

/

[Not Applicable]
- (2) Averaging Lookback: [Applicable]

[Lookback: [] Applicable Business Days]

- [Daily Capped Rate and/or Daily Floored Rate:
[Applicable]/[Not Applicable]]
- [Daily Capped Rate: []]
- [Daily Floored Rate: []]
- /
- [Not Applicable]
- (3) Averaging with Observation Shift: [Applicable]
- 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: []]
- /
- [Not Applicable]
- (4) Averaging with Lockout: [Applicable]
- 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: []]
- /
- [Not Applicable]
- (5) [ISDA Definitions]: [Applicable, as per the Floating Rate Matrix (as defined in the ISDA Definitions)]
- (j) Index Method: [Applicable/Not Applicable] *(If Not Applicable delete the remaining sub-paragraphs of this paragraph)*
- (1) Standard Index Method: [Applicable/Not Applicable]
- (2) Compound Index Method: [Applicable/Not Applicable]

- (3) Compound Index Method with Observation Period Shift: [Applicable]
Set-in-Advance: [Applicable]/[Not Applicable]
Observation Period Shift: [] Observation Period Shift Business Days
[Observation Period Shift Additional Business Days: []/[Not Applicable]]
/
[Not Applicable]
- (k) Payment Delay: [Applicable, with the specified number of days being [●] Business Days]/[Not Applicable]
- (l) 2021 ISDA Definitions Linear Interpolation: [Applicable]/[Not Applicable]
- (m) Unscheduled Holidays: [Applicable]/[Not Applicable]
- (n) Period End Date/Termination Date adjustment for Unscheduled Holiday: [Applicable]/[Not Applicable]
- (o) Non-Representative: [Applicable]/[Not Applicable]
- (p) Successor Benchmark: [●]
Successor Benchmark Effective Date: [●]
- (q) [TEC10 Adjustment: [Applicable]/[Not Applicable]]
(Only include where the TEC10 is the underlying)
- (xiii) Margin(s): [+/-] [] per cent. per annum
- (xiv) [Underlying Rate Participation Rate: [●]/[As specified in the Rate Table below]]
- (xv) [Rate Table:]
- | Rate Table | |
|------------------------------------|------------------------------------|
| Interest Reference Period | Underlying Rate Participation Rate |
| [●]
<i>(repeat as required)</i> | [●]
<i>(repeat as required)</i> |
- (xvi) Minimum Rate of Interest: [] per cent. per annum
- (xvii) Maximum Rate of Interest: [] per cent. per annum
- (xviii) Day Count Fraction: []
- (xix) Fallback provisions, rounding provisions, denominator and any

other terms relating to the method of calculating interest on Rate-Linked Notes, if different from those set out in the Conditions:

(xx)	CMS Underlying Rate Determination:	[Applicable]/[Not Applicable]	
		<i>(If Not Applicable, delete the remaining subparagraphs of this paragraph)</i>	
(a)	CMS Underlying Rate:	[Single CMS Underlying Rate] [Spread CMS Underlying Rate]	
		[CMS Underlying Rate 1] <i>(If CMS Underlying Rate is "Spread CMS Underlying Rate", insert this column and heading "CMS Underlying Rate 1")</i>	[CMS Underlying Rate 2] <i>(If CMS Underlying Rate is "Spread CMS Underlying Rate", insert this column and heading "CMS Underlying Rate 2")</i>
(b)	Specified Swap Rate:	[the swap rate/annual swap rate/semi-annual swap rate/quarterly swap rate/quarterly-annual swap rate/quarterly-quarterly swap rate]	[the swap rate/annual swap rate/semi-annual swap rate/quarterly swap rate/quarterly-annual swap rate/quarterly-quarterly swap rate]
(c)	Reference Currency:	[●]	[●]
(d)	Designated Maturity:	[●][month[s]/year[s]]	[●][month[s]/year[s]]
(e)	Relevant Screen Page:	[●]	[●]
(f)	Relevant Time:	[●]	[●]
(g)	Underlying Rate Determination Date(s):	[Periodic Rate Determination is applicable. The Underlying Rate Determination Date(s) [is/are]: [●]/[the first day of each Interest Reference Period]/[the second TARGET Settlement Day prior to the start of each Interest Reference Period]]/[Daily Rate Determination is applicable]	[Periodic Rate Determination is applicable. The Underlying Rate Determination Date(s) [is/are]: [●]/[the first day of each Interest Reference Period]/[the second TARGET Settlement Day prior to the start of each Interest Reference Period]]/[Daily Rate Determination is applicable]
(h)	Fallback Rate Determination:	[Determination Agent Fallback: Applicable – to be applied first/second/third]/[Not Applicable]	[Determination Agent Fallback: Applicable – to be applied first/second/third]/[Not Applicable]
		Fallback Screen Page: Applicable – to be applied	Fallback Screen Page: Applicable – to be applied

		first/second/third/[Not Applicable]	first/second/third/[Not Applicable]
		Mid-Market Quotations: Applicable – to be applied first/second/third/[Not Applicable]	Mid-Market Quotations: Applicable – to be applied first/second/third/[Not Applicable]
		[Reference Banks: [●]]	[Reference Banks: [●]]
(i)	Specified Fixed Leg (<i>for determination of Mid-Market Quotations if specified to be applicable</i>):	[annual fixed leg/semi-annual fixed leg/quarterly-annual fixed leg/quarterly-annual fixed leg]	[annual fixed leg/semi-annual fixed leg/quarterly-annual fixed leg/quarterly-annual fixed leg]
(j)	Fixed Leg Day Count Basis:	[Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/[Actual/360]/[30/360]/[30/360 (ICMA)]/[30/360 (ISDA)]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1]	[Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/[Actual/360]/[30/360]/[30/360 (ICMA)]/[30/360 (ISDA)]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1]
(k)	Floating Leg Day Count Basis:	[Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/[Actual/360]/[30/360]/[30/360 (ICMA)]/[30/360 (ISDA)]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1]	[Actual/Actual (ICMA)]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/[Actual/360]/[30/360]/[30/360 (ICMA)]/[30/360 (ISDA)]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1]
(l)	Floating Leg Rate Option:	[●]	[●]
(m)	Margin [1]: (<i>If CMS Underlying Rate is "Spread CMS Underlying Rate", insert "Margin 1"</i>)	[●]/[As specified in the Rate Table below]	
(n)	Margin 2:	[●]/[As specified in the Rate Table below] (<i>Specify "Margin 2" if CMS Underlying Rate is "Spread CMS Underlying Rate", otherwise delete this paragraph</i>)	

(o) [Underlying Rate Participation Rate [1]: (If CMS Underlying Rate is "Spread CMS Underlying Rate", insert "Underlying Rate Participation Rate 1")]

(p) Underlying Rate Participation Rate 2: [●]/[As specified in the Rate Table below] (Specify "Underlying Rate Participation Rate 2" if CMS Underlying Rate is "Spread CMS Underlying Rate", otherwise delete this paragraph)

(q) [Rate Table:]

Rate Table		
Interest Reference Period	[Underlying Rate Participation Rate [1]]	[Underlying Rate Participation Rate 2]
[●] (repeat as required)	[●] (repeat as required)	[●] (repeat as required)

(xxi) Condition 21.4 (Provisions specific to SOFR as Underlying Rate): [Applicable]/[Not Applicable]

(1) SOFR Compound with Lookback: [Applicable]

Lookback Days: [] U.S. Government Securities Business Days

/

[Not Applicable]

(2) SOFR Compound with Observation Period Shift: [Applicable]

Observation Shift Days: [] U.S. Government Securities Business Days

/

[Not Applicable]

(3) SOFR Compound with Payment Delay: [Applicable]/[Not Applicable]

(4) SOFR Index Average: [Applicable]

SOFR Index_{Start}: [] U.S. Government Securities Business Days preceding the first day of the relevant Interest Reference Period;

SOFR Index_{End}: [] U.S. Government Securities Business Days preceding the last day of the relevant Interest Reference Period;

- Observation Shift Days: ☐ U.S. Government Securities Business Days
- /
- [Not Applicable]
- (xxii) Condition 21.5 (*Provisions specific to SONIA as Underlying Rate*): [Applicable]/[Not Applicable] (*if Not Applicable delete the remaining sub-paragraphs of this paragraph*)
- (1) SONIA Compound with Lookback: [Applicable]
- Lookback Days: ☐ London Banking Days]/
- [Not Applicable]
- (2) SONIA Compound Observation Period Shift: [Applicable]
- Observation Shift Days: ☐ London Banking Days]/
- [Not Applicable]
- (3) SONIA Compound with Payment Delay: [Applicable]/[Not Applicable]
- [SONIA Rate Cut-Off Date: ☐ London Banking Days]
- (4) SONIA Index Average: [Applicable]
- Relevant Number: ☐
- Observation Shift Days: ☐ London Banking Days]
- /
- [Not Applicable]
- (xxiii) Condition 21.6 (*Provisions specific to €STR as Underlying Rate*): [Applicable]/[Not Applicable]
- (1) €STR Compound with Lookback: [Applicable]
- Lookback Days: ☐ TARGET Settlement Days]
- /
- [Not Applicable]
- (2) €STR Compound with Observation Period Shift: [Applicable]
- Observation Shift Days: ☐ TARGET Settlement Days]
- /
- [Not Applicable]
- (3) €STR Compound with Payment Delay: [Applicable]/[Not Applicable]
- [€STR Rate Cut-Off Date: ☐ TARGET Settlement Days]
- (4) €STR Index Average: [Applicable]

- Relevant Number: []
- Observation Shift Days: [] TARGET Settlement Days]
- /
- [Not Applicable]
- (xxiv) Condition 21.7 (*Provisions specific to SARON as Underlying Rate*): [Applicable]/[Not Applicable]
- (1) SARON Compound with Lookback: [Applicable]
- Lookback Days: [] Zurich Banking Days]
- /
- [Not Applicable]
- (2) SARON Compound with Observation Period Shift: [Applicable]
- Observation Shift Days: Zurich Banking Days]
- /
- [Not Applicable]
- (3) SARON Compound with Payment Delay: [Applicable]/[Not Applicable]
- [SARON Rate Cut-Off Date: [] Zurich Banking Days]
- (4) SAION Index Average: [Applicable]
- Relevant Number: []
- Observation Shift Days: Zurich Banking Days]
- /
- [Not Applicable]
- (xxv) Condition 21.8 (*Provisions specific to TONA as Underlying Rate*): [Applicable]/[Not Applicable]
- (1) TONA Compound with Lookback: [Applicable]
- Lookback Days: [] Tokyo Banking Days]
- /
- [Not Applicable]
- (2) TONA Compound with Observation Period Shift: [Applicable]
- Observation Shift Days: Tokyo Banking Days]
- /
- [Not Applicable]
- (3) TONA Compound with Payment Delay: [Applicable]/[Not Applicable]

- [TONA Rate Cut-Off Date: ☐ Tokyo Banking Days]
- (4) TONA Index Average: [Applicable]
- Relevant Number: ☐
- Observation Shift Days: Tokyo Banking Days
- /
- [Not Applicable]
- (xxvi) Condition 21.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*): [Applicable][Not Applicable]⁸² (*if Not Applicable delete the remaining sub-paragraphs of this paragraph*)
- (1) Other Relevant Underlying Rates Benchmark: [*specify*][Not Applicable] (*specify any applicable Relevant Underlying Rates Benchmark Rate which is not an Underlying Rate. Otherwise delete line*)
- (2) Alternative Pre-nominated Reference Rate: [*specify*][Not Applicable] (*specify in respect of each Relevant Underlying Rates Benchmark*)
- (3) Administrator/Benchmark Event applicable for Condition 21.9: [Applicable as per the Conditions] [Not Applicable]
- (4) If ISDA Determination applies, ISDA Bespoke Fallbacks to apply in priority to other fallbacks in Condition 21.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*): [Yes][No]
- (xxvii) Additional provisions for determining Interest Amount: ☐/[Not Applicable]
32. Preference Share-Linked Interest Note Provisions [Applicable/Not Applicable]
- (if Applicable, insert relevant provisions)
- (Condition 22)
- (i) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): ☐
- (ii) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculated by reference to one or more Preference Shares: ☐
- (iii) Provisions for determining Rate(s) of Interest and/or Interest Amount(s) where calculation by reference to one or more Preference

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Not applicable where the Relevant Underlying Rates Benchmark is U.S. Dollar LIBOR.

- Shares is impossible or impracticable or otherwise disrupted: *(Include a description of market disruption or settlement disruption events and adjustment provisions)*
- (iv) Interest Determination Date(s): ☐ *(insert any additional provisions, for example applicable disruption provisions)*
- (v) Interest Period: [As set out in Condition 2.1 / [Unadjusted]]
(Insert "Unadjusted" if the Application of the relevant Business Day Convention is not intended to affect the Interest Period)
- (vi) Valuation Date(s): ☐
- (vii) Interest Payment Dates: ☐
- (viii) [Averaging Date(s): [Applicable/Not Applicable] *(insert relevant details)*
- (ix) Averaging Date Disruption: ☐ *(insert relevant details)*
- (x) Observation Date(s): ☐ *(insert relevant details)*
- (xi) Observation Period(s): ☐ *(insert relevant details)*
- (xii) Additional Disruption Events: [Change in Law, Hedging Disruption, Insolvency Filing and Increased Cost of Hedging] shall apply
(delete any which are not applicable)
- (xiii) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other *(give details)*]
- (xiv) Day Count Fraction: ☐
- (xv) Other special terms and conditions: ☐ *(insert any other relevant terms)*

PROVISIONS RELATING TO REDEMPTION

- 33(a). Call Option [Applicable/Not Applicable]
(Condition 26.5 and Condition 26.6 (to the extent applicable)) (If Not Applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): ☐
- (ii) Optional Redemption Amount (Call) of each Note and method, if any, of calculation of such amount(s): ☐ per Calculation Amount
- (iii) Maximum Call Notice Number of Day(s): ☐ [calendar day[s]] / [Business Day[s]]
- (iv) Minimum Call Notice Number of Day(s): [5] [Business Day[s]] / [calendar day[s]]⁸³
- 33(b). Model-based Redemption [Applicable/Not Applicable]

⁸³

Euroclear/Clearstream require a minimum of 5 Business Days' notice to exercise a call option.

- (Condition 26.7) *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Model-based Redemption Date(s) (Call) ☐
 - (ii) Model-based Redemption Amount(s) (Call) ☐
 - (iii) Model-based Redemption Notice Date(s) (Call) ☐
 - (iv) Model-based Redemption Determination Cut-off Date(s) (Call) ☐
34. Put Option [Applicable/Not Applicable]
- (Condition 26.9) *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): ☐
 - (ii) Optional Redemption Amount (Put) of each Note and method, if any, of calculation of such amount(s): ☐ per Calculation Amount
 - (iii) Maximum Put Notice Number of Day(s): ☐ [calendar day[s]] / [Business Day[s]]
 - (iv) Minimum Put Notice Number of Day(s): ☐ [15] [Business Day[s]] / [calendar day[s]]⁸⁴
35. Autocallable Early Redemption [Applicable/Not Applicable]
- (Condition 23) *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph) (if Applicable, insert relevant provisions)*
- (i) Autocallable Early Redemption Observation Date(s): ☐
 - (ii) Autocallable Early Redemption Amount(s) of each Note and method and calculation of such amount(s): ☐
 - (iii) Autocallable Early Redemption Date(s): ☐
 - (iv) Autocall Override: [Applicable/Not Applicable]
36. Final Redemption Amount of each Note ☐ per Calculation Amount/[Linked Redemption Amount specified below]
- (Condition 26.1)
- (i) Final Bonus: [Applicable /Not Applicable]

⁸⁴ Clearstream requires a minimum of 15 Business Days' notice to exercise a put option. Euroclear requires 5 Business Days' notice.

- (ii) [Final Bonus Amount: ☐ per Calculation Amount/[Specify]] *(delete line if Final Bonus is Not Applicable)*
37. Dual Currency Redemption Provisions [Applicable /Not Applicable]
- (Condition 9)
- (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: ☐
(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) Terms and conditions: ☐
38. Equity and Proprietary Index-Linked Redemption Provisions: [Applicable/Not Applicable] *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (Condition 11)
- (A) [Single Share Notes]/[Share Basket Notes]: *(if not applicable, delete sub-paragraph (A))*
(if Single Share Notes, delete sub-paragraph below)
- (i) Scheduled Trading Days and Disrupted Days: [Common Scheduled Trading Days and Common Disrupted Days: Applicable]
[Individual Scheduled Trading Days and Individual Disrupted Days: Applicable]
[Common Scheduled Trading Days and Individual Disrupted Days: Applicable]
(select one as appropriate and delete other two)
- (ii) Determination Agent responsible for calculating the Final Redemption Amount: ☐
- (iii) Provisions for determining Final Redemption Amount: ☐
- (iv) Whether redemption of the Notes will be by (a) Cash Settlement or (b) Physical Settlement or (c) in certain circumstances depending on the closing price of the Shares, Cash [Cash Settlement/Physical Settlement]
[In the event of ☐ *(describe triggers linked to the closing price of the Shares)*, Cash Settlement or Physical Settlement at the option of the Issuer]

	Settlement or Physical Delivery at the option of the Issuer:	
(v)	Provisions for determining Final Redemption Amount where calculation by reference to one or more Shares is impossible or impracticable or otherwise disrupted:	☐
(vi)	Weighting for each Share comprising the Basket of Shares:	☐ /[Not Applicable]
(vii)	Averaging Dates:	[Applicable/Not Applicable]
(viii)	Averaging Date Disruption:	[Omission/Postponement/Modified Postponement]
(ix)	Observation Date(s):	☐
(x)	Observation Period(s):	☐
(xi)	Determination Time(s):	☐
(xii)	Valuation Date(s):	☐
(xiii)	Delivery provisions for Shares (including details of who is to make such delivery):	☐ <i>(only where Physical Settlement is applicable)</i>
(xiv)	Physical Settlement:	[Applicable / Not Applicable]
(xv)	Additional Disruption Events:	Change in Law, Hedging Disruption, Loss of Stock Borrow, [and] Increased Cost of Hedging[, China Connect Service Termination[, [and] China Connect Share Disqualification[, [[and] ChiNext and STAR Event[,]] [Change in QFII Status and Regulatory Request ADE] shall apply. <i>(specify if any are not applicable, or any further Additional Disruption Events)</i>
		[For the avoidance of doubt, the Issuer and/or its affiliates are not obliged to hedge by utilising the Qualified Foreign Institutional Investor (QFII) or Renminbi Qualified Foreign Institutional Investor (RQFII) schemes.] <i>(include this language if China Connect Service Termination and China Connect Share Disqualification are specified as Additional Disruption Events)</i>
(xvi)	Eligible Share:	☐ <i>(specify or delete if not applicable)</i>
(xvii)	Business Day Convention:	[Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other <i>(give details)</i>]
(xviii)	Additional Business Centre(s):	☐
(xix)	Other special terms and conditions:	☐
(B)	[Single Index Notes]/[Index Basket Notes]	<i>(If not applicable, delete sub-paragraph (B))</i>

- (if Single Index Notes, delete sub-paragraph below)*
- (i) Scheduled Trading Days and Disrupted Days: [Common Scheduled Trading Days and Common Disrupted Days: Applicable]
- [Individual Scheduled Trading Days and Individual Disrupted Days: Applicable]
- [Common Scheduled Trading Days and Individual Disrupted Days: Applicable]
- (select one as appropriate and delete other two)*
- (ii) Averaging Dates: [Applicable/Not Applicable]
- (iii) Averaging Date Disruption: [Omission/Postponement/Modified Postponement]
- (iv) Observation Date(s): []
- (v) Observation Period: []
- (vi) Determination Time(s): []
- (vii) Valuation Date(s): []
- (viii) Determination Agent responsible for calculating the Final Redemption Amount: []
- (ix) Provisions for determining Final Redemption Amount: []
- (x) Provisions for determining Final Redemption Amount where calculation by reference to Index is impossible or impracticable or otherwise disrupted: []
- (xi) Weighting for each Index: [[]](insert details)/Not Applicable]
- (xii) Additional Disruption Events: Change in Law, Hedging Disruption, [and] Increased Cost of Hedging[, China Connect Service Termination[, [and] China Connect Share Disqualification[, [[and] ChiNext and STAR Event][.]] [Change in QFII Status and Regulatory Request ADE] shall apply.
- (specify if any are not applicable, or any further Additional Disruption Events)*
- [For the avoidance of doubt, the Issuer and/or its affiliates are not obliged to hedge by utilising the Qualified Foreign Institutional Investor (QFII) or Renminbi Qualified Foreign Institutional Investor (RQFII) schemes.] *(include this language if China Connect Service Termination and China Connect Share Disqualification are specified as Additional Disruption Events)*
- (xiii) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day

		Convention/ Preceding Business Day Convention/ No Adjustment/ other (<i>give details</i>)
(xiv)	Additional Business Centre(s):	☐
(xv)	Other special terms and conditions:	☐
(C)	[Single ETF Notes]/[ETF Basket Notes]:	(<i>if not applicable, delete sub-paragraph (C)</i>) (<i>if Single ETF Notes, delete sub-paragraph below</i>)
(i)	Scheduled Trading Days and Disrupted Days:	[Common Scheduled Trading Days and Common Disrupted Days: Applicable] [Individual Scheduled Trading Days and Individual Disrupted Days: Applicable] [Common Scheduled Trading Days and Individual Disrupted Days: Applicable] (<i>select one as appropriate and delete other two</i>)
(ii)	Determination Agent responsible for calculating the Final Redemption Amount:	☐
(iii)	Provisions for determining Final Redemption Amount:	☐
(iv)	Whether redemption of the Notes will be by (a) Cash Settlement or (b) Physical Settlement or (c) in certain circumstances depending on the closing price of the ETF Interests or Basket of ETF Interests, Cash Settlement or Physical Delivery at the option of the Issuer:	[Cash Settlement/Physical Settlement] [In the event of (<i>describe triggers linked to the closing price of the ETF Interests/ Basket of ETF Interests</i>), Cash Settlement or Physical Settlement at the option of the Issuer]
(v)	Weighting for each ETF Interest comprising the basket:	☐ (<i>Insert details</i>)/Not Applicable]
(vi)	Averaging Dates:	[Applicable/Not Applicable]
(vii)	Averaging Date Disruption:	[Omission/Postponement/Modified Postponement]
(viii)	Observation Date(s):	☐
(ix)	Observation Period:	☐
(x)	Determination Time(s):	☐
(xi)	Valuation Date(s):	☐
(xii)	Delivery provisions for ETF Interests (including details of who is to make such delivery):	☐ (<i>only where Physical Settlement is Applicable</i>)
(xiii)	Physical Settlement:	[Applicable / Not Applicable]
(xiv)	Eligible ETF Interest:	☐ (<i>specify or delete if not applicable</i>)

- (xv) Additional Extraordinary ETF Event(s): *(specify if applicable)*
- (xvi) Additional Disruption Events: Change in Law, Hedging Disruption, Loss of Stock Borrow, Increased Regulatory Capital and Increased Cost of Hedging shall apply *(specify if any are not applicable, or any further Additional Disruption Events)*
- (xvii) Business Day Convention: ☐
- (xviii) Additional Business Centre(s): ☐
- (xix) Other special terms and conditions: ☐
39. Commodity-Linked Redemption Provisions ☐ [Applicable/Not Applicable]
- (Condition 12) *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Weighting: ☐
- (ii) Determination Agent responsible for calculating the Final Redemption Amount: ☐
- (iii) Provisions for determining Final Redemption Amount: ☐
- (iv) Observation Date(s): ☐
- (v) Observation Period: ☐
- (vi) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or other variable is impossible or impracticable or otherwise disrupted: ☐
- (vii) Price Source: ☐
- (specify for each Commodity)*
- (viii) Specified Price: [high][low][average of high and low][closing price][opening price][bid] [asked] [average of high and low prices][settlement price][official settlement price][official price][morning fixing][afternoon fixing][spot price][Other *(specify)*]
- (if appropriate, specify time as of which the price will be determined)*
- (ix) Delivery Date: ☐
- (specify whether price based on spot market, First Nearby Month, Second Nearby Month, etc.)*
- (x) [Pricing Date: ☐
- (xi) Common Pricing: ☐ [Applicable] ☐ [Not Applicable]

				<i>(include only if Basket of Commodities)</i>
(xii)	Commodity Disruption Events:			[Price Source Disruption [- Price Materiality Percentage: []] [Trading Disruption] [Disappearance of Commodity Reference Price] [Material Change in Formula] [Material Change in Content] [Tax Disruption] [Not Applicable] <i>(specify any applicable additional Commodity Disruption Events)</i>
(xiii)	(A) Commodity Disruption Fallback:			[Determination Agent Determination as defined in Condition 12.3 /Other <i>(specify)</i>]
	(B) Commodity Disruption Fallback for Administrator/Benchmark Event (Condition 12.4):			[Determination Agent Determination as defined in Condition 12.3 /Other <i>(specify)</i>]
(xiv)	Commodity Index Disruption Events:			As per Condition 12.6(a)
(xv)	Commodity Index Disruption Fallback:			As per Condition 12.6(b)
(xvi)	Business Day Convention:			[]
(xvii)	Physical Hedging Fallback:			[Applicable / Not Applicable]
(xviii)	Additional Disruption Events:			[Change in Law, Hedging Disruption, Increased Cost of Hedging shall apply] <i>(specify if any are <u>not</u> applicable, or any further Additional Disruption Events)</i>
(xix)	Other special terms and conditions:			[]
40.	Currency-Linked Redemption Provisions			[Applicable/Not Applicable]
	(Condition 13)			<i>(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Determination Agent responsible for calculating the Final Redemption Amount:			[]
(ii)	Provisions for determining Final Redemption Amount:			[]
(iii)	Specified Time:			[]
(iv)	Valuation Date(s):			[]

- (v) Averaging Date(s): ☐
- (vi) [Observation Date(s): ☐
- (vii) Observation Period: ☐
- (viii) Provisions for determining Final Redemption Amount where calculation by reference to Settlement Rate and/or other variable is impossible or impracticable or otherwise disrupted: ☐
- (ix) Business Day Convention: ☐ [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ Other *(give details)*]
- (x) Additional Business Centre(s): ☐
- (xi) Reference Dealers: ☐
- (xii) EM Unscheduled Holiday: ☐ [Applicable/Not Applicable] *(If not applicable, delete the remaining provisions of this paragraph. If applicable, note that the provisions of Condition 13.4(a)(ii)(B) (Currency Disruption Events – Additional Price Source Disruption) shall not apply through the election of "Additional Price Source Disruption" in paragraph (xiii) below if so elected)*
- Maximum Days of Unscheduled Holiday Postponement: ☐
- (xiii) Currency Disruption Events: ☐ [Price Source Disruption]
- ☐ [Additional Price Source Disruption] *(If not applicable, delete the remaining sub-paragraph of this paragraph)*
- ☐ [Price Materiality Event:] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- Price Materiality Percentage: ☐
- Primary Rate: ☐
- Secondary Rate: ☐
- (If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))*
- ☐ [Dual Exchange Rate]
- (If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))*
- ☐ [General Inconvertibility]
- (If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))*

[General Non-Transferability]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[Illiquidity]

Minimum Amount: [Specified Amount][Specify other]

Illiquidity Valuation Date: [Not Applicable][Specify]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[Governmental Authority Default]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[Nationalization]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[Material Change in Circumstance]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

[Other (specify)]

(If applicable, specify other applicable day(s) for the purposes of Condition 13.4(b)(ii))

(xiv)	(A)	Currency Fallbacks:	Disruption	[The following Currency Disruption Fallbacks apply in the following order:] [Determination Agent Determination of Settlement Rate]; [Fallback Reference Price]; [Currency Reference Dealers] [Specified Rate: <i>(Specify one of:)</i> Reference Currency bid exchange rate; Reference Currency offer exchange rate; Average of Reference Currency bid and offer exchange rates; Base Currency bid exchange rate; Base Currency offer exchange rate; Average of Base Currency bid and offer exchange rates;

		Official fixing rate;]
		[Other <i>(specify)</i>]
		[EM Valuation Postponement
		Maximum Days of EM Valuation Postponement: []]
		[EM Valuation Fallback Postponement
		Maximum Days of EM Valuation Fallback Postponement: []]
		[Cumulative Events
		Maximum Days of Cumulative Postponement: []]
		[Other <i>(specify)</i>]
		<i>(where applicable, specify which Currency Disruption Fallback applies to which Currency Disruption Event, and if more than one Currency Disruption Fallback may apply to a Currency Disruption Event, the order in which such Currency Disruption Fallbacks will apply)</i>
(B)	Currency Disruption Fallbacks for Administrator/Benchmark Event (Condition 13.6):	[Determination Agent Determination of Settlement Rate]; [Fallback Reference Price]; [Currency Reference Dealers] [Specified Rate: <i>(Specify one of:)</i> Reference Currency bid exchange rate; Reference Currency offer exchange rate; Average of Reference Currency bid and offer exchange rates; Base Currency bid exchange rate; Base Currency offer exchange rate; Average of Base Currency bid and offer exchange rates; Official fixing rate;] [Other <i>(specify)</i>] [EM Valuation Postponement Maximum Days of EM Valuation Postponement: []] [EM Valuation Fallback Postponement Maximum Days of EM Valuation Fallback Postponement: []]

- [Cumulative Events]
- Maximum Days of Cumulative Postponement: []
- [Other (*specify*)]
- (if more than one Currency Disruption Fallback may apply, specify the order in which such Currency Disruption Fallbacks will apply)*
- (xv) Additional Disruption Events: Change in Law – [Applicable / Not Applicable]
- Hedging Disruption - [Applicable / Not Applicable]
- Increased Cost of Hedging - [Applicable / Not Applicable]
- (specify any further Additional Disruption Events)*
- (xvi) Other special terms and conditions: []
41. Inflation-Linked Redemption Provisions [Applicable/Not Applicable]
- (Condition 14) *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Determination Agent responsible for calculating the Final Redemption Amount: []
- (ii) Provisions for determining Final Redemption Amount: []
- (iii) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or other variable is impossible or impracticable or otherwise disrupted: []
- (iv) Related Bond: [[]/Fallback Bond]
- (v) Fallback Bond: [Applicable/Not Applicable]
- (vi) Additional Disruption Events: Change in Law – [Applicable / Not Applicable]
- Hedging Disruption - [Applicable / Not Applicable]
- Increased Cost of Hedging - [Applicable / Not Applicable]
- (specify any further Additional Disruption Events)*
- (vii) Other special terms and conditions: []
42. Property-Linked Redemption Provisions [Applicable/Not Applicable]
- (Condition 15) *(if Applicable, insert relevant provisions)*
- (i) Property Index Level: []

- (ii) Additional Disruption Event: [Change in Law/Hedging Disruption/Increased Cost of Hedging/[] (*specify*)]
43. Fund-Linked Redemption Provisions [Applicable/Not Applicable]
- (Condition 16) (*if Applicable, insert relevant information specified below, if Not Applicable, delete sub-paragraphs below*)
- (*if Single Fund Notes, delete sub-paragraph below*)
- (i) Fund Business Days and Disrupted Dates: [Common Fund Business Days and Common Disrupted Days: Applicable]
- [Individual Fund Business Days and Individual Disrupted Days: Applicable]
- [Common Fund Business Days and Individual Disrupted Days: Applicable]
- (*select one as appropriate and delete the other two*)
- (ii) Determination Agent responsible for calculating the Final Redemption Amount: []
- (iii) Provisions for determining Final Redemption Amount: []
- (iv) Cut-off Period: []
- (Condition 16.1) (*specify or delete if not applicable or if fallback is applicable*)
- (v) Final Cut-off Date: [specify/Not Applicable] (*if "Supplementary Provisions for Belgian Notes" is specified as Applicable, specify Not Applicable (because payment of the relevant early redemption amount may not extend beyond the Maturity Date in these circumstances)*)
- (Condition 16.1)
- (vi) Valuation Date(s): []
- (Condition 16.1) (*specify or delete if not applicable or if fallback is applicable*)
- (vii) Averaging Date: []
- (Condition 16.1) (*specify or delete if not applicable or if fallback is applicable*)
- (viii) Determination Date(s): []
- (Condition 16.1) (*specify or delete if not applicable or if fallback is applicable*)
- (ix) Scheduled Fund Valuation Date(s): []
- (*specify or delete if not applicable or if fallback is applicable*)

- (x) Scheduled Redemption Valuation Date: ☐ *(specify or delete if not applicable or if fallback is applicable)*
- (xi) Redemption Notice Date: ☐ *(specify or delete if not applicable or if fallback is applicable)*
- (xii) Reference Price: ☐ [Reported Net Asset Value] ☐ [Redemption Proceeds] *(specify in respect of a Fund Interest)*
- (xiii) Non-Applicable Fund Event(s): ☐ [Not Applicable]☐ *(specify if any Fund Events are not applicable)*
(Condition 16.4)
- (xiv) Additional Fund Event(s): ☐ [Not Applicable]☐ *(specify)*
- (xv) Fund Event Unscheduled Redemption: ☐ [Applicable]☐ [Not Applicable]
- (xvi) Business Day Convention: ☐ [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/No Adjustment/Other *(give details)*]
- (xvii) Additional Business Centre(s): ☐
- (xviii) Other terms: ☐ *(insert any other relevant terms)*
44. Futures Contract-Linked Redemption Provisions ☐ [Applicable/ Not Applicable] *(if applicable, insert relevant provisions)*
(Condition 17) *(if Single Futures Contract-Linked Notes, delete subparagraph below)*
- (i) Scheduled Trading Days and Disrupted Days: ☐ [Common Scheduled Trading Days and Common Disrupted Days: Applicable]
☐ [Individual Scheduled Trading Days and Individual Disrupted Days: Applicable]
☐ [Common Scheduled Trading Days and Individual Disrupted Days: Applicable] *(select one as appropriate and delete other two)*
- (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 Fund is impossible or impracticable or otherwise disrupted:	
(v)	Specified Number of Scheduled Trading Days:	[●] [As per Condition 17.7]
(vi)	Specified Number of Common Scheduled Trading Days:	[●] [As per Condition 17.7]
(vii)	Futures Contract Adjustment Events:	[Price Source Disruption] [Trading Restriction] [Disappearance of Futures Contract or Settlement Price] [Material Change in Formula] [Material Change in Content] [Tax Disruption] [Change of Exchange] [Illiquidity Event]
(viii)	Adjustments for Futures Contract Adjustment Events:	<i>(Specify criteria for replacement of futures contract contemplated by Condition 17.4(a)(ii), if any)</i>
(ix)	Additional Disruption Events:	[Change in Law] [Hedging Disruption] [Increased Cost of Hedging] [Increased Regulatory Capital]
(x)	Correction Cut-Off Time:	[●]
(xi)	Weighting for each Futures Contract comprising the Basket of Futures Contracts:	<i>[Insert details]</i> [N/A]
(xii)	Averaging Date(s):	[●]
(xiii)	Averaging Date Disruption:	[Omission/Postponement/Modified Postponement]
(xiv)	Observation Date(s):	[●]
(xv)	Valuation Date(s):	[●]
(xvi)	Determination Date(s):	[●]
45.	Credit Linked Redemption Provisions (Condition 18)	[Applicable/Not Applicable] <i>(if Applicable, insert relevant provisions)</i>
46.	Bond-Linked Redemption Provisions (Condition 19)	[Applicable/Not Applicable] <i>(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Provisions for determining Final Redemption Amount:	[]
(ii)	Underlying Securities:	[Description: [] ISIN: [] Maturity: [] Underlying Security Issuer:[] Price: [Ask/Mid/Bid/[]]]
(iii)	Exchange(s):	[[]/Not Applicable] ⁸⁵
(iv)	Scheduled Trading Day:	[]
(v)	Valuation Date:	[]

⁸⁵

In order for the Securities to be listed on Euronext Dublin the Relevant Underlying must be traded on a regulated, regularly operating, recognised open market.

- (vi) Valuation Time: ☐
- (vii) Spot Price: ☐/[As set out in Condition 19]
- (viii) Price Source: ☐/[Not Applicable]
- (ix) Additional Disruption Events: Change in Law, Hedging Disruption, Increased Cost of Hedging and Price Source Disruption shall apply. *(specify if any are not applicable, or any further Additional Disruption Events)*
- (x) Other special terms and conditions: ☐
47. ETN-Linked Redemption Provisions ☐[Applicable/Not Applicable]
(Condition 20) *(if Applicable, insert relevant provisions)*
48. Rate-Linked Redemption Provisions ☐[Applicable/Not Applicable]
(Condition 21) *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Underlying Rate Determination Date: ☐
- (ii) Averaging Dates: ☐/[Not Applicable]
- (iii) Redemption Reference Period: ☐
- (iv) Manner in which the Final Redemption Amount is to be determined by reference to the Underlying Rate: ☐[Screen Rate Determination/ISDA Determination/CMS Underlying Rate Determination/other *(give details)*]
- (v) Determination Agent responsible for calculating the Final Redemption Amount: ☐
- (vi) Screen Rate Determination: ☐[Applicable/Not Applicable]
- (a) Underlying Rate: ☐
- (b) Underlying Rate Determination Date(s): ☐
- (c) Relevant Screen Page: ☐
- (d) Relevant Time: ☐
- (e) Reference Banks: ☐
- (f) Relevant Financial Centre: ☐
- (vii) ISDA Determination: ☐[Applicable/Not Applicable]
- (a) Floating Rate Option: ☐
- (b) Designated Maturity: ☐/[Not Applicable] *(Only applicable where the Floating Rate Option is not an overnight rate)*
- (c) Fixing Day: ☐
- (d) Fixing Time: ☐

- (e) Reset Date: []
- (f) Overnight Floating Rate Option: [Applicable/Not Applicable]
- (g) Index Floating Rate Option: [Applicable/Not Applicable]
- (h) Overnight Rate Compounding Method: [Not Applicable] *(Specify as Not Applicable if Averaging applies and delete the remaining sub-paragraphs of this paragraph)*
- (1) OIS Compounding: [Applicable]
- Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]
- [Daily Capped Rate: []]
- [Daily Floored Rate: []]
- /
- [Not Applicable]
- (2) Compounding with Lookback: [Applicable]
- Lookback: [] Applicable Business Days
- Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]
- [Daily Capped Rate: []]
- [Daily Floored Rate: []]
- /
- [Not Applicable]
- (3) Compounding with Observation Shift: [Applicable]
- 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: []]
- /
- [Not Applicable]
- (4) Compounding with Lockout: [Applicable]

- 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: ☐
- /
- [Not Applicable]
- (5) [ISDA Definitions]: [Applicable, as per the Floating Rate Matrix (as defined in the ISDA Definitions)]
- (i) Overnight Rate Averaging Method: [Not Applicable] (*Specify as Not Applicable if Compounding applies and delete remaining subparagraphs of this paragraph*)
- (1) Overnight Averaging: [Applicable
- Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]
- [Daily Capped Rate: ☐
- [Daily Floored Rate: ☐
- /
- [Not Applicable]
- (2) Averaging Lookback: [Applicable
- [Lookback: ☐ Applicable Business Days]
- [Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]
- [Daily Capped Rate: ☐
- [Daily Floored Rate: ☐
- /
- [Not Applicable]
- (3) Averaging with Observation Shift: [Applicable
- 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: []]
 /
 [Not Applicable]
- (4) Averaging with [Applicable]
 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: []]
 /
 [Not Applicable]
- (5) [ISDA Definitions]: [Applicable, as per the Floating Rate Matrix (as defined in the ISDA Definitions)]
- (j) Index Method: [Applicable/Not Applicable] *(If Not Applicable delete the remaining sub-paragraphs of this paragraph)*
- (1) Standard Index Method: [Applicable/Not Applicable]
- (2) Compound Index Method: [Applicable/Not Applicable]
- (3) Compound Index Method with Observation Period Shift: [Applicable]
 Set-in-Advance: [Applicable]/[Not Applicable]
 Observation Period Shift: [] Observation Period Shift Business Days
 [Observation Period Shift Additional Business Days: []/[Not Applicable]]
 /
 [Not Applicable]
- (k) Payment Delay: [Applicable, with the specified number of days being [●] Business Days]/[Not Applicable]
- (l) 2021 ISDA Definitions Linear Interpolation: [Applicable]/[Not Applicable]
- (m) Unscheduled Holidays: [Applicable]/[Not Applicable]
- (n) Period End Date/Termination Date [Applicable]/[Not Applicable]

- adjustment for
Unscheduled Holiday:
- (o) Non-Representative: [Applicable]/[Not Applicable]
- (p) Successor Benchmark: [●]
Successor Benchmark Effective Date: [●]
- (q) [TEC10 Adjustment: [Applicable]/[Not Applicable]]
(Only include where the TEC10 is the underlying)
- (viii) Margin(s): [+/-] [] per cent. per annum
- (ix) [Underlying Rate Participation Rate: [●]/[As specified in the Rate Table below]]
- (x) [Rate Table:]
- | Rate Table | |
|-----------------------------|------------------------------------|
| Redemption Reference Period | Underlying Rate Participation Rate |
| [●]
(repeat as required) | [●]
(repeat as required) |
- (xi) Day Count Fraction: []
- (xii) CMS Underlying Rate Determination: [Applicable]/[Not Applicable]
(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) CMS Underlying Rate: [Single CMS Underlying Rate] [Spread CMS Underlying Rate]
[CMS Underlying Rate 1] (If CMS Underlying Rate is "Spread CMS Underlying Rate", insert this column and heading "CMS Underlying Reference Rate 1") [CMS Underlying Rate 2] (If CMS Underlying Rate is "Spread CMS Underlying Rate", insert this column and heading "CMS Underlying Reference Rate 2")
- (b) Specified Swap Rate: [the swap rate/annual swap rate/semi-annual swap rate/quarterly swap rate/quarterly-annual swap rate/quarterly-quarterly swap rate] [the swap rate/annual swap rate/semi-annual swap rate/quarterly swap rate/quarterly-annual swap rate/quarterly-quarterly swap rate]
- (c) Reference Currency: [●] [●]
- (d) Designated Maturity: [●][month[s]/year[s]] [●][month[s]/year[s]]
- (e) Relevant Screen Page: [●] [●]
- (f) Relevant Time: [●] [●]

(g)	Underlying Determination Date(s):	Rate	[Periodic Determination applicable. The Underlying Rate Determination Date(s) [is/are]: [●]/[the first day of each Redemption Reference Period]/[the second TARGET Settlement Day prior to the start of each Redemption Reference Period]]/[Daily Rate Determination is applicable]	[Periodic Determination applicable. The Underlying Rate Determination Date(s) [is/are]: [●]/[the first day of each Redemption Reference Period]/[the second TARGET Settlement Day prior to the start of each Redemption Reference Period]]/[Daily Rate Determination is applicable]
(h)	Fallback Determination:	Rate	[Determination Agent Fallback: Applicable – to be applied first/second/third]/[Not Applicable] Fallback Screen Page: Applicable – to be applied first/second/third/[Not Applicable] Mid-Market Quotations: Applicable – to be applied first/second/third/[Not Applicable] [Reference Banks: [●]]	[Determination Agent Fallback: Applicable – to be applied first/second/third]/[Not Applicable] Fallback Screen Page: Applicable – to be applied first/second/third/[Not Applicable] Mid-Market Quotations: Applicable – to be applied first/second/third/[Not Applicable] [Reference Banks: [●]]
(i)	Specified Fixed Leg (<i>for determination of Mid- Market Quotations if specified to be applicable</i>):		[annual fixed leg/semi- annual fixed leg/quarterly-annual fixed leg/quarterly- quarterly fixed leg]	[annual fixed leg/semi- annual fixed leg/quarterly- annual fixed leg/quarterly- quarterly fixed leg]
(j)	Fixed Leg Day Count Basis:		[Actual/Actual [ICMA]]/[Actual/Actual]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/ [Actual/360]/[30/360]/ [30/360 (ICMA)]/ [30/360 (ISDA)]/ [360/360]/[Bond Basis]/[30E/360]/ [Eurobond Basis]/[30E/360 (ISDA)]/[1/1]	[Actual/Actual [ICMA]]/[Actual/Actual]/ [Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/ [Actual/360]/[30/360]/ [30/360 (ICMA)]/ [30/360 (ISDA)]/ [360/360]/[Bond Basis]/[30E/360]/ [Eurobond Basis]/[30E/360 (ISDA)]/[1/1]

- (k) Floating Leg Day Count Basis: $\frac{[\text{Actual}/\text{Actual} (\text{ICMA})]/[\text{Actual}/\text{Actual} (\text{ISDA})]/[\text{Actual}/365 (\text{Fixed})]/[\text{Actual}/365\text{L}]/[\text{Actual}/360]/[30/360]/[30/360 (\text{ICMA})]/[30/360 (\text{ISDA})]/[360/360]/[\text{Bond Basis}]/[30\text{E}/360]/[\text{Euro bond Basis}]/[30\text{E}/360 (\text{ISDA})]/[1/1]}$ $\frac{[\text{Actual}/\text{Actual} (\text{ICMA})]/[\text{Actual}/\text{Actual} (\text{ISDA})]/[\text{Actual}/365 (\text{Fixed})]/[\text{Actual}/365\text{L}]/[\text{Actual}/360]/[30/360]/[30/360 (\text{ICMA})]/[30/360 (\text{ISDA})]/[360/360]/[\text{Bond Basis}]/[30\text{E}/360]/[\text{Euro bond Basis}]/[30\text{E}/360 (\text{ISDA})]/[1/1]}$
- (l) Floating Leg Rate Option: ☐ ☐
- (m) Margin [1]: (If CMS Underlying Rate is "Spread CMS Underlying Rate", insert "Margin 1") ☐ [As specified in the Rate Table below]
- (n) Margin 2: ☐ [As specified in the Rate Table below] (Specify "Margin 2" if CMS Underlying Rate is "Spread CMS Underlying Rate", otherwise delete this paragraph)
- (o) [Underlying Rate Participation Rate [1]: (If CMS Underlying Rate is "Spread CMS Underlying Rate", insert "Underlying Rate Participation Rate 1")] ☐ [As specified in the Rate Table below]
- (p) Underlying Rate Participation Rate 2: ☐ [As specified in the Rate Table below] (Specify "Underlying Rate Participation Rate 2" if CMS Underlying Rate is "Spread CMS Underlying Rate", otherwise delete this paragraph)
- (q) [Rate Table:]

Rate Table		
Redemption Reference Period	[Underlying Rate Participation Rate [1]]	[Underlying Rate Participation Rate 2]
☐ (repeat as required)	☐ (repeat as required)	☐ (repeat as required)

- (xiii) Condition 21.4 (Provisions specific to SOFR as Underlying Rate): ☐ [Applicable]/[Not Applicable]
- (1) SOFR Compound with Lookback: ☐ [Applicable]
Lookback Days: ☐ U.S. Government Securities Business Days]

- /
- [Not Applicable]
- (2) SOFR Compound with Observation Period Shift: [Applicable
Observation Shift Days: ☐ U.S. Government Securities Business Days]
- /
- [Not Applicable]
- (3) SOFR Compound with Payment Delay: [Applicable]/[Not Applicable]
- (4) SOFR Index Average: [Applicable
SOFR Index_{Start}: ☐ U.S. Government Securities Business Days preceding the first day of the relevant Redemption Reference Period;
SOFR Index_{End}: ☐ U.S. Government Securities Business Days preceding the last day of the relevant Redemption Reference Period;
Observation Shift Days: ☐ U.S. Government Securities Business Days]
- /
- [Not Applicable]
- (xiv) Condition 21.5 (*Provisions specific to SONIA as Underlying Rate*): [Applicable]/[Not Applicable] (*if not applicable delete the remaining sub-paragraphs of this paragraph*)
- (1) SONIA Compound with Lookback: [Applicable
Lookback Days: ☐ London Banking Days]/
[Not Applicable]
- (2) SONIA Compound Observation Period Shift: [Applicable
Observation Shift Days: ☐ London Banking Days]/
[Not Applicable]
- (3) SONIA Compound with Payment Delay: [Applicable]/[Not Applicable]
[SONIA Rate Cut-Off Date: ☐ London Banking Days]
- (4) SONIA Index Average: [Applicable
Relevant Number: ☐
Observation Shift Days: ☐ London Banking Days]
- /
- [Not Applicable]

- (xv) Condition 21.6 (*Provisions specific to €STR as Underlying Rate*): [Applicable]/[Not Applicable]
- (1) €STR Compound with Lookback: [Applicable]
Lookback Days: ☐ TARGET Settlement Days
/
[Not Applicable]
- (2) €STR Compound with Observation Period Shift: [Applicable]
Observation Shift Days: ☐ TARGET Settlement Days
/
[Not Applicable]
- (3) €STR Compound with Payment Delay: [Applicable]/[Not Applicable]
[€STR Rate Cut-Off Date: ☐ TARGET Settlement Days]
- (4) €STR Index Average: [Applicable]
Relevant Number: ☐
Observation Shift Days: ☐ TARGET Settlement Days
/
[Not Applicable]
- (xvi) Condition 21.7 (*Provisions specific to SARON as Underlying Rate*): [Applicable]/[Not Applicable]
- (1) SARON Compound with Lookback: [Applicable]
Lookback Days: ☐ Zurich Banking Days
/
[Not Applicable]
- (2) SARON Compound with Observation Period Shift: [Applicable]
Observation Shift Days: Zurich Banking Days
/
[Not Applicable]
- (3) SARON Compound with Payment Delay: [Applicable]/[Not Applicable]
[SARON Rate Cut-Off Date: ☐ Zurich Banking Days]
- (4) SAION Index Average: [Applicable]
Relevant Number: ☐

- Observation Shift Days: Zurich Banking Days]
- /
- [Not Applicable]
- (xvii) Condition 21.8 (*Provisions specific to TONA as Underlying Rate*): [Applicable]/[Not Applicable]
- (1) TONA Compound with Lookback: [Applicable]
- Lookback Days: ☐ Tokyo Banking Days]
- /
- [Not Applicable]
- (2) TONA Compound with Observation Period Shift: [Applicable]
- Observation Shift Days: Tokyo Banking Days]
- /
- [Not Applicable]
- (3) TONA Compound with Payment Delay: [Applicable]/[Not Applicable]
- [TONA Rate Cut-Off Date: ☐ Tokyo Banking Days]
- (4) TONA Index Average: [Applicable]
- Relevant Number: ☐
- Observation Shift Days: Tokyo Banking Days]
- /
- [Not Applicable]
- (xviii) Condition 21.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*): [Applicable][Not Applicable] (*if not applicable delete the remaining sub-paragraphs of this paragraph*)
- (1) Other Relevant Underlying Rates Benchmark: [*specify*][Not Applicable] (*specify any applicable Relevant Underlying Rates Benchmark Rate which is not an Underlying Rate. Otherwise delete line*)
- (2) Alternative Pre-nominated Reference Rate: [*specify*][Not Applicable] (*specify in respect of each Relevant Underlying Rates Benchmark*)
- (3) Administrator/Benchmark Event applicable for Condition 21.9: [Applicable as per the Conditions] [Not Applicable]
- (4) If ISDA Determination applies, ISDA Bespoke Fallbacks to apply in priority to other fallbacks in Condition 21.9 (*Relevant Underlying Rates Benchmark*): [Yes][No]

		<i>Discontinuance or Prohibition on Use):</i>	
	(xix)	Additional Disruption Events:	[Change in Law, Hedging Disruption, Increased Cost of Hedging shall apply] <i>(specify if any are not applicable, or any further Additional Disruption Events)</i>
49.	Preference Share-Linked Redemption Provisions:		[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(Condition 22)		
	(i)	Determination Agent responsible for calculating the Final Redemption Amount:	☐ <i>(specify only if Determination Agent is not Morgan Stanley & Co. International plc)</i>
	(ii)	Provisions for determining Final Redemption Amount:	☐ per cent. per Calculation Amount OR [The Final Redemption Amount in respect of each Note is an amount in the Specified Currency calculated by the Determination Agent equal to: $\text{Calculation Amount} \times \frac{\text{Preference Share Value}_{\text{final}}}{\text{Preference Share Value}_{\text{initial}}}]$ <i>(delete as appropriate)</i>
	(iii)	Final Valuation Date:	☐ <i>(date)</i>
	(iv)	Valuation Time:	☐ / As per Condition 22.9]
	(v)	Additional Disruption Events:	[Change in Law, Hedging Disruption, Insolvency Filing and Increased Cost of Hedging] shall apply <i>(delete any which are not applicable)</i>
50.	(i)	Early Redemption Amount upon Event of Default:	[As determined in accordance with Condition 26.10]/ <i>(specify other)</i> <i>(this applies to Zero Coupon Notes only per limb (a) of the definition of "Early Redemption Amount")</i>
	(Condition 31)		 [Accrued Value – [Linear]/[Compounded] Zero Coupon [. The Accrued Value Commencement Date is [●]](where "n" means the number of years from (and including) a date other than the Issue Date, specify such other date here)] <i>(this applies to Notes other than Zero Coupon Notes per limb (b) of the definition of "Early Redemption Amount")</i> [Fair Market Value] [Fair Market Value Less Costs] [Par Redemption] [Qualified Financial Institution Determination] [Theoretical Value]

- (ii) Early Redemption Amount payable upon an event described in Condition 11.2(d)/11.2(f)/11.4(a)(iii)/11.4(b)(iii)/11.5(c)/11.6(c)/11.7(c)/11.8(c)/12.4(c)/12.6(d)/12.7(d)/12.8(b)/13.6(a)(iii)/13.8(c)/14.2(e)/14.6(c)/15.3/15.8/15.10(c)/16.4/17.4/17.6(c)/19.1(c)/19.3(c)/21.10/21.12/22.6/22.7⁸⁶: [Fair Market Value]/[Fair Market Value Less Costs.]/[The Annex to the Terms and Conditions of the English Law Notes: Supplementary Provisions for Belgian Notes]/[In respect of a Conversion pursuant to Condition 19, [as set out in Condition 19]/[]].
- (iii) Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons⁸⁷:
(Condition 26.2/26.3) [Fair Market Value]/[Fair Market Value Less Costs]/[Early Preference Share Redemption Note Amount] / [Par Redemption]/[Theoretical Value]/[The Annex to the Terms and Conditions of the English Law Notes: Supplementary Provisions for Belgian Notes]/[Not Applicable]
- (iv) Early Redemption Amount (Condition 7.18 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*)): [Not Applicable]/[As determined in accordance with Condition 26.10] OR (*specify*) (if *Zero Coupon Notes*)
- [Accrued Value – [Linear]/[Compounded] Zero Coupon [The Accrued Value Commencement Date is [●]](where "n" means the number of years from (and including) a date other than the Issue Date, specify such other date here)]
- [Fair Market Value]
- [Fair Market Value Less Costs]
- [Par Redemption]
- [Qualified Financial Institution Determination]
- [Theoretical Value]
- (v) CMS Reference Rate – Effect of Benchmark Transition Event and Benchmark Amendment Event as described in Condition 7.19 (*CMS Reference Rate - Effect of Index Cessation Event*) Administrator/Benchmark Event: applicable for Condition 7.19(d): [Not Applicable] [Applicable as per the Conditions] (*Note – this sub-paragraph 50(v) applies to CMS Reference Rates only. For Underlying CMS Reference Rates in respect of which Condition 21.10 (Underlying CMS Reference Rate – Effect of Index Cessation Event) applies, see sub-paragraph 16(J) and 50(ii) above for relevant elections*)
- [[Early Redemption Amount (CMS Reference Rate) – Fixed Redemption: [●] per Calculation Amount] / [Early Redemption Amount (CMS Reference Rate) – Fixed Redemption Less Costs: [●] per Calculation Amount] / [Early Redemption Amount (CMS Reference Rate) – Fair Market Value Less Costs] / [Early Redemption Amount (CMS Reference Rate) – Fair Market Value] shall apply] / [Not Applicable]

⁸⁶ Note: If "Supplementary Provisions for Belgian Notes" is specified to apply, this amount will be determined in accordance with the Supplementary Provisions for Belgian Notes Annex to the Terms and Conditions for English law Notes

⁸⁷ Note: If "Supplementary Provisions for Belgian Notes" is specified to apply, this amount will be determined in accordance with the Supplementary Provisions for Belgian Notes Annex to the Terms and Conditions for English law Notes

(Note – for issuances of Notes to retail investors, ["Early Redemption Amount (CMS Reference Rate) – Fair Market Value Less Costs"/["Early Redemption Amount (CMS Reference Rate) – Fixed Redemption Less Costs"] may not be selected)

Reference Time: [●]/[Not Applicable]

51. Illegality and Regulatory Event:

(Condition 32)

(i) Illegality and Regulatory Event: [Applicable] / [Not Applicable] (Note that the Illegality and Regulatory Event provision may only be specified as "Not Applicable" in relation to a Series of Notes which is issued by MSBV, MSFL or MSFII and is (i) rated and/or (ii) listed on an Italian Exchange)

(ii) Early Redemption Amount (Illegality and Regulatory Event)⁸⁸: [[Early Redemption Amount (Illegality and Regulatory Event) – Fair Market Value Less Costs] / [Early Redemption Amount (Illegality and Regulatory Event) – Fair Market Value] / [Early Redemption Amount (Illegality and Regulatory Event) – Par] shall apply] / [The Annex to the Terms and Conditions of the English Law Notes: Supplementary Provisions for Belgian Notes]

52. Substitution of Issuer or Guarantor with non-Morgan Stanley Group entities:

(Condition 43.2)

[Applicable] / [Not Applicable] (Note that this provision may only be specified as "Not Applicable" in relation to a Series of Notes which is issued by MSBV, MSFL or MSFII and is (i) rated and/or (ii) listed on an Italian Exchange)

53. Governing Law:

[English law/other (specify)]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

54. Form of Notes:

(Condition 3)

[[Registered Notes:

[Global Note Certificate registered in the name of [a nominee for] [a common depositary for Euroclear and Clearstream, Luxembourg]/[a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS))]⁸⁹ [a sub-custodian for Hong Kong Monetary Authority as operator of the Central Moneymarkets Unit Service (the "CMU")]⁹⁰, exchangeable for Individual Note Certificates on [] days' notice⁹¹/in the limited circumstances described in the Global Note Certificate]

[Individual Note Certificates]]

[Nordic Notes:

[Finnish Notes]

⁸⁸ Note: If "Supplementary Provisions for Belgian Notes" is specified to apply, this amount will be determined in accordance with the Supplementary Provisions for Belgian Notes Annex to the Terms and Conditions for English law Notes

⁸⁹ To be included for Registered Notes in global form which are to be held under the NSS.

⁹⁰ To be included for CMU Notes.

⁹¹ In respect of Morgan Stanley Notes, notice should be 30 days.

- [Swedish Notes]
- [Norwegian Notes]
- [Danish Notes]]
- [Uncertificated Notes]⁹²
55. Record Date: [For so long as the Notes are represented by a Global Note Certificate, the Record Date shall be one Clearing System Business Day before the relevant due date for payment. The Record Date for Notes in definitive form shall be 15 days before the relevant due date for payment][As per Condition 27.8 (*Payments of Principal and Interest in respect of Nordic Notes*)]⁹³[Not Applicable]
56. Additional Financial Centre(s) or other special provisions relating to Payment Business Days: [Not Applicable/[] (*specify Additional Financial Centre(s)*).]
57. Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/No Adjustment/Not Applicable/See paragraph [] above/other (*give details*)]
58. Additional Business Centre(s): [[]/[Not Applicable]]
59. Determination Agent: Morgan Stanley & Co. International plc/[] (*insert other Morgan Stanley Group entity*)
60. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/[] (*give details*)]
61. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: [Not Applicable/[] (*give details*)]
62. Redenomination, renominatisation and reconventioning provisions: [Not Applicable/The provisions [in Condition 42] [annexed to this Pricing Supplement apply]]
63. Restrictions on free transferability of the Notes: [None/[] (*give details*)]
64. (A) Inconvertibility Event Provisions A:
(Condition 24) [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph. Note that if paragraph 64.(B) below is specified as Applicable, then this line item 64.(A) must be specified as Not Applicable)

⁹² Only MSBV, MSI plc and MSESE may issue Uncertificated Notes
⁹³ To be included for Nordic Notes.

- (i) Consequences of the occurrence of an Inconvertibility Event: [Converted Payment]/[Early Redemption]/[Suspended Payment]
- (ii) Inconvertibility Early Redemption Amount⁹⁴: [Not Applicable] [OR]
- (For Zero Coupon Notes, choose one of the following options)*
- [] per cent. per Calculation Amount]/
- [an amount per Calculation Amount determined by the Determination Agent in accordance with Condition 26.10. For these purposes, the Accrual Yield is [] per cent., the Reference Price is (*specify*) [] and the Accrued Value Commencement Date is [].]
- (For Notes which are not Zero Coupon Notes, choose one of the following options)*
- [] per cent. per Calculation Amount]/
- [[Early Redemption Amount]/[Early Redemption Amount Less Costs] applies. For the purposes of the definition of Early Redemption Amount, Par Redemption applies.]
- [Qualified Financial Institution Determination applies provided that the words "Event of Default" in the definition thereof shall be deemed to be replaced with the words "Inconvertibility Event".]
- [Fair Market Value (Inconvertibility)]/[Fair Market Value Less Costs (Inconvertibility)]
- [As per the Annex to the Terms and Conditions of the English Law Notes: Supplementary Provisions for Belgian Notes]
- (iii) Relevant Currency/ies: []
- (iv) Relevant Jurisdiction: []
- (v) Inconvertibility Specified Currency: []
- (vi) Settlement Rate Option: [Currency Reference Dealers]/[Not Applicable]
- (vii) Fallback FX Spot Rate []
- (B) Inconvertibility Event Provisions B: [Applicable/Not Applicable]
- (Condition 24) *(If applicable, following the occurrence of an Inconvertibility Event, the Issuer will specify in the Inconvertibility Event Notice (a) if Converted Payment is to apply instead of the default position of payment suspension, (b) the Relevant Currency, (c) the Relevant Jurisdiction, (d) the Inconvertibility*

⁹⁴ Note: If "Supplementary Provisions for Belgian Notes" is specified to apply, this amount will be determined in accordance with the Supplementary Provisions for Belgian Notes Annex to the Terms and Conditions for English law Notes

Specified Currency and (e) where Converted Payment is specified to apply, the Fallback FX Spot Rate)

65. CNY Center: ☐/[Not Applicable]
66. Taxation:
- (i) Condition 30: "Additional Amounts" is *[Applicable/Not Applicable]*
- (ii) Condition 30.3: Implementation of Financial Transaction Tax: *[Applicable/Not Applicable]*
67. Other terms: ☐

DISTRIBUTION

68. (i) If syndicated, of Managers and underwriting commitments (and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers) ☐[Not Applicable/☐]
(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis.)
- (ii) [Date of [Subscription] Agreement: ☐]
- (iii) Stabilising Manager(s) (if any): ☐[Not Applicable/☐ (give name)]
69. If non-syndicated, name and address of Dealer: ☐[Not Applicable/☐ (give name and address)]
70. U.S. Selling Restrictions: ☐[Regulation S]/☐[Regulation S / 144A]⁹⁵
71. [Total commission and concession: ☐ per cent. of the Aggregate Nominal Amount]⁹⁶
72. Singapore Sales to Institutional Investors and Accredited Investors only: ☐[Applicable] / ☐[Not Applicable]
73. Additional selling restrictions: ☐[Not Applicable/☐ (give details)]

United States Taxation

⁹⁷This discussion is limited to the U.S. federal tax issues addressed below. Additional issues may exist that are not addressed in this discussion and that could affect the federal tax treatment of an investment in the Notes. Investors should seek their own advice based upon their particular circumstances from an independent tax advisor.

An investor should review carefully the section entitled "*United States Federal Taxation*" in the Offering Circular.

⁹⁸[Withholding on "Other Income" Coupon Payments]

The following discussion applies to Notes issued by Morgan Stanley, MSFL or MSFII that pay periodic coupons and provide for a payment at maturity or upon early settlement (other than the stated coupon) that is determined by reference to the performance of a Relevant Underlying and thus may be lower or higher than their issue price. The U.S. federal tax treatment of the Notes is unclear due to the absence of statutory, judicial or administrative authorities that directly address the Notes or similar securities, and no ruling is being requested from the Internal Revenue Service ("**IRS**") with respect to the Notes. Significant aspects of the U.S. federal income tax

⁹⁵ MSBV, MSFL and MSIP may offer and sell Regulation S Notes or Regulation S/Rule 144A Notes. Morgan Stanley, MSFII and MSESE may only offer and sell Regulation S Notes.

⁹⁶ Optional.

⁹⁷ Insert for coupon-paying Notes issued by MS, MSFL or MSFII.

⁹⁸ Insert for "other income" Notes issued by MS, MSFL or MSFII where the principal is at risk, pay periodic coupons and provide for a payment at maturity or early settlement that may be either lower or higher than the Notes' issue price based on the value of the underlying securities.

consequences of an investment in the Notes are uncertain, and no assurance can be given that the IRS or a court will agree with the tax treatment described herein. Accordingly, investors should consult their tax adviser regarding the U.S. federal income tax consequences of an investment in the Notes (including possible alternative treatment thereof).

A non-U.S. investor should expect that a withholding agent will treat any coupon payments as subject to U.S. federal withholding tax at a rate of 30 per cent., unless the non-U.S. investor establishes an exemption under the "other income" provision of a Qualifying Treaty (as defined below) or, to the extent that any portion of a coupon payment is treated as interest for U.S. federal income tax purposes, an exemption under the "portfolio interest exemption" rules as described below.

An income tax treaty between a non-U.S. jurisdiction and the United States is a "**Qualifying Treaty**" if it provides for a 0 per cent. rate of tax on "**other income**" earned by a resident of the non-U.S. jurisdiction from sources within the United States. Accordingly, if a non-U.S. investor is a resident of a non-U.S. jurisdiction that qualifies for benefits under such a Qualifying Treaty, it should generally be eligible for an exemption under the "other income" provision referred to above if the non-U.S. investor complies with the certification requirement described in the section entitled "*United States Federal Taxation—Notes—Other Income Coupons*" in the Offering Circular. However, because most income tax treaties contain complex eligibility rules and limitations, a non-U.S. investor should consult its tax advisor about its eligibility for this exemption. To demonstrate eligibility for the "other income" exemption to the Issuer or an applicable withholding agent, a non-U.S. investor generally will be required to provide a properly completed Internal Revenue Service ("**IRS**") Form W-8BEN or W-8BEN-E certifying that it is not a U.S. person and that it is eligible for the benefits of the "other income" article of a Qualifying Treaty (or, if the non-U.S. investor holds its Notes through certain intermediaries, it may be permitted to provide alternative documentation in lieu of the appropriate Form W-8BEN or W-8BEN-E to establish that it is not a U.S. person and that it is eligible for the benefits of the "other income" article of a Qualifying Treaty) as discussed in the section entitled "*United States Federal Taxation—Notes—Other Income Coupons*" in the Offering Circular.

Any withholding rate described above may be increased under future legislation, regulation or administrative guidance.

Notwithstanding the discussion above, because the U.S. federal income tax treatment of the Notes is unclear, any coupon payments on such Notes could alternatively be treated in whole or part as payments of interest. Nonetheless, even if the coupon payments are treated in whole or in part as interest and thus not eligible for the "other income" exemption described above, under current law and administrative practice a non-U.S. investor may qualify for the "portfolio interest exemption" with respect to the coupon payments if the non-U.S. investor has timely provided certifications to establish that it is not a U.S. person and certain other conditions are met, as discussed in the section entitled "*United States Federal Taxation—Notes—Notes Treated as Indebtedness*" in the Offering Circular.

As described in "*United States Federal Taxation*" in the Offering Circular, U.S. withholding may also be imposed in other circumstances, such as under FATCA, the U.S. backup withholding rules or Section 871(m) of the Internal Revenue Code of 1986, as amended (the "**Code**").

If withholding is so required, the relevant Issuer will not be required to pay any additional amounts with respect to the amounts so withheld.

None of the Issuer, Guarantor and Dealer, nor any of their respective Affiliates are qualified to give legal, tax or accounting advice to its clients and does not purport to do so in this document. Clients are urged to seek the advice of their own professional advisors about the consequences of the proposals contained herein.

Each Noteholder should seek advice, based on its particular circumstances from an independent tax advisor, regarding the U.S. federal income tax consequences of an investment in the Notes, including possible alternative treatments and any tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.]

[PURPOSE OF PRICING SUPPLEMENT

This Pricing Supplement comprises the pricing supplement required to [issue]/[list and have admitted to trading on (*specify relevant market*) the issue of] the Notes described herein pursuant to the Regulation S / 144A Program for the Issuance of Notes, Series A and B, Warrants and Certificates.]

POTENTIAL SECTION 871(M) TRANSACTION

Please see paragraph 6 of Part B – Other Information to this Pricing Supplement for additional information regarding withholding under Section 871(m) of the Code.

RESPONSIBILITY

The Issuer [and the Guarantor] accept[s] responsibility for the information contained in this Pricing Supplement.

[(Relevant third party information) has been extracted from [] (specify source)]. [Each of the] [The] Issuer [and the Guarantor] confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from 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 the Official List of Euronext Dublin and trading on its Global Exchange Market 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 on [the Luxembourg Stock Exchange's Euro MTF market] and to the Official List of the Luxembourg Stock Exchange 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 on [the International Securities Market of the London Stock Exchange] 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 listing and trading on [the SIX Swiss Exchange] with effect from [].]

[Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on EuroTLX within ten (10) calendar days within the Issue Date.]

[No assurances can be given that such application for listing and/or admission to trading will be granted (or, if granted, will be granted by [] [the Issue Date.])] [The Issuer has no duty to maintain the listing (if any) of the Notes on the relevant stock exchange(s) over their entire lifetime.]

[Not Applicable.]

(Where documenting a fungible issue, indicate that original Notes are already admitted to trading.)

[Last day of Trading:

[])]

2. RATINGS

Ratings:

[The Notes to be issued have been rated:

[S & P: []]

[Moody's: []]

[Fitch: []]

[[Other]: []]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Program generally or, where the issue has been specifically rated, that rating.)

[The Notes will not be rated].]

3. USE OF PROCEEDS, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) [Use of Proceeds:] *[If the Issuer is Morgan Stanley or MSIP or MSESE and the Notes do not constitute Sustainable Bonds: The net proceeds from the issue of Notes will be applied by the Issuer for [its general corporate purposes and/or, in connection with hedging its obligations under the Notes] / [specify any other reasons].]*
- [If the Issuer is MSBV: At least 95% of the proceeds will be invested (uitzetten) within the group of which MSBV forms part.]*
- [If the Issuer is MSFL: MSFL intends to lend the net proceeds from its issuances of the Notes to Morgan Stanley.]*
- [If the Issuer is Morgan Stanley or MSFL and the Notes constitute Sustainable Bonds: The Notes constitute [Green Bonds]/[Social Bonds]/[Sustainability Bonds] and an amount equal to the gross proceeds raised will be used to finance and/or refinance, in whole or in part, one or more of the projects included in the [Green Eligible Projects]/[Social Eligible Projects]/[Green Eligible Projects and Social Eligible Projects] pursuant to the Morgan Stanley Sustainable Issuance Framework which is available on the website of the Morgan Stanley ([●]) and described below:*
- [Describe specific projects included in the Green Eligible Projects and/or Social Eligible Projects]*
- (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 are insufficient to fund all the proposed uses state amount and sources of other funding.)*
- (iii) [Estimated expenses relating to the issue:] [●]

4. [Notes linked to a Relevant Underlying only – PERFORMANCE OF EQUITY/INDEX/COMMODITY/CURRENCY/FUND/FUTURES CONTRACT/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING

[●]

(Include details of where past and future performance and volatility of the index/equity/commodity/currency/fund/formula/other variable can be obtained. Where the underlying is an index, include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer, include details of where the information about the index can be obtained, including for these purposes where the index is published. Where the underlying is not an index, include equivalent information, including the NAV source in relation to any fund. Include other information concerning the underlying required by the rules of Euronext Dublin, Luxembourg Stock Exchange, including in respect of the Luxembourg Stock Exchange and an underlying that is a fund which is neither listed nor admitted to trading on any exchange, information on where the prospectus of the fund is available for inspection.)

The Issuer [intends to provide post-issuance information (*specify what information will be reported and where it can be obtained*)/does not intend to provide post-issuance information with regard to the underlying/specify Underlying].

5. OPERATIONAL INFORMATION

ISIN:

Common Code:

[[SEDOL:]]

CFI: /[See]/, as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN]/[Not Applicable]]

(Where known, both the CFI and FISN codes should be specified together with the reference to the website of ANNA as the codes are dynamic and subject to change)

FISN: /[See]/, as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN]/[Not Applicable]]

Any clearing system(s) other than Euroclear Bank S.A./N.V., Clearstream Banking *société anonyme* and the relevant identification number(s): [Not Applicable/ (*give name(s) and number(s)*)]

(specify for Finnish Notes) [Finnish CSD: Euroclear Finland Oy, Itämerenkatu 25, FI-00180 Helsinki, Finland (Postal address: Box 1110, FI-00101 Helsinki, Finland)]

(specify for Swedish Notes) [Swedish CSD: Euroclear Sweden AB, Klarabergsviadukten 63, Box 191, SE 101 23, Stockholm, Sweden]

[Japan Securities Depository Center, Inc.]

(specify for CMU Notes) [Central Moneymarkets Unit Services]

[other relevant clearing system, as applicable]

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 manner which would allow Eurosystem eligibility: [Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to 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,](*include this text for Registered Notes which are to be held under the NSS*) and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either upon issue or at

any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.] /

[No. Whilst the designation is specified as "no" at the date of these Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,](include this text for Registered Notes). Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intraday 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.]]

[CMU Instrument No.:

]]

[CMU Lodging and Paying Agent:

]]

6. **POTENTIAL SECTION 871(m) TRANSACTION**

[Not Applicable] / [The Issuer has determined that the Notes should not be subject to withholding under Section 871(m) of the Code[, and hereby instructs its agents and withholding agents that no withholding is required, unless such agent or withholding agent knows or has reason to know otherwise].] / [The Issuer has determined that the Notes should not be subject to withholding under Section 871(m) of the Code because the Relevant Underlying is a "qualified index" under the applicable U.S. Treasury Regulations[, and hereby instructs its agents and withholding agents that no withholding is required, unless such agent or withholding agent knows or has reason to know otherwise].] / [The Notes are U.S. equity linked instruments subject to U.S. withholding under Section 871(m) of the Code.] [The Issuer will treat the Notes as delta one instruments subject to U.S. withholding under Section 871(m) of the Code. The Issuer intends to withhold throughout the Notes' tenor U.S. federal income tax at a rate of 30% with respect to all "dividend equivalent" payments related to the Notes. The Issuer will not be able to associate dividend equivalent payments with valid documentation from an investor (such as an Internal Revenue Service ("IRS") Form W-8) that establishes the investor's eligibility for treaty benefits, if any. The Issuer will report the payments to all investors on a pooled basis and will not issue individual IRS Forms 1042-S. Accordingly, the Issuer will withhold the tax applicable under Section 871(m) of the Code at the U.S. statutory rate of 30% without regard to any reduced treaty rate, if any. Investors will not be entitled to receive additional amounts with respect to the amounts withheld by the Issuer. If a beneficial owner of a Note is entitled to a reduced rate of tax under an applicable income tax treaty, this will result in over-withholding. Investors should consult their tax

- advisers regarding the consequences of withholding under Section 871(m) of the Code, including their ability to obtain refunds from the IRS in the case of over-withholding.]⁹⁹ [For further information please [call [●]] / [visit our website at [●]] / [write to [●]].]
7. **PROHIBITION OF SALES TO EEA RETAIL INVESTORS:** [Applicable]/[Not Applicable]
(If the offer of the Notes do not constitute "packaged" products, "Not Applicable" should be specified. If the offer of the Notes may constitute "packaged" products and no "key information document" will be prepared, "Applicable" should be specified)
8. **PROHIBITION OF SALES TO UK RETAIL INVESTORS:** [Applicable]/[Not Applicable]
(If the offer of the Notes do not constitute "packaged" products, "Not Applicable" should be specified. If the offer of the Notes may constitute "packaged" products and no "key information document" will be prepared, "Applicable" should be specified)
9. **SWISS OFFER RESTRICTIONS:** The Notes documented in this Pricing Supplement may be considered structured products in Switzerland pursuant to Article 70 the Swiss Financial Services Act of 15 June 2018 ("**FinSA**") and are not subject to supervision by the Swiss Financial Market Supervisory Authority ("**FINMA**"). None of the Notes constitute a participation in a collective investment scheme within the meaning of the Collective Investment Schemes Act of 23 June 2006 ("**CISA**") and are neither subject to the authorisation nor the supervision by the FINMA and investors do not benefit from the specific investor protection provided under the CISA. Investors bear the credit risk of the Issuer.
(Insert for any Securities other than FinSA Exempt Securities:) [The Offering Circular has been approved in Switzerland by SIX Exchange Regulation in its capacity as Swiss Prospectus Office and this Pricing Supplement has been registered with SIX Exchange Regulation in its capacity as Swiss Prospectus Office in accordance with FinSA. The Offering Circular and this Pricing Supplement are available on [specify website] or may be requested as hard copies on request of the investor at [specify address]. The Notes may be offered, sold or advertised, directly or indirectly, in Switzerland to retail clients (*Privatkundinnen und -kunden*) within the meaning of FinSA ("**Retail Clients**") in accordance with FinSA.]
(Insert for FinSA Exempt Securities:) [Neither the Offering Circular nor this Pricing Supplement or any other offering or marketing material relating to the Notes constitute a prospectus pursuant to the FinSA, and such documents may not be publicly distributed or otherwise made publicly available in Switzerland, unless the requirements of FinSA for such public distribution are complied with.]

⁹⁹ Insert for AMCs; language subject to further discussion

The Notes documented in this Pricing Supplement are not being publicly offered, sold or advertised, directly or indirectly, in Switzerland. Neither this Pricing Supplement nor any offering materials relating to the Securities may be made available to Retail Clients in or from Switzerland. The offering of the Notes, directly or indirectly, in Switzerland is only made by way of private placement by placing the Securities (a) solely with investors classified as professional clients (*professionelle Kunden*) or institutional clients (*institutionelle Kunden*) within the meaning of FinSA ("**Professional or Institutional Clients**"), (b) with fewer than 500 retail clients (*Privatkundinnen und -kunden*) within the meaning of FinSA, and/or (c) with investors acquiring securities to the value of at least CHF 100,000.]

(Insert for any FinSA Exempt Securities which will not be offered in Switzerland:) [The Notes documented in this Pricing Supplement are not being offered, sold or advertised, directly or indirectly, in Switzerland.]

10.	PROHIBITION TO OFFER TO RETAIL INVESTORS IN SWITZERLAND:	[Applicable]/[Not Applicable]
11.	PROHIBITION OF SALES TO CONSUMERS IN BELGIUM	[Applicable]/[Not Applicable]
12.	REPORTING BY THE ISSUER TO THE U.S. INTERNAL REVENUE SERVICE	Under Notice 2015-74 issued by the U.S. Internal Revenue Service ("IRS"), certain transactions that reference a basket of underlying assets were identified as "transactions of interest" subject to reporting requirements pursuant to the "reportable transactions" rules set forth in Section 6011 of the Code. Proposed Treasury regulations issued in 2024 would, if finalised as drafted, identify substantively the same transactions as reportable "listed transactions". Very generally, the IRS notice addressed, and the proposed regulations would apply to, an instrument that makes payments based on the performance of a basket of referenced assets (such as securities, commodities or foreign currency) and the investor or its designee has the discretion to change the assets that comprise the basket, or change the trading algorithm that determines the assets. The IRS notice and the proposed regulations are not intended to apply where the investor is a non-U.S. person whose income or gain from the investment is not effectively connected with the investor's U.S. trade or business. However, the Issuer does not expect to be able to reliably associate investments in the Securities with valid documentation from an investor (such as an IRS Form W-8BEN or W-8BEN-E) that would establish the investor's non-U.S. status for U.S. tax purposes. Therefore, although the circumstances that require disclosure pursuant to the proposed regulations are not always clear, if the proposed regulations are finalised as drafted, the Issuer may be required to report the issuance of the Securities to the IRS. Once the proposed regulations are finalised, reporting may be

required even with respect to certain Program Securities issued prior to the date of finalisation.

**[SUMMARY
Information on the Notes**

Title of Notes	<i>[Title of the Notes]</i>	SSPA Product type	<i>[SSPA Product Type]</i> <i>[SSPA Product Code]</i> (as defined in the SSPA Swiss Derivative Map)
Valoren	<i>[Valoren]</i>	ISIN	<i>[ISIN]</i>
Issuer	[●]	Issue Price	<i>[issue price]</i> [[●] per cent.] [of par]
Aggregate [Nominal Amount]/[Number] of the Notes	[up to] [●]	Denomination	[●]
Issue Date	[●]	Maturity Date	[●] [(subject to adjustment in accordance with the Business Day Convention)]
[Relevant Underlying(s)]	<i>[Specify underlying(s)]</i>		
Capital Protection	[Capital protected] / [not applicable]	Central Depository	[SIX SIS AG] [Euroclear] [Clearstream, Luxembourg] [Other]
[Coupon]	[Coupon Rate] [Interest Payment Dates]	Specified Currency	[●]
[Other important features such as Strike Price, if any]	[●]		

Information on the Public Offering and Admission to Trading

Public Offering	The Notes [are][are not] publicly offered in Switzerland
Listing	[The Securities are not listed or admitted to trading in Switzerland.] / [SIX Swiss Exchange AG] [First trading date: [[●] (anticipated)]]
Relevant Clearing System	[Euroclear] [Clearstream, Luxembourg] [Other]
Selling Restrictions	[See [Offering Circular]]

Any investment decision regarding the Notes must not only be based on the information provided in this Summary.

The Issuer may only be held liable for the content of this Summary if it is misleading, inaccurate or inconsistent when read together with the other parts of the Pricing Supplement and the Offering Circular.]

PRO FORMA PRICING SUPPLEMENT FOR ENGLISH LAW NOTES WHERE SUPPLEMENTARY PROVISIONS FOR CREDIT LINKED NOTES APPLIES

[These Securities are Other Income Securities]¹

Pricing Supplement dated []

[Morgan Stanley & Co. International plc / Morgan Stanley B.V. / Morgan Stanley Finance LLC / Morgan Stanley Europe SE] as Issuer

Legal Entity Identifier (LEI): [4PQUHN3JPFGFNF3BB653]² / [KG1FTTDCK4KNVM3OHB52]³ / [5493003FCPSE9RKT4B56]⁴ / [54930056FWP7GIWYY08]⁵

Issue of [Aggregate Nominal Amount of Tranche] Credit Linked Notes due [●]

[to be consolidated and to form a single series with the Series [●] Tranche [1] [Title of Notes] due [●]⁶]

[Guaranteed by Morgan Stanley]

under the

Regulation S / 144A Program for the Issuance of Notes, Series A and B, Warrants and Certificates

The Offering Circular referred to below (as completed by this Pricing Supplement) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area (each, a "**Relevant State**") will be made pursuant to an exemption under Regulation (EU) 2017/1129 (as amended, 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 Distribution Agent to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor any Distribution Agent has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

Warning: Neither this Pricing Supplement nor the Offering Circular referred to below constitutes a "prospectus" for the purposes of Prospectus Regulation, and the Pricing Supplement and the Offering Circular have been prepared on the basis that no prospectus shall be required under the Prospectus Regulation in relation to any Notes be offered and sold under hereby.

Any person making or intending to make an offer of Notes in the United Kingdom may only do so pursuant to an exception from the public offer prohibition contained in the Public Offers and Admissions to Trading Regulations 2024 and in circumstances in which no obligation arises for the Issuer or any Distribution Agent to publish or supplement a prospectus pursuant to the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook.

Neither the Issuer nor any Distribution Agent has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

[(Insert for all Notes publicly offered in Switzerland or admitted to trading in Switzerland:)] SSPA product type: [SSPA product type]

[Public offering in Switzerland or Admission to trading in Switzerland: This Pricing Supplement will be or has been registered with SIX Exchange Regulation in its capacity as Swiss Prospectus Office pursuant to FinSA prior to the public offering of the Notes in Switzerland or the admission to trading of the Notes on SIX Swiss Exchange.]]

¹ Insert if Morgan Stanley Finance LLC is the Issuer and the Notes are classified as Other Income Securities.

² Insert if Morgan Stanley & Co. International plc is the Issuer.

³ Insert if Morgan Stanley B.V. is the Issuer.

⁴ Insert if Morgan Stanley Finance LLC is the Issuer.

⁵ Insert if Morgan Stanley Finance Europe SE is the Issuer.

⁶ Insert language if the issue is a fungible tranche.

A key information document in accordance with Regulation (EU) No 1286/2014 (the "**PRIIPs KID**") or a key information document in accordance with FinSA (the "**FinSA KID**") has been prepared in relation to the Notes. The PRIIPs KID can be obtained in electronic form on [*specify website*] or upon request and free of charge from the [Issuer/Guarantor/Distribution Agent]. The FinSA KID can be obtained upon request and free of charge from the [Issuer/Guarantor/Distribution Agent].

THE NOTES ARE NOT DEPOSITS OR SAVINGS ACCOUNTS AND ARE NOT INSURED BY THE U.S. FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY OR INSTRUMENTALITY OR DEPOSIT PROTECTION SCHEME ANYWHERE NOR ARE THEY OBLIGATIONS OF, OR GUARANTEED BY, A BANK.

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 (THE "EEA"). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF:

- (A) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU, AS AMENDED ("MIFID II");**
- (B) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97, AS AMENDED, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR**
- (C) NOT A QUALIFIED INVESTOR AS DEFINED IN REGULATION (EU) 2017/1129, AS AMENDED.**

CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014, AS AMENDED (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.

PROHIBITION OF SALES TO UK RETAIL INVESTORS:

THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD, DISTRIBUTED OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD, DISTRIBUTED 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 EITHER ONE (OR BOTH) OF THE FOLLOWING:

- (A) NOT A PROFESSIONAL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF THE LAWS OF THE UNITED KINGDOM; OR**
- (B) NOT A QUALIFIED INVESTOR AS DEFINED IN PARAGRAPH 15 OF SCHEDULE 1 TO THE PUBLIC OFFERS AND ADMISSIONS TO TRADING REGULATIONS 2024.**

CONSEQUENTLY, NO DISCLOSURE DOCUMENT REQUIRED BY THE FCA PRODUCT DISCLOSURE SOURCEBOOK ("DISC") FOR OFFERING, SELLING OR DISTRIBUTING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE UK HAS BEEN OR WILL BE PREPARED AND THEREFORE OFFERING, SELLING OR DISTRIBUTING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE UK MAY BE UNLAWFUL UNDER DISC AND THE CONSUMER COMPOSITE INVESTMENTS (DESIGNATED ACTIVITIES) REGULATION 2024.

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 THE LAWS OF THE UNITED KINGDOM ("UK MIFIR"); AND**
- (B) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE.**

ANY 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.

[The contents of the Offering Circular (as completed by this Pricing Supplement) has not been reviewed and will not be reviewed by the Securities and Futures Commission ("SFC") or any other regulatory authority in Hong Kong and the prospective investors are advised to exercise caution in relation to the Notes. If you are in any doubt about any of the contents of these documents, you should obtain independent professional advice.]

[THE NOTES ARE ELIGIBLE FOR TRADING THROUGH THE SOUTHBOUND TRADING LINK OF THE "BOND CONNECT" REGIME. PRC INVESTORS WHO PURCHASE THE NOTES THROUGH THE "BOND CONNECT" REGIME SHOULD, IN CONNECTION WITH THE REGISTRATION, TRADING, CUSTODY, CLEARING, SETTLEMENT OF THE NOTES AND REMITTANCE AND CONVERSION OF FUNDS, COMPLY WITH APPLICABLE LAWS AND REGULATIONS OF THE PRC AND HONG KONG, INCLUDING THE INTERIM MEASURES FOR THE ADMINISTRATION OF THE CONNECTION AND COOPERATION BETWEEN THE MAINLAND AND THE HONG KONG BOND MARKET (内地与香港债券市场互联互通合作管理暂行办法) AND THE NOTICE ON THE LAUNCH OF SOUTHBOUND COOPERATION ON THE INTERCONNECTION OF BOND MARKETS BETWEEN THE MAINLAND AND HONG KONG (关于开展内地与香港债券市场互联互通南向合作的通知) PUBLISHED BY THE PEOPLE'S BANK OF CHINA (PBOC), NATIONAL INTERBANK FUNDING CENTER SOUTHBOUND BOND CONNECT TRANSACTION RULES (全国银行间同业拆借中心债券通"南向通"交易规则) PUBLISHED BY NATIONAL INTERBANK FUNDING CENTER, DETAILED RULES FOR THE IMPLEMENTATION OF THE MAINLAND CHINA AND

HONG KONG BOND MARKET CONNECTIVITY SOUTHBOUND COOPERATION BUSINESS (内地与香港债券市场互联互通南向合作业务实施细则) AND GUIDANCE FOR THE IMPLEMENTATION OF THE MAINLAND CHINA AND HONG KONG BOND MARKET CONNECTIVITY SOUTHBOUND COOPERATION BUSINESS (内地与香港债券市场互联互通南向合作业务指南) PUBLISHED BY SHANGHAI CLEARING HOUSE, AS WELL AS RULES AND REGULATIONS BY OTHER RELEVANT PARTIES.]⁷

[Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the SFA) – In connection with the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), the Issuer has determined the classification of the Notes as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]⁸

[(Insert for all Notes publicly offered in Switzerland or admitted to trading in Switzerland)] [The Offering Circular has been approved in Switzerland by SIX Exchange Regulation in its capacity as Swiss Prospectus Office and this Pricing Supplement has been registered with SIX Exchange Regulation in its capacity as Swiss Prospectus Office in accordance with FinSA. The Offering Circular is available on <https://sp.morganstanley.com/eu/prospectus/> or may be requested as a hard copy on request of the investor at the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA. The Notes may be offered, sold or advertised, directly or indirectly, in Switzerland to retail clients (*Privatkundinnen und -kunden*) within the meaning of FinSA ("**Retail Clients**") in accordance with FinSA.]

[SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES: THE SECURITIES DO NOT CONSTITUTE COLLECTIVE INVESTMENT SCHEMES WITHIN THE MEANING OF THE SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES ("CISA"). ACCORDINGLY, HOLDERS OF THE NOTES DO NOT BENEFIT FROM PROTECTION UNDER THE CISA OR SUPERVISION BY THE SWISS FINANCIAL MARKET SUPERVISORY AUTHORITY FINMA. INVESTORS BEAR THE RISK OF THE ISSUER].

(Insert for Securities admitted to trading on SIX Swiss Exchange or publicly offered in Switzerland) **[FOR SIX SWISS EXCHANGE REGULATION PURPOSES THIS PRICING SUPPLEMENT, TOGETHER WITH THE OFFERING CIRCULAR COMPRISE THE PROSPECTUS IN ACCORDANCE WITH FINSA.]**

⁷ To be included for CMU Notes.

⁸ Legend to be included on front of the Pricing Supplement if the Issuer has re-classified the Notes as "prescribed capital markets products" and "Excluded Investment Products" pursuant to Section 309B of the SFA prior to the launch of the offer and the Notes are to be offered in Singapore to persons other than Accredited Investors and Institutional Investors. Relevant Dealer(s)/Distribution Agent(s) to consider whether it / they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.

PART A – CONTRACTUAL TERMS

THE NOTES DESCRIBED HEREIN [AND ANY GUARANTEE IN RESPECT THEREOF,] AND THE SECURITIES TO BE DELIVERED ON REDEMPTION OF THE NOTES (IF ANY) HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. [THE ISSUER IS NOT REGISTERED AND WILL NOT REGISTER] [NEITHER THE ISSUER NOR THE GUARANTOR IS REGISTERED, OR WILL REGISTER,] UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED. TRADING IN THE NOTES HAS NOT BEEN APPROVED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION UNDER THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED.

[If Notes are offered under Regulation S only, insert:

THE NOTES DESCRIBED HEREIN, ANY INTEREST THEREIN[, ANY GUARANTEE IN RESPECT THEREOF] AND THE SECURITIES TO BE DELIVERED ON REDEMPTION OF THE NOTES (IF ANY) MAY NOT BE OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED 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). HEDGING TRANSACTIONS INVOLVING ANY "EQUITY SECURITIES" OF "DOMESTIC ISSUERS" (AS SUCH TERMS ARE DEFINED IN THE SECURITIES ACT AND REGULATIONS THEREUNDER) MAY ONLY BE CONDUCTED IN ACCORDANCE WITH THE SECURITIES ACT. SEE "SUBSCRIPTION AND SALE" AND "TRANSFER RESTRICTIONS" IN THE ACCOMPANYING OFFERING CIRCULAR DATED 25 JUNE 2026. IN PURCHASING THE NOTES, A PURCHASER WILL BE DEEMED TO REPRESENT AND WARRANT THAT IT IS NOT (I) LOCATED IN THE UNITED STATES, (II) A U.S. PERSON[, (III) SUBJECT TO U.S. FEDERAL INCOME TAX ON A NET BASIS (A "U.S. TAXPAYER")]⁹ OR (IV) PURCHASING ON BEHALF OF, OR FOR THE ACCOUNT OR BENEFIT OF, ANY PERSON LOCATED WITHIN THE UNITED STATES[, /OR] U.S. PERSON [OR U.S. TAXPAYER].]

[If Notes are offered under both Rule 144A and Regulation S, insert:

INTERESTS IN THIS NOTE MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") TO A PERSON WHO TAKES DELIVERY IN THE FORM OF AN INTEREST IN A REGISTERED GLOBAL INSTRUMENT THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER ("QIB") WITHIN THE MEANING OF RULE 144A (AND IN THE CASE OF A REGISTERED GLOBAL INSTRUMENT ISSUED BY MSBV, SUCH QIB IS ALSO A QUALIFIED PURCHASER ("QIB/QP") AS DEFINED IN SECTION 2(a)(51) OF THE INVESTMENT COMPANY ACT AND THE RULES THEREUNDER), PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QIBS (EACH OF WHICH IS ALSO A QP, IN THE CASE OF A REGISTERED GLOBAL INSTRUMENT ISSUED BY MSBV), WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT SUCH OFFER, SALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, AND IN A NOMINAL AMOUNT OR PURCHASE PRICE FOR EACH ACCOUNT OF NOT LESS THAN U.S.\$100,000 OR (2) TO A PERSON THAT IS NOT A U.S. PERSON (WITHIN THE MEANING OF REGULATION S) WHO TAKES DELIVERY IN THE FORM OF AN INTEREST IN A REGISTERED GLOBAL INSTRUMENT IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S, AND, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION.

SEE "SUBSCRIPTION AND SALE" AND "TRANSFER RESTRICTIONS" IN THE OFFERING CIRCULAR. IN PURCHASING THE NOTES, PURCHASERS WILL BE DEEMED TO REPRESENT AND WARRANT, AMONG OTHERS, THAT (A)(I) THEY ARE NEITHER LOCATED IN THE UNITED STATES NOR A U.S. PERSON AND (II) THAT THEY ARE NOT PURCHASING FOR, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON OR (B)(I) THEY ARE A QIB, OR IN THE CASE OF NOTES ISSUED BY MSBV, THEY ARE A QIB/QP, (II) ARE ACTING FOR THEIR OWN ACCOUNT OR FOR ONE OR MORE ACCOUNTS, EACH OF WHICH IS A QIB, OR IN THE CASE OF NOTES ISSUED BY MSBV, EACH OF

⁹ Insert for actively managed securities.

WHICH IS A QIB/QP, (III) WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS APPLICABLE TO THE SECURITIES TO ANY SUBSEQUENT TRANSFEREE (WHICH TRANSFEREE SHALL BE DEEMED TO MAKE THE SAME REPRESENTATIONS HEREIN), (IV) THEY WILL, ALONG WITH EACH ACCOUNT FOR WHICH THEY ARE PURCHASING, HOLD AND TRANSFER BENEFICIAL INTERESTS IN THE NOTES IN AN AGGREGATE PRINCIPAL AMOUNT THAT IS NOT LESS THAN THE MINIMUM DENOMINATION OF THE NOTES AND (V) ARE AWARE, AND EACH BENEFICIAL OWNER OF THE NOTES HAS BEEN ADVISED, THAT THE SALE OF THE NOTES TO IT IS BEING MADE IN RELIANCE ON RULE 144A.]

As used herein, "**U.S. person**" means (i) an individual who is a citizen or resident of the United States; (ii) a corporation, partnership or other entity treated as a corporation or partnership for United States federal income tax purposes, created or organised in or under the laws of the United States, any State thereof or the District of Columbia, or which has its principal place of business in the United States; (iii) any estate or trust which is subject to United States federal income taxation regardless of the source of its income; (iv) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and if one or more United States trustees have the authority to control all substantial decisions of the trust (or any trust which elected to be treated as a United States person prior to 20 August 1996); (v) a pension plan for the employees, officers or principals of a corporation, partnership or other entity described in (ii) above; or (vi) any other "U.S. person" as such term may be defined in Regulation S under the Securities Act or in the Final Exemptive Order Regarding Compliance with Certain Swap Regulations, as amended from time to time, promulgated by the U.S. Commodity Futures Trading Commission under the Commodity Exchange Act.]

[THE NOTES ARE NOT RATED.]¹⁰

This document constitutes the Pricing Supplement relating to the issue of the Notes described herein. This Pricing Supplement must be read in conjunction with the Offering Circular dated 25 June 2026¹¹ and the supplement(s) (if any) to the Offering Circular published and approved on or before the date of this Pricing Supplement and any supplement to the Offering Circular which may have been published and approved before the Issue Date (as defined below) (the **Supplement(s)**) (provided that to the extent any such Supplement (i) is published and approved after the date of this Pricing Supplement and (ii) provides for any change to the Conditions such changes shall have no effect with respect to the Conditions of the Notes to which this Pricing Supplement relate, unless otherwise stated in such Supplement) (together, the "**Offering Circular**"). Full information on the Issuer [, the Guarantor] and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. Copies of the Offering Circular are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA. The Offering Circular has also been published on the website of Euronext Dublin (www.live.euronext.com) and the Luxembourg Stock Exchange (www.luxse.com).

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions of the Notes set forth in the offering circular dated [●] (as supplemented from time to time).]¹²

[]

(If the Notes reference a Proprietary Index then cross reference should be made to bespoke risk factors contained in the relevant Index Rules and consideration should be given as to whether with any additional disclosure or risk factors are required to be included (or cross-referred to) in the pricing supplement.)

Information Concerning Investment Risk

[]

[A Non-U.S. holder will be subject to U.S. withholding tax unless the beneficial owner of the Note (or a financial institution holding the Notes on behalf of the beneficial owner) furnishes the appropriate Form W-8, on which the beneficial owner certifies under penalties of perjury that it is not a U.S. person. If withholding or deduction of taxes is required by law (regardless of whether a holder furnished an appropriate form), payments on the Notes

¹⁰ Delete if the Notes are rated.

¹¹ Any offer by an issuer of Notes which fall outside the scope of the Pricing Supplement to be listed on the Luxembourg Stock Exchange, will be by way of a drawdown prospectus approved by the Luxembourg Stock Exchange rather than a pricing supplement.

¹² Only include this language where it is a fungible issue and the original Tranche was issued under an offering circular with a different date.

will be made net of applicable withholding taxes, and Morgan Stanley Finance LLC will not be required to pay any additional amounts to Non-U.S. holders with respect to any taxes withheld.]¹³

[A Non-U.S. holder will be subject to U.S. withholding tax unless the beneficial owner of the Notes (or a financial institution holding the Notes on behalf of the beneficial owner) furnishes the appropriate Form W-8 BEN, on which the beneficial owner certifies under penalties of perjury that it is not a U.S. person and that it is eligible for treaty benefits under an "other income" provision of a US income tax treaty. If withholding or deduction of taxes is required by law (regardless of whether a holder furnished an appropriate form), payments on the Notes will be made net of applicable withholding taxes, and Morgan Stanley Finance LLC will not be required to pay any additional amounts to Non-U.S. holders with respect to any taxes withheld.]¹⁴

[Morgan Stanley Overview and generic risk factors to be included]

Risk factors in relation to Credit Linked Notes are set out on pages [●] to [] of the Offering Circular.

¹³ Insert if Morgan Stanley Finance LLC is the Issuer.

¹⁴ Insert if Morgan Stanley Finance LLC is the Issuer and the Notes are classified as Other Income Securities.

GENERAL

1. (i) [Issuer:] [Morgan Stanley & Co. International plc/Morgan Stanley B.V./Morgan Stanley Finance LLC/Morgan Stanley Europe SE]
 - (ii) [[Guarantor:]] [Morgan Stanley]]
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).* [Fungible with the Series [●] Tranche [1] [Title of Notes] due [●] issued by the Issuer, bearing ISIN [●]. To be consolidated to form a single series with Tranche [1] with effect as of the Issue Date of Tranche [2]]
3. Specified Currency or Currencies: []
4. Aggregate Nominal Amount of the Notes: [] (the “**Original Aggregate Nominal Amount**”)
- [In respect of the Tranche [2] Notes, [●] and the total Aggregate Nominal Amount of [●] represents the sum of the aggregate nominal amounts of Tranche 1 and Tranche 2 as of their respective issue dates]
- (i) [Series:] []
- (ii) [Tranche:] [[]]
5. Issue Price: [] per cent. of Par per Note/[] per Note
6. (i) Specified Denominations: [] [and integral multiples of [] in excess thereof].
- (N.B. Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies)).
- (ii) Calculation Amount (“**Par**”): []
7. (i) Issue Date: []
- (ii) [[Tranche 1 Issue Date:]] []
- (iii) [[Tranche 2 Issue Date:]] []
- (iv) Trade Date: []
- (v) Interest Commencement Date [[] (*Specify*)/Issue Date/First Business Day following the Issue Date/Not Applicable]
- (vi) [[Strike Date:]] []
- (vii) [[Determination Date:]] []
8. Maturity Date: [The later of:

- (1) [●] (the "Scheduled Maturity Date");
- and
- (2) the Extended Maturity Date.]
- Condition 26.1 (*Scheduled Redemption*) is applicable, subject to the Credit Linked Conditions.
9. (i) Supplementary Provisions for Belgian Notes: Not Applicable
- (ii) Minimum Redemption Amount: [Applicable/Not Applicable]
- (iii) Supplementary Provisions for Credit Linked Notes: Applicable. The Credit Linked Conditions set out in the Annex to the Terms and Conditions of the English Law Notes: Credit Linked Notes Annex shall apply.
10. Interest Basis: [[]% Fixed Rate]
- [(specify reference rate) +/- []% Floating Rate]
- [Zero Coupon]
- [Other (specify), subject to Annex A and the Credit Linked Conditions]
- (further particulars specified below)
11. Redemption/Payment Basis: Condition 26.1 (*Scheduled Redemption*) is applicable, subject to the Credit Linked Conditions.
12. Change of Interest or Redemption/Payment Basis: [Not Applicable]
13. Put/Call Options/Autocallable Early Redemption:
- (i) Redemption at the Option of the Issuer: [Applicable/Not Applicable]
- (Condition 26.5)
- (ii) Redemption at the Non-discretionary Option of the Issuer: [Applicable, as amended in Annex A and the Credit Linked Conditions] /Not Applicable]
- (Condition 26.6)
- (iii) Model-based Redemption: [Applicable/Not Applicable]
- (Condition 26.7)
- (iv) Redemption at the Option of Noteholders: [Applicable/Not Applicable]
- (Condition 26.9)
- (v) Autocallable Early Redemption: [Applicable/Not Applicable]
- (Condition 23)
- (vi) Other put/call options: [Applicable/Not Applicable]

14. (i) Status of the Notes: [As set out in Condition 4.1]
(Condition 4)

(ii) [Status of the Guarantee:] As set out in Condition 4.2]

15. Method of distribution: Non-syndicated

RELEVANT UNDERLYING

16. Relevant Underlying [Not Applicable]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

17. Fixed Rate Note Provisions [Applicable/Not Applicable][, subject to Annex A and the Credit Linked Conditions]

(Condition 5) *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) [Fixed Interest Rate(s): ☐ per cent. per annum [payable [annually/semi-annually/quarterly/monthly/ other (*specify*)] in arrear]

(ii) Interest Period: ☐[, subject to Annex A and the Credit Linked Conditions

(iii) Interest Payment Date(s): ☐ in each year [adjusted in accordance with (*specify Business Day Convention and any applicable Additional Business Centre(s) for the definition of "Business Day"*)/not adjusted][, subject to Annex A and the Credit Linked Conditions]

(iv) Fixed Coupon Amount[(s)]: [☐ per Calculation Amount]/[Not Applicable]

(v) Broken Amount(s): [☐ per Calculation Amount, payable on the Interest Payment Date falling [in/on] ☐]/[Not Applicable]

(vi) Day Count Fraction: [Actual/Actual; Actual/365(Fixed); Actual/360; 30/360; 30E/360; Eurobond Basis; Bond Basis; Actual/Actual (ICMA); other]

(vii) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other (*give details*)]

(viii) Additional Business Centre(s): ☐

(ix) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/(*give details*)]

(x) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): ☐

(xi) Additional provisions for determining Interest Amount: [☐]/[Not Applicable]

18. Regular Coupon Note Provisions Not Applicable

(Condition 6)

19. Floating Rate Note Provisions [Applicable/Not Applicable][, subject to Annex A and the Credit Linked Conditions]

(Condition 7)

(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: ☐, subject to Annex A and the Credit Linked Conditions
- (iv) Interest Period End Dates: [Each Interest Payment Date]/ *[specify other]*
- (v) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other *(give details)*]
- (vi) Specified Period: ☐/[Not Applicable]
- (vii) Additional Business Centre(s): ☐
- (viii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/CMS Rate Determination/other *(give details)*]
- (ix) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): ☐
- (x) Screen Rate Determination: [Applicable/Not Applicable]
 - (a) Reference Rate: ☐
 - (b) Interest Determination Date(s): ☐
 - (c) Relevant Screen Page: ☐
 - (d) Relevant Time: ☐
 - (e) Reference Banks: ☐
 - (f) Relevant Financial Centre: ☐
- (xi) ISDA Determination: [Applicable/Not Applicable]
 - (a) Floating Rate Option: ☐
 - (b) Designated Maturity: ☐/[Not Applicable] *(Only applicable where the Floating Rate Option is not an overnight rate)*
 - (c) Fixing Day: ☐
 - (d) Fixing Time: ☐
 - (e) Reset Date: ☐

- (f) Overnight Floating Rate Option: [Applicable/Not Applicable]
- (g) Index Floating Rate Option: [Applicable/Not Applicable]
- (h) Overnight Rate Compounding Method: [Not Applicable] *(Specify as Not Applicable if Averaging applies and delete the remaining sub-paragraphs of this paragraph)*
- (1) OIS Compounding: [Applicable]
- Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]
- [Daily Capped Rate: []]
- [Daily Floored Rate: []]
- /
- [Not Applicable]
- (2) Compounding with Lookback: [Applicable]
- Lookback: [] Applicable Business Days
- Daily Capped Rate and/or Daily Floored Rate: [Applicable]/[Not Applicable]
- [Daily Capped Rate: []]
- [Daily Floored Rate: []]
- /
- [Not Applicable]
- (3) Compounding with Observation Shift: [Applicable]
- 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: []]
- /
- [Not Applicable]
- (4) Compounding with Lockout: [Applicable]
- 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: ☐
- /
- [Not Applicable]
- (5) [ISDA Definitions]: [Applicable, as per the Floating Rate Matrix (as defined in the ISDA Definitions)] (
- (i) Overnight Rate Averaging Method: [Not Applicable] (*Specify as Not Applicable if Compounding applies and delete remaining sub-paragraphs of this paragraph*)
- (1) Overnight Averaging: [Applicable
- Daily Capped Rate and/or Daily Floored Rate: ☐[Applicable]/☐[Not Applicable]]
- [Daily Capped Rate: ☐
- [Daily Floored Rate: ☐
- /
- [Not Applicable]
- (2) Averaging Lookback: [Applicable
- [Lookback: ☐ Applicable Business Days]
- [Daily Capped Rate and/or Daily Floored Rate: ☐[Applicable]/☐[Not Applicable]]
- [Daily Capped Rate: ☐
- [Daily Floored Rate: ☐
- /
- [Not Applicable]
- (3) Averaging with Observation Shift: [Applicable
- 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: []]
 /
 [Not Applicable]
- (4) Averaging with Lockout: [Applicable]
 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: []]
 /
 [Not Applicable]
- (5) [ISDA Definitions]: [Applicable, as per the Floating Rate Matrix (as defined in the ISDA Definitions)] (
- (j) Index Method: [Applicable/Not Applicable] (*If Not Applicable delete the remaining sub-paragraphs of this paragraph*)
- (1) Standard Index Method: [Applicable/Not Applicable]
- (2) Compound Index Method: [Applicable/Not Applicable]
- (3) Compound Index Method with Observation Period Shift: [Applicable]
 Set-in-Advance: [Applicable]/[Not Applicable]
 Observation Period Shift: [] Observation Period Shift Business Days
 [Observation Period Shift Additional Business Days: []/[Not Applicable]]
 /
 [Not Applicable]
- (k) Payment Delay: [Applicable, with the specified number of days being [●] Business Days]/[Not Applicable]
- (l) 2021 ISDA Definitions Linear Interpolation: [Applicable]/[Not Applicable] (
- (m) Unscheduled Holidays: [Applicable]/[Not Applicable] (
- (n) Period End Date/Termination Date [Applicable]/[Not Applicable]

	adjustment Unscheduled Holiday:	for	
(o)	Non-Representative:		[Applicable]/[Not Applicable]
(p)	Successor Benchmark:		[]
			Successor Benchmark Effective Date: []
(q)	[TEC10 Adjustment:		[Applicable][Not Applicable]
			<i>(Only include where TE10 is the underlying)</i>
(xii)	Margin(s):		[+/-][] per cent. per annum
(xiii)	[Interest Participation Rate:		]/[As specified in the Rate Table below]]
(xiv)	[Rate Table:]		Rate Table
		Interest Payment Date(s)	Margin
		[]	[[+/-][] cent. annum]
		<i>(repeat as required)</i>	<i>(repeat as required)</i>
			per per
			Interest Participation Rate
			[]
			<i>(repeat as required)</i>
(xv)	Minimum Rate of Interest:		[] per cent. per annum
(xvi)	Maximum Rate of Interest:		[] per cent. per annum
(xvii)	Day Count Fraction:		[]
(xviii)	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:		[]
(xix)	CMS Rate Determination:		[Applicable]/[Not Applicable]
			<i>(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(a)	CMS Interest Rate:		[Single CMS Rate] [Spread CMS Rate]
		[CMS Reference Rate [1]] <i>(If CMS Interest Rate is "Spread CMS Rate", insert this column and heading "CMS Reference Rate 1")</i>	[CMS Reference Rate 2] <i>(If CMS Interest Rate is "Spread CMS Rate", insert this column and heading "CMS Reference Rate 2")</i>
(b)	Specified Swap Rate:	[the swap rate/annual swap rate/semi- annual swap rate/quarterly swap	[the swap rate/annual swap rate/semi-annual swap rate/quarterly swap rate/quarterly-annual swap

		rate/quarterly-annual swap rate/quarterly- quarterly swap rate]	rate/quarterly-quarterly swap rate]
(c)	Reference Currency:	[]	[]
(d)	Designated Maturity:	[] [month[s]/year[s]]	[] [month[s]/year[s]]
(e)	Relevant Screen Page:	[]	[]
(f)	Relevant Time:	[]	[]
(g)	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]	[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]
(h)	Fallback Determination:	Rate [Determination Agent Fallback: Applicable – to be applied first/second/third]/[Not Applicable]	[Determination Agent Fallback: Applicable – to be applied first/second/third]/[Not Applicable]
		Fallback Screen Page: Applicable – to be applied first/second/third/[Not Applicable]	Fallback Screen Page: Applicable – to be applied first/second/third/[Not Applicable]
		Mid-Market Quotations: Applicable – to be applied first/second/third]/[Not Applicable]	Mid-Market Quotations: Applicable – to be applied first/second/third]/[Not Applicable]
		[Reference Banks: []]	[Reference Banks: []]
(i)	Specified Fixed Leg (for determination of Mid-Market Quotations if specified to be applicable):	[annual fixed leg/semi-annual fixed leg/quarterly-annual fixed leg/quarterly- quarterly fixed leg]	[annual fixed leg/semi-annual fixed leg/quarterly-annual fixed leg/quarterly- quarterly fixed leg]
(j)	Fixed Leg Day Count Basis:	[Actual/Actual [ICMA]]/[Actual/Actual]/[Actual/Actual (ISDA)]/[Actual/365	[Actual/Actual [ICMA]]/[Actual/Actual]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/

		(Fixed)]/[Actual/365 L]/	[Actual/360]/[30/360]/										
		[Actual/360]/[30/360]/	[30/360 (ICMA)]/ [30/360 (ISDA)]/										
		[30/360 (ICMA)]/ [30/360 (ISDA)]/	[360/360]/[Bond Basis]/[30E/360]/ [Eurobond Basis]/[30E/360 (ISDA)]/[1/1]										
		[360/360]/[Bond Basis]/[30E/360]/ [Eurobond Basis]/[30E/360 (ISDA)]/[1/1]											
(k)	Floating Leg Day Count Basis:	[Actual/Actual (ICMA)]/[Actual/Act ual]/[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365 L]/	[Actual/Actual (ICMA)]/[Actual/Actual]/ [Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/										
		[Actual/360]/[30/360]/	[Actual/360]/[30/360]/[30/3 60 (ICMA)]/[30/360 (ISDA)]/[360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1]										
		[30/360 (ICMA)]/ [30/360 (ISDA)]/											
		[360/360]/[Bond Basis]/[30E/360]/[Eu robond Basis]/[30E/360 (ISDA)]/[1/1]											
(l)	Floating Leg Rate Option:	[]	[]										
(m)	Margin [1]: (If CMS Interest Rate is "Spread CMS Rate", insert "Margin 1")	[]/[As specified in the Rate Table below]											
(n)	Margin 2:	[]/[As specified in the Rate Table below] (<i>Specify "Margin 2" if CMS Interest Rate is "Spread CMS Rate", otherwise delete this paragraph</i>)											
(o)	[Interest Participation Rate [1]: (If CMS Interest Rate is "Spread CMS Rate", insert "Interest Participation Rate 1")	[]/[As specified in the Rate Table below]											
(p)	Interest Participation Rate 2:	[]/[As specified in the Rate Table below] (<i>Specify "Interest Participation Rate 2" if CMS Interest Rate is "Spread CMS Rate", otherwise delete this paragraph</i>)											
(q)	[Rate Table:]	<table><tr><th colspan="5">Rate Table</th></tr><tr><th>Interest Payment Date</th><th>[Margin [1]]</th><th>[Margin 2]</th><th>[Interest Participatio n Rate [1]]</th><th>[Interest Participati on Rate 2]</th></tr></table>		Rate Table					Interest Payment Date	[Margin [1]]	[Margin 2]	[Interest Participatio n Rate [1]]	[Interest Participati on Rate 2]
Rate Table													
Interest Payment Date	[Margin [1]]	[Margin 2]	[Interest Participatio n Rate [1]]	[Interest Participati on Rate 2]									

		☐	☐	☐	☐	☐
		(repeat as required)	(repeat as required)	(repeat as required)	(repeat as required)	(repeat as required)
(xx)	Condition 7.6 (<i>Provisions specific to SOFR as Reference Rate</i>):	[Applicable]/[Not Applicable]				
(1)	SOFR Compound with Lookback:	[Applicable				
		Lookback Days: ☐ U.S. Government Securities Business Days]				
		/				
		[Not Applicable]				
(2)	SOFR Compound with Observation Period Shift:	[Applicable				
		Observation Shift Days: ☐ U.S. Government Securities Business Days]				
		/				
		[Not Applicable]				
(3)	SOFR Compound with Payment Delay:	[Applicable]/[Not Applicable]				
(4)	SOFR Index Average:	[Applicable				
		SOFR Index _{Start} : ☐ U.S. Government Securities Business Days preceding the first day 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]				
		/				
		[Not Applicable]				
(xxi)	Condition 7.7 (<i>Provisions specific to SONIA as Reference Rate</i>):	[Applicable]/[Not Applicable] (<i>if not applicable delete the remaining sub-paragraphs of this paragraph</i>)				
(1)	SONIA Compound with Lookback:	[Applicable				
		Lookback Days: ☐ London Banking Days]/				
		[Not Applicable]				
(2)	SONIA Compound Observation Period Shift:	[Applicable				
		Observation Shift Days: ☐ London Banking Days]/				
		[Not Applicable]				

- (3) SONIA Compound with Payment Delay: [Applicable]/[Not Applicable]
[SONIA Rate Cut-Off Date: ☐ London Banking Days]
- (4) SONIA Index Average: [Applicable]
Relevant Number: ☐
Observation Shift Days: ☐ London Banking Days
/
[Not Applicable]
- (xxii) Condition 7.8 (*Provisions specific to €STR as Reference Rate*): [Applicable]/[Not Applicable]
- (1) €STR Compound with Lookback: [Applicable]
Lookback Days: ☐ TARGET Settlement Days
/
[Not Applicable]
- (2) €STR Compound with Observation Period Shift: [Applicable]
Observation Shift Days: ☐ TARGET Settlement Days
/
[Not Applicable]
- (3) €STR Compound with Payment Delay: [Applicable]/[Not Applicable]
[€STR Rate Cut-Off Date: ☐ TARGET Settlement Days]
- (4) €STR Index Average: [Applicable]
Relevant Number: ☐
Observation Shift Days: ☐ TARGET Settlement Days
/
[Not Applicable]
- (xxiii) Condition 7.9 (*Provisions specific to SARON as Reference Rate*): [Applicable]/[Not Applicable]
- (1) SARON Compound with Lookback: [Applicable]
Lookback Days: ☐ Zurich Banking Days
/
[Not Applicable]

- (2) SARON Compound with Observation Period Shift: [Applicable]
Observation Shift Days: Zurich Banking Days]
/
[Not Applicable]
- (3) SARON Compound with Payment Delay: [Applicable]/[Not Applicable]
[SARON Rate Cut-Off Date: ☐ Zurich Banking Days]
- (4) SAION Index Average: [Applicable]
Relevant Number: ☐
Observation Shift Days: Zurich Banking Days]
/
[Not Applicable]
- (xxiv) Condition 7.10 (*Provisions specific to TONA as Reference Rate*): [Applicable]/[Not Applicable]
- (1) TONA Compound with Lookback: [Applicable]
Lookback Days: ☐ Tokyo Banking Days]
/
[Not Applicable]
- (2) TONA Compound with Observation Period Shift: [Applicable]
Observation Shift Days: Tokyo Banking Days]
/
[Not Applicable]
- (3) TONA Compound with Payment Delay: [Applicable]/[Not Applicable]
[TONA Rate Cut-Off Date: ☐ Tokyo Banking Days]
- (4) TONA Index Average: [Applicable]
Relevant Number: ☐
Observation Shift Days: Tokyo Banking Days]
/
[Not Applicable]
- (xxv) Condition 7.18 (*Relevant Rates Benchmark Discontinuance or Prohibition on Use*): [Applicable]/[Not Applicable] (*if not applicable delete the remaining sub-paragraphs of this paragraph*)
- (1) Other Relevant Rates Benchmark: [*specify*]/[Not Applicable] (*specify any applicable Relevant Rates Benchmark Rate which is not a Reference Rate. Otherwise delete line*)

	(2)	Alternative Pre-nominated Reference Rate:	<i>[specify]</i> [Not Applicable] (<i>specify in respect of each Relevant Rates Benchmark</i>)
	(3)	Administrator/Benchmark Event applicable for Condition 7.18 (<i>Relevant Rates Benchmark Discontinuance or Prohibition on Use</i>)	[Applicable as per the Conditions] [Not Applicable]
	(4)	If ISDA Determination applies, ISDA Bespoke Fallbacks to apply in priority to other fallbacks in Condition 7.18 (<i>Relevant Rates Benchmark Discontinuance or Prohibition on Use</i>):	[Yes][No]
	(xxvi)	Correction Cut-off Time	[]/[As set out in the Conditions]/[Not Applicable] (<i>specify per trade as required</i>)
	(xxvii)	Additional provisions for determining Interest Amount:	[]/[Not Applicable]
20.	Zero Coupon Note Provisions: (Conditions 8 and 26.10)		[Not Applicable][Applicable, subject to Annex A and the Credit Linked Conditions.] [" Zero Coupon Note " means a Credit Linked Note where the Zero Coupon Note Provisions are specified as Applicable, irrespective of whether 'Accreting Recovery Zero Coupon Credit Linked Notes' is specified in Annex A as Applicable or Not Applicable.]
21.	Dual Currency-Linked Note Interest Provisions	Not Applicable	
22.	Equity and Proprietary Index-Linked Interest Note Provisions:	Not Applicable	
23.	Commodity-Linked Interest Note Provisions	Not Applicable	
24.	Currency-Linked Interest Note Provisions	Not Applicable	
25.	Inflation-Linked Interest Note Provisions	Not Applicable	
26.	Property-Linked Interest Note Provisions	Not Applicable	
27.	Fund-Linked Interest Note Provisions	Not Applicable	
28.	Futures Contract-Linked Interest Note Provisions	Not Applicable	
29.	Credit Linked Interest Note Provisions	Not Applicable	
			The Credit Linked Conditions shall apply, subject to Annex A and Annex B.

30.	ETN-Linked Interest Note Provisions	Not Applicable
31.	Rate Linked Interest Note Provisions	Not Applicable
32.	Preference Share-Linked Interest Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

33.	Call Option	[Applicable/Not Applicable]
	(Condition 26.5 (<i>Redemption at the Option of the Issuer</i>) and Condition 26.6 (<i>Redemption at the Non-Discretionary Option of the Issuer</i>) (to the extent applicable)) <i>(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)</i>	
	(i) Optional Redemption Date(s):	☐
	(ii) Optional Redemption Amount (Call) of each Note and method, if any, of calculation of such amount(s):	☐ per Calculation Amount
	(iii) Maximum Call Notice Number of Day(s):	☐ [calendar day[s]] / [Business Day[s]]
	(iv) Minimum Call Notice Number of Day(s):	☐ [5] [Business Day[s]] / [calendar day[s]] ¹⁵
	(v) Non-discretionary Call Option:	[Applicable/Not Applicable]
34.	Model-based Redemption	[Applicable/Not Applicable]
	(Condition 26.7) <i>(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)</i>	
	(i) Model-based Redemption Date(s) (Call)	☐
	(ii) Model-based Redemption Amount(s) (Call)	☐
	(iii) Model-based Redemption Notice Date(s) (Call)	☐
	(iv) Model-based Redemption Determination Cut-off Date(s) (Call)	☐
35.	Put Option	[Applicable/Not Applicable]
	(Condition 26.9) <i>(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)</i>	
	(i) Optional Redemption Date(s):	☐
	(ii) Optional Redemption Amount (Put) of each Note and method, if any, of calculation of such amount(s):	☐ per Calculation Amount

¹⁵ Euroclear/Clearstream require a minimum of 5 Business Days' notice to exercise a call option.

	(iii)	Maximum Put Notice Number of Day(s):	☐ [calendar day[s]] / [Business Day[s]]
	(iv)	Minimum Put Notice Number of Day(s):	☐ [15] [Business Day[s]] / [calendar day[s]] ¹⁶
36.	Autocallable Early Redemption (Condition 23)		[Applicable/Not Applicable] <i>(If Not Applicable, delete the remaining sub-paragraphs of this paragraph) (if Applicable, insert relevant provisions)</i>
	(i)	Autocallable Early Redemption Observation Date(s):	☐
	(ii)	Autocallable Early Redemption Amount(s) of each Note and method and calculation of such amount(s):	☐
	(iii)	Autocallable Early Redemption Date(s):	☐
	(iv)	Autocall Override:	[Applicable/Not Applicable]
37.	Final Redemption Amount of each Note (Credit Linked Condition 1.3)		The principal amount payable in respect of each Note will be determined in accordance with Credit Linked Condition 1.3 (<i>Redemption on the Scheduled Maturity Date where no Relevant Credit Event has occurred</i>), subject to the Credit Linked Conditions. "Redemption Price" means [] per cent. of the Aggregate Nominal Amount
38.	Dual Currency Redemption Provisions		Not Applicable
39.	Equity and Proprietary Index-Linked Redemption Provisions		Not Applicable
40.	Commodity-Linked Redemption Provisions		Not Applicable
41.	Currency-Linked Redemption Provisions		Not Applicable
42.	Inflation-Linked Redemption Provisions		Not Applicable
43.	Property-Linked Redemption Provisions		Not Applicable
44.	Fund-Linked Redemption Provisions		Not Applicable
45.	Futures Contract-Linked Redemption Provisions		Not Applicable
46.	Credit Linked Redemption Provisions		Applicable. The Credit Linked Conditions shall apply, subject to Annex A and Annex B.
47.	Bond-Linked Redemption Provisions		Not Applicable
48.	ETN-Linked Redemption Provisions		Not Applicable
49.	Rate-Linked Redemption Provisions		Not Applicable

¹⁶ Clearstream requires a minimum of 15 Business Days' notice to exercise a put option. Euroclear requires 5 Business Days' notice.

50.	Preference Share-Linked Redemption Provisions:	Not Applicable
51.	Early Redemption Events (Conditions 26.2/26.3, 31 or 32 [or Credit Linked Condition 16] ¹⁷ [or Credit Linked Condition 21.3] ¹⁸)	[The Conditions and the Credit Linked Conditions set out certain circumstances in which the Notes may be redeemed before the Scheduled Maturity Date. For instance, the Notes may be redeemed before the Scheduled Maturity Date as a result of [(X)] any change to the applicable taxation law, as fully set out in Condition 26.2 (<i>Tax Redemption – Morgan Stanley Notes, MSFL Notes and MSFII Notes</i>)/26.3 (<i>Tax Redemption – MSI plc Notes, MSBV Notes, MSFII Notes and MSESE Notes</i>); [or as a result of a Merger Event, as fully set out in Credit Linked Condition 16 (<i>Redemption upon Merger Event</i>);]¹⁹ or as a result of an Event of Default, as fully set out in Condition 31 (<i>Events of Default</i>); or as a result of the Issuer's determination that its performance under the Notes have become or will become unlawful, as fully set out in Condition 32 (<i>Illegality and Regulatory Event</i>); or as fully set out in Credit Linked Condition 21.3 (<i>Reference Obligation Only Redemption</i>)]²⁰ [; or (Y) a portion of each Note equal to the Partial Amount may be redeemed early as a result of [a Merger Event] [or] [a Substitution Event], as fully set out in [Credit Linked Condition 16 (<i>Redemption upon Merger Event</i>)] [and] [Credit Linked Condition 21.3 (<i>Reference Obligation Only Redemption</i>)]]²¹ (each an "Early Redemption Event").]
52.	(i) Early Redemption Amount(s) per Calculation Amount payable upon early redemption (Conditions 26.2/26.3, 31 or 32) [or Credit Linked Condition 16] ²² [or Credit Linked Condition 21.3] ²³):	If the Notes are redeemed before the Scheduled Maturity Date pursuant to Condition 26.2 (<i>Tax Redemption – Morgan Stanley Notes, MSFL Notes and MSFII Notes</i>)/ 26.3 (<i>Tax Redemption – MSI plc Notes, MSBV Notes, MSFII Notes and MSESE Notes</i>), [Credit Linked Condition 16 (<i>Redemption upon Merger Event</i>),]²⁴ [Credit Linked Condition 21.3 (<i>Reference Obligation Only Redemption</i>),]²⁵ Condition 31 (<i>Events of Default</i>) or Condition 32 (<i>Illegality and Regulatory Event</i>), each Note will be redeemed at the Early Redemption Amount, which shall be the fair market value of such Note on the day that is two Business Days prior to the date of redemption of the Notes (such date of redemption being the "Early Redemption Date"), as determined by the Determination Agent, acting in good faith and in a commercially reasonable manner, by reference to factors that the Determination Agent considers relevant, including without limitation, (a) the then

¹⁷ Insert only if Merger Event is applicable.

¹⁸ Insert only if the Series of Credit Linked Notes is a Reference Obligation Only Series or for Linear Basket Credit Linked Notes if there are Reference Obligation Only Reference Entities.

¹⁹ Insert only if Merger Event is applicable and the Credit Linked Notes are not Basket Credit Linked Notes or Tranching Index Credit Linked Notes.

²⁰ Insert only if the Series of Credit Linked Notes is a Reference Obligation Only Series.

²¹ Insert only if Merger Event is applicable and the Credit Linked Notes are Basket Credit Linked Notes or Tranching Index Credit Linked Notes and/or for Linear Basket Credit Linked Notes if there are Reference Obligation Only Reference Entities.

²² Insert only if Merger Event is applicable.

²³ Insert only if the Series of Credit Linked Notes is a Reference Obligation Only Series or for Linear Basket Credit Linked Notes if there are Reference Obligation Only Reference Entities.

²⁴ Insert only if Merger Event is applicable and the Credit Linked Notes are not Basket Credit Linked Notes or Tranching Index Credit Linked Notes.

²⁵ Insert only if the Series of Credit Linked Notes is a Reference Obligation Only Series.

prevailing interest rates, (b) the value of each embedded derivative, (c) the reasonable costs to the Issuer or its affiliates of unwinding any related hedging arrangements, but (d) if such Note is redeemed following an Event of Default, disregarding any change in the creditworthiness of the Issuer since the Trade Date.

*[For Basket Credit Linked Notes or Tranche Index Credit Linked Notes insert: If a portion of each Note equal to the Partial Amount is redeemed early pursuant to [Credit Linked Condition 16 (Redemption upon Merger Event)] [or] [Credit Linked Condition 21.3 (Reference Obligation Only Redemption)], such portion of each Note shall be redeemed at the Early Redemption Amount, which shall be the fair value of the Partial Amount of such Note on the day that is two Business Days prior to the due date for redemption, as determined by the Determination Agent, acting in good faith and in a commercially reasonable manner, by reference to factors that the Determination Agent considers relevant, including without limitation, (a) the then prevailing interest rates, (b) the value of each embedded derivative and (c) the reasonable costs to the Issuer or its Affiliates of unwinding any related hedging arrangements.]*²⁶

[For the avoidance of doubt, this paragraph 52(i) shall apply to the Early Redemption Amount payable in respect of any Zero Coupon Note.]

(ii) Early Redemption Amount(s) per Calculation Amount payable upon an event described in Condition 11.2(d) / 11.2(f) / 11.4(a)(iii) / 11.4(b)(iii) / 11.5(c) / 11.6(c) / 11.7(c) / 11.8(c) / 12.4(c) / 12.6(d) / 12.7(d) / 12.8(b) / 13.6(a)(iii) / 13.8(c) / 14.2(e) / 14.6(c) / 15.3 / 15.8 / 15.10(c) / 16.4 / 21.9 / 21.10 / 21.12 / 22.6 / 22.7:	If the Notes are redeemed before the Scheduled Maturity Date pursuant to an event described in Condition 11.2(d) / 11.2(f) / 11.4(a)(iii) / 11.4(b)(iii) / 11.5(c) / 11.6(c) / 11.7(c) / 11.8(c) / 12.4(c) / 12.6(d) / 12.7(d) / 12.8(b) / 13.6(a)(iii) / 13.8(c) / 14.2(e) / 14.6(c) / 15.3 / 15.8 / 15.10(c) / 16.4 / 21.9 / 21.10 / 21.12 / 22.6 / 22.7, each Note will be redeemed at the Early Redemption Amount, which shall be the fair market value of such Note on the Early Redemption Date, as determined by the Determination Agent, acting in good faith and in a commercially reasonable manner, by reference to factors that the Determination Agent considers relevant, including without limitation, (a) the then prevailing interest rates, (b) the value of each embedded derivative, and (c) the reasonable costs to the Issuer or its affiliates of unwinding any related hedging arrangements.
(iii) CMS Reference Rate – Effect of Benchmark Transition Event and Benchmark Amendment Event as described in Condition 7.19 (<i>CMS Reference Rate - Effect of Index Cessation Event</i>)	Administrator/Benchmark Event: applicable for Condition 7.19(d): [Not Applicable] [Applicable as per the Conditions] [Alternative Pre-nominated Reference Rate: [None] [Specify]]

If the Notes are redeemed before the Scheduled Maturity Date pursuant to an event described in

²⁶ Insert only if Merger Event is applicable and/or for Linear Basket Credit Linked Notes if there are Reference Obligation Only Reference Entities.

Condition 7.19 (*CMS Reference Rate - Effect of Index Cessation Event*), each Note will be redeemed at the Early Redemption Amount, which shall be the fair market value of such Note on the Early Redemption Date, as determined by the Determination Agent, acting in good faith and in a commercially reasonable manner, by reference to factors that the Determination Agent considers relevant, including without limitation, (a) the then prevailing interest rates, (b) the value of each embedded derivative, and (c) the reasonable costs to the Issuer or its affiliates of unwinding any related hedging arrangements.

Reference Time: [●]/[Not Applicable]

53. Illegality and Regulatory Event:

(Condition 32)

(i) Illegality and Regulatory Event: [Applicable] / [Not Applicable] (*Note that the Illegality and Regulatory Event provision may only be specified as "Not Applicable" in relation to a Series of Notes which is issued by MSBV or MSFL and is (i) rated and/or (ii) listed on an Italian Exchange*)

(ii) Early Redemption Amount (*Illegality and Regulatory Event*): As per paragraph 52(i)

54. Substitution of Issuer or Guarantor with non-Morgan Stanley Group entities:

(Condition 43.2)

[Applicable] / [Not Applicable] (*Note that this provision may only be specified as "Not Applicable" in relation to a Series of Notes which is issued by MSBV, or MSFL and is (i) rated and/or (ii) listed on an Italian Exchange*)

55. Governing Law:

(Condition 46)

English law

GENERAL PROVISIONS APPLICABLE TO THE NOTES

56. Form of Notes:

(Condition 3)

[Registered Notes:

[Global Note Certificate registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg] / [a sub-custodian for Hong Kong Monetary Authority as operator of the Central Moneymarkets Unit Service (the "CMU")]²⁷, exchangeable for Individual Note Certificates in the limited circumstances described in the Global Note Certificate.]

57. Record Date:

[For so long as the Notes are represented by a Global Note Certificate, the Record Date shall be one Clearing System Business Day before the relevant due date for payment. The Record Date for Notes in definitive form shall be 15 days before the relevant due date for payment.]

²⁷

To be included for CMU Notes.

58. Additional Financial Centre(s) or other special provisions relating to Payment Business Days: [Not Applicable/[] (*specify Additional Financial Centre(s).*)]
59. Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/No Adjustment/Not Applicable/See paragraph [] above/other (*give details*)]
60. Additional Business Centre(s): []/[Not Applicable]
61. Determination Agent: Morgan Stanley & Co. International plc or its Affiliates (or its successor)/[] (*insert other Morgan Stanley Group entity*)
62. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: Not Applicable
63. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: Not Applicable
64. Redenomination, renominatisation and reconventioning provisions: [Not Applicable/The provisions [in Condition 42] [annexed to this Pricing Supplement apply]]
65. Restrictions on free transferability of the Notes: [None/[See "*Additional Selling Restrictions*"]/[] (*give details*)]
66. (A) Inconvertibility Event Provisions A:
(Condition 24) [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph. Note that if paragraph 66(B) below is specified as Applicable, then this line item 66(A) must be specified as Not Applicable.)
- (i) Consequences of the occurrence of an Inconvertibility Event: [Converted Payment]/[Early Redemption]/[Suspended Payment]
- (ii) Inconvertibility Early Redemption Amount: [Not Applicable] [OR]
[As per paragraph 52(i)]
- (iii) Relevant Currency/ies: []
- (iv) Relevant Jurisdiction: []
- (v) Inconvertibility Specified Currency: []
- (vi) Settlement Rate Option: [Currency Reference Dealers]/[Not Applicable]
- (vii) Fallback FX Spot Rate: []
- (B) Inconvertibility Event Provisions B: [Applicable/Not Applicable]

(Condition 24)

(If applicable, following the occurrence of an Inconvertibility Event, the Issuer will specify, in the Inconvertibility Event Notice (a) if Converted Payment is to apply instead of the default position of payment suspension, (b) the Relevant Currency, (c) the Relevant Jurisdiction, (d) the Inconvertibility Specified Currency and (e) where Converted Payment is specified to apply, the Fallback FX Spot Rate)

67. CNY Center: []/[Not Applicable]
68. Taxation:
- (i) Condition 30.1: "Additional Amounts" is [Applicable/Not Applicable]
- (ii) Condition 30.3: Implementation of Financial Transaction Tax: [Applicable/Not Applicable]
69. Other terms: See Annex A, Annex B and the Credit Linked Conditions.

DISTRIBUTION

70. (i) If syndicated, of Managers and underwriting commitments (and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers) Not Applicable
- (ii) Stabilising Manager(s) (if any): Not Applicable
71. If non-syndicated, name and address of Dealer: [Not Applicable/[] (give name and address)]
72. U.S. Selling Restrictions: [Regulation S]/[Regulation S / 144A]²⁸
73. [Total commission and concession: [] per cent. of the Aggregate Nominal Amount]²⁹
74. Additional selling restrictions: [Not Applicable/[] (give details)]

[Neither the Offering Circular, this Pricing Supplement, nor any other offering material relating to the Notes has been submitted to the clearance procedures of the Autorité des Marchés Financiers ("AMF") or to the competent authority of another member state of the European Economic Area and subsequently notified to the AMF.]

The Notes have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France unless in compliance with article 1(4) of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated

²⁸ MSBV, MSFL and MSIP may offer and sell Regulation S Notes or Regulation S/Rule 144A Notes. Morgan Stanley, MSFII and MSESE may only offer and sell Regulation S Notes

²⁹ Optional.

market, as implemented into French law. Neither the Offering Circular, this Pricing Supplement, nor any other offering material relating to the Notes has been or will be:

- released, issued, distributed or caused to be released, issued or distributed to the public in France; or
- used in connection with any offer for subscription or sale of the Notes to the public in France.

Such offers, sales and distributions will be made in France only to qualified investors (*investisseurs qualifiés*) and/or to a restricted circle of investors (*cercle restreint d'investisseurs*), in each case investing for their own account, all as defined in, and in accordance with, articles L.411-2, 1°, D.411-2-1 and D.411-4 of the French Code monétaire et financier ("CMF").

The Notes may be resold directly or indirectly to the public in France, only in compliance with the aforementioned articles of the CMF.

The Offering Circular, this Pricing Supplement and any other offering materials are strictly confidential and may not be distributed to any person or entity other than the recipients hereof.]³⁰

75. Singapore Sales to Institutional Investors and Accredited Investors only: [Applicable/Not Applicable]

[United States Taxation³¹

This discussion is limited to the U.S. federal tax issues addressed below. Additional issues may exist that are not addressed in this discussion and that could affect the federal tax treatment of an investment in the Notes. Investors should seek their own advice based upon their particular circumstances from an independent tax advisor.

All investors should review carefully the section entitled "United States Federal Taxation" in the Offering Circular.

[Withholding on Credit Linked Notes³²

The following discussion is relevant to Credit Linked Notes issued by MSFL that pay fixed, periodic coupons and that have a maximum redemption amount equal to the principal amount of such Notes. There is no direct legal authority as to the proper treatment of the Notes for U.S. federal income tax purposes, and, therefore, significant aspects of the tax treatment of the Notes are uncertain. We intend to treat a Note for U.S. federal income tax purposes as a unit consisting of (i) a put right written by you to us that, if exercised, requires you to pay to us an amount equal to the deposit (described in (ii), below), in exchange for a cash amount equal to the amount (excluding accrued but unpaid interest) required to be paid to you upon redemption of the Notes and (ii) a deposit with us of a fixed amount of cash to secure your obligation under the put right. Based on this treatment, a portion of any periodic payment on the Notes will be treated as interest on the deposit, and the remainder will be attributable to the premium on the put right. Alternative U.S. federal income tax treatments of the Notes are possible, and if the Internal Revenue Service (the "IRS") were successful in asserting such an alternative tax

³⁰ Insert for Notes to be distributed to investors in France.

³¹ Insert for Notes issued by MSFL.

³² Insert for Credit Linked Notes issued by MSFL that pay fixed, periodic coupons and that have a maximum redemption amount equal to the principal amount of such Notes.

treatment for the Notes the timing and the character of income on the Notes might differ significantly from the tax treatment described herein. We do not plan to request a ruling from the IRS regarding the tax treatment of the Notes, and the IRS or a court may not agree with the tax treatment described herein.

In addition, the U.S. Treasury Department and the IRS have requested comments on various issues regarding the U.S. federal income tax treatment of "prepaid forward contracts" and similar financial instruments and have indicated that such transactions may be the subject of future regulations or other guidance. Furthermore, members of Congress have proposed legislative changes to the tax treatment of derivative contracts. Any legislation, Treasury regulations or other guidance promulgated after consideration of these issues could materially and adversely affect the tax consequences of an investment in the Notes, possibly with retroactive effect.

Assuming the above treatment of the Notes is respected and except as otherwise discussed in "*United States Federal Taxation—FATCA*" and "*United States Federal Taxation—Backup Withholding and Information Reporting*," in the accompanying Offering Circular, we currently do not expect payments on the Notes to be subject to U.S. federal withholding tax, provided the conditions (including the certification requirements necessary to establish an exemption from withholding) discussed in "*United States Federal Taxation—Notes—Notes Treated as Indebtedness*" in the accompanying Offering Circular are met. However, in the event of a change of law or any formal or informal guidance by the IRS, the U.S. Treasury Department or Congress, we may decide to withhold on payments made with respect to the Notes to Non-U.S. holders. In that case, (regardless of whether a holder furnished an appropriate form), payments on the Notes will be made net of applicable withholding taxes, and we will not be required to pay any additional amounts with respect to amounts withheld.

Non-U.S. holders should read the section of the accompanying Offering Circular entitled "*United States Federal Taxation*."

None of the Issuer, Guarantor and Dealer, nor any of their respective Affiliates are qualified to give legal, tax or accounting advice to its clients and does not purport to do so in this document. Clients are urged to seek the advice of their own professional advisors about the consequences of the proposals contained herein.

Each Noteholder should seek advice, based on its particular circumstances from an independent tax advisor, regarding the U.S. federal income tax consequences of an investment in the Notes, including possible alternative treatments, and any tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.]

[PURPOSE OF PRICING SUPPLEMENT

This Pricing Supplement comprises the pricing supplement required to [issue]/[list and have admitted to trading on (*specify relevant market*) the issue of] the Notes described herein pursuant to the Regulation S / 144A Program for the Issuance of Notes, Series A and B, Warrants and Certificates.]

POTENTIAL SECTION 871(M) TRANSACTION

Please see paragraph 6 of Part B – Other Information to this Pricing Supplement for additional information regarding withholding under Section 871(m) of the Code.

RESPONSIBILITY

The Issuer [and the Guarantor] accept[s] responsibility for the information contained in this Pricing Supplement.

[(Relevant third party information) has been extracted from [] (specify source)]. [Each of the] [The] Issuer [and the Guarantor] confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from 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 the Official List of Euronext Dublin and trading on its Global Exchange Market 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 on [the Luxembourg Stock Exchange's Euro MTF market] and to the Official List of the Luxembourg Stock Exchange 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 on [the International Securities Market of the London Stock Exchange] with effect from [].]

[Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on EuroTLX within ten (10) calendar days within the Issue Date.]

[No assurances can be given that such application for listing and/or admission to trading will be granted (or, if granted, will be granted by [] [the Issue Date.])] [The Issuer has no duty to maintain the listing (if any) of the Notes on the relevant stock exchange(s) over their entire lifetime.]

[Not Applicable.]

(Where documenting a fungible issue, indicate that original Notes are already admitted to trading.)

[Last day of Trading:

[])

2. RATINGS

Ratings:

[The Notes to be issued have been rated:

[S & P: []]

[Moody's: []]

[Fitch: []]

[[Other]: []]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Program generally or, where the issue has been specifically rated, that rating.)

[The Notes will not be rated].]

3. USE OF PROCEEDS, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) [Use of Proceeds:] *[If the Issuer is MSIP or MSESE and the Notes do not constitute Sustainable Bonds: The net proceeds from the issue of Notes will be applied by the Issuer for [its general corporate purposes and/or, in connection with hedging its obligations under the Notes] / [specify any other reasons].]*
- [If the Issuer is MSBV: At least 95% of the proceeds will be invested (uitzetten) within the group of which MSBV forms part.]*
- [If the Issuer is MSFL: MSFL intends to lend the net proceeds from its issuances of the Notes to Morgan Stanley.]*
- [If the Issuer is MSFL and the Notes constitute Sustainable Bonds: The Notes constitute [Green Bonds]/[Social Bonds]/[Sustainability Bonds] and an amount equal to the gross proceeds raised will be used to finance and/or refinance, in whole or in part, one or more of the projects included in the [Green Eligible Projects]/[Social Eligible Projects]/[Green Eligible Projects and Social Eligible Projects] pursuant to the Morgan Stanley Sustainable Issuance Framework which is available on the website of the Morgan Stanley ([●]) and described below:*
- [Describe specific projects included in the Green Eligible Projects and/or Social Eligible Projects]*
- (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 are insufficient to fund all the proposed uses state amount and sources of other funding.)*
- (iii) [Estimated expenses relating to the issue:] [●]

4. **[Notes linked to a Relevant Underlying only – PERFORMANCE OF EQUITY/INDEX/COMMODITY/CURRENCY/FUND/FUTURES CONTRACT/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING**

[●]

(Include details of where past and future performance and volatility of the index/equity/commodity/currency/fund/formula/other variable can be obtained. Where the underlying is an index, include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer, include details of where the information about the index can be obtained, including for these purposes where the index is published. Where the underlying is not an index, include equivalent information, including the NAV source in relation to any fund. Include other information concerning the underlying required by the rules of Euronext Dublin or the Luxembourg Stock Exchange, including in respect of the Luxembourg Stock Exchange and an underlying that is a fund which is neither listed nor admitted to trading on any exchange, information on where the prospectus of the fund is available for inspection.)

The Issuer [intends to provide post-issuance information (*specify what information will be reported and where it can be obtained*)/does not intend to provide post-issuance information with regard to [the underlying [*specify Underlying*]]].

5. **OPERATIONAL INFORMATION**

ISIN: ☐

Common Code: ☐

[SEDOL:] ☐

CFI: ☐/[See]/☐, as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN]/[Not Applicable]

(Where known, both the CFI and FISN codes should be specified together with the reference to the website of ANNA as the codes are dynamic and subject to change)

FISN: ☐/[See]/☐, as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN]/[Not Applicable]

Any clearing system(s) other than Euroclear Bank S.A./N.V., Clearstream Banking *société anonyme* and the relevant identification number(s): [Not Applicable/☐ (*give name(s) and number(s)*)]

[Japan Securities Depository Center, Inc.]

(specify for CMU Notes) [Central Moneymarkets Unit Services]

[other relevant clearing system, as applicable]

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 manner which would allow Eurosystem eligibility: [Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to 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,](*include this text for Registered Notes which are to be held under the NSS*) and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.] /

[No. Whilst the designation is specified as "no" at the date of these Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the

Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper.] *(include this text for Registered Notes)*. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intraday 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.]

[CMU Instrument No.:

[]

[CMU Lodging and Paying Agent:

[]

6. **POTENTIAL SECTION 871(m) TRANSACTION**

[Not Applicable] / [The Issuer has determined that the Notes should not be subject to withholding under Section 871(m) of the Code[, and hereby instructs its agents and withholding agents that no withholding is required, unless such agent or withholding agent knows or has reason to know otherwise].] / [The Issuer has determined that the Notes should not be subject to withholding under Section 871(m) of the Code because the Relevant Underlying is a "qualified index" under the applicable U.S. Treasury Regulations[, and hereby instructs its agents and withholding agents that no withholding is required, unless such agent or withholding agent knows or has reason to know otherwise].] / [The Notes are U.S. equity linked Notes subject to withholding under Section 871(m) of the Code.] [For further information please [call [●]] / [visit our website at [●]] / [write to [●]].]

7. **PROHIBITION OF SALES TO EEA RETAIL INVESTORS**

Applicable

8. **PROHIBITION OF SALES TO UK RETAIL INVESTORS**

Applicable

9. **SWISS OFFER RESTRICTIONS:**

[The Notes documented in this Pricing Supplement may be considered structured products in Switzerland pursuant to Article 70 the Swiss Financial Services Act of 15 June 2018 ("**FinSA**") and are not subject to supervision by the Swiss Financial Market Supervisory Authority ("**FINMA**"). None of the Notes constitute a participation in a collective investment scheme within the meaning of the Collective Investment Schemes Act of 23 June 2006 ("**CISA**") and are neither subject to the authorisation nor the supervision by the FINMA and investors do not benefit from the specific investor protection provided under the CISA. Investors bear the credit risk of the Issuer.] *(Delete if not offered in Switzerland)*

(Insert for any Securities other than FinSA Exempt Securities:) [The Offering Circular has been approved in Switzerland by SIX Exchange Regulation in its capacity as Swiss Prospectus Office and this Pricing Supplement has been registered with SIX Exchange Regulation in its capacity as Swiss Prospectus Office in accordance with FinSA. The Offering Circular and this Pricing

Supplement are available on [*specify website*] or may be requested as hard copies on request of the investor at [*specify address*]. The Notes may be offered, sold or advertised, directly or indirectly, in Switzerland to retail clients (*Privatkundinnen und -kunden*) within the meaning of FinSA ("**Retail Clients**") in accordance with FinSA.]

(*Insert for FinSA Exempt Securities:*) [Neither the Offering Circular nor this Pricing Supplement or any other offering or marketing material relating to the Notes constitute a prospectus pursuant to the FinSA, and such documents may not be publicly distributed or otherwise made publicly available in Switzerland, unless the requirements of FinSA for such public distribution are complied with.

The Notes documented in this Pricing Supplement are not being publicly offered, sold or advertised, directly or indirectly, in Switzerland. The offering of the Notes, directly or indirectly, in Switzerland is only made by way of private placement by placing the Securities (a) solely to investors classified as professional clients (*professionelle Kunden*) or institutional clients (*institutionelle Kunden*) within the meaning of FinSA ("**Professional or Institutional Clients**"), (b) to fewer than 500 retail clients (*Privatkundinnen und -kunden*) within the meaning of FinSA, and/or (c) to investors acquiring securities to the value of at least CHF 100,000.] (*Insert for any FinSA Exempt Securities which will not be offered in Switzerland:*) [The Notes documented in this Pricing Supplement are not being offered, sold or advertised, directly or indirectly, in Switzerland.]

10. **PROHIBITION TO OFFER TO RETAIL INVESTORS IN SWITZERLAND:** Applicable

**[SUMMARY
Information on the Notes**

Title of Notes	[<i>Title of the Notes</i>]	SSPA Product type	[<i>SSPA Product Type</i>] [<i>SSPA Product Code</i>] (as defined in the SSPA Swiss Derivative Map)
Valoren	[<i>Valoren</i>]	ISIN	[<i>ISIN</i>]
Issuer	[●]	Issue Price	[<i>issue price</i>] [[●] per cent.] [of par]
Aggregate [Nominal Amount]/[Number] of the Notes	[up to] [●]	Denomination	[●]

Issue Date	[●]	Maturity Date	[●][(subject to adjustment in accordance with the Business Day Convention)]
[Relevant Underlying(s)]	[Specify underlying(s)]		
Capital Protection	[Capital protected] /[not applicable]	Central Depository	[SIX SIS AG] [Euroclear] [Clearstream, Luxembourg] [Other]
[Coupon]	[Coupon Rate] [Interest Payment Dates]	Specified Currency	[●]
[Other important features such as Strike Price, if any]	[●]		

Information on the Public Offering and Admission to Trading

Public Offering	The Notes [are][are not] publicly offered in Switzerland
Listing	[The Securities are not listed or admitted to trading in Switzerland.] / [SIX Swiss Exchange AG] [First trading date: [[●] (anticipated)]]
Relevant Clearing System	[Euroclear] [Clearstream, Luxembourg] [Other]
Selling Restrictions	[See [Offering Circular]]

Any investment decision regarding the Notes must not only be based on the information provided in this Summary.

The Issuer may only be held liable for the content of this Summary if it is misleading, inaccurate or inconsistent when read together with the other parts of the Pricing Supplement and the Offering Circular.]

ANNEX A

1. INTEREST ON CREDIT LINKED NOTES

(i)	Interest on Credit Linked Notes: (Credit Linked Condition [2]/[3])	[Applicable][Not Applicable] <i>(Delete the remaining sub-paragraphs 1(ii), (iii) and (iv) if Not Applicable. Where Zero Coupon Note Provisions is specified as Applicable, this sub-paragraph 1(i) should be specified as Not Applicable.)</i> ³³
(ii)	[Interest Accrual on Maturity:	[Applicable][Not Applicable] <i>(Delete if "Interest Accrual on Maturity" or "No Interest Accrual on Default" is specified as Applicable. Specify as Not Applicable if "Credit Recovery following Credit Event" applies.)</i>
(iii)	[Interest Accrual on Default:	[Applicable][Not Applicable] <i>(Delete if "Interest Accrual on Maturity" is specified as Applicable. Specify as Not Applicable if "No Interest Accrual on Default" is specified as Applicable)</i>
(iv)	[No Interest Accrual on Default:	[Applicable][Not Applicable] <i>(Delete if "Interest Accrual on Maturity" is specified as Applicable. Specify as Not Applicable if "Interest Accrual on Default" is specified as Applicable)</i>

2. REDEMPTION AND PURCHASE

(i)	Capital At Risk Elections:	
–	Capital Not At Risk:	[Applicable][Not Applicable]
–	[Protection Percentage:	[●] per cent.] <i>(Only include if Capital Not At Risk is specified as Applicable. Otherwise, delete this row.)</i>
(ii)	Maturity Redemption Amount:	[As per the Credit Linked Conditions][Specify] ³⁴
(iii)	Credit Unwind Costs:	[Applicable][Not Applicable]
(iv)	Redemption following Merger Event: (Credit Linked Condition 16)	[Applicable][Not Applicable]
(v)	Reference Obligation Only Redemption: (Credit Linked Condition 21.3)	[Applicable][Not Applicable] <i>(Specify as "Applicable" if the Series of Credit Linked Notes is a Reference Obligation Only Series or for Linear Basket Credit Linked Notes in respect of a Reference Entity which is a Reference Obligation Only Reference Entity – i.e. if (i) "Reference Obligation Only" is specified as the Obligation Category and the Deliverable Obligation</i>

³³ Where "Interest Accrual on Maturity" is specified as "Applicable" in the applicable Pricing Supplement, sub-paragraphs 1(iii) (*Interest Accrual on Default*;) and 1(iv) (*No Interest Accrual on Default*;) should be deleted, and "Credit Recovery on Maturity" must also be specified to apply in the applicable Pricing Supplement. Where "Interest Accrual on Default" or "No Interest Accrual on Default" is specified as "Applicable" in the applicable Pricing Supplement, "Interest Accrual on Maturity" must be specified as "Not Applicable" in the applicable Pricing Supplement.

³⁴ The number specified should take into account whether or not the Credit Linked Notes are Zero Coupon Notes and if so, whether they are accreting or non-accreting.

			<i>Category in respect of the Reference Entity and (ii) “Standard Reference Obligation” is specified as not applicable in respect of such Reference Entity. The Reference Obligation shall be specified as the “Original Non-Standard Reference Obligation” for a Reference Obligation Only Series.)</i>				
(vi)	Non-discretionary Option: (Condition 26.6)	Call	[Applicable – as amended in this paragraph 2(vi) and the Credit Linked Conditions. For the purposes of Condition 26.6 (<i>Redemption at the Non-Discretionary Option of the Issuer</i>) as amended by Credit Linked Condition 1.6] (<i>Redemption at the Non-Discretionary Option of the Issuer</i>), the following definitions shall apply: "Optional Redemption Date (Call)" means [] in each year from and including [] to and including []. "Optional Redemption Amount (Call)" means [Par] / [in respect of each Optional Redemption Date (Call), the corresponding Optional Redemption Amount (Call) as set out below. <table><tr><td>Optional Redemption Date (Call)</td><td>Optional Redemption Amount (Call)</td></tr><tr><td>[●]</td><td>[●] per cent. per Calculation Amount</td></tr></table>] / [Not Applicable]	Optional Redemption Date (Call)	Optional Redemption Amount (Call)	[●]	[●] per cent. per Calculation Amount
Optional Redemption Date (Call)	Optional Redemption Amount (Call)						
[●]	[●] per cent. per Calculation Amount						

3. PROVISIONS RELATING TO CREDIT LINKED NOTES

PRINCIPAL PROVISIONS

(i)	Type of Notes:	[Single Name Credit Linked Notes] [Basket Credit Linked Notes – [Linear Basket Credit Linked Notes]/[Untranch Index Credit Linked Notes]] [Tranch Index Credit Linked Notes] <i>(NB. For Basket Credit Linked Notes and Tranch Index Credit Linked Notes, specify relevant credit linked elections below per Reference Entity as required. These can be specified per Reference Entity in a separate table at the end of this Annex A, in which case cross-refer to the table in the items set out below)</i>
(ii)	Credit Event Redemption Method:	[Auction Redemption] [Cash Redemption] [Physical Redemption] [Fixed Recovery Redemption]
–	Fallback Redemption Method:	[Cash Redemption][Not Applicable] <i>(If "Physical Redemption" is specified as the Credit Event Redemption Method, specify "Cash Redemption")</i>

(iii)	Fixed Recovery:	[Applicable][Not Applicable] (<i>Specify as Applicable if “Fixed Recovery Redemption” is specified as the Credit Event Redemption Method</i>)
	– Fixed Recovery Percentage:	[[●] per cent.][0 per cent.][100 per cent.] (<i>Only include if “Fixed Recovery Redemption” is specified as the Credit Event Redemption Method. Otherwise, delete this row.</i>)
(iv)	Timing of Credit Recovery:	
	– Credit Recovery following Credit Event:	[Applicable][Not Applicable] (<i>Specify as Not Applicable if “Credit Recovery on Maturity” applies</i>)
	– Credit Recovery on Maturity:	[Applicable][Not Applicable] (<i>Specify as Not Applicable if “Credit Recovery following Credit Event” applies</i>)
(v)	Credit Event(s):	As set out in Annex B (<i>Physical Settlement Matrix Standard Terms</i>) hereto
	– Notice of Publicly Available Information:	[Applicable][Not Applicable]
	– Public Source:	[As per the Credit Linked Conditions][<i>Specify</i>] “Specified Number” means [As per the Credit Linked Conditions][<i>Specify</i>]
	– Default Requirement:	[[●] or its equivalent in the relevant Obligation Currency] [As per the Credit Linked Conditions]
	– Domestic Currency:	[As per the Credit Linked Conditions][<i>Specify</i>]
	– [Potential Failure to Pay – Grace Period:	[[<i>Specify</i>] ³⁵ and] [[A]s per the Credit Linked Conditions] (<i>Insert row if “Failure to Pay” is specified as a Credit Event and “Grace Period Extension” applies</i>)
(vi)	Obligations:	
	– Obligation Category:	[As set out in Annex B (<i>Physical Settlement Matrix Standard Terms</i>) hereto] [Reference Obligation Only] ³⁶
	– Obligation Characteristics:	As set out in Annex B (<i>Physical Settlement Matrix Standard Terms</i>) hereto
	– All Guarantees:	As set out in Annex B (<i>Physical Settlement Matrix Standard Terms</i>) hereto
	– Excluded Obligation:	[[<i>Specify</i>] and] [[A]s per the Credit Linked Conditions]
(vii)	Deliverable Obligations:	
	– Deliverable Obligation Category:	[As set out in Annex B (<i>Physical Settlement Matrix Standard Terms</i>) hereto]

³⁵ Insert number if applicable for the purposes of sub-paragraph (ii) of the definition of Grace Period in the Credit Linked Conditions.

³⁶ Specify “Reference Obligation Only” if the Series of Credit Linked Notes is a Reference Obligation Only Series or for Linear Basket Credit Linked Notes in respect of a Reference Entity which is a Reference Obligation Only Reference Entity.

		[Reference Obligation Only] ³⁷
–	Deliverable Obligation Characteristics:	As set out in Annex B (<i>Physical Settlement Matrix Standard Terms</i>) hereto
–	All Guarantees:	As set out in Annex B (<i>Physical Settlement Matrix Standard Terms</i>) hereto
–	Excluded Deliverable Obligation:	[[Specify] and] [[A]s per the Credit Linked Conditions]
(viii)	Reference Entity(ies) and Reference Obligation:	
–	Reference Entity:	[Specify] [As per the Credit Linked Conditions] ³⁸ [Reference Entity Weighting: [Specify per Reference Entity] ³⁹]
–	Standard Reference Obligation:	[Applicable][Not Applicable] ⁴⁰
–	Original Non-Standard Reference Obligation:	[Specify] ⁴¹
–	Seniority Level:	[Senior Level][Subordinated Level][Senior Non-Preferred Level][As per the Credit Linked Conditions]
(ix)	[[Untranchd]/[Tranchd] Index Credit Linked Notes Terms:	(Delete unless Untranchd Index Credit Linked Notes or Tranchd Index Credit Linked Notes)
–	Reference Index:	[Specify]
–	Index Annex Date:	[Specify]
–	Index Publisher:	[Specify]
–	Reference Index Sponsor:	[Specify]
–	Attachment Point:	[Specify] (Include for Tranchd Index Credit Linked Notes)
–	Exhaustion Point:	[Specify] (Include for Tranchd Index Credit Linked Notes)
(x)	Financial Reference Entity Terms:	As set out in Annex B (<i>Physical Settlement Matrix Standard Terms</i>) hereto
(xi)	Subordinated European Insurance Terms:	As set out in Annex B (<i>Physical Settlement Matrix Standard Terms</i>) hereto

³⁷ Specify “Reference Obligation Only” if the Series of Credit Linked Notes is a Reference Obligation Only Series or for Linear Basket Credit Linked Notes in respect of a Reference Entity which is a Reference Obligation Only Reference Entity.

³⁸ Include for Untranchd Index Credit Linked Notes or Tranchd Index Credit Linked Notes.

³⁹ Include for Linear Basket Credit Linked Notes.

⁴⁰ Specify “Not Applicable” if the Series of Credit Linked Notes is a Reference Obligation Only Series or for Linear Basket Credit Linked Notes in respect of a Reference Entity which is a Reference Obligation Only Reference Entity.

⁴¹ Specify the Reference Obligation if the Series of Credit Linked Notes is a Reference Obligation Only Series or for Linear Basket Credit Linked Notes in respect of a Reference Entity which is a Reference Obligation Only Reference Entity.

(xii)	2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014):	[As set out in Annex B (<i>Physical Settlement Matrix Standard Terms</i>) hereto] [Applicable][Not Applicable]
(xiii)	Monoline Supplement:	As set out in Annex B (<i>Physical Settlement Matrix Standard Terms</i>) hereto
(xiv)	Additional Provisions for LPN Reference Entities (published on 15 September 2014):	As set out under “LPN Additional Provisions” in Annex B (<i>Physical Settlement Matrix Standard Terms</i>) hereto
–	[Additional Obligation:	[As per the Credit Linked Conditions] [<i>Specify</i>] (<i>Include line item only if Reference Entity is an LPN Reference Entity</i>)]
(xv)	Additional Provisions for the Republic of Ukraine: Excluded Obligations and Excluded Deliverable Obligations (April 11, 2016):	As set out in Annex B (<i>Physical Settlement Matrix Standard Terms</i>) hereto
(xvi)	2020 Additional Provisions for the Republic of Ecuador: Excluded Obligations and Excluded Deliverable Obligations (December 11, 2020):	As set out in Annex B (<i>Physical Settlement Matrix Standard Terms</i>) hereto
(xvii)	2020 Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (September 16, 2020):	As set out in Annex B (<i>Physical Settlement Matrix Standard Terms</i>) hereto
(xviii)	Hungary Additional Provisions:	As set out in Annex B (<i>Physical Settlement Matrix Standard Terms</i>) hereto
(xix)	Additional Provisions for the Russian Federation (August 13, 2004):	As set out in Annex B (<i>Physical Settlement Matrix Standard Terms</i>) hereto
(xx)	Additional Provisions for Certain Venezuelan Entities: Excluded Obligations and Excluded Deliverable Obligations (September [19], 2017):	As set out in Annex B (<i>Physical Settlement Matrix Standard Terms</i>) hereto
(xxi)	Additional Provisions for the Hellenic Republic (May 29, 2012):	As set out in Annex B (<i>Physical Settlement Matrix Standard Terms</i>) hereto
(xxii)	2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014):	As set out in Annex B (<i>Physical Settlement Matrix Standard Terms</i>) hereto

–	[Trigger Percentage:	[Specify] (Include only if Reference Entity is a CoCo Reference Entity)]				
(xxiii)	Additional Provisions for Senior Non-Preferred Reference Obligations (published on December 8, 2017):	As set out in Annex B (Physical Settlement Matrix Standard Terms) hereto				
(xxiv)	2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019):	As set out in Annex B (Physical Settlement Matrix Standard Terms) hereto				
–	Fallback Discounting:	As set out in Annex B (Physical Settlement Matrix Standard Terms) hereto				
–	Credit Deterioration Requirement:	As set out in Annex B (Physical Settlement Matrix Standard Terms) hereto				
(xxv)	2020 Limited Recourse Additional Provisions (December 2, 2020):	As set out in Annex B (Physical Settlement Matrix Standard Terms) hereto				
(xxvi)	Zero Coupon Recovery:	[Applicable][Not Applicable] <i>(If Not Applicable, delete the remaining sub-paragraph below)</i>				
–	[Accreting Recovery Zero Coupon Credit Linked Notes:	[Applicable][Not Applicable]]				
(xxvii)	[Aggregate Accreted Nominal Amount:	[Applicable][Not Applicable] (Specify as Applicable if “Zero Coupon Note Provisions” and “Accreting Recovery Zero Coupon Credit Linked Notes” apply. Specify as Not Applicable if “Zero Coupon Note Provisions” applies but “Accreting Recovery Zero Coupon Credit Linked Notes” is not applicable.) ["Aggregate Accreted Nominal Amount” means, on any day, the amount set out in the table below which is accrued as of the Period End Date which falls on, or immediately before, such day, or if no such Period End Date has occurred, the Issue Date. In respect of the Issue Date, the Aggregate Accreted Nominal Amount is [●]. <table><tr><td>Period End Date</td><td>Aggregate Accreted Nominal Amount</td></tr><tr><td>[●]</td><td>[●]</td></tr></table>]] (Insert this sub-paragraph only if Zero Coupon Note Provisions are applicable in respect of Single Name Credit Linked Notes)	Period End Date	Aggregate Accreted Nominal Amount	[●]	[●]
Period End Date	Aggregate Accreted Nominal Amount					
[●]	[●]					
(xxviii)	[Reference Entity Accreted Nominal Amount:	[Applicable][Not Applicable] (Specify as Applicable if “Zero Coupon Note Provisions” and “Accreting Recovery Zero Coupon Credit Linked Notes” apply. Specify as Not Applicable if “Zero Coupon Note Provisions” applies but “Accreting Recovery Zero Coupon Credit Linked Notes” is not applicable.)				

	["Reference Entity Accreted Nominal Amount" means, in respect of a Reference Entity and any day, an amount equal to the product of (i) (a) the amount set out in the table below under the heading "Reference Accreted Nominal Amount" which is accrued as of the Period End Date which falls on, or immediately before, such day, or (b) if no such Period End Date has occurred, an amount in relation to the Issue Date equal to [●]; and (ii) the Reference Entity Weighting in respect of such Reference Entity. <table border="1" data-bbox="662 546 1385 703"> <tr> <th data-bbox="662 546 1023 636">Period End Date</th><th data-bbox="1023 546 1385 636">Reference Accreted Nominal Amount</th></tr> <tr> <td data-bbox="662 636 1023 703">[●]</td><td data-bbox="1023 636 1385 703">[●]</td></tr> </table>]] (Insert this sub-paragraph only if Zero Coupon Note Provisions are applicable in respect of Basket Credit Linked Notes or Tranche Index Credit Linked Notes)	Period End Date	Reference Accreted Nominal Amount	[●]	[●]
Period End Date	Reference Accreted Nominal Amount				
[●]	[●]				
PHYSICAL SETTLEMENT MATRIX STANDARD TERMS PROVISIONS					
(xxix) Physical Settlement Matrix Standard Terms:	As set out in Annex B (<i>Physical Settlement Matrix Standard Terms</i>) to this Pricing Supplement.				
– Transaction Type:	[As set out opposite the relevant Reference Entity in the Index Annex]⁴² [Standard North American Corporate] [Standard European Corporate] [Standard European Financial Corporate] [Standard European CoCo Financial Corporate] [Standard European Senior Non Preferred Financial Corporate] [Standard European Limited Recourse Corporate] [Standard Subordinated European Insurance Corporate] [Standard Emerging European Corporate] [Standard Emerging European Corporate LPN] [Standard Latin America Corporate B] [Standard Latin America Corporate BL] [Standard Australia Corporate] [Standard Australia Financial Corporate] [Standard New Zealand Corporate] [Standard New Zealand Financial Corporate] [Standard Japan Corporate]				

⁴² Index Annex to be checked if this option is being specified.

	[Standard Japan Financial Corporate] [Standard Singapore Corporate] [Standard Singapore Financial Corporate] [Standard Asia Corporate] [Standard Asia Financial Corporate] [Standard Western European Sovereign] [Standard Latin America Sovereign] [Standard Emerging European & Middle Eastern Sovereign] [Standard Australia Sovereign] [Standard New Zealand Sovereign] [Standard Japan Sovereign] [Standard Singapore Sovereign] [Standard Asia Sovereign]
(xxx) [Physical Settlement Matrix Elections:	Restructuring: [Applicable][Not Applicable] Monoline Supplement: [Applicable][Not Applicable]]⁴³ <i>(Insert row only where the Transaction Type is “Standard North American Corporate”)</i>
ADDITIONAL AMENDMENTS TO CREDIT LINKED TERMS	
(xxxi) Credit Event Backstop Date:	[[●] (<i>Insert number of days</i>) prior to the [Trade Date]/[Issue Date]] [Trade Date] [Issue Date] [As per the Credit Linked Conditions]
(xxxii) Credit Risk Cut-off Date:	[As per the Credit Linked Conditions][<i>Specify</i>]
(xxxiii) Settlement Currency:	[As per the Credit Linked Conditions][<i>Specify</i>]
(xxxiv) Hedge-Linked Single Notifying Party:	Not Applicable ⁴⁴
(xxxv) Auction Redemption Terms:	[Applicable][Not Applicable] <i>(Specify as Applicable if “Auction Redemption” is specified as the Credit Event Redemption Method. If Not Applicable, delete the remaining sub-paragraphs of this paragraph)</i>
– Auction Redemption Amount:	[As per the Credit Linked Conditions][<i>Specify</i>]

⁴³ This sub-paragraph can be deleted if the same elections have been made in Annex B.

⁴⁴ Elect “Not Applicable” as default – this is intended to match the hedge, assuming “Buyer or Seller” is elected as the Notifying Party.

– Final Auction Redemption Amount:	[As per the Credit Linked Conditions][Specify] (Insert row only if “Credit Recovery on Maturity” applies)
– Auction Redemption Date:	[As per the Credit Linked Conditions] [Specify]
(xxxvi) Cash Redemption Terms:	[Applicable [as Fallback Redemption Method to Auction Redemption]] [Not Applicable] (Specify (i) “Applicable” if “Cash Redemption” or “Fixed Recovery Redemption” is specified as the Credit Event Redemption Method or (ii) “Applicable as Fallback Redemption Method to Auction Redemption” if “Auction Redemption” is specified as the Credit Event Redemption Method and “Cash Redemption” is specified as the Fallback Redemption Method.⁴⁵ If Not Applicable, delete the remaining sub-paragraphs of this paragraph)
– Cash Redemption Amount:	[As per the Credit Linked Conditions][Specify]
– Final Cash Redemption Amount:	[As per the Credit Linked Conditions][Specify] (Insert row only if “Credit Recovery on Maturity” applies)
– Cash Redemption Date:	[As per the Credit Linked Conditions][Specify]
– Valuation Dates:	Number of Valuation Dates: [As per the Credit Linked Conditions][Specify number of Valuation Dates]
– Quotation Amount:	[As per the Credit Linked Conditions][Specify]
– Quotation Dealers:	[[Specify] and] [[A]s per the Credit Linked Conditions]
(xxxvii) Physical Redemption Terms:	[Applicable][Not Applicable] (Specify as Applicable if “Physical Redemption” is specified as the Credit Event Redemption Method. If Not Applicable, delete the remaining sub-paragraphs of this paragraph)
(A) General:	
– Final Physical Redemption Assets:	[As per the Credit Linked Conditions][Specify] (Insert row only if “Credit Recovery on Maturity” applies)
– Physical Settlement Period:	[As per the Credit Linked Conditions][Specify] Business Days]
– Outstanding Redemption Amount:	[As per the Credit Linked Conditions][Specify] (Insert row only for Single Name Credit Linked Notes)

⁴⁵ Elect “Not Applicable” if “Physical Redemption” is specified as the Credit Event Redemption Method and “Cash Redemption” is specified as the Fallback Redemption Method. The fallback cash provisions to Physical Redemption are addressed in the Physical Redemption Terms section.

(B)	Partial Cash Redemption/Fallback Cash Redemption:	
–	Valuation Time:	[As per the Credit Linked Conditions][Specify]
–	Quotation Dealers:	[[Specify] and] [[A]s per the Credit Linked Conditions]
(C)	Loans Not Delivered:	
(Credit Linked Condition 14.8)		
–	Partial Cash Redemption of Consent Required Loans:	[Applicable][Not Applicable] <i>(Include if “Consent Required Loan” is specified as a Deliverable Obligation Characteristic. If specified as Applicable, Credit Linked Condition 14.5 will apply)</i>
–	Partial Cash Redemption of Assignable Loans:	[Applicable][Not Applicable] <i>(Include if “Assignable Loan” is specified as a Deliverable Obligation Characteristic. If specified as Applicable, Credit Linked Condition 14.6 will apply)</i>
–	Partial Cash Redemption of Participation:	[Applicable][Not Applicable] <i>(Include if “Direct Loan Participation” is specified as a Deliverable Obligation Characteristic, If specified as Applicable, Credit Linked Condition 14.7 will apply)</i>
(xxxviii)	Payment/Delivery Failure Event:	
(Credit Linked Condition 17.2)		
–	Payment Failure Cut-Off Date:	[As per the Credit Linked Conditions] [[Specify] Business Days [following the later to occur of (i) any scheduled payment date or the (ii) Scheduled Maturity Date or Extended Maturity Date, as applicable]]
–	Fallback Cash Redemption:	[Applicable][Not Applicable]
OTHER PROVISIONS		
[●] ⁴⁶		

⁴⁶ Specify any other amendments to be made to the Credit Linked Conditions.

ANNEX B

PHYSICAL SETTLEMENT MATRIX STANDARD TERMS

(Select the applicable terms for the relevant Transaction Type and specify if other terms apply)

Transaction Type	STANDARD NORTH AMERICAN CORPORATE
Business Days	[London & New York] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in USD)</i> [London, New York & TARGET] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in EUR)</i> [London] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in GBP)</i> [London & Tokyo] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in JPY)</i> [London & Zurich] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in CHF)</i> [London, New York & Toronto] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in CAD)</i>
Calculation Agent City	[New York]/[Specify]
All Guarantees	[Not Applicable]/[Specify]
Credit Events	[Bankruptcy Failure to Pay Restructuring – Mod R: [Applicable]]/[Specify]
Obligation Category	[Borrowed Money]/[Specify]
Obligation Characteristics	[None]/[Specify]
Settlement Method	As specified above.
Fallback Settlement Method	As specified above.
Physical Settlement Period	[As per Section 8.19 of the Credit Derivatives Definitions capped at 30 Business Days.]/[Specify]
Deliverable Obligation Category	[Bond or Loan]/[Specify]

Deliverable Obligation Characteristics	[Not Subordinated Specified Currency Assignable Loan Consent Required Loan Transferable Maximum Maturity: 30 years Not Bearer]/[Specify]
Financial Reference Entity Terms	Not Applicable
Subordinated European Insurance Terms	Not Applicable
60 Business Day Cap on Settlement	[Not Applicable]/[Specify]
2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Monoline Supplement	[Not Applicable][Applicable]
Additional Provisions for the Russian Federation (August 13, 2004)	Not Applicable
Additional Provisions for Certain Russian Entities: Excluded Obligations and Excluded Deliverable Obligations (March 25, 2022)	Not Applicable
Hungary Additional Provisions	Not Applicable
Additional Provisions for Certain Venezuelan Entities: Excluded Obligations and Excluded Deliverable Obligations (September [19], 2017)	Not Applicable
Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (December 21, 2005)	Not Applicable

Secured Deliverable Obligation Characteristic Additional Provisions	[Not Applicable][Applicable]
Additional Provisions for Reference Entities with Delivery Restrictions (February 1, 2007)	[Not Applicable][Applicable]
LPN Additional Provisions	Not Applicable
Additional Provisions for STMicroelectronics NV (December 6, 2007)	Not Applicable
2020 Limited Recourse Additional Provisions (December 2, 2020)	Not Applicable
Fixed Recovery CDS Additional Provisions	[Not Applicable][Applicable]
Recovery Lock Additional Provisions	[Not Applicable][Applicable] <i>(Select Not Applicable if Restructuring is specified as Applicable above.)</i>
Sukuk Additional Provisions	Not Applicable
2012 ISDA U.S. Municipal Reference Entity Supplement to the 2003 ISDA Credit Derivatives Definitions (March 5, 2012)	Not Applicable
Additional Provisions for the Hellenic Republic (May 29, 2012)	Not Applicable
2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Additional Provisions for Senior Non-Preferred Reference Obligations (published on December 8, 2017)	Not Applicable

2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)	Applicable
Fallback Discounting	Applicable
Credit Deterioration Requirement	Applicable
[Earliest Exercise Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[9:00 AM (New York Time)]
[Expiration Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[12:00 Noon (New York Time)]

Transaction Type	[STANDARD EUROPEAN CORPORATE]/[STANDARD EUROPEAN FINANCIAL CORPORATE]/[STANDARD EUROPEAN COCO FINANCIAL CORPORATE]/[STANDARD EUROPEAN SENIOR NON PREFERRED FINANCIAL CORPORATE]/[STANDARD EUROPEAN LIMITED RECOURSE CORPORATE]
Business Days	[London & TARGET] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in EUR)</i> [London & New York] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in USD)</i> [London] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in GBP)</i> [London & Tokyo] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in JPY)</i> [London & Zurich] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in CHF)</i> [London & Toronto] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in CAD)</i>
Calculation Agent City	[London]/[Specify]
All Guarantees	[Applicable]/[Specify]
Credit Events	[Bankruptcy Failure to Pay Restructuring – Mod Mod R: [Applicable] <i>(Insert Governmental Intervention if the Transaction Type is a Financial Transaction Type)</i> [Governmental Intervention]]/[Specify]
Obligation Category	[Borrowed Money]/[Specify]
Obligation Characteristics	[None]/[Specify]
Settlement Method	As specified above.
Fallback Settlement Method	As specified above.
Physical Settlement Period	[30 Business Days]/[Specify]
Deliverable Obligation Category	[Bond or Loan]/[Specify]

Deliverable Obligation Characteristics	[Not Subordinated Specified Currency Assignable Loan Consent Required Loan Transferable Maximum Maturity: 30 years Not Bearer]/[Specify]
Financial Reference Entity Terms	[Not Applicable][Applicable] (<i>Select Applicable if the Transaction Type is a Financial Transaction Type</i>)
Subordinated European Insurance Terms	Not Applicable
60 Business Day Cap on Settlement	[Applicable]/[Specify]
2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Monoline Supplement	Not Applicable
Additional Provisions for the Russian Federation (August 13, 2004)	Not Applicable
Additional Provisions for Certain Russian Entities: Excluded Obligations and Excluded Deliverable Obligations (March 25, 2022)	Not Applicable
Hungary Additional Provisions	Not Applicable
Additional Provisions for Certain Venezuelan Entities: Excluded Obligations and Excluded Deliverable Obligations (September [19], 2017)	Not Applicable
Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (December 21, 2005)	Not Applicable

Secured Deliverable Obligation Characteristic Additional Provisions	Not Applicable
Additional Provisions for Reference Entities with Delivery Restrictions (February 1, 2007)	Not Applicable
LPN Additional Provisions	Not Applicable
Additional Provisions for STMicroelectronics NV (December 6, 2007)	[Not Applicable][Applicable] (<i>Select Applicable if the Reference Entity is STMicroelectronics NV</i>)
2020 Limited Recourse Additional Provisions (December 2, 2020)	[Not Applicable][Applicable] (<i>Select Applicable if the Transaction Type is "Standard European Limited Recourse Corporate" or "European Limited Recourse Corporate"</i>)
Fixed Recovery CDS Additional Provisions	[Not Applicable][Applicable]
Recovery Lock Additional Provisions	Not Applicable
Sukuk Additional Provisions	Not Applicable
2012 ISDA U.S. Municipal Reference Entity Supplement to the 2003 ISDA Credit Derivatives Definitions (March 5, 2012)	Not Applicable
Additional Provisions for the Hellenic Republic (May 29, 2012)	Not Applicable
2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	[Not Applicable][Applicable] (<i>Select Applicable if the Transaction Type is "Standard European CoCo Financial Corporate" or "European CoCo Financial Corporate"</i>)
Additional Provisions for Senior Non-Preferred Reference Obligations (published on December 8, 2017)	[Not Applicable][Applicable] (<i>Select Applicable if the Transaction Type is "Standard European Senior Non Preferred Financial Corporate" or "European Senior Non Preferred Financial Corporate"</i>)

2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)	Applicable
Fallback Discounting	Applicable
Credit Deterioration Requirement	Applicable
[Earliest Exercise Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is not documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[9:00 AM (London Time)]
[Expiration Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is not documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[4:00 PM (London Time)]

Transaction Type	STANDARD SUBORDINATED EUROPEAN INSURANCE CORPORATE
Business Days	[London & New York] (Select if the Floating Rate Payer Calculation Amount is denominated in USD) [London & TARGET] (Select if the Floating Rate Payer Calculation Amount is denominated in EUR) [London] (Select if the Floating Rate Payer Calculation Amount is denominated in GBP) [London & Tokyo] (Select if the Floating Rate Payer Calculation Amount is denominated in JPY) [London & Zurich] (Select if the Floating Rate Payer Calculation Amount is denominated in CHF) [London & Toronto] (Select if the Floating Rate Payer Calculation Amount is denominated in CAD)
Calculation Agent City	[London]/[Specify]
All Guarantees	[Applicable]/[Specify]
Credit Events	[Bankruptcy Failure to Pay Restructuring]/[Specify]
Obligation Category	[Borrowed Money]/[Specify]
Obligation Characteristics	[None]/[Specify]
Settlement Method	As specified above.
Fallback Settlement Method	As specified above.
Physical Settlement Period	[30 Business Days]/[Specify]
Deliverable Obligation Category	[Bond or Loan]/[Specify]
Deliverable Obligation Characteristics	[Not Subordinated Specified Currency Assignable Loan Consent Required Loan Transferable Maximum Maturity: 30 years Not Bearer]/[Specify]

Financial Reference Entity Terms	Not Applicable
Subordinated European Insurance Terms	Applicable
60 Business Day Cap on Settlement	[Applicable]/[Specify]
2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Monoline Supplement	Not Applicable
Additional Provisions for the Russian Federation (August 13, 2004)	Not Applicable
Additional Provisions for Certain Russian Entities: Excluded Obligations and Excluded Deliverable Obligations (March 25, 2022)	Not Applicable
Hungary Additional Provisions	Not Applicable
Additional Provisions for Certain Venezuelan Entities: Excluded Obligations and Excluded Deliverable Obligations (September [19], 2017)	Not Applicable
Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (December 21, 2005)	Not Applicable
Secured Deliverable Obligation Characteristic Additional Provisions	Not Applicable
Additional Provisions for Reference Entities with Delivery Restrictions (February 1, 2007)	Not Applicable

LPN Additional Provisions	Not Applicable
Additional Provisions for STMicroelectronics NV (December 6, 2007)	Not Applicable
2020 Limited Recourse Additional Provisions (December 2, 2020)	Not Applicable
Fixed Recovery CDS Additional Provisions	[Not Applicable][Applicable]
Recovery Lock Additional Provisions	[Not Applicable][Applicable]
Sukuk Additional Provisions	Not Applicable
2012 ISDA U.S. Municipal Reference Entity Supplement to the 2003 ISDA Credit Derivatives Definitions (March 5, 2012)	Not Applicable
Additional Provisions for the Hellenic Republic (May 29, 2012)	Not Applicable
2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Additional Provisions for Senior Non-Preferred Reference Obligations (published on December 8, 2017)	Not Applicable
2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)	Applicable
Fallback Discounting	Applicable

Credit Deterioration Requirement	Applicable
[Earliest Exercise Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[9:00 AM (London Time)]
[Expiration Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[4:00 PM (London Time)]

Transaction Type	STANDARD EMERGING EUROPEAN CORPORATE
Business Days	[London, New York] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in USD)</i> [London, TARGET] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in EUR)</i> [London, Toronto] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in CAD)</i>
Calculation Agent City	[London]/[Specify]
All Guarantees	[Applicable]/[Specify]
Credit Events	[Bankruptcy Failure to Pay Grace Period Extension: Applicable Obligation Acceleration Repudiation/Moratorium Restructuring – Multiple Holder Obligation: a) Not Applicable with respect to Obligation Category "Bonds" b) Applicable with respect to Obligation Category "Loans"]/[Specify]
Obligation Category	[Bond or Loan]/[Specify]
Obligation Characteristics	[Not Subordinated Not Domestic Law Not Domestic Currency Not Domestic Issuance]/[Specify]
Settlement Method	As specified above.
Fallback Settlement Method	As specified above.
Physical Settlement Period	[As per Section 8.19 of the Credit Derivatives Definitions]/[Specify]
Deliverable Obligation Category	[Bond or Loan]/[Specify]

Deliverable Obligation Characteristics	[Not Subordinated Specified Currency Not Domestic Issuance Transferable Not Bearer Assignable Loan Consent Required Loan Not Domestic Law]/[Specify]
Financial Reference Entity Terms	Not Applicable
Subordinated European Insurance Terms	Not Applicable
60 Business Day Cap on Settlement	[Not Applicable]/[Specify]
2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Monoline Supplement	Not Applicable
Additional Provisions for the Russian Federation (August 13, 2004)	Not Applicable
Additional Provisions for Certain Russian Entities: Excluded Obligations and Excluded Deliverable Obligations (March 25, 2022)	Not Applicable
Hungary Additional Provisions	Not Applicable
Additional Provisions for Certain Venezuelan Entities: Excluded Obligations and Excluded Deliverable Obligations (September [19], 2017)	[Not Applicable][Applicable] (<i>Select Applicable if the Reference Entity is a Covered Reference Entity specified in these Additional Provisions</i>)
Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded	Not Applicable

Deliverable Obligations (December 21, 2005)	
Secured Deliverable Obligation Characteristic Additional Provisions	Not Applicable
Additional Provisions for Reference Entities with Delivery Restrictions (February 1, 2007)	Not Applicable
LPN Additional Provisions	Not Applicable
Additional Provisions for STMicroelectronics NV (December 6, 2007)	Not Applicable
2020 Limited Recourse Additional Provisions (December 2, 2020)	Not Applicable
Fixed Recovery CDS Additional Provisions	[Not Applicable][Applicable]
Recovery Lock Additional Provisions	[Not Applicable][Applicable]
Sukuk Additional Provisions	Not Applicable
2012 ISDA U.S. Municipal Reference Entity Supplement to the 2003 ISDA Credit Derivatives Definitions (March 5, 2012)	Not Applicable
Additional Provisions for the Hellenic Republic (May 29, 2012)	Not Applicable
2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable

Additional Provisions for Senior Non-Preferred Reference Obligations (published on December 8, 2017)	Not Applicable
2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)	Applicable
Fallback Discounting	Applicable
Credit Deterioration Requirement	Applicable
[Earliest Exercise Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[9:00 AM (London Time)]
[Expiration Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each</i>	[4:00 PM (London Time)]

<i>as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	

Transaction Type	STANDARD EMERGING EUROPEAN CORPORATE LPN
Business Days	For all purposes (other than for the purpose of determining the Initial Payment Date and/or Fixed Rate Payer Payment Dates): [London, New York and <i>[the principal financial city in the jurisdiction in which the principal place of business of the Reference Entity is located]</i>] (Select if the Floating Rate Payer Calculation Amount is denominated in USD) [London, TARGET and <i>[the principal financial city in the jurisdiction in which the principal place of business of the Reference Entity is located]</i>] (Select if the Floating Rate Payer Calculation Amount is denominated in EUR) [London, Toronto and <i>[the principal financial city in the jurisdiction in which the principal place of business of the Reference Entity is located]</i>] (Select if the Floating Rate Payer Calculation Amount is denominated in CAD) For the purpose of determining the Initial Payment Date and/or Fixed Rate Payer Payment Dates: [London, New York] (Select if the Floating Rate Payer Calculation Amount is denominated in USD) [London, TARGET] (Select if the Floating Rate Payer Calculation Amount is denominated in EUR) [London, Toronto] (Select if the Floating Rate Payer Calculation Amount is denominated in CAD)
Calculation Agent City	[London]/[Specify]
All Guarantees	[Applicable]/[Specify]
Credit Events	[Bankruptcy Failure to Pay Grace Period Extension: Applicable Obligation Acceleration Repudiation/Moratorium Restructuring – Multiple Holder Obligation: a) Not Applicable with respect to Obligation Category "Bonds" b) Applicable with respect to Obligation Category "Loans"/[Specify]
Obligation Category	[Bond or Loan]/[Specify]
Obligation Characteristics	[Not Subordinated Not Domestic Law Not Domestic Currency Not Domestic Issuance]/[Specify]

Settlement Method	As specified above.
Fallback Settlement Method	As specified above.
Physical Settlement Period	[As per Section 8.19 of the Credit Derivatives Definitions]/[Specify]
Deliverable Obligation Category	[Bond or Loan]/[Specify]
Deliverable Obligation Characteristics	[Not Subordinated Specified Currency Not Domestic Issuance Transferable Not Bearer Assignable Loan Consent Required Loan Not Domestic Law]/[Specify]
Financial Reference Entity Terms	Not Applicable
Subordinated European Insurance Terms	Not Applicable
60 Business Day Cap on Settlement	[Not Applicable]/[Specify]
2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Monoline Supplement	Not Applicable
Additional Provisions for the Russian Federation (August 13, 2004)	Not Applicable
Additional Provisions for Certain Russian Entities: Excluded Obligations and Excluded Deliverable Obligations (March 25, 2022)	Not Applicable
Hungary Additional Provisions	Not Applicable

Additional Provisions for Certain Venezuelan Entities: Excluded Obligations and Excluded Deliverable Obligations (September [19], 2017)	[Not Applicable][Applicable] (<i>Select Applicable if the Reference Entity is a Covered Reference Entity specified in these Additional Provisions</i>)
Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (December 21, 2005)	Not Applicable
Secured Deliverable Obligation Characteristic Additional Provisions	Not Applicable
Additional Provisions for Reference Entities with Delivery Restrictions (February 1, 2007)	Not Applicable
LPN Additional Provisions	Applicable
Additional Provisions for STMicroelectronics NV (December 6, 2007)	Not Applicable
2020 Limited Recourse Additional Provisions (December 2, 2020)	Not Applicable
Fixed Recovery CDS Additional Provisions	[Not Applicable][Applicable]
Recovery Lock Additional Provisions	[Not Applicable][Applicable]
Sukuk Additional Provisions	Not Applicable
2012 ISDA U.S. Municipal Reference Entity Supplement to the 2003 ISDA Credit Derivatives Definitions (March 5, 2012)	Not Applicable

Additional Provisions for the Hellenic Republic (May 29, 2012)	Not Applicable
2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Additional Provisions for Senior Non-Preferred Reference Obligations (published on December 8, 2017)	Not Applicable
2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)	Applicable
Fallback Discounting	Applicable
Credit Deterioration Requirement	Applicable
[Earliest Exercise Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is not documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[9:00 AM (London Time)]
[Expiration Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20,	[4:00 PM (London Time)]

2011 or, if subsequently amended, as most recently published by ISDA)]

(Delete this row if the transaction is not documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)

Transaction Type	STANDARD LATIN AMERICA CORPORATE B
Business Days	[London, New York] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in USD)</i> [London, New York & TARGET] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in EUR)</i> [London, New York & Toronto] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in CAD)</i>
Calculation Agent City	[London]/[Specify]
All Guarantees	[Applicable]/[Specify]
Credit Events	[Bankruptcy Failure to Pay Grace Period Extension: Applicable Obligation Acceleration Repudiation/Moratorium Restructuring – Multiple Holder Obligation: Not Applicable]/[Specify]
Obligation Category	[Bond]/[Specify]
Obligation Characteristics	[Not Subordinated Not Domestic Law Not Domestic Currency Not Domestic Issuance]/[Specify]
Settlement Method	As specified above.
Fallback Settlement Method	As specified above.
Physical Settlement Period	[As per Section 8.19 of the Credit Derivatives Definitions]/[Specify]
Deliverable Obligation Category	[Bond]/[Specify]

Deliverable Obligation Characteristics	[Not Subordinated Specified Currency Not Domestic Law Not Domestic Issuance Transferable Not Bearer]/[Specify]
Financial Reference Entity Terms	Not Applicable
Subordinated European Insurance Terms	Not Applicable
60 Business Day Cap on Settlement	[Not Applicable]/[Specify]
2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Monoline Supplement	Not Applicable
Additional Provisions for the Russian Federation (August 13, 2004)	Not Applicable
Additional Provisions for Certain Russian Entities: Excluded Obligations and Excluded Deliverable Obligations (March 25, 2022)	Not Applicable
Hungary Additional Provisions	Not Applicable
Additional Provisions for Certain Venezuelan Entities: Excluded Obligations and Excluded Deliverable Obligations (September [19], 2017)	[Not Applicable][Applicable] <i>(Select Applicable if the Reference Entity is a Covered Reference Entity specified in these Additional Provisions)</i>
Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (December 21, 2005)	Not Applicable

Secured Deliverable Obligation Characteristic Additional Provisions	Not Applicable
Additional Provisions for Reference Entities with Delivery Restrictions (February 1, 2007)	Not Applicable
LPN Additional Provisions	Not Applicable
Additional Provisions for STMicroelectronics NV (December 6, 2007)	Not Applicable
2020 Limited Recourse Additional Provisions (December 2, 2020)	Not Applicable
Fixed Recovery CDS Additional Provisions	[Not Applicable][Applicable]
Recovery Lock Additional Provisions	[Not Applicable][Applicable]
Sukuk Additional Provisions	Not Applicable
2012 ISDA U.S. Municipal Reference Entity Supplement to the 2003 ISDA Credit Derivatives Definitions (March 5, 2012)	Not Applicable
Additional Provisions for the Hellenic Republic (May 29, 2012)	Not Applicable
2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Additional Provisions for Senior Non-Preferred Reference Obligations (published on December 8, 2017)	Not Applicable

2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)	Applicable
Fallback Discounting	Applicable
Credit Deterioration Requirement	Applicable
[Earliest Exercise Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[9:00 AM (London Time)]
[Expiration Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[4:00 PM (London Time)]

Transaction Type	STANDARD LATIN AMERICA CORPORATE BL
Business Days	[London, New York] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in USD)</i> [London, New York & TARGET] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in EUR)</i> [London, New York & Toronto] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in CAD)</i>
Calculation Agent City	[New York]/[Specify]
All Guarantees	[Applicable]/[Specify]
Credit Events	[Bankruptcy Failure to Pay Grace Period Extension: Applicable Obligation Acceleration Repudiation/Moratorium Restructuring]/[Specify]
Obligation Category	[Bond or Loan]/[Specify]
Obligation Characteristics	[Not Subordinated Not Sovereign Lender Not Domestic Currency Not Domestic Law Not Domestic Issuance]/[Specify]
Settlement Method	As specified above.
Fallback Settlement Method	As specified above.
Physical Settlement Period	[As per Section 8.19 of the Credit Derivatives Definitions]/[Specify]
Deliverable Obligation Category	[Bond or Loan]/[Specify]
Deliverable Obligation Characteristics	[Not Subordinated Specified Currency Not Sovereign Lender Not Domestic Law Not Domestic Issuance Assignable Loan Consent Required Loan]

	Transferable Not Bearer]/[Specify]
Financial Reference Entity Terms	Not Applicable
Subordinated European Insurance Terms	Not Applicable
60 Business Day Cap on Settlement	[Not Applicable]/[Specify]
2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Monoline Supplement	Not Applicable
Additional Provisions for the Russian Federation (August 13, 2004)	Not Applicable
Additional Provisions for Certain Russian Entities: Excluded Obligations and Excluded Deliverable Obligations (March 25, 2022)	Not Applicable
Hungary Additional Provisions	Not Applicable
Additional Provisions for Certain Venezuelan Entities: Excluded Obligations and Excluded Deliverable Obligations (September [19], 2017)	Applicable
Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (December 21, 2005)	Not Applicable

Secured Deliverable Obligation Characteristic Additional Provisions	Not Applicable
Additional Provisions for Reference Entities with Delivery Restrictions (February 1, 2007)	Not Applicable
LPN Additional Provisions	Not Applicable
Additional Provisions for STMicroelectronics NV (December 6, 2007)	Not Applicable
2020 Limited Recourse Additional Provisions (December 2, 2020)	Not Applicable
Fixed Recovery CDS Additional Provisions	[Not Applicable][Applicable]
Recovery Lock Additional Provisions	[Not Applicable][Applicable]
Sukuk Additional Provisions	Not Applicable
2012 ISDA U.S. Municipal Reference Entity Supplement to the 2003 ISDA Credit Derivatives Definitions (March 5, 2012)	Not Applicable
Additional Provisions for the Hellenic Republic (May 29, 2012)	Not Applicable
2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Additional Provisions for Senior Non-Preferred Reference Obligations (published on December 8, 2017)	Not Applicable

2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)	Applicable
Fallback Discounting	Applicable
Credit Deterioration Requirement	Applicable
[Earliest Exercise Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[9:00 AM (New York Time)]
[Expiration Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[12:00 Noon (New York Time)]

Transaction Type	[STANDARD AUSTRALIA CORPORATE]/[STANDARD AUSTRALIA FINANCIAL CORPORATE]
Business Days	[London, New York & Sydney] <i>(Select If the Floating Rate Payer Calculation Amount is denominated in USD)</i> [London, New York & Sydney] <i>(Select If the Floating Rate Payer Calculation Amount is denominated in AUD)</i> [London, New York, TARGET & Sydney] <i>(Select If the Floating Rate Payer Calculation Amount is denominated in EUR)</i> [London, New York, Sydney & Toronto] <i>(Select If the Floating Rate Payer Calculation Amount is denominated in CAD)</i>
Calculation Agent City	[London]/[Specify]
All Guarantees	[Applicable]/[Specify]
Credit Events	[Bankruptcy Failure to Pay Restructuring – Mod R Applicable <i>(Insert Governmental Intervention If the Transaction Type is the Financial Transaction Type)</i> [Governmental Intervention]]/[Specify]
Obligation Category	[Borrowed Money]/[Specify]
Obligation Characteristics	[None]/[Specify]
Settlement Method	As specified above.
Fallback Settlement Method	As specified above.
Physical Settlement Period	[30 Business Days]/[Specify]
Deliverable Obligation Category	[Bond or Loan]/[Specify]
Deliverable Obligation Characteristics	[Not Subordinated Specified Currency: Standard Specified Currencies & Domestic Currency Assignable Loan Consent Required Loan Transferable Maximum Maturity: 30 years Not Bearer]/[Specify]

Financial Reference Entity Terms	[Not Applicable][Applicable] (<i>Select Applicable if the Transaction Type is the Financial Transaction Type</i>)
Subordinated European Insurance Terms	Not Applicable
60 Business Day Cap on Settlement	[Applicable]/[Specify]
2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Monoline Supplement	Not Applicable
Additional Provisions for the Russian Federation (August 13, 2004)	Not Applicable
Additional Provisions for Certain Russian Entities: Excluded Obligations and Excluded Deliverable Obligations (March 25, 2022)	Not Applicable
Hungary Additional Provisions	Not Applicable
Additional Provisions for Certain Venezuelan Entities: Excluded Obligations and Excluded Deliverable Obligations (September [19], 2017)	Not Applicable
Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (December 21, 2005)	Not Applicable
Secured Deliverable Obligation Characteristic Additional Provisions	Not Applicable

Additional Provisions for Reference Entities with Delivery Restrictions (February 1, 2007)	Not Applicable
LPN Additional Provisions	Not Applicable
Additional Provisions for STMicroelectronics NV (December 6, 2007)	Not Applicable
2020 Limited Recourse Additional Provisions (December 2, 2020)	Not Applicable
Fixed Recovery CDS Additional Provisions	[Not Applicable][Applicable]
Recovery Lock Additional Provisions	Not Applicable
Sukuk Additional Provisions	Not Applicable
2012 ISDA U.S. Municipal Reference Entity Supplement to the 2003 ISDA Credit Derivatives Definitions (March 5, 2012)	Not Applicable
Additional Provisions for the Hellenic Republic (May 29, 2012)	Not Applicable
2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Additional Provisions for Senior Non-Preferred Reference Obligations (published on December 8, 2017)	Not Applicable
2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)	Applicable

Fallback Discounting	Applicable
Credit Deterioration Requirement	Applicable
[Earliest Exercise Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[8:00 AM (Hong Kong Time)]
[Expiration Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[4:00 PM (Hong Kong Time)]

Transaction Type	[STANDARD NEW ZEALAND CORPORATE]/[STANDARD NEW ZEALAND FINANCIAL CORPORATE]
Business Days	[London, New York & NZBD] <i>(Select If the Floating Rate Payer Calculation Amount is denominated in USD)</i> [London, New York & NZBD] <i>(Select If the Floating Rate Payer Calculation Amount is denominated in AUD)</i> [London, New York, TARGET & NZBD] <i>(Select If the Floating Rate Payer Calculation Amount is denominated in EUR)</i> [London, New York & Auckland] <i>(Select If the Floating Rate Payer Calculation Amount is denominated in NZD)</i> [London, New York, Auckland & Toronto] <i>(Select If the Floating Rate Payer Calculation Amount is denominated in CAD)</i>
Calculation Agent City	[London]/[Specify]
All Guarantees	[Applicable]/[Specify]
Credit Events	[Bankruptcy Failure to Pay Restructuring – Mod R Applicable <i>(Insert Governmental Intervention If the Transaction Type is the Financial Transaction Type)</i> [Governmental Intervention]]/[Specify]
Obligation Category	[Borrowed Money]/[Specify]
Obligation Characteristics	[None]/[Specify]
Settlement Method	As specified above.
Fallback Settlement Method	As specified above.
Physical Settlement Period	[30 Business Days]/[Specify]
Deliverable Obligation Category	[Bond or Loan]/[Specify]
Deliverable Obligation Characteristics	[Not Subordinated Specified Currency: Standard Specified Currencies & Domestic Currency Assignable Loan Consent Required Loan Transferable

	Maximum Maturity: 30 years Not Bearer]/[Specify]
Financial Reference Entity Terms	[Not Applicable][Applicable] (<i>Select Applicable if the Transaction Type is the Financial Transaction Type</i>)
Subordinated European Insurance Terms	Not Applicable
60 Business Day Cap on Settlement	[Applicable]/[Specify]
2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Monoline Supplement	Not Applicable
Additional Provisions for the Russian Federation (August 13, 2004)	Not Applicable
Additional Provisions for Certain Russian Entities: Excluded Obligations and Excluded Deliverable Obligations (March 25, 2022)	Not Applicable
Hungary Additional Provisions	Not Applicable
Additional Provisions for Certain Venezuelan Entities: Excluded Obligations and Excluded Deliverable Obligations (September [19], 2017)	Not Applicable
Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (December 21, 2005)	Not Applicable

Secured Deliverable Obligation Characteristic Additional Provisions	Not Applicable
Additional Provisions for Reference Entities with Delivery Restrictions (February 1, 2007)	Not Applicable
LPN Additional Provisions	Not Applicable
Additional Provisions for STMicroelectronics NV (December 6, 2007)	Not Applicable
2020 Limited Recourse Additional Provisions (December 2, 2020)	Not Applicable
Fixed Recovery CDS Additional Provisions	[Not Applicable][Applicable]
Recovery Lock Additional Provisions	Not Applicable
Sukuk Additional Provisions	Not Applicable
2012 ISDA U.S. Municipal Reference Entity Supplement to the 2003 ISDA Credit Derivatives Definitions (March 5, 2012)	Not Applicable
Additional Provisions for the Hellenic Republic (May 29, 2012)	Not Applicable
2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Additional Provisions for Senior Non-Preferred Reference Obligations (published on December 8, 2017)	Not Applicable

2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)	Applicable
Fallback Discounting	Applicable
Credit Deterioration Requirement	Applicable
[Earliest Exercise Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[8:00 AM (Hong Kong Time)]
[Expiration Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[4:00 PM (Hong Kong Time)]

Transaction Type	[STANDARD JAPAN CORPORATE]/[STANDARD JAPAN FINANCIAL CORPORATE]
Business Days	[London, New York & Tokyo] <i>(Select If the Floating Rate Payer Calculation Amount is denominated in JPY)</i> [London, New York & Tokyo] <i>(Select If the Floating Rate Payer Calculation Amount is denominated in USD)</i> [London, New York, Tokyo & TARGET] <i>(Select If the Floating Rate Payer Calculation Amount is denominated in EUR)</i> [London, New York, Tokyo & Toronto] <i>(Select If the Floating Rate Payer Calculation Amount is denominated in CAD)</i>
Calculation Agent City	[Tokyo]/[Specify]
All Guarantees	[Applicable]/[Specify]
Credit Events	[Bankruptcy Failure to Pay – Payment Requirement: [JPY 100,000,000 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Failure to Pay. <i>(Insert if the Floating Rate Payer Calculation Amount is in JPY)</i>]/[USD 1,000,000 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Failure to Pay. <i>(Insert in all other cases)</i>] Restructuring – Multiple Holder Obligation: Not Applicable – Default Requirement: [JPY 1,000,000,000 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Credit Event. <i>(Insert if the Floating Rate Payer Calculation Amount is in JPY)</i>]/ [USD 10,000,000 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Credit Event. <i>(Insert in all other cases)</i>] <i>(Insert Governmental Intervention if the Transaction Type is the Financial Transaction Type)</i> [Governmental Intervention]/[Specify]
Obligation Category	[Borrowed Money]/[Specify]
Obligation Characteristics	[Not Subordinated]/[Specify]
Settlement Method	As specified above.

Fallback Settlement Method	As specified above.
Physical Settlement Period	[30 Business Days]/[Specify]
Deliverable Obligation Category	[Bond or Loan]/[Specify]
Deliverable Obligation Characteristics	[Not Subordinated Specified Currency Assignable Loan Consent Required Loan Transferable Maximum Maturity: 30 years Not Bearer]/[Specify]
Financial Reference Entity Terms	[Not Applicable][Applicable] <i>(Select Applicable if the Transaction Type is the Financial Transaction Type)</i>
Subordinated European Insurance Terms	Not Applicable
60 Business Day Cap on Settlement	Applicable
2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Monoline Supplement	Not Applicable
Additional Provisions for the Russian Federation (August 13, 2004)	Not Applicable
Additional Provisions for Certain Russian Entities: Excluded Obligations and Excluded Deliverable Obligations (March 25, 2022)	Not Applicable
Hungary Additional Provisions	Not Applicable
Additional Provisions for Certain Venezuelan Entities: Excluded Obligations and Excluded	Not Applicable

Deliverable Obligations (September [19], 2017)	
Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (December 21, 2005)	Not Applicable
Secured Deliverable Obligation Characteristic Additional Provisions	Not Applicable
Additional Provisions for Reference Entities with Delivery Restrictions (February 1, 2007)	Not Applicable
LPN Additional Provisions	Not Applicable
Additional Provisions for STMicroelectronics NV (December 6, 2007)	Not Applicable
2020 Limited Recourse Additional Provisions (December 2, 2020)	Not Applicable
Fixed Recovery CDS Additional Provisions	[Not Applicable][Applicable]
Recovery Lock Additional Provisions	[Not Applicable][Applicable]
Sukuk Additional Provisions	Not Applicable
2012 ISDA U.S. Municipal Reference Entity Supplement to the 2003 ISDA Credit Derivatives Definitions (March 5, 2012)	Not Applicable
Additional Provisions for the Hellenic Republic (May 29, 2012)	Not Applicable

2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Additional Provisions for Senior Non-Preferred Reference Obligations (published on December 8, 2017)	Not Applicable
2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)	Applicable
Fallback Discounting	Applicable
Credit Deterioration Requirement	Applicable
[Earliest Exercise Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is not documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[9:00 AM (Tokyo Time)]
[Expiration Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)]	[4:00 PM (Tokyo Time)]

<i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	

Transaction Type	[STANDARD SINGAPORE CORPORATE]/[STANDARD SINGAPORE FINANCIAL CORPORATE]
Business Days	[London, New York & Singapore] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in USD)</i> [London, New York, TARGET & Singapore] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in EUR)</i> [London, New York, Singapore & Toronto] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in CAD)</i> [London, New York & Singapore] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in SGD)</i>
Calculation Agent City	[London]/[Specify]
All Guarantees	[Applicable]/[Specify]
Credit Events	[Bankruptcy Failure to Pay Restructuring <i>(Insert Governmental Intervention if the Transaction Type is the Financial Transaction Type)</i> [Governmental Intervention]]/[Specify]
Obligation Category	[Bond or Loan]/[Specify]
Obligation Characteristics	[Not Subordinated Specified Currency: Standard Specified Currencies & Domestic Currency Not Sovereign Lender]/[Specify]
Settlement Method	As specified above.
Fallback Settlement Method	As specified above.
Physical Settlement Period	[30 Business Days]/[Specify]
Deliverable Obligation Category	[Bond or Loan]/[Specify]
Deliverable Obligation Characteristics	[Not Subordinated Specified Currency: Standard Specified Currencies & Domestic Currency Not Sovereign Lender Assignable Loan Transferable]

	Maximum Maturity: 30 years Not Bearer]/[Specify]
Financial Reference Entity Terms	[Not Applicable][Applicable] (<i>Select Applicable if the Transaction Type is the Financial Transaction Type</i>)
Subordinated European Insurance Terms	Not Applicable
60 Business Day Cap on Settlement	[Applicable]/[Specify]
2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Monoline Supplement	Not Applicable
Additional Provisions for the Russian Federation (August 13, 2004)	Not Applicable
Additional Provisions for Certain Russian Entities: Excluded Obligations and Excluded Deliverable Obligations (March 25, 2022)	Not Applicable
Hungary Additional Provisions	Not Applicable
Additional Provisions for Certain Venezuelan Entities: Excluded Obligations and Excluded Deliverable Obligations (September [19], 2017)	Not Applicable
Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (December 21, 2005)	Not Applicable

Secured Deliverable Obligation Characteristic Additional Provisions	Not Applicable
Additional Provisions for Reference Entities with Delivery Restrictions (February 1, 2007)	Not Applicable
LPN Additional Provisions	Not Applicable
Additional Provisions for STMicroelectronics NV (December 6, 2007)	Not Applicable
2020 Limited Recourse Additional Provisions (December 2, 2020)	Not Applicable
Fixed Recovery CDS Additional Provisions	[Not Applicable][Applicable]
Recovery Lock Additional Provisions	[Not Applicable][Applicable]
Sukuk Additional Provisions	Not Applicable
2012 ISDA U.S. Municipal Reference Entity Supplement to the 2003 ISDA Credit Derivatives Definitions (March 5, 2012)	Not Applicable
Additional Provisions for the Hellenic Republic (May 29, 2012)	Not Applicable
2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Additional Provisions for Senior Non-Preferred Reference Obligations (published on December 8, 2017)	Not Applicable

2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)	Applicable
Fallback Discounting	Applicable
Credit Deterioration Requirement	Applicable
[Earliest Exercise Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[8:00 AM (Hong Kong Time)]
[Expiration Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[4:00 PM (Hong Kong Time)]

Transaction Type	[STANDARD ASIA CORPORATE]/[STANDARD ASIA FINANCIAL CORPORATE]
Business Days	[London & New York] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in USD)</i> [London, New York & TARGET] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in EUR)</i> [London, New York & Toronto] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in CAD)</i> [London, New York & Tokyo] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in JPY)</i> [London, New York & Hong Kong] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in HKD)</i> [London, New York & Singapore] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in SGD)</i>
Calculation Agent City	[London]/[Specify]
All Guarantees	[Applicable]/[Specify]
Credit Events	[Bankruptcy Failure to Pay Restructuring <i>(Insert Governmental Intervention if the Transaction Type is the Financial Transaction Type)</i> [Governmental Intervention]]/[Specify]
Obligation Category	[Bond or Loan]/[Specify]
Obligation Characteristics	[Not Subordinated Not Sovereign Lender Not Domestic Currency Not Domestic Issuance Not Domestic Law]/[Specify]
Settlement Method	As specified above.
Fallback Settlement Method	As specified above.
Physical Settlement Period	[30 Business Days]/[Specify]
Deliverable Obligation Category	[Bond or Loan]/[Specify]

Deliverable Obligation Characteristics	[Not Subordinated Specified Currency Not Sovereign Lender Not Domestic Law Not Domestic Issuance Assignable Loan Transferable Maximum Maturity: 30 years Not Bearer]/[Specify]
Financial Reference Entity Terms	[Not Applicable][Applicable] (<i>Select Applicable if the Transaction Type is the Financial Transaction Type</i>)
Subordinated European Insurance Terms	Not Applicable
60 Business Day Cap on Settlement	[Applicable]/[Specify]
2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Monoline Supplement	Not Applicable
Additional Provisions for the Russian Federation (August 13, 2004)	Not Applicable
Additional Provisions for Certain Russian Entities: Excluded Obligations and Excluded Deliverable Obligations (March 25, 2022)	Not Applicable
Hungary Additional Provisions	Not Applicable
Additional Provisions for Certain Venezuelan Entities: Excluded Obligations and Excluded Deliverable Obligations (September [19], 2017)	Not Applicable

Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (December 21, 2005)	Not Applicable
Secured Deliverable Obligation Characteristic Additional Provisions	Not Applicable
Additional Provisions for Reference Entities with Delivery Restrictions (February 1, 2007)	Not Applicable
LPN Additional Provisions	Not Applicable
Additional Provisions for STMicroelectronics NV (December 6, 2007)	Not Applicable
2020 Limited Recourse Additional Provisions (December 2, 2020)	Not Applicable
Fixed Recovery CDS Additional Provisions	[Not Applicable][Applicable]
Recovery Lock Additional Provisions	[Not Applicable][Applicable]
Sukuk Additional Provisions	Not Applicable
2012 ISDA U.S. Municipal Reference Entity Supplement to the 2003 ISDA Credit Derivatives Definitions (March 5, 2012)	Not Applicable
Additional Provisions for the Hellenic Republic (May 29, 2012)	Not Applicable
2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable

Additional Provisions for Senior Non-Preferred Reference Obligations (published on December 8, 2017)	Not Applicable
2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)	Applicable
Fallback Discounting	Applicable
Credit Deterioration Requirement	Applicable
[Earliest Exercise Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[8:00 AM (Hong Kong Time)]
[Expiration Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each</i>	[4:00 PM (Hong Kong Time)]

<i>as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	

Transaction Type	STANDARD WESTERN EUROPEAN SOVEREIGN
Business Days	[London & New York] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in USD)</i> [London & TARGET] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in EUR)</i> [London & Toronto] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in CAD)</i> [London] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in GBP)</i>
Calculation Agent City	[London]/[Specify]
All Guarantees	[Applicable]/[Specify]
Credit Events	[Failure to Pay Repudiation/Moratorium Restructuring]/[Specify]
Obligation Category	[Borrowed Money]/[Specify]
Obligation Characteristics	[None]/[Specify]
Settlement Method	As specified above.
Fallback Settlement Method	As specified above.
Physical Settlement Period	[30 Business Days]/[Specify]
Deliverable Obligation Category	[Bond or Loan]/[Specify]
Deliverable Obligation Characteristics	[Specified Currency Assignable Loan Consent Required Loan Transferable Maximum Maturity: 30 years Not Bearer]/[Specify]
Financial Reference Entity Terms	Not Applicable

Subordinated European Insurance Terms	Not Applicable
60 Business Day Cap on Settlement	[Applicable]/[Specify]
2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Monoline Supplement	Not Applicable
Additional Provisions for the Russian Federation (August 13, 2004)	Not Applicable
Additional Provisions for Certain Russian Entities: Excluded Obligations and Excluded Deliverable Obligations (March 25, 2022)	Not Applicable
Additional Provisions for the Republic of Ukraine: Excluded Obligations and Excluded Deliverable Obligations (April 11, 2016)	Not Applicable
2020 Additional Provisions for the Republic of Ecuador: Excluded Obligations and Excluded Deliverable Obligations (December 11, 2020)	Not Applicable
Additional Provisions for the Republic of Ecuador: Excluded Obligations and Excluded Deliverable Obligations (March 5, 2018)	Not Applicable
Hungary Additional Provisions	Not Applicable
Additional Provisions for Certain Venezuelan Entities: Excluded Obligations and Excluded	Not Applicable

Deliverable Obligations (September [19], 2017)	
2020 Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (September 16, 2020)	Not Applicable
Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (December 21, 2005)	Not Applicable
Secured Deliverable Obligation Characteristic Additional Provisions	Not Applicable
Additional Provisions for Reference Entities with Delivery Restrictions (February 1, 2007)	Not Applicable
LPN Additional Provisions	Not Applicable
Additional Provisions for STMicroelectronics NV (December 6, 2007)	Not Applicable
Fixed Recovery CDS Additional Provisions	[Not Applicable][Applicable]
Recovery Lock Additional Provisions	[Not Applicable] [Applicable]
Sukuk Additional Provisions	Not Applicable
2012 ISDA U.S. Municipal Reference Entity Supplement to the 2003 ISDA Credit Derivatives Definitions (March 5, 2012)	Not Applicable

Additional Provisions for the Hellenic Republic (May 29, 2012)	[Not Applicable][Applicable] (<i>Select Applicable if the Reference Entity is the Hellenic Republic</i>)
2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)	Not Applicable
Fallback Discounting	Not Applicable
Credit Deterioration Requirement	Not Applicable
[Earliest Exercise Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[9:00 AM (London Time)]
[Expiration Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA</i>	[4:00 PM (London Time)]

<i>Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	

Transaction Type	STANDARD LATIN AMERICA SOVEREIGN
Business Days	[London & New York] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in USD)</i> [London, New York & TARGET] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in EUR)</i> [London, New York & Toronto] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in CAD)</i>
Calculation Agent City	[New York]/[Specify]
All Guarantees	[Applicable]/[Specify]
Credit Events	[Failure to Pay Grace Period Extension: Applicable Obligation Acceleration Repudiation/Moratorium Restructuring Multiple Holder Obligation: Not Applicable]/[Specify]
Obligation Category	[Bond]/[Specify]
Obligation Characteristics	[Not Subordinated Not Domestic Currency Not Domestic Law Not Domestic Issuance]/[Specify]
Settlement Method	As specified above.
Fallback Settlement Method	As specified above.
Physical Settlement Period	[As per Section 8.19 of the Credit Derivatives Definitions]/[Specify]
Deliverable Obligation Category	[Bond]/[Specify]
Deliverable Obligation Characteristics	[Not Subordinated Specified Currency Not Domestic Law Not Domestic Issuance Transferable Not Bearer]/[Specify]

Financial Reference Entity Terms	Not Applicable
Subordinated European Insurance Terms	Not Applicable
60 Business Day Cap on Settlement	[Not Applicable]/[Specify]
2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	[Applicable][Not Applicable] (<i>Select Not Applicable if the Reference Entity is the Republic of Argentina or the Republic of Ecuador</i>)
Monoline Supplement	Not Applicable
Additional Provisions for the Russian Federation (August 13, 2004)	Not Applicable
Additional Provisions for Certain Russian Entities: Excluded Obligations and Excluded Deliverable Obligations (March 25, 2022)	Not Applicable
Additional Provisions for the Republic of Ukraine: Excluded Obligations and Excluded Deliverable Obligations (April 11, 2016)	Not Applicable
2020 Additional Provisions for the Republic of Ecuador: Excluded Obligations and Excluded Deliverable Obligations (December 11, 2020)	[Not Applicable][Applicable] (<i>Select Applicable if the Reference Entity is the Republic of Ecuador</i>)
Additional Provisions for the Republic of Ecuador: Excluded Obligations and Excluded Deliverable Obligations (March 5, 2018)	Not Applicable
Hungary Additional Provisions	Not Applicable

Additional Provisions for Certain Venezuelan Entities: Excluded Obligations and Excluded Deliverable Obligations (September [19], 2017)	Applicable
2020 Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (September 16, 2020)	[Not Applicable][Applicable] (<i>Select Applicable if the Reference Entity is the Argentine Republic</i>)
Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (December 21, 2005)	Not Applicable
Secured Deliverable Obligation Characteristic Additional Provisions	Not Applicable
Additional Provisions for Reference Entities with Delivery Restrictions (February 1, 2007)	Not Applicable
LPN Additional Provisions	Not Applicable
Additional Provisions for STMicroelectronics NV (December 6, 2007)	Not Applicable
Fixed Recovery CDS Additional Provisions	[Not Applicable][Applicable]
Recovery Lock Additional Provisions	[Not Applicable] [Applicable]
Sukuk Additional Provisions	Not Applicable
2012 ISDA U.S. Municipal Reference Entity Supplement to the 2003 ISDA Credit Derivatives Definitions (March 5, 2012)	Not Applicable

Additional Provisions for the Hellenic Republic (May 29, 2012)	[Not Applicable][Applicable] (<i>Select Applicable if the Reference Entity is the Hellenic Republic</i>)
2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)	Not Applicable
Fallback Discounting	Not Applicable
Credit Deterioration Requirement	Not Applicable
[Earliest Exercise Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[9:00 AM (New York Time)]
[Expiration Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA</i>	[12:00 Noon (New York Time)]

<i>Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	

Transaction Type	STANDARD EMERGING EUROPEAN & MIDDLE EASTERN SOVEREIGN
Business Days	[London & New York] (<i>Select if the Floating Rate Payer Calculation Amount is denominated in USD</i>) [London & TARGET] (<i>Select if the Floating Rate Payer Calculation Amount is denominated in EUR</i>) [London] (<i>Select if the Floating Rate Payer Calculation Amount is denominated in GBP</i>) [London & Toronto] (<i>Select if the Floating Rate Payer Calculation Amount is denominated in CAD</i>)
Calculation Agent City	[London]/[Specify]
All Guarantees	[Applicable]/[Specify]
Credit Events	[Failure to Pay - Grace Period Extension: Applicable Obligation Acceleration Repudiation/Moratorium Restructuring - Multiple Holder Obligation: Not Applicable]/[Specify]
Obligation Category	[Bond]/[Specify]
Obligation Characteristics	[Not Subordinated Not Domestic Currency Not Domestic Law Not Domestic Issuance]/[Specify]
Settlement Method	As specified above.
Fallback Settlement Method	As specified above.
Physical Settlement Period	[As per Section 8.19 of the Credit Derivatives Definitions]/[Specify]
Deliverable Obligation Category	[Bond]/[Specify]
Deliverable Obligation Characteristics	[Not Subordinated Specified Currency Not Domestic Law Not Domestic Issuance Transferable Not Bearer]/[Specify]

Financial Reference Entity Terms	Not Applicable
Subordinated European Insurance Terms	Not Applicable
60 Business Day Cap on Settlement	[Not Applicable]/[Specify]
2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	[Applicable][Not Applicable] <i>(Select Not Applicable if the Reference Entity is the Republic of Ukraine)</i>
Monoline Supplement	Not Applicable
Additional Provisions for the Russian Federation (August 13, 2004)	[Not Applicable][Applicable] <i>(Select Applicable if the Reference Entity is the Russian Federation)</i>
Additional Provisions for Certain Russian Entities: Excluded Obligations and Excluded Deliverable Obligations (March 25, 2022)	[Not Applicable][Applicable] <i>(Select Applicable if the Reference Entity is a Covered Reference Entity specified in the Additional Provisions)</i>
Additional Provisions for the Republic of Ukraine: Excluded Obligations and Excluded Deliverable Obligations (April 11, 2016)	[Not Applicable][Applicable] <i>(Select Applicable if the Reference Entity is the Republic of Ukraine)</i>
2020 Additional Provisions for the Republic of Ecuador: Excluded Obligations and Excluded Deliverable Obligations (December 11, 2020)	Not Applicable
Additional Provisions for the Republic of Ecuador: Excluded Obligations and Excluded Deliverable Obligations (March 5, 2018)	Not Applicable
Hungary Additional Provisions	[Not Applicable][Applicable] <i>(Select Applicable if the Reference Entity is the Republic of Hungary)</i>

Additional Provisions for Certain Venezuelan Entities: Excluded Obligations and Excluded Deliverable Obligations (September [19], 2017)	Not Applicable
2020 Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (September 16, 2020)	Not Applicable
Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (December 21, 2005)	Not Applicable
Secured Deliverable Obligation Characteristic Additional Provisions	Not Applicable
Additional Provisions for Reference Entities with Delivery Restrictions (February 1, 2007)	Not Applicable
LPN Additional Provisions	Not Applicable
Additional Provisions for STMicroelectronics NV (December 6, 2007)	Not Applicable
Fixed Recovery CDS Additional Provisions	[Not Applicable][Applicable]
Recovery Lock Additional Provisions	[Not Applicable][Applicable]
Sukuk Additional Provisions	Not Applicable
2012 ISDA U.S. Municipal Reference Entity Supplement to the 2003 ISDA Credit Derivatives Definitions (March 5, 2012)	Not Applicable

Additional Provisions for the Hellenic Republic (May 29, 2012)	Not Applicable
2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)	Not Applicable
Fallback Discounting	Not Applicable
Credit Deterioration Requirement	Not Applicable
[Earliest Exercise Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[9:00 AM (London Time)]
[Expiration Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA</i>	[4:00 PM (London Time)]

<i>Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	

Transaction Type	STANDARD AUSTRALIA SOVEREIGN
Business Days	[London, New York & Sydney] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in USD)</i> [London, New York, Sydney & TARGET] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in EUR)</i> [London, New York, Sydney & Toronto] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in CAD)</i>
Calculation Agent City	[London]/[Specify]
All Guarantees	[Applicable]/[Specify]
Credit Events	[Failure to Pay Repudiation/Moratorium Restructuring - Mod R: Applicable]/[Specify]
Obligation Category	[Borrowed Money]/[Specify]
Obligation Characteristics	[None]/[Specify]
Settlement Method	As specified above.
Fallback Settlement Method	As specified above.
Physical Settlement Period	[30 Business Days]/[Specify]
Deliverable Obligation Category	[Bond or Loan]/[Specify]
Deliverable Obligation Characteristics	[Not Subordinated Specified Currency: Standard Specified Currencies & Domestic Currency Assignable Loan Consent Required Loan Transferable Maximum Maturity: 30 years Not Bearer]/[Specify]
Financial Reference Entity Terms	Not Applicable

Subordinated European Insurance Terms	Not Applicable
60 Business Day Cap on Settlement	[Applicable]/[Specify]
2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Monoline Supplement	Not Applicable
Additional Provisions for the Russian Federation (August 13, 2004)	Not Applicable
Additional Provisions for Certain Russian Entities: Excluded Obligations and Excluded Deliverable Obligations (March 25, 2022)	Not Applicable
Additional Provisions for the Republic of Ukraine: Excluded Obligations and Excluded Deliverable Obligations (April 11, 2016)	Not Applicable
2020 Additional Provisions for the Republic of Ecuador: Excluded Obligations and Excluded Deliverable Obligations (December 11, 2020)	Not Applicable
Additional Provisions for the Republic of Ecuador: Excluded Obligations and Excluded Deliverable Obligations (March 5, 2018)	Not Applicable
Hungary Additional Provisions	Not Applicable
Additional Provisions for Certain Venezuelan Entities: Excluded Obligations and Excluded	Not Applicable

Deliverable Obligations (September [19], 2017)	
2020 Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (September 16, 2020)	Not Applicable
Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (December 21, 2005)	Not Applicable
Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (December 21, 2005)	Not Applicable
Secured Deliverable Obligation Characteristic Additional Provisions	Not Applicable
Additional Provisions for Reference Entities with Delivery Restrictions (February 1, 2007)	Not Applicable
LPN Additional Provisions	Not Applicable
Additional Provisions for STMicroelectronics NV (December 6, 2007)	Not Applicable
Fixed Recovery CDS Additional Provisions	[Not Applicable][Applicable]
Recovery Lock Additional Provisions	Not Applicable
Sukuk Additional Provisions	Not Applicable

2012 ISDA U.S. Municipal Reference Entity Supplement to the 2003 ISDA Credit Derivatives Definitions (March 5, 2012)	Not Applicable
Additional Provisions for the Hellenic Republic (May 29, 2012)	Not Applicable
2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)	Not Applicable
Fallback Discounting	Not Applicable
Credit Deterioration Requirement	Not Applicable
[Earliest Exercise Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is not documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[8:00 AM (Hong Kong Time)]
[Expiration Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20,	[4:00 PM (Hong Kong Time)]

2011 or, if subsequently amended, as most recently published by ISDA)]

(Delete this row if the transaction is not documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)

Transaction Type	STANDARD NEW ZEALAND SOVEREIGN
Business Days	[London, New York & NZBD] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in USD)</i> [London, New York, NZBD & TARGET] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in EUR)</i> [London, New York, NZBD & Toronto] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in CAD)</i>
Calculation Agent City	[London]/[Specify]
All Guarantees	[Applicable]/[Specify]
Credit Events	[Failure to Pay Repudiation/Moratorium Restructuring - Mod R: Applicable]/[Specify]
Obligation Category	[Borrowed Money]/[Specify]
Obligation Characteristics	[None]/[Specify]
Settlement Method	As specified above.
Fallback Settlement Method	As specified above.
Physical Settlement Period	[30 Business Days]/[Specify]
Deliverable Obligation Category	[Bond or Loan]/[Specify]
Deliverable Obligation Characteristics	[Not Subordinated Specified Currency: Standard Specified Currencies & Domestic Currency Assignable Loan Consent Required Loan Transferable Maximum Maturity: 30 years Not Bearer]/[Specify]
Financial Reference Entity Terms	Not Applicable

Subordinated European Insurance Terms	Not Applicable
60 Business Day Cap on Settlement	[Applicable]/[Specify]
2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Monoline Supplement	Not Applicable
Additional Provisions for the Russian Federation (August 13, 2004)	Not Applicable
Additional Provisions for Certain Russian Entities: Excluded Obligations and Excluded Deliverable Obligations (March 25, 2022)	Not Applicable
Additional Provisions for the Republic of Ukraine: Excluded Obligations and Excluded Deliverable Obligations (April 11, 2016)	Not Applicable
2020 Additional Provisions for the Republic of Ecuador: Excluded Obligations and Excluded Deliverable Obligations (December 11, 2020)	Not Applicable
Additional Provisions for the Republic of Ecuador: Excluded Obligations and Excluded Deliverable Obligations (March 5, 2018)	Not Applicable
Hungary Additional Provisions	Not Applicable
Additional Provisions for Certain Venezuelan Entities: Excluded Obligations and Excluded	Not Applicable

Deliverable Obligations (September [19], 2017)	
2020 Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (September 16, 2020)	Not Applicable
Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (December 21, 2005)	Not Applicable
Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (December 21, 2005)	Not Applicable
Secured Deliverable Obligation Characteristic Additional Provisions	Not Applicable
Additional Provisions for Reference Entities with Delivery Restrictions (February 1, 2007)	Not Applicable
LPN Additional Provisions	Not Applicable
Additional Provisions for STMicroelectronics NV (December 6, 2007)	Not Applicable
Fixed Recovery CDS Additional Provisions	[Not Applicable][Applicable]
Recovery Lock Additional Provisions	Not Applicable
Sukuk Additional Provisions	Not Applicable

2012 ISDA U.S. Municipal Reference Entity Supplement to the 2003 ISDA Credit Derivatives Definitions (March 5, 2012)	Not Applicable
Additional Provisions for the Hellenic Republic (May 29, 2012)	Not Applicable
2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)	Not Applicable
Fallback Discounting	Not Applicable
Credit Deterioration Requirement	Not Applicable
[Earliest Exercise Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is not documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[8:00 AM (Hong Kong Time)]
[Expiration Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20,	[4:00 PM (Hong Kong Time)]

2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	

Transaction Type	STANDARD JAPAN SOVEREIGN
Business Days	[London, New York & Tokyo] (<i>Select if the Floating Rate Payer Calculation Amount is denominated in JPY</i>) [London, New York & Tokyo] (<i>Select if the Floating Rate Payer Calculation Amount is denominated in USD</i>) [London, New York, Tokyo & TARGET] (<i>Select if the Floating Rate Payer Calculation Amount is denominated in EUR</i>) [London, New York, Tokyo & Toronto] (<i>Select if the Floating Rate Payer Calculation Amount is denominated in CAD</i>)
Calculation Agent City	[Tokyo]/[Specify]
All Guarantees	[Applicable]/[Specify]
Credit Events	Failure to Pay – Payment Requirement: [JPY 100,000,000 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Failure to Pay (<i>Insert if the Floating Rate Payer Calculation Amount is in JPY</i>)] / [USD 1,000,000 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Failure to Pay. (<i>Insert in all other cases</i>)] Repudiation/Moratorium Restructuring – Multiple Holder Obligation: Not Applicable – Default Requirement: [JPY 1,000,000,000 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Credit Event (<i>Insert if the Floating Rate Payer Calculation Amount is in JPY</i>)] / [USD 10,000,000 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Credit Event. (<i>Insert in all other cases</i>)]
Obligation Category	[Borrowed Money]/[Specify]
Obligation Characteristics	[None]/[Specify]
Settlement Method	As specified above.
Fallback Settlement Method	As specified above.

Physical Settlement Period	[30 Business Days]/[Specify]
Deliverable Obligation Category	[Bond or Loan]/[Specify]
Deliverable Obligation Characteristics	[Specified Currency Assignable Loan Consent Required Loan Transferable Maximum Maturity: 30 years Not Bearer]/[Specify]
Financial Reference Entity Terms	Not Applicable
Subordinated European Insurance Terms	Not Applicable
60 Business Day Cap on Settlement	[Applicable]/[Specify]
2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
Monoline Supplement	Not Applicable
Additional Provisions for the Russian Federation (August 13, 2004)	Not Applicable
Additional Provisions for Certain Russian Entities: Excluded Obligations and Excluded Deliverable Obligations (March 25, 2022)	Not Applicable
Additional Provisions for the Republic of Ukraine: Excluded Obligations and Excluded Deliverable Obligations (April 11, 2016)	Not Applicable
2020 Additional Provisions for the Republic of Ecuador: Excluded Obligations and Excluded	Not Applicable

Deliverable Obligations (December 11, 2020)	
Additional Provisions for the Republic of Ecuador: Excluded Obligations and Excluded Deliverable Obligations (March 5, 2018)	Not Applicable
Hungary Additional Provisions	Not Applicable
Additional Provisions for Certain Venezuelan Entities: Excluded Obligations and Excluded Deliverable Obligations (September [19], 2017)	Not Applicable
2020 Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (September 16, 2020)	Not Applicable
Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (December 21, 2005)	Not Applicable
Secured Deliverable Obligation Characteristic Additional Provisions	Not Applicable
Additional Provisions for Reference Entities with Delivery Restrictions (February 1, 2007)	Not Applicable
LPN Additional Provisions	Not Applicable
Additional Provisions for STMicroelectronics NV (December 6, 2007)	Not Applicable

Fixed Recovery CDS Additional Provisions	[Not Applicable][Applicable]
Recovery Lock Additional Provisions	[Not Applicable][Applicable]
Sukuk Additional Provisions	Not Applicable
2012 ISDA U.S. Municipal Reference Entity Supplement to the 2003 ISDA Credit Derivatives Definitions (March 5, 2012)	Not Applicable
Additional Provisions for the Hellenic Republic (May 29, 2012)	Not Applicable
2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)	Not Applicable
Fallback Discounting	Not Applicable
Credit Deterioration Requirement	Not Applicable
[Earliest Exercise Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each</i>	[9:00 AM (Tokyo Time)]

<i>as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	
[Expiration Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[4:00 PM (Tokyo Time)]

Transaction Type	STANDARD SINGAPORE SOVEREIGN
Business Days	[London, New York & Singapore] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in SGD)</i> [London, New York & Singapore] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in USD)</i> [London, New York, Singapore & TARGET] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in EUR)</i> [London, New York, Singapore & Toronto] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in CAD)</i>
Calculation Agent City	[London]/[Specify]
All Guarantees	[Applicable]/[Specify]
Credit Events	[Failure to Pay Repudiation/Moratorium Restructuring]/[Specify]
Obligation Category	[Bond or Loan]/[Specify]
Obligation Characteristics	[Not Subordinated Specified Currency: Standard Specified Currencies & Domestic Currency Not Sovereign Lender]/[Specify]
Settlement Method	As specified above.
Fallback Settlement Method	As specified above.
Physical Settlement Period	[30 Business Days]/[Specify]
Deliverable Obligation Category	[Bond or Loan]/[Specify]
Deliverable Obligation Characteristics	[Not Subordinated Specified Currency Specified Currencies & Domestic Currency Not Sovereign Lender Assignable Loan Transferable Maximum Maturity: 30 years Not Bearer]/[Specify]

Financial Reference Entity Terms	Not Applicable
Subordinated European Insurance Terms	Not Applicable
60 Business Day Cap on Settlement	[Applicable]/[Specify]
2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Applicable
Monoline Supplement	Not Applicable
Additional Provisions for the Russian Federation (August 13, 2004)	Not Applicable
Additional Provisions for Certain Russian Entities: Excluded Obligations and Excluded Deliverable Obligations (March 25, 2022)	Not Applicable
Additional Provisions for the Republic of Ukraine: Excluded Obligations and Excluded Deliverable Obligations (April 11, 2016)	Not Applicable
2020 Additional Provisions for the Republic of Ecuador: Excluded Obligations and Excluded Deliverable Obligations (December 11, 2020)	Not Applicable
Additional Provisions for the Republic of Ecuador: Excluded Obligations and Excluded Deliverable Obligations (March 5, 2018)	Not Applicable
Hungary Additional Provisions	Not Applicable

Additional Provisions for Certain Venezuelan Entities: Excluded Obligations and Excluded Deliverable Obligations (September [19], 2017)	Not Applicable
2020 Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (September 16, 2020)	Not Applicable
Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (December 21, 2005)	Not Applicable
Secured Deliverable Obligation Characteristic Additional Provisions	Not Applicable
Additional Provisions for Reference Entities with Delivery Restrictions (February 1, 2007)	Not Applicable
LPN Additional Provisions	Not Applicable
Additional Provisions for STMicroelectronics NV (December 6, 2007)	Not Applicable
Fixed Recovery CDS Additional Provisions	[Not Applicable][Applicable]
Recovery Lock Additional Provisions	[Not Applicable][Applicable]
Sukuk Additional Provisions	Not Applicable
2012 ISDA U.S. Municipal Reference Entity Supplement to the 2003 ISDA Credit Derivatives Definitions (March 5, 2012)	Not Applicable

Additional Provisions for the Hellenic Republic (May 29, 2012)	Not Applicable
2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)	Not Applicable
Fallback Discounting	Not Applicable
Credit Deterioration Requirement	Not Applicable
[Earliest Exercise Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[8:00 AM (Hong Kong Time)]
[Expiration Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA</i>	[4:00 PM (Hong Kong Time)]

<i>Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	

Transaction Type	STANDARD ASIA SOVEREIGN
Business Days	[London & New York] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in USD)</i> [London, New York & TARGET] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in EUR)</i> [London, New York & Toronto] <i>(Select if the Floating Rate Payer Calculation Amount is denominated in CAD)</i>
Calculation Agent City	[London]/[Specify]
All Guarantees	[Applicable]/[Specify]
Credit Events	[Failure to Pay Repudiation/Moratorium Restructuring]/[Specify]
Obligation Category	[Bond or Loan]/[Specify]
Obligation Characteristics	[Not Subordinated Not Sovereign Lender Not Domestic Currency Not Domestic Law Not Domestic Issuance]/[Specify]
Settlement Method	As specified above.
Fallback Settlement Method	As specified above.
Physical Settlement Period	[30 Business Days]/[Specify]
Deliverable Obligation Category	[Bond or Loan]/[Specify]
Deliverable Obligation Characteristics	[Not Subordinated Specified Currency Not Sovereign Lender Not Domestic Law Not Domestic Issuance Assignable Loan Transferable Maximum Maturity: 30 years Not Bearer]/[Specify]

Financial Reference Entity Terms	Not Applicable
Subordinated European Insurance Terms	Not Applicable
60 Business Day Cap on Settlement	[Applicable]/[Specify]
2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Applicable
Monoline Supplement	Not Applicable
Additional Provisions for the Russian Federation (August 13, 2004)	Not Applicable
Additional Provisions for Certain Russian Entities: Excluded Obligations and Excluded Deliverable Obligations (March 25, 2022)	Not Applicable
Additional Provisions for the Republic of Ukraine: Excluded Obligations and Excluded Deliverable Obligations (April 11, 2016)	Not Applicable
2020 Additional Provisions for the Republic of Ecuador: Excluded Obligations and Excluded Deliverable Obligations (December 11, 2020)	Not Applicable
Additional Provisions for the Republic of Ecuador: Excluded Obligations and Excluded Deliverable Obligations (March 5, 2018)	Not Applicable
Hungary Additional Provisions	Not Applicable

Additional Provisions for Certain Venezuelan Entities: Excluded Obligations and Excluded Deliverable Obligations (September [19], 2017)	Not Applicable
2020 Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (September 16, 2020)	Not Applicable
Additional Provisions for the Argentine Republic: Excluded Obligations and Excluded Deliverable Obligations (December 21, 2005)	Not Applicable
Secured Deliverable Obligation Characteristic Additional Provisions	Not Applicable
Additional Provisions for Reference Entities with Delivery Restrictions (February 1, 2007)	Not Applicable
LPN Additional Provisions	Not Applicable
Additional Provisions for STMicroelectronics NV (December 6, 2007)	Not Applicable
Fixed Recovery CDS Additional Provisions	[Not Applicable][Applicable]
Recovery Lock Additional Provisions	[Not Applicable][Applicable]
Sukuk Additional Provisions	Not Applicable
2012 ISDA U.S. Municipal Reference Entity Supplement to the 2003 ISDA Credit Derivatives Definitions (March 5, 2012)	Not Applicable

Additional Provisions for the Hellenic Republic (May 29, 2012)	Not Applicable
2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014)	Not Applicable
2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)	Not Applicable
Fallback Discounting	Not Applicable
Credit Deterioration Requirement	Not Applicable
[Earliest Exercise Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	[8:00 AM (Hong Kong Time)]
[Expiration Time: (Only applicable to transactions documented under the ISDA Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)] <i>(Delete this row if the transaction is <u>not</u> documented under the ISDA</i>	[4:00 PM (Hong Kong Time)]

<i>Single Name CDS Swaption Standard Terms Supplement and the Credit Default Swaption Confirmation, each as published on January 20, 2011 or, if subsequently amended, as most recently published by ISDA)</i>	

PRO FORMA PRICING SUPPLEMENT FOR THE CASH SETTLED EXCHANGEABLE NOTES

Pricing Supplement dated []

Morgan Stanley Finance LLC as Issuer

Legal Entity Identifier (LEI): 5493003FCPSE9RKT4B56

Issue of [Aggregate Nominal Amount of Tranche] [Title of Exchangeable Notes] due [●]

[to be consolidated and to form a single series with the Series [●] Tranche [1] [Title of Exchangeable Notes] due [●]¹⁴⁶]

Guaranteed by Morgan Stanley

under the

Regulation S / 144A Program for the Issuance of Notes, Series A and B, Warrants and Certificates (the "Program")

The Offering Circular referred to below (as completed by this Pricing Supplement) has been prepared on the basis that any offer of Cash Settled Exchangeable Notes (the "**Exchangeable Notes**") in any Member State of the European Economic Area (each, a "**Relevant State**") will be made pursuant to an exemption under Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**") from the requirement to publish a prospectus for offers of the Exchangeable Notes.

Accordingly any person making or intending to make an offer in that Relevant State of the Exchangeable Notes may only do so in circumstances in which no obligation arises for the Issuer or any Distribution Agent to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor any Distribution Agent has authorised, nor do they authorise, the making of any offer of Exchangeable Notes in any other circumstances.

Warning: Neither this Pricing Supplement nor the Offering Circular referred to below constitutes a "prospectus" for the purposes of Prospectus Regulation, and the Pricing Supplement and the Offering Circular have been prepared on the basis that no prospectus shall be required under the Prospectus Regulation in relation to any Exchangeable Notes to be offered and sold hereunder.

Any person making or intending to make an offer of Exchangeable Notes in the United Kingdom may only do so pursuant to an exception from the public offer prohibition contained in the Public Offers and Admissions to Trading Regulations 2024 and in circumstances in which no obligation arises for the Issuer or any Distribution Agent to publish or supplement a prospectus pursuant to the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook. Neither the Issuer nor any Distribution Agent has authorised, nor do they authorise, the making of any offer of Exchangeable Notes in any other circumstances.

THE EXCHANGEABLE NOTES ARE NOT DEPOSITS OR SAVINGS ACCOUNTS AND ARE NOT INSURED BY THE U.S. FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY OR INSTRUMENTALITY OR DEPOSIT PROTECTION SCHEME ANYWHERE NOR ARE THEY OBLIGATIONS OF, OR GUARANTEED BY, A BANK.

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS: THE EXCHANGEABLE 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 (THE "EEA"). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF:

- (A) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU, AS AMENDED ("**MIFID II**");

¹⁴⁶ Insert language if the issue is a fungible tranche.

(B) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97, AS AMENDED, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR

(C) NOT A QUALIFIED INVESTOR AS DEFINED IN REGULATION (EU) 2017/1129, AS AMENDED.

CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014, AS AMENDED (THE "PRIIPS REGULATION") FOR OFFERING OR SELLING THE EXCHANGEABLE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN OR WILL BE PREPARED AND THEREFORE OFFERING OR SELLING THE EXCHANGEABLE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.]¹⁴⁷

[PROHIBITION OF SALES TO UK RETAIL INVESTORS:

THE EXCHANGEABLE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD, DISTRIBUTED OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD, DISTRIBUTED 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 EITHER ONE (OR BOTH) OF THE FOLLOWING:

(A) NOT A PROFESSIONAL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF THE LAWS OF THE UNITED KINGDOM; OR

(B) NOT A QUALIFIED INVESTOR AS DEFINED IN PARAGRAPH 15 OF SCHEDULE 1 TO THE PUBLIC OFFERS AND ADMISSIONS TO TRADING REGULATIONS 2024.

CONSEQUENTLY, NO DISCLOSURE DOCUMENT REQUIRED BY THE FCA PRODUCT DISCLOSURE SOURCEBOOK ("DISC") FOR OFFERING, SELLING OR DISTRIBUTING THE EXCHANGEABLE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE UK HAS BEEN OR WILL BE PREPARED AND THEREFORE OFFERING, SELLING OR DISTRIBUTING THE EXCHANGEABLE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE UK MAY BE UNLAWFUL UNDER DISC AND THE CONSUMER COMPOSITE INVESTMENTS (DESIGNATED ACTIVITIES) REGULATION 2024.]¹⁴⁸

[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 EXCHANGEABLE NOTES HAS LED TO THE CONCLUSION THAT:

(A) THE TARGET MARKET FOR THE EXCHANGEABLE NOTES IS ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ONLY, EACH AS DEFINED IN [MIFID II]/[DIRECTIVE 2014/65/EU (AS AMENDED, "MIFID II")]; AND

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

ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE EXCHANGEABLE 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 EXCHANGEABLE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURER'S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.] /

¹⁴⁷ Insert if "Prohibition of Sales to EEA Retail Investors" is specified as Applicable in Part B of the Pricing Supplement.

¹⁴⁸ Insert if "Prohibition of Sales to UK Retail Investors" is specified as Applicable in Part B of the Pricing Supplement.

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

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

- (A) THE TARGET MARKET FOR THE EXCHANGEABLE NOTES IS ELIGIBLE COUNTERPARTIES, PROFESSIONAL CLIENTS AND RETAIL CLIENTS, EACH AS DEFINED IN [MIFID II]/[DIRECTIVE 2014/65/EU (AS AMENDED, "MIFID II")]; [AND]

[EITHER:]

- (B) ALL CHANNELS FOR DISTRIBUTION OF THE EXCHANGEABLE NOTES ARE APPROPRIATE [, INCLUDING INVESTMENT ADVICE, PORTFOLIO MANAGEMENT, NON-ADVISED SALES AND PURE EXECUTION SERVICES]]

[OR]

- (B) **[ALL CHANNELS FOR DISTRIBUTION TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE; AND**

- (C) THE FOLLOWING CHANNELS FOR DISTRIBUTION OF THE EXCHANGEABLE NOTES TO RETAIL CLIENTS ARE APPROPRIATE - INVESTMENT ADVICE[, / AND] PORTFOLIO MANAGEMENT[, / AND][NON-ADVISED SALES][AND PURE EXECUTION SERVICES][, SUBJECT TO THE DISTRIBUTOR'S SUITABILITY AND APPROPRIATENESS OBLIGATIONS UNDER MIFID II, AS APPLICABLE]].

ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE EXCHANGEABLE 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 EXCHANGEABLE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURER'S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS [, SUBJECT TO THE DISTRIBUTOR'S SUITABILITY AND APPROPRIATENESS OBLIGATIONS UNDER MIFID II, AS APPLICABLE].]

[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 EXCHANGEABLE NOTES HAS LED TO THE CONCLUSION THAT:

- (A) THE TARGET MARKET FOR THE EXCHANGEABLE 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 THE LAWS OF THE UNITED KINGDOM ("UK MIFIR"); AND
- (B) ALL CHANNELS FOR DISTRIBUTION OF THE EXCHANGEABLE NOTES TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE.

ANY [PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE EXCHANGEABLE 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 EXCHANGEABLE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURERS' TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.] /

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

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

- (A) THE TARGET MARKET FOR THE EXCHANGEABLE NOTES IS RETAIL CLIENTS (FOR THESE PURPOSES, A RETAIL CLIENT MEANS A PERSON WHO IS NOT A PROFESSIONAL CLIENT AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF THE LAWS OF THE UNITED KINGDOM ("UK MIFIR") ("PROFESSIONAL CLIENT")), AND ELIGIBLE COUNTERPARTIES, AS DEFINED IN THE FCA HANDBOOK CONDUCT OF BUSINESS SOURCEBOOK ("COBS"), AND PROFESSIONAL CLIENTS; [AND]

[EITHER]

- (B) [ALL CHANNELS FOR DISTRIBUTION OF THE EXCHANGEABLE NOTES ARE APPROPRIATE[, INCLUDING INVESTMENT ADVICE, PORTFOLIO MANAGEMENT, NON-ADVISED SALES AND PURE EXECUTION SERVICES]]

[OR]

- (B) [ALL CHANNELS FOR DISTRIBUTION TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE; AND
- (C) THE FOLLOWING CHANNELS FOR DISTRIBUTION OF THE EXCHANGEABLE NOTES TO RETAIL CLIENTS ARE APPROPRIATE - INVESTMENT ADVICE[,/ AND] PORTFOLIO MANAGEMENT[,/ AND][NON-ADVISED SALES][AND PURE EXECUTION SERVICES][, SUBJECT TO THE DISTRIBUTOR'S SUITABILITY AND APPROPRIATENESS OBLIGATIONS UNDER COBS, AS APPLICABLE].

ANY [PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE EXCHANGEABLE NOTES (A "DISTRIBUTOR")]/[DISTRIBUTOR] SHOULD TAKE INTO CONSIDERATION THE MANUFACTURER'S 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 EXCHANGEABLE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURER'S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS[, SUBJECT TO THE DISTRIBUTOR'S SUITABILITY AND APPROPRIATENESS OBLIGATIONS UNDER COBS, AS APPLICABLE].]

[The contents of the Offering Circular (as completed by this Pricing Supplement) has not been reviewed and will not be reviewed by the Securities and Futures Commission ("SFC") or any other regulatory authority in Hong Kong and the prospective investors are advised to exercise caution in relation to the Exchangeable Notes. If you are in any doubt about any of the contents of these documents, you should obtain independent professional advice.]

[Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the SFA) – In connection with the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), the Issuer has determined the classification of the Exchangeable Notes as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]¹⁴⁹

[SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES: THE SECURITIES DO NOT CONSTITUTE COLLECTIVE INVESTMENT SCHEMES WITHIN THE MEANING OF THE SWISS

¹⁴⁹ Legend to be included on front of the Pricing Supplement if the Issuer has re-classified the Exchangeable Notes as "prescribed capital markets products" and "Excluded Investment Products" pursuant to Section 309B of the SFA prior to the launch of the offer and the Exchangeable Notes are to be offered in Singapore to persons other than Accredited Investors and Institutional Investors. Relevant Dealer(s)/Distribution Agent(s) to consider whether it / they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.

FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES ("CISA"). ACCORDINGLY, HOLDERS OF THE NOTES DO NOT BENEFIT FROM PROTECTION UNDER THE CISA OR SUPERVISION BY THE SWISS FINANCIAL MARKET SUPERVISORY AUTHORITY FINMA. INVESTORS BEAR THE CREDIT RISK OF THE ISSUER.]

PART A – CONTRACTUAL TERMS

THE EXCHANGEABLE NOTES DESCRIBED HEREIN AND ANY GUARANTEE IN RESPECT THEREOF, AND THE SECURITIES TO BE DELIVERED ON REDEMPTION OF THE EXCHANGEABLE NOTES (IF ANY) HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. NEITHER THE ISSUER NOR THE GUARANTOR IS REGISTERED, OR WILL REGISTER, UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED. TRADING IN THE EXCHANGEABLE NOTES HAS NOT BEEN APPROVED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION UNDER THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED.

[If Exchangeable Notes are offered under Regulation S only, insert:

THE EXCHANGEABLE NOTES DESCRIBED HEREIN, ANY INTEREST THEREIN, ANY GUARANTEE IN RESPECT THEREOF AND THE SECURITIES TO BE DELIVERED ON REDEMPTION OF THE EXCHANGEABLE NOTES (IF ANY) MAY NOT BE OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED 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). HEDGING TRANSACTIONS INVOLVING ANY "**EQUITY SECURITIES**" OF "**DOMESTIC ISSUERS**" (AS SUCH TERMS ARE DEFINED IN THE SECURITIES ACT AND REGULATIONS THEREUNDER) MAY ONLY BE CONDUCTED IN ACCORDANCE WITH THE SECURITIES ACT. SEE "**SUBSCRIPTION AND SALE**" AND "**TRANSFER RESTRICTIONS**" IN THE ACCOMPANYING OFFERING CIRCULAR DATED 25 JUNE 2026. IN PURCHASING THE EXCHANGEABLE NOTES, A PURCHASER WILL BE DEEMED TO REPRESENT AND WARRANT THAT IT IS NOT (I) LOCATED IN THE UNITED STATES, (II) A U.S. PERSON OR (III) PURCHASING ON BEHALF OF, OR FOR THE ACCOUNT OR BENEFIT OF, ANY PERSON LOCATED WITHIN THE UNITED STATES[, /OR] U.S. PERSON [OR U.S. TAXPAYER.]]

[If Exchangeable Notes are offered under both Rule 144A and Regulation S, insert:

INTERESTS IN THIS NOTE MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**") TO A PERSON WHO TAKES DELIVERY IN THE FORM OF AN INTEREST IN A REGISTERED GLOBAL INSTRUMENT THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER ("**QIB**") WITHIN THE MEANING OF RULE 144A AS DEFINED IN SECTION 2(a)(51) OF THE INVESTMENT COMPANY ACT AND THE RULES THEREUNDER), PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QIBS, WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT SUCH OFFER, SALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, AND IN A NOMINAL AMOUNT OR PURCHASE PRICE FOR EACH ACCOUNT OF NOT LESS THAN U.S.\$100,000 OR (2) TO A PERSON THAT IS NOT A U.S. PERSON (WITHIN THE MEANING OF REGULATION S) WHO TAKES DELIVERY IN THE FORM OF AN INTEREST IN A REGISTERED GLOBAL INSTRUMENT IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S, AND, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION.

SEE "**SUBSCRIPTION AND SALE**" AND "**TRANSFER RESTRICTIONS**" IN THE OFFERING CIRCULAR. IN PURCHASING THE EXCHANGEABLE NOTES, PURCHASERS WILL BE DEEMED TO REPRESENT AND WARRANT, AMONG OTHERS, THAT (A)(I) THEY ARE NEITHER LOCATED IN THE UNITED STATES NOR A U.S. PERSON AND (II) THAT THEY ARE NOT PURCHASING FOR, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON OR (B)(I) THEY ARE A QIB, (II) ARE ACTING FOR THEIR OWN ACCOUNT OR FOR ONE OR MORE ACCOUNTS, EACH OF WHICH IS A QIB, (III) WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS APPLICABLE TO THE SECURITIES TO ANY SUBSEQUENT TRANSFEREE (WHICH TRANSFEREE SHALL BE DEEMED TO MAKE THE SAME REPRESENTATIONS HEREIN), (IV) THEY WILL, ALONG WITH EACH ACCOUNT FOR WHICH THEY ARE PURCHASING, HOLD AND TRANSFER BENEFICIAL INTERESTS IN THE EXCHANGEABLE NOTES IN AN AGGREGATE PRINCIPAL AMOUNT THAT IS NOT LESS THAN THE MINIMUM DENOMINATION OF THE EXCHANGEABLE NOTES AND (V) ARE AWARE, AND EACH BENEFICIAL OWNER OF THE EXCHANGEABLE NOTES HAS BEEN ADVISED, THAT THE SALE OF THE EXCHANGEABLE NOTES TO IT IS BEING MADE IN RELIANCE ON RULE 144A.]

As used herein, "U.S. person" means (i) an individual who is a citizen or resident of the United States; (ii) a corporation, partnership or other entity treated as a corporation or partnership for United States federal income tax purposes, created or organised in or under the laws of the United States, any State thereof or the District of Columbia, or which has its principal place of business in the United States; (iii) any estate or trust which is subject to United States federal income taxation regardless of the source of its income; (iv) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and if one or more United States trustees have the authority to control all substantial decisions of the trust (or any trust which elected to be treated as a United States person prior to 20 August 1996); (v) a pension plan for the employees, officers or principals of a corporation, partnership or other entity described in (ii) above; or (vi) any other "U.S. person" as such term may be defined in Regulation S under the Securities Act or in the Final Exemptive Order Regarding Compliance with Certain Swap Regulations, as amended from time to time, promulgated by the U.S. Commodity Futures Trading Commission under the Commodity Exchange Act.]

[THE EXCHANGEABLE NOTES ARE NOT RATED.]¹⁵⁰

This document constitutes the Pricing Supplement relating to the issue of the Exchangeable Notes described herein. This Pricing Supplement must be read in conjunction with the Offering Circular dated 25 June 2026¹⁵¹ and the supplement(s) (if any) to the Offering Circular published and approved on or before the date of this Pricing Supplement and any supplement to the Offering Circular which may have been published and approved before the Issue Date (as defined below) (the "Supplement(s)") (provided that to the extent any such Supplement (i) is published and approved after the date of this Pricing Supplement and (ii) provides for any change to the Exchangeable Note Conditions such changes shall have no effect with respect to the Exchangeable Note Conditions of the Exchangeable Notes to which this Pricing Supplement relate, unless otherwise stated in such Supplement) (together, the "Offering Circular"). Full information on the Issuer, the Guarantor and the offer of the Exchangeable Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. Copies of the Offering Circular and any Supplement are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA. The Offering Circular has also been published on the website of Euronext Dublin (www.live.euronext.com) and the Luxembourg Stock Exchange (www.luxse.com).

[Terms used herein shall be deemed to be defined as such for the purposes of the Exchangeable Note Conditions of the Exchangeable Notes set forth in the offering circular dated [●].]¹⁵²

Information Concerning Investment Risk

[]

(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 Pricing Supplement.)

(When completing any pricing supplement, or adding any information, consideration should be given as to whether (i) such terms constitute a "significant change" or "significant new matter" for the purposes of the rules of the Global Exchange Market of Euronext Dublin and consequently trigger the need for a supplementary listing particulars; or (ii) whether such terms trigger any other disclosure obligations pursuant to the rules of the Luxembourg Stock Exchange).

GENERAL

1. (i) Series Number: []

(ii) [Tranche Number:] []

(If fungible with an existing Series, details of that Series, including the date on which the Exchangeable Notes become fungible).¹⁵³ [Fungible with the Series [●] Tranche [1] [Title of Exchangeable Notes] due [●] issued by the Issuer, bearing ISIN [●]. To be consolidated to form a single

¹⁵⁰ Delete if the Exchangeable Notes are rated.

¹⁵¹ Any offer by an issuer of Exchangeable Notes which fall outside the scope of the Pricing Supplement, will be by way of a drawdown prospectus approved by the Luxembourg Stock Exchange rather than a pricing supplement.

¹⁵² Only include this language where it is a fungible issue and the original Tranche was issued under an offering circular with a different date.

¹⁵³ A reopening of a Rule 144A issuance more than 12 days after the original issuance may result in non fungible tranches of notes for US tax purposes. Consult the MS tax team before proceeding with a reopening of a Rule 144A issuance.

		series with Tranche [1] with effect as of the Issue Date of Tranche [2]]
2.	Specified Currency or Currencies:	[]
3.	Aggregate [Nominal Amount]/[Number] of the Exchangeable Notes:	[] [In respect of the Tranche [2] Exchangeable Notes, [●] and the total Aggregate Nominal Amount of [●] represents the sum of the aggregate nominal amounts of Tranche 1 and Tranche 2 as of their respective issue dates]
	(i) [Series:]	[]
	(ii) [Tranche:	[]]
4.	Issue Price:	[] per cent. of Par per Note/[] per Note
5.	(i) Specified Denominations:	[] [and integral multiples of [] in excess thereof]. (N.B. Exchangeable Notes (including Exchangeable Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies)).
	(ii) Calculation Amount ("Par"):	[]
6.	(i) Issue Date:	[]
	(ii) [[Tranche 1 Issue Date:]]	[] ¹⁵⁴
	(iii) [[Tranche 2 Issue Date:]]	[]
	(iv) Trade Date:	[]
	(v) Interest Commencement Date:	[] (<i>Specify</i>)/Issue Date/Not Applicable]
7.	Final Maturity Date:	[], [subject to adjustment in accordance with the Business Day Convention in the event such date is not a Business Day.] (<i>specify date</i>)
8.	Interest Basis:	[]% Fixed Rate][Not Applicable]
9.	(i) Status of the Exchangeable Notes:	[As set out in Exchangeable Note Condition 4.1] (Exchangeable Note Condition 4)
	(ii) Status of the Guarantee:	As set out in Exchangeable Note Condition 4.2
10.	Method of distribution:	[Syndicated/Non-syndicated]
PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE		
11.	Fixed Rate Note Provisions:	[Applicable/Not Applicable]

¹⁵⁴ Delete if not an additional Tranche issue

(Exchangeable Note Condition 5)	<i>(If Not Applicable, delete the remaining subparagraphs of this paragraph)</i>
(i) Fixed Interest Rate(s):	☐ per cent. per annum [payable [annually/semi-annually/quarterly/monthly/ other (<i>specify</i>)] in arrear]
(ii) Interest Period:	[As set out in Exchangeable Note Condition 2.1 / <i>(Insert "Unadjusted" if the application of the relevant Business Day Convention is not intended to affect the Interest Period)</i>]
(iii) Interest Payment Date(s):	☐ in each year [adjusted in accordance with (<i>specify Business Day Convention and any applicable Additional Business Centre(s) for the definition of "Business Day"</i>)/not adjusted]
(iv) Fixed Coupon Amount[(s)]:	☐ per Calculation Amount]/[Not Applicable]
(v) Broken Amount(s):	☐ per Calculation Amount, payable on the Interest Payment Date falling [in/on] ☐ /[Not Applicable]
(vi) Day Count Fraction:	[Actual/Actual; Actual/365(Fixed); Actual/360; 30/360; 30E/360; Eurobond Basis; Bond Basis; Actual/Actual (ICMA); other]
(vii) Business Day Convention:	[Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other (<i>give details</i>)]
(viii) Additional Business Centre(s):	☐
(ix) Other terms relating to the method of calculating interest for Fixed Rate Exchangeable Notes:	[Not Applicable/(<i>give details</i>)]
(x) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s):	☐
(xi) Additional provisions for determining Interest Amount:	☐ /[Not Applicable]

PROVISIONS RELATING TO REDEMPTION

12. Final Redemption Amount of each Note: (Exchangeable Note Condition 10.1)	As determined in accordance with Exchangeable Note Condition 10.1
13. Early Redemption:	[Applicable] / [Not Applicable] <i>(If Applicable, "Extraordinary Event Payment Feature" below should be specified as "Not Applicable")</i>
(i) Early Redemption Date:	[The date falling [<i>specify number</i>] Business Days following the Relevant Announcement Date] / [<i>Specify date</i>]
14. Tax Redemption: (Exchangeable Note Condition 10.4)	[Applicable]/[Not Applicable]

- (If Applicable, specify the effective date if other than the date of the Pricing Supplement)*
15. Replacement Amount upon Event of Default: [As determined in accordance with Exchangeable Note Condition 14] *[specify]*
(Exchangeable Note Condition 14)
16. Illegality: [Applicable]/[Not Applicable]
(Exchangeable Note Condition 15)
17. Extraordinary Event Payment Feature: [Applicable]/[Not Applicable]
(If Applicable, "Early Redemption" above should be specified as "Not Applicable")
- (i) Extraordinary Event Amount Payment Date: The date falling *[specify number]* Business Days following the Relevant Announcement Date
18. Substitution of Issuer or Guarantor with non-Morgan Stanley Group entities: [Applicable] / [Not Applicable] *(Note that this provision may only be specified as "Not Applicable" in relation to a Series of Exchangeable Notes which is rated)*
(Exchangeable Note Condition 26.2)
19. Additional Business Centre: []
20. Governing Law: [English law/other *(specify)*]

PROVISIONS RELATING TO SHARE AND EXCHANGE PROVISIONS

21. Share: (a) Share: [] (ISIN: [])
(b) Share Issuer ("**Company**"): []
(insert (c) and (d) below for ADRs/GDRs)
[(c) Underlying Share: (ISIN: [])]
(d) Underlying Share Issuer: []
22. Relevant Stock Exchange(s): []
23. Related Exchange(s): []/[All Exchanges]/[None specified]
24. Scheduled Trading Day: [As specified in Exchangeable Note Condition 2.1] *(If applicable, delete the remaining paragraph)*

[Any day on which both the Relevant Stock Exchange and the Related Exchange(s) are scheduled to be open for trading for their respective regular trading sessions]
25. Volume Weighted Average Prices: [As specified in Exchangeable Note Condition 2.1] / *[specify]*
26. Relevant Screen Page: []
27. Relevant Options Exchange: [Eurex Exchange]/*[specify]*
28. Adjustment Determination: [Relevant Options Exchange Determination][Calculation Agent Determination]

29. [Exchange Right: Applicable
- (i) [Exchange Conditions: [Applicable]/[Not Applicable]]
- (ii) Exchange Period: As specified in Exchangeable Note Condition 6.1(b) and []
- (iii) Cash Amount:
- (a) Nominal Value: []
- (b) Initial Averaging Commencement Date: []
- (c) Initial Averaging Date: [3][*specify number*] consecutive Scheduled Trading Days
- (d) Disruption Long Stop Date: [As specified in Exchangeable Note Condition 8] /[[*specify number*] Scheduled Trading Days prior to the Final Maturity Date]
- (e) Specified Cash Amount Averaging Commencement Date: [][The day following [*specify number*] Scheduled Trading Days immediately following the Exchange Date]
- (f) Exchange Date: [][The day following [*specify number*] Scheduled Trading Days immediately preceding the Final Maturity Date]
- (g) Exchange Premium: []%
- (h) N: []
30. Adjustment of Exchange Price and Shares:
- (a) Fair Market Value: [As specified in Exchangeable Note Condition 2.1]/[*specify*]
- (b) Relevant Period: []
- (c) Reference Amount: []
- (d) Number of Affected Scheduled Trading Days: [As specified in Exchangeable Note Condition 2.1]
- [For the purposes of the Closing Price: *specify number of Scheduled Trading Day(s)*]
- [For the purposes of the Volume Weighted Average Price: *specify number of Scheduled Trading Day(s)*]

GENERAL PROVISIONS APPLICABLE TO THE EXCHANGEABLE NOTES

31. Form of Exchangeable Notes: [[Registered Notes:
- (Exchangeable Note Condition 3) [Global Note Certificate registered in the name of [a nominee for] [a common depositary for Euroclear and Clearstream, Luxembourg]/[a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure ("NSS"))], exchangeable for Individual Note Certificates on [] days' notice /in the limited circumstances described in the Global Note Certificate]

- [Individual Note Certificates]]
32. Record Date: [For so long as the Exchangeable Notes are represented by a Global Note Certificate, the Record Date shall be one Clearing System Business Day before the relevant due date for payment. The Record Date for Exchangeable Notes in definitive form shall be 15 days before the relevant due date for payment][Not Applicable]
33. Additional Financial Centre(s) or other special provisions relating to Payment Business Days: [Not Applicable/[] (*specify Additional Financial Centre(s)*).]
34. Determination Agent: Morgan Stanley & Co. International plc/[] (*insert other Morgan Stanley Group entity*)
35. Calculation Agent: Morgan Stanley & Co. International plc/[] (*insert other Morgan Stanley Group entity*)
36. [Exchange Rate Agent: Morgan Stanley & Co. Internal plc/[] (*specify*)] (*Delete if not applicable*)
37. Redenomination, renominatisation and reconventioning provisions: [Not Applicable/The provisions [in Exchangeable Note Condition 25] [annexed to this Pricing Supplement apply]]
38. Restrictions on free transferability of the Exchangeable Notes: [None/[] (*give details*)]
39. Taxation:
- (i) Exchangeable Note Condition 13.1: "Additional Amounts" is [Applicable/Not Applicable]
- (ii) Exchangeable Note Condition 13.3: Implementation of Financial Transaction Tax: [Applicable/Not Applicable]
40. Other terms: []

DISTRIBUTION

41. (i) If syndicated, of Managers and underwriting commitments (and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers): [Not Applicable/[]]
(*Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis.*)
- (ii) [Date of [Subscription] Agreement: []]
- (iii) Stabilising Manager(s) (if any): [Not Applicable/[] (*give name*)]
42. If non-syndicated, name and address of Dealer/Distribution Agent: [Not Applicable/[] (*give name and address*)]
43. U.S. Selling Restrictions: [Regulation S]/[Rule 144A]/[Regulation S/Rule 144A]
44. [Total commission and concession: [] per cent. of the Aggregate Nominal Amount]¹⁵⁵

¹⁵⁵

Optional.

45. Singapore Sales to Institutional Investors [Applicable] / [Not Applicable]
and Accredited Investors only:
46. Additional selling restrictions: [Not Applicable/[] (give details)]

[United States Taxation]

Investors should review carefully the section entitled "*United States Federal Taxation*" in the Offering Circular.

[U.S. investors should review in particular the section entitled "*United States Federal Taxation– United States Federal Taxation of Program Securities Offered Under Rule 144A to U.S. Holders–Exchangeable Notes Treated as Debt Instruments*" in the Offering Circular.] ¹⁵⁶

[By purchasing the Cash Settled Exchangeable Notes you agree to treat them as "contingent payment debt instruments" for U.S. federal income tax purposes. As described in the above-mentioned section of the Offering Circular, regardless of their method of accounting for U.S. federal income tax purposes, U.S. taxable investors will be required to accrue interest income on the Cash Settled Exchangeable Notes each year based on a "comparable yield" and a "projected payment schedule" (subject to certain adjustments). Upon a taxable disposition of a Cash Settled Exchangeable Note, a U.S. taxable investor will treat any gain recognised as interest income, and any loss as ordinary loss to the extent of previous interest inclusions and the balance as a capital loss (the deductibility of which is subject to limitations). The comparable yield and the projected payment schedule are not to be provided for any purpose other than to determine a U.S. taxable investor's accruals and adjustments thereto in respect of the Cash Settled Exchangeable Notes. The comparable yield and the projected payment schedule will not constitute a projection or representation by MSFL regarding the actual amounts that will be paid on the Cash Settled Exchangeable Notes. You can obtain the comparable yield and the projected payment schedule by contacting Morgan Stanley at [●].¹⁵⁷

[Non-U.S. investors should be aware that they will be required to provide U.S. tax certifications (generally on Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable) that establish an exemption from U.S. withholding on interest payments. In certain circumstances, withholding may also apply under Section 871(m) of the Internal Revenue Code of 1986, as amended, even if tax certifications are provided. If any withholding is required, no additional amounts will be payable with respect to the amounts so withheld.] ¹⁵⁸

None of the Issuer, Guarantor or Dealer, or any of their respective Affiliates is providing any legal, tax or accounting advice to investors and does not purport to do so in this document. Investors should seek tax advice from independent tax advisors, based on their particular circumstances, regarding the tax consequences of an investment in the Exchangeable Notes.¹⁵⁹

[PURPOSE OF PRICING SUPPLEMENT]

This Pricing Supplement comprises the pricing supplement required to [issue]/[list and have admitted to trading on (*specify relevant market*) the issue of] the Exchangeable Notes described herein pursuant to the Regulation S / 144A Program for the Issuance of Exchangeable Notes.]

POTENTIAL SECTION 871(M) TRANSACTION

Please see paragraph 5 of Part B – Other Information to this Pricing Supplement for additional information regarding withholding under Section 871(m) of the Code.

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in this Pricing Supplement.

[(Relevant third party information) has been extracted from [] (specify source)]. [Each of the Issuer and the Guarantor confirms that such information has been accurately reproduced and that, so far as it is aware, and is

¹⁵⁶ Include for 144A offerings

¹⁵⁷ Include for 144A offerings of Cash Settled Exchangeable Notes with a tenor of more than one year. The notes certificate will need to include an OID legend.

¹⁵⁸ Include for Regulation S offerings

¹⁵⁹ Include for all Cash Settled Exchangeable Notes

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 Exchangeable Notes to be admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market with effect from [].]

[Application [has been made/is expected to be] made by the Issuer (or on its behalf) for the Exchangeable Notes to be admitted to trading on [the Luxembourg Stock Exchange's Euro MTF market] and to the Official List of the Luxembourg Stock Exchange with effect from [].]

[No assurances can be given that such application for listing and/or admission to trading will be granted (or, if granted, will be granted by [] [the Issue Date.])] [The Issuer has no duty to maintain the listing (if any) of the Exchangeable Notes on the relevant stock exchange(s) over their entire lifetime.]

[Not Applicable.]

(Where documenting a fungible issue, indicate that original Exchangeable Notes are already admitted to trading.)

[Last day of Trading:

[]]

2. RATINGS

Ratings:

[The Exchangeable Notes to be issued have been rated:

[S & P: []]

[Moody's: []]

[Fitch: []]

[[Other]: []]

(The above disclosure should reflect the rating allocated to Exchangeable Notes of the type being issued under the Program generally or, where the issue has been specifically rated, that rating.)

[The Exchangeable Notes will not be rated].]

3. USE OF PROCEEDS, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i) [Use of proceeds:]

[The net proceeds from the issue of Exchangeable Notes will be applied by the Issuer for its general corporate purposes]/[MSFL intends to lend the net proceeds from its issuances of the Exchangeable Notes to Morgan Stanley.] /*[specify other]*

(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 are insufficient to fund all the proposed uses state amount and sources of other funding.)

(iii) [Estimated expenses relating to the issue:] [●]

4. OPERATIONAL INFORMATION

ISIN: []

Common Code: []

[[SEDOL:]] []

CFI: [[]/[[See]/[[], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN]/[Not Applicable]]

(Where known, both the CFI and FISN codes should be specified together with the reference to the website of ANNA as the codes are dynamic and subject to change)

FISN: [[]/[[See]/[[], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN]/[Not Applicable]]

Any clearing system(s) other than Euroclear Bank S.A./N.V., Clearstream Banking *société anonyme* and the relevant identification number(s): [Not Applicable/[] (give name(s) and number(s))]

[other relevant clearing system, as applicable]

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 manner which would allow Eurosystem eligibility: [Yes. Note that the designation "yes" simply means that the Exchangeable Notes are intended upon issue to 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.](include this text for Registered Notes which are to be held under the NSS) and does not necessarily mean that the Exchangeable Notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon

the ECB being satisfied that Eurosystem eligibility criteria have been met.] /

[No. Whilst the designation is specified as "no" at the date of these Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Exchangeable Notes are capable of meeting them the Exchangeable 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,](include this text for Registered Notes). Note that this does not necessarily mean that the Exchangeable Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intraday 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.]]

5. **POTENTIAL TRANSACTION** **SECTION 871(m)** [Not Applicable] / [The Issuer has determined that the Exchangeable Notes should not be subject to withholding under Section 871(m) of the Code[, and hereby instructs its agents and withholding agents that no withholding is required, unless such agent or withholding agent knows or has reason to know otherwise].] / [The Exchangeable Notes are U.S. equity linked Exchangeable Notes subject to withholding under Section 871(m) of the Code.] [For further information please [call [●]] / [visit our website at [●]] / [write to [●]].]
6. **PROHIBITION OF SALES TO EEA RETAIL INVESTORS:** [Applicable]/[Not Applicable]
(If the offer of the Exchangeable Notes do not constitute "packaged" products, "Not Applicable" should be specified. If the offer of the Exchangeable Notes may constitute "packaged" products and no "key information document" will be prepared, "Applicable" should be specified)
7. **PROHIBITION OF SALES TO UK RETAIL INVESTORS:** [Applicable]/[Not Applicable]
(If the offer of the Exchangeable Notes do not constitute "packaged" products, "Not Applicable" should be specified. If the offer of the Exchangeable Notes may constitute "packaged" products and no "key information document" will be prepared, "Applicable" should be specified)
8. **SWISS OFFER RESTRICTIONS:** [The Exchangeable Notes documented in this Pricing Supplement may be considered structured products in Switzerland pursuant to Article 70 the Swiss Financial Services Act of 15 June 2018 ("FinSA") and are not subject to supervision by the Swiss Financial Market Supervisory Authority ("FINMA"). None of the Exchangeable Notes constitute a participation in a collective investment scheme within the meaning of the Collective Investment Schemes Act of 23 June 2006 ("CISA") and are neither subject to the authorisation nor the supervision by the FINMA and

investors do not benefit from the specific investor protection provided under the CISA. Investors bear the credit risk of the Issuer.] *(Delete if not offered in Switzerland)*

(Insert for any Securities other than FinSA Exempt Securities:) [The Offering Circular has been approved in Switzerland by SIX Exchange Regulation in its capacity as Swiss Prospectus Office and this Pricing Supplement has been registered with SIX Exchange Regulation in its capacity as Swiss Prospectus Office in accordance with FinSA. The Offering Circular and this Pricing Supplement are available on *[specify website]* or may be requested as hard copies on request of the investor at *[specify address]*. The Exchangeable Notes may be offered, sold or advertised, directly or indirectly, in Switzerland to retail clients (*Privatkundinnen und -kunden*) within the meaning of FinSA ("**Retail Clients**") in accordance with FinSA.]

(Insert for FinSA Exempt Securities:) [Neither the Offering Circular nor this Pricing Supplement or any other offering or marketing material relating to the Exchangeable Notes constitute a prospectus pursuant to the FinSA, and such documents may not be publicly distributed or otherwise made publicly available in Switzerland, unless the requirements of FinSA for such public distribution are complied with.

The Exchangeable Notes documented in this Pricing Supplement are not being publicly offered, sold or advertised, directly or indirectly, in Switzerland. The offering of the Exchangeable Notes, directly or indirectly, in Switzerland is only made by way of private placement by placing the Securities (a) solely to investors classified as professional clients (*professionelle Kunden*) or institutional clients (*institutionelle Kunden*) within the meaning of FinSA ("**Professional or Institutional Clients**"), (b) to fewer than 500 retail clients (*Privatkundinnen und -kunden*) within the meaning of FinSA, and/or (c) to investors acquiring securities to the value of at least CHF 100,000.]

(Insert for any FinSA Exempt Securities which will not be offered in Switzerland:) [The Exchangeable Notes documented in this Pricing Supplement are not being offered, sold or advertised, directly or indirectly, in Switzerland.]

9. **PROHIBITION TO OFFER TO RETAIL INVESTORS IN SWITZERLAND:**

[Applicable]/[Not Applicable]

10. **PROHIBITION OF SALES TO CONSUMERS IN BELGIUM:**

[Applicable]/[Not Applicable]

FORM OF NOTES

Morgan Stanley, MSI plc, MSBV, MSFL, MSFII and MSESE may issue Notes in registered form ("**Registered Notes**"). In addition MSBV, MSI plc and MSESE may issue Notes designated as "**Finnish Notes**" or "**Swedish Notes**" and MSBV and MSI plc may issue Notes designated as "**Norwegian Notes**" or "**Danish Notes**" in each case in dematerialised and uncertificated book-entry form with a Nordic central securities depository ("**Nordic Notes**"). MSBV, MSI plc and MSESE may also issue Notes in uncertificated registered form in accordance with the Uncertificated Securities Regulations 2001 (as amended, modified or re-enacted) (The "**Regulations**") and such other regulations made under sections 783, 784(3), 785 and 788 of the UK Companies Act 2006 as are applicable to the Euroclear Registrar ("**Uncertificated Notes**").

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 relevant Pricing Supplement. 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 (defined below), registered in the name of a common depository (or its nominee) for the Relevant Clearing System and the relevant Global Note Certificate will be deposited on or about the issue date with the common depository 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 ("**New Safekeeping Structure**" or "**NSS**"), be registered in the name of a common safekeeper (or its nominee) for the Relevant Clearing System and the relevant Global Note Certificate will be deposited on or about the issue date with the common safekeeper for the Relevant Clearing System and will be exchangeable for Individual Note Certificates in accordance with its terms.

If the applicable Pricing Supplement specifies 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 Pricing Supplement specifies the form of Notes as being "**Global Registered Note exchangeable for Individual Note Certificates**", then the Notes will initially be in the form of a Global Registered Note 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 Pricing Supplement; or
- (b) at any time, if so specified in the applicable Pricing Supplement; or
- (c) if the applicable Pricing Supplement specifies "in the limited circumstances described in the Global Registered Note", then if (a) the 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 "*Description of the New York Law Notes – Events of Default*" in the case of the New York Law Notes, or in the case of the English Law Notes, Condition 31 (*Events of Default*), or in the case of the Cash Settled Exchangeable Notes, Condition 13 (*Events of Default*) occurs.

Whenever the Global Registered Note 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 Registered Note within five business days of the delivery, by or on behalf of the holder of the Global Registered Note 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 Registered Note at the specified office of the Registrar.

Such exchange will be effected in accordance with the provisions of the Issue and Paying 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 that is a New York Law Note will be set forth in such Individual Note Certificate. The terms and conditions applicable to any Individual Note Certificate

that is an English Law Note or a Cash Settled Exchangeable Note will be endorsed on that Individual Note Certificate and will consist of the terms and conditions set out under "*Terms and Conditions of the English Law Notes*" or "*Terms and Conditions of the Cash Settled Exchangeable Notes*" above and the provisions of the applicable Pricing Supplement which supplement, modify and/or replace those terms and conditions. The terms and conditions applicable to any Global Registered Note that represents an English Law Note or a Cash Settled Exchangeable Note 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 English Law Notes (Excluding CMU Notes) while in Global Form*" or "*Summary of Provisions relating to the English Law Notes (CMU Notes) while in Global Form*", as applicable, below.

Nordic Notes

Notes issued by MSBV, MSI plc or MSESE and designated as "**Finnish Notes**" or "**Swedish Notes**" in the applicable Pricing Supplement and Notes issued by MSBV or MSI plc and designated as "**Norwegian Notes**" or "**Danish Notes**" in the applicable Pricing Supplement will be issued in uncertificated and dematerialised book-entry form in accordance with the Finnish or, as applicable, Norwegian or, as applicable, Danish or, as applicable, Swedish legislation and all other applicable local laws, regulations and operating procedures applicable to and/or issued by the Finnish or, as applicable, Norwegian, or as applicable, Danish or, as applicable, Swedish central securities depository from time to time (the "**NCS D Rules**") designated as registrar for the Nordic Notes in the applicable Pricing Supplement (the "**NCS D**"). No physical global or definitive Notes or certificates will be issued in respect of Nordic Notes. Payments of principal, interest (if any) or any other amounts on any Nordic Note will be made through the relevant NCS D in accordance with the NCS D Rules. For the avoidance of doubt, with respect to Norwegian Notes, the registration and transfer of the Norwegian Notes in the Norwegian CSD for the registration of financial instruments shall be governed by, and construed in accordance with, Norwegian law.

Uncertificated Notes

Uncertificated Notes will be held in uncertificated form in accordance with the Regulations. The Uncertificated Notes are participating securities for the purposes of the Regulations. Title to the Uncertificated Notes is recorded on the relevant Operator register of eligible debt securities (as defined in the Regulations) and the relevant "**Operator**" (as such term is used in the Regulations) in Euroclear UK & International Limited or any additional or alternative operator from time to time approved by the Issuer and the Registrar and in accordance with the Regulations. Notes in definitive registered form will not be issued (either upon issue or in exchange for Uncertificated Notes).

The Euroclear Registrar will make all payments in respect of Uncertificated Notes.

SUMMARY OF PROVISIONS RELATING TO THE ENGLISH LAW NOTES (EXCLUDING CMU NOTES) WHILE IN GLOBAL FORM

Clearing System Accountholders

In relation to any Registered Notes (or any Tranche thereof) represented by a Global Registered Note and subject as provided in the Issue and Paying Agency Agreement, references in the *"Terms and Conditions of the English Law Notes"* to **"Noteholder"** are references to the person in whose name such Global Registered Note is for the time being registered in the Register which, for so long as the Global Registered Note is held by or on behalf of a depositary or a common depositary for the 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 the Relevant Clearing System as being entitled to an interest in a Global Registered Note (each an **"Accountholder"**) must look solely to the Relevant Clearing System for such Accountholder's share of each payment made by the relevant Issuer to the holder of such Global Registered Note and in relation to all other rights arising under such Global Registered Note, including any right to exchange any exchangeable Notes or any right to require the relevant Issuer to repurchase such Notes. The respective rules and procedures of the 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 Registered Note 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 Registered Note, Accountholders shall have no claim directly against the relevant Issuer in respect of payments due under the Notes and such obligations of the relevant Issuer will be discharged by payment to the holder of such Global Registered Note.

Exchange of Global Registered Notes

Whenever a Global Registered Note 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 Registered Note within five business days of the delivery, by or on behalf of the holder of the Global Registered Note 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 Registered Note at the specified office of the Registrar. Such exchange will be effected in accordance with the provisions of the Issue and Paying 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.

If:

- (a) Individual Note Certificates have not been delivered by 5.00 p.m. (London time) on the thirtieth day after they are due to be issued and delivered in accordance with the terms of the Global Registered Note; or
- (b) any of the Notes represented by a Global Registered Note (or any part of it) has become due and payable in accordance with the Terms and Conditions of the English Law Notes or the date for final redemption of the Notes has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the holder of the Global Registered Note in accordance with the terms of the Global Registered Note on the due date for payment,

then at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) each Accountholder shall acquire the right under the Morgan Stanley Deed of Covenant, the MSI plc Deed of Covenant, the MSBV Deed of Covenant, the MSFL Deed of Covenant, the MSFII Deed of Covenant and the MSESE Deed of Covenant (the **"Deeds of Covenant"**), as the case may be, or any Additional Deed of Covenant to enforce against the Issuer, the Issuer's obligations to the Noteholder in respect of the Notes represented by the Global Registered Note, including the obligation of the Issuer to make all payments and deliveries when due at any time in respect of such Notes as if such Notes had been duly presented and (where required by the Conditions) surrendered on the due date in accordance with the Conditions. Each Accountholder shall acquire such right without prejudice to any other rights which the Noteholder may have under the Global Registered Note and the Deeds of Covenant. Notwithstanding the rights that each Accountholder may acquire under the Deeds of Covenant, payment or delivery to the Noteholder in respect of any Notes represented by the Global Registered Note shall constitute a discharge of the Issuer's obligations to the extent of any such

payment or delivery and nothing in the Deed of Covenant shall oblige the Issuer to make any payment or delivery under the Notes to or to the order of any person other than the Noteholder.

Conditions Applicable to Global Registered Notes

Each Global Registered Note will contain provisions which modify the terms and conditions set out in "*Terms and Conditions of the English Law Notes*" as they apply to the Global Registered Note. The following is a summary of certain of those provisions:

Payments

All payments in respect of the Global Registered Note which, according to the "*Terms and Conditions of the English Law Notes*", require presentation and/or surrender of an Individual Note Certificate will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Registered Note 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 relevant Issuer in respect of the Notes.

Exercise of Put Option

In order to exercise the Noteholder's put option set out in Condition 26.9 (*Redemption at the Option of Noteholders*) of the Terms and Conditions of the English Law Notes, the holder of a Global Registered Note must, within the period specified therein for the deposit of the relevant Note and put notice, give written notice of such exercise to the Fiscal Agent and/or such other person as is specified in the applicable Pricing Supplement 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 26.5 (*Redemption at the Option of the Issuer*) of the Terms and Conditions of the English Law Notes in relation to some but not all of the Notes or Global Registered Note may be redeemed in part in the principal amount specified by the relevant Issuer in accordance with the provisions set out therein 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/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and/or Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion).

Notices

Notwithstanding Condition 38 (*Notices*) of the Terms and Conditions of the English Law Notes while all the Notes are represented by a Global Registered Note deposited with a common depositary for the Relevant Clearing System, notices to Noteholders may be given by delivery of the relevant notice to the Relevant Clearing System and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 38 (*Notices*) of the Terms and Conditions of the English Law Notes, on the date of delivery to the Relevant Clearing System. In addition, 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. Notwithstanding any other provision in the Terms and Conditions of the English Law Notes, any failure by the Issuer, the Calculation Agent, the Determination Agent or any other party to provide Noteholders or any stock exchange on which the Notes are listed or admitted to trading with any notice due to be given to Noteholders or published on any such stock exchange, in accordance with the Terms and Conditions of the English Law Notes shall not of itself affect the validity of the determination, adjustment, event or any other occurrence to which such notice relates.

Redenomination

Following redenomination of the Notes, 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 for payment by the relevant holder.

Registered Notes

Notwithstanding Condition 27 (*Payments – Registered Notes*) of the Terms and Conditions of the English Law Notes, each payment in respect of any Global Registered Note shall be made to the person shown in the Register

as the holder of the Notes represented by such Global Registered Note 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 Registered Note is being held is open for business.

Payments in respect of a Note by Morgan Stanley, MSFL and MSFII may be subject to U.S. withholding tax if the beneficial owner of the Note does not meet the criteria for being exempt from this withholding tax. These criteria include the requirement that the beneficial owner (or a financial institution holding the Note on behalf of the beneficial owner) comply with certain tax identification and certification rules, generally by furnishing the appropriate U.S. Internal Revenue Service Form W-8BEN or W-8BEN-E on which the beneficial owner certifies under penalties of perjury (i) that it is not a U.S. person, (ii) in the case of an entity, that it is exempt from FATCA withholding, and (iii) in the case of certain coupon-paying Notes, that it is eligible for a certain exemption under an applicable tax treaty, as described below under "*United States Federal Taxation*". U.S. withholding may also apply with respect to certain Notes linked to U.S. equities or certain indices. Any current withholding rate (or an exemption from withholding) may change under future legislation, regulation or administrative guidance.

If withholding is so required, unless specified otherwise in an applicable Pricing Supplement none of the Issuers or any intermediary will be required to pay any additional amounts with respect to the amounts so withheld.

SUMMARY OF PROVISIONS RELATING TO THE ENGLISH LAW NOTES (CMU NOTES) WHILE IN GLOBAL FORM

Central Moneymarkets Unit ("CMU") system

General

The CMU is a central depository service provided by the CMU of the HKMA for the safe custody and electronic trading between the CMU Members of capital markets instruments (the "**CMU Instruments**") which are specified in the CMU Manual as capable of being held within the CMU.

The CMU is only available to CMU Instruments issued by a CMU Member or by a person for whom a CMU Member acts as agent for the purposes of lodging instruments issued by such persons. Membership of the CMU is open to all members of the Hong Kong Capital Markets Association, Securities and Futures Commission, Insurance Authority or Mandatory Provident Fund Schemes Authority. For further details on the full range of the CMU's custodial services, please refer to the CMU Manual.

The CMU has an income distribution service which is a service offered by the CMU to facilitate the distribution of interest, coupon or redemption proceeds (collectively, the "**income proceeds**") by CMU Members who are paying agents to the legal title holders of CMU Instruments via the CMU system. Furthermore, the CMU has a corporate action platform which allows an issuer (or its agent) to make an announcement/notification of a corporate action and noteholders to submit the relevant certification.

Compared to clearing services provided by Euroclear and Clearstream, Luxembourg, the standard custody and clearing service provided by the CMU is limited. In particular (and unlike the European Clearing Systems), the HKMA does not as part of this service provide any facilities for the dissemination to the relevant CMU Members of payments (of interest or principal) under, or notices pursuant to the notice provisions of, the CMU Instruments. Instead, the HKMA advises the lodging CMU Member (or a designated paying agent) of the identities of the CMU Members to whose accounts payments in respect of the relevant CMU Instruments are credited, whereupon the lodging CMU Member (or the designated paying agent) will make the necessary payments of interest or principal or send notices directly to the relevant CMU Members. Similarly, the HKMA will not obtain certificates of non-US beneficial ownership from CMU Members or provide any such certificates on behalf of CMU Members. The CMU Lodging and Paying Agent will collect such certificates from the relevant CMU Members identified from an instrument position report obtained by request from the HKMA for this purpose.

An investor holding an interest through an account with either Euroclear or Clearstream, Luxembourg, in any Notes held in the CMU will hold that interest through the respective accounts which Euroclear and Clearstream, Luxembourg, each have with the CMU.

Book-Entry Ownership

The Issuer will apply to the HKMA to have the CMU Notes represented by a Global Registered Note accepted for clearance through the CMU. Each Global Registered Note will have a CMU Instrument Number.

Initial Issue of CMU Notes

A Global Registered Note will be delivered on or prior to the original issue date of the Tranche to a subcustodian for the HKMA as operator of the CMU.

Upon registration of the CMU Notes in the name of HKMA and delivery of the related Global Registered Note to the sub-custodian for the HKMA as operator of the CMU, the CMU will credit each subscriber with a nominal amount of CMU Notes equal to the nominal amount thereof for which it has subscribed and paid.

Relationship of Accountholders with the CMU

If a Global Registered Note is lodged with a sub-custodian for or registered with the CMU, the person(s) for whose account(s) interests in such Global Registered Note are credited as being held in the CMU in accordance with the CMU Rules at the close of business on the applicable Record Date shall be the only person(s) directed or deemed by the CMU as entitled to receive payments in respect of CMU Notes represented by such Global Registered Note and the Issuer will be discharged by payment to, or to the order of, such person(s) for whose account(s) interests in such Global Registered Note are credited as being held in the CMU at the close of business on the applicable Record Date in respect of each amount so paid. Each of the persons shown in the records of the

CMU, as the beneficial holder of a particular nominal amount of CMU Notes represented by such Global Registered Note must look solely to the CMU for his share of each payment so made by the Issuer in respect of such Global Registered Note.

TERMS AND CONDITIONS OF THE WARRANTS AND CERTIFICATES

1. Introduction

The following is the text of the terms and conditions which, as supplemented, modified and/or replaced by the applicable Pricing Supplement, and if "Supplementary Provisions for Belgian Securities" is specified as applicable in the applicable Pricing Supplement, the supplemental terms and conditions set out in the Annex hereto entitled "*Terms and Conditions of the Warrants and Certificates: Supplementary Provisions for Belgian Securities*", which as completed by the applicable Pricing Supplement, will be endorsed on each Security issued in individual registered form issued under the Program specified as being governed by English law. The terms and conditions applicable to any Security issued in registered form will differ from those terms and conditions which would apply to the Security were it in individual registered form to the extent described under "*Summary of Provisions relating to the Warrants and Certificates while in Global Form*" below.

This security is one of a series (each, a "**Series**") of Warrants (the "**Warrants**") or Certificates (the "**Certificates**") issued pursuant to a securities agency agreement dated 25 June 2026 (the "**Securities Agency Agreement**", which expression shall include any amendments or supplements thereto or replacements thereof) between, inter alios, the Issuer, The Bank of New York Mellon, as principal Securities Agent (the "**Principal Securities Agent**") and The Bank of New York Mellon S.A./N.V. (Luxembourg Branch) (the "**Securities Registrar**" and the "**Securities Transfer Agent**", which expressions includes any successor or substitute Principal Securities Agent, Securities Registrar or Securities Transfer Agent, as the case may be, appointed in accordance with the Securities Agency Agreement) and any other Securities Agents appointed under the Securities Agency Agreement (together, the "**Securities Agents**" and together with the Principal Securities Agent, the Securities Registration, the Securities Transfer Agent and the Swedish Issuing and Paying Agent (in respect of Swedish Securities) and any other agents appointed pursuant to the Securities Agency Agreement, the "**Agents**"). The Swedish, Norwegian, Danish and Finnish Securities issued by MSI plc and MSBV are the subject of an issuing and paying agent agreement dated 11 April 2016 between MSI plc, MSBV and Skandinaviska Enskilda Banken AB (publ) (such agreement as amended on 12 March 2026 and as further amended, supplemented and/or restated from time to time, the "**SEB Issuing and Paying Agent Agreement**"). The Swedish and Finnish Securities issued by MSESE shall be the subject of such issuing and paying agent agreement (the "**MSESE SEB Issuing and Paying Agent Agreement**") as may be entered into in relation thereto between MSESE and Skandinaviska Enskilda Banken AB (publ) as Swedish agent and Finnish agent as amended from time to time. In the following provisions of these terms and conditions (the "**Conditions**"), each reference to the "**Issuer**" is a reference to whichever of Morgan Stanley ("**Morgan Stanley**"), Morgan Stanley & Co. International plc ("**MSI plc**"), Morgan Stanley B.V. ("**MSBV**"), Morgan Stanley Finance LLC ("**MSFL**"), Morgan Stanley Finance II Ltd ("**MSFII**") and Morgan Stanley Europe SE ("**MSESE**") is identified as the Issuer in the applicable Pricing Supplement (as defined below). The payment obligations of MSBV and MSFL in respect of Warrants and Certificates issued by each of MSBV and MSFL (respectively) under the Program and which are issued under the Securities Agency Agreement are (unless, in respect of MSBV only, otherwise stated in the applicable Pricing Supplement) guaranteed by Morgan Stanley (the "**Guarantor**") under the terms of a guarantee dated as of 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time, the "**Guarantee**").

MSI plc, MSFL, MSBV and MSESE may issue Warrants and Certificates. Morgan Stanley may issue Certificates only.

Certificates issued by Morgan Stanley in global form are constituted by a deed of covenant entered into by Morgan Stanley dated 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time the "**Morgan Stanley Deed of Covenant**"). Warrants and Certificates issued by MSI plc in global form or in dematerialised form are constituted by a deed of covenant entered into by MSI plc dated 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time the "**MSI plc Deed of Covenant**"). Warrants and Certificates issued by MSBV in global form or in dematerialised form are constituted by a deed of covenant entered into by MSBV dated 25 June 2026 (as supplemented and/or amended and/or restated and/or replaced from time to time the "**MSBV Deed of Covenant**"). Warrants and certificates issued by MSFL in global form are constituted by a deed of covenant entered into by MSFL dated 25 June 2026 (as supplemented and/or amended from time to time, and/or restated and/or replaced the "**MSFL Deed of Covenant**"). Warrants and Certificates issued by MSESE in global form are constituted by a deed of covenant entered into by MSESE dated 25 June 2026

(as supplemented and/or amended and/or restated and/or replaced from time to time the "**MSESE Deed of Covenant**", and together with the Morgan Stanley Deed of Covenant, the MSI plc Deed of Covenant, the MSBV Deed of Covenant and the MSESE Deed of Covenant, the "**Deeds of Covenant**").

In relation to a Series of Warrants or Certificates, the expression "**Warrants**" and the term "**Certificates**" shall, unless the context otherwise requires, include any further Warrants or, as the case may be, Certificates issued pursuant to Condition 34 (*Further Issues*) of these Conditions and forming a single series with such Series. The Securityholders (as defined below) are entitled to the benefit of, and are bound by and are deemed to have notice of, all the provisions of the Securities Agency Agreement, these Conditions and the Pricing Supplement (as defined below) relating to the relevant Warrants or Certificates.

Each Series of Warrants and each Series of Certificates issued under the Program as Relevant Securities (as defined in the Conditions) may comprise one or more tranches ("**Tranches**" and each, a "**Tranche**") of Warrants or, as the case may be, Certificates. Each Tranche will be the subject of a pricing supplement supplemental hereto (each, "**Pricing Supplement**"), which specifies among other matters, whether the supplemental terms and conditions set out in the Annex hereto entitled "Annex to the Terms and Conditions of the Warrants and Certificates: Supplementary Provisions for Belgian Securities" are applicable in relation to such Series of Securities and a copy of which may, in the case of a Tranche in relation to which application has been made for admission to (i) the Official List of Euronext Dublin and trading on its Global Exchange Market, and/or (ii) the Official List of the Luxembourg Stock Exchange and to trading on the Luxembourg Stock Exchange's Euro MTF Market, be obtained free of charge from the specified office of the Principal Securities Agent. In the case of a Tranche in relation to which application has not been made for admission to listing, trading and/or quotation by any listing authority, stock ex

change and/or quotation system, copies of the applicable Pricing Supplement will only be available for inspection by a holder of Warrants or Certificates of that Tranche.

References in the Conditions to Warrants or Certificates are to the Warrants or Certificates of the relevant Series and references to the Issuer, the Guarantor, the Principal Securities Agent, the Determination Agent, any holder or the Securityholders are to those persons in relation to the Warrants or Certificates of the relevant Series. Capitalised terms used but not defined in these Conditions shall have the meanings given to them in the applicable Pricing Supplement, the absence of any such meaning indicating that such term is not applicable to the Warrants or Certificates of the relevant Series.

2. Interpretation

As used in these Conditions, the following expressions shall have the following meanings in respect of any Warrants or Certificates or Series of Warrants or Certificates:

"**Administrator/Benchmark Event**" means, in respect of any Warrants or Certificates, a determination made by the Determination Agent that:

- (a) any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the Relevant Benchmark or the administrator or sponsor of the Relevant 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 Benchmark to perform its or their respective obligations in respect of the Warrants or Certificates or any related hedging arrangements; or
- (b) any relevant competent authority or other relevant official body issues a public notice with respect to the Relevant Benchmark pursuant to the EU Benchmark Regulation (Regulation (EU) 2016/1011), as amended from time to time with the effect that any of the Issuer, the Determination Agent or the Calculation Agent is not, or may not be, permitted under any applicable law or regulation to use the Relevant Benchmark to perform its or their respective obligations in respect of the Warrants or Certificates or any related hedging arrangements,

provided that if in the determination of the Determination Agent any event may be an Administrator/Benchmark Event pursuant to both paragraph (a) and paragraph (b) above, the applicable

Administrator/Benchmark Event for the purposes of the Notes shall occur pursuant to whichever paragraph the Determination Agent determines is first satisfied.

For the avoidance of doubt, Administrator/Benchmark Events shall not apply where the Warrants or Certificates are denominated in U.S. Dollars and the Relevant Rates Benchmark is SOFR (see Condition 18.4 (*Provisions specific to SOFR as Underlying Rate*) below);

"Administrator/Benchmark Event Date" means, in respect of any Warrants or Certificates and an Administrator/Benchmark Event, the date on which:

- (a) the authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register is (as applicable):
 - (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 Benchmark is not permitted to be used under the Warrants or Certificates following rejection, refusal, suspension or withdrawal; or
- (b) the public notice is issued,

or, in each case, if such date occurs before the Issue Date, the Issue Date;

"Affiliate" means any entity which is (a) an entity controlled, directly or indirectly, by the Issuer, (b) an entity that controls, directly or indirectly, the Issuer or (c) an entity directly or indirectly under common control with the Issuer;

"Alternative Pre-nominated Index" means, in respect of a Relevant Benchmark, the first of the indices, benchmarks or other price sources specified in the applicable Pricing Supplement as an "Alternative Pre-nominated Index" that is not subject to an Administrator/Benchmark Event or (in the case of Equity and Proprietary Index-Linked Securities) an Index Cancellation or an Index Modification or (in the case of Commodity-Linked Securities which reference a Commodity Index) a Commodity Index Cancellation or a Commodity Index Modification or (in the case of Property-Linked Securities) a Property Index Adjustment Event;

"Bond-Linked Securities" has the meaning given to it in Condition 16 (*Provisions relating to Bond-Linked Securities*);

"Business Day" means any day, other than a Saturday or Sunday that, for Warrants and Certificates denominated in:

- (a) a Settlement Currency other than euro, is neither a legal holiday nor a day on which banking institutions are authorised or required by law or regulation to close (i) for Norwegian Securities, in Oslo and a day on which the Norwegian CSD and the relevant system in which the Norwegian Securities are registered are open for business in accordance with the rules of the Norwegian CSD, (ii) for Danish Securities, in Copenhagen and a day on which the Danish CSD and the relevant system in which the Danish Securities are registered are open for business in accordance with the rules of the Danish CSD, (iii) for Securities (excluding Norwegian and Danish Securities) in the principal financial centre of the country of the Settlement Currency, and (iv) in each (if any) Additional Business Centre (and if the Additional Business Centre is specified in the applicable Pricing Supplement to be or to include TARGET, then a Business Day shall also be a TARGET Settlement Day); and
- (b) 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;

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

- (a) **"Following Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day or (in the case of Rate-Linked Securities) an Underlying Rate Business Day (as applicable);
- (b) **"Modified Following Business Day Convention"** or **"Modified Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day or (in the case of Rate-Linked Securities) an Underlying Rate Business Day (as applicable), 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 or (in the case of Rate-Linked Securities) an Underlying Rate Business Day (as applicable);
- (c) **"Nearest"** means that the relevant date shall be the first preceding day that is a Business Day or (in the case of Rate-Linked Securities) an Underlying Rate Business Day (as applicable), if the relevant date would otherwise fall on a day other than a Sunday or a Monday, and will be the first following day that is a Business Day or (in the case of Rate-Linked Securities) an Underlying Rate Business Day (as applicable), if the relevant date would otherwise fall on a Sunday or a Monday;
- (d) **"Preceding"** means that the relevant date will be the first preceding day that is a Business Day or (in the case of Rate-Linked Securities) an Underlying Rate Business Day (as applicable); and
- (e) **"No Adjustment"** means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

"Cash Settlement Payment Date" means, in respect of each Exercise Date, the date specified or otherwise determined as provided in the applicable Pricing Supplement or, if such date is not a Business Day, the next succeeding Business Day;

"CEA" means the United States Commodity Exchange Act, as amended;

"Clearing System" means Euroclear, Clearstream, Luxembourg, and/or any other relevant clearing system located outside the United States specified in the applicable Pricing Supplement which the Underlying Security is, for the time being, held;

"Clearing System Business Day" means, in respect of a Clearing System, any day on which such Clearing System is (or, but for the occurrence of a Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions;

"Clearstream, Luxembourg" means Clearstream Banking, société anonyme, Luxembourg;

"CNY Securities" means Warrants or Certificates denominated in CNY or Renminbi deliverable in Hong Kong, or such other CNY Center as specified in the applicable Pricing Supplement;

"Commencement Date" means the date specified as such in the applicable Pricing Supplement, or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day;

"Commodity-Linked Securities" has the meaning given to it in Condition 10 (*Provisions relating to Commodity-Linked Securities*);

"Currency-Linked Securities" has the meaning given to it in Condition 11 (*Provisions relating to Currency-Linked Securities*);

"Danish CSD" means a duly authorised Danish central securities depository under the Consolidated Act No. 464 of 1 May 2026 on Capital Markets in the Kingdom of Denmark, as amended from time to time, which is VP Securities A/S, trading as Euronext Securities Copenhagen, Nicolai Eigtveds Gade 8, DK-1402 Copenhagen, Denmark);

"Danish Issuing and Paying Agent" means Skandinaviska Enskilda Banken AB (publ) or a duly authorised issuing agent under the relevant NCSD Rules and designated as such by the Issuer in the applicable Pricing Supplement;

"Danish Securities" means any Tranche of Securities issued by MSBV or, as applicable, MSI plc and designated by such Issuer as "Danish Securities" in the paragraph "Form of Notes" of the applicable Pricing Supplement;

"Determination Agent" means MSI plc or, in respect of any Series of Warrants or Certificates, such other determination agent as may be specified in the applicable Pricing Supplement;

"Determination Date" has the meaning given in the applicable Pricing Supplement;

"Disrupted Day" has the meaning ascribed thereto in Condition 9.10 (*Definitions applicable to Equity and Proprietary Index-Linked Securities*);

"Early Settlement Amount" means, in respect of any Warrant or Certificate, such amount as may be specified in the applicable Pricing Supplement or, if no other amount is specified:

- (i) if "Fixed Redemption" is specified as being applicable in respect of the Warrants or Certificates in the applicable Pricing Supplement, an amount per Calculation Amount equal to the product of the Specified Rate and the Calculation Amount (each as specified in the applicable Pricing Supplement), together with accrued interest (if any); or
- (ii) if "Qualified Financial Institution Determination" is specified as being applicable in respect of the Warrants or Certificates in the applicable Pricing Supplement, an amount determined by the Determination Agent, acting in good faith and in a commercially reasonable manner, as at such date as is selected by the Determination Agent in its reasonable discretion (provided that such day is not more than 15 Business Days prior to the date fixed for redemption of the Warrants or Certificates) to be the amount that a Qualified Financial Institution would charge to assume all of the Issuer's payment and other obligations with respect to such Warrants or Certificates as if no such Event of Default had occurred or to undertake obligations that would have the effect of preserving the economic equivalent of any payment by the Issuer to the Securityholder with respect to the Warrants or Certificates; or
- (iii) if "Fair Market Value Less Costs" is specified as being applicable in respect of such Warrant or Certificate in the applicable Pricing Supplement, an amount equal to the fair market value of such Warrant or Certificate to the Securityholder, 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 Warrant or Certificate), less the proportion attributable to the Warrant or Certificate 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 calculated by the Determination Agent in its reasonable discretion; or
- (iv) if "Fair Market Value" is specified as being applicable in respect of such Warrant or Certificate in the applicable Pricing Supplement, an amount equal to the fair market value of such Warrant or Certificate, 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 Warrant or Certificate), as calculated by the Determination Agent in its reasonable discretion;

"EC Treaty" means the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992) and as amended by the Treaty of Amsterdam (signed in Amsterdam on 2 October 1997), as further amended from time to time;

"ETF Basket Securities" means any Series of Warrants or Certificates that relates to a basket of Underlying Securities that are exchange traded funds;

"ETN" means an exchange-traded note;

"ETN-Linked Securities" has the meaning given to it in Condition 17 (*Provisions relating to ETN-Linked Securities*);

"Euro", "euro", "€" and "EUR" each means the lawful single currency of the member states of the European Union that have adopted and continue to retain a common single currency through monetary union in accordance with European Union treaty law (as amended from time to time);

"Euroclear" means Euroclear Bank S.A./N.V.;

"European Economic and Monetary Union" means economic and monetary union pursuant to the EC Treaty;

"Exercise Date" means, in respect of any Warrant or Certificate, the day on which such Warrant or Certificate is deemed to have been exercised in accordance with Condition 6.7 (*Deemed Exercise*), if applicable, or on which an Exercise Notice relating to that Warrant or Certificate is delivered in accordance with the provisions of Condition 6.1 (*Exercise Notice*);

"Exercise Notice" means any notice in the form scheduled to the Securities Agency Agreement (or such other form as may from time to time be agreed by the Issuer and the Principal Securities Agent) which is delivered by a Securityholder in accordance with Condition 6.1 (*Exercise Notice*);

"Exercise Period" means, unless otherwise specified in the applicable Pricing Supplement, the period beginning on (and including) the Commencement Date and ending on (and including) the Expiration Date;

"Exercise Receipt" means a receipt issued by a Securities Agent or Securities Registrar to a depositing Securityholder upon deposit of a Warrant or Certificate with such Securities Agent or Securities Registrar by any Securityholder wanting to exercise a Warrant or Certificate;

"Expiration Date" means:

- (a) in respect of any Single Share Security, Share Basket Security, Single Index Security, Index Basket Security, Single ETF Security, ETF Basket Security, Single Futures Contract Security, Futures Contract Basket Security, Single Fund Security or Fund Basket Security, the date specified as such in the applicable Pricing Supplement, or, if such date is not a Scheduled Trading Day or a Fund Business Day (as applicable), the relevant Expiration Date shall (i) in the case of any Single Share Security, Share Basket Security, Single Index Security, Index Basket Security, Single ETF Security, ETF Basket Security, Single Futures Contract Security or Futures Contract Basket Security, be the next succeeding Scheduled Trading Day; or (ii) in the case of any Single Fund Security or Fund Basket Security, be the next succeeding Fund Business Day, and if any Expiration Date is a Disrupted Day, the provisions of, as applicable, Condition 9.1 (*Reference Dates, Averaging Dates and Market Disruption*), Condition 13.1 (*Reference Dates, Averaging Dates and Market Disruption*) or Condition 15.1 (*Reference Dates, Averaging Dates and Market Disruption*) shall apply *mutatis mutandis* as if such Expiration Date were a Reference Date, and otherwise subject to adjustment in accordance with the Conditions. Notwithstanding the foregoing, if a Warrant or Certificate is exercised on a Scheduled Trading Day or Fund Business Day (as applicable) that would have been an Expiration Date but for the occurrence of an event giving rise to a Disrupted Day, such Scheduled Trading Day or Fund Business Day (as applicable) shall be deemed to be the Expiration Date for the purpose of determining whether an Exercise Date has occurred during the Exercise Period.

If (A) either "Common Scheduled Trading Days and Common Disrupted Days" or "Common Scheduled Trading Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, references in the above sub-paragraph to "Scheduled Trading Day" shall be read as references to "Common Scheduled Trading Day"; and (B) either "Common Fund Business Days and Common Disrupted Days" or "Common Fund Business Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, references in the above sub-paragraph to "Fund Business Day" shall be read as references to "Common Fund Business Day"; and

- (b) in respect of any Bond-Linked Security, Commodity-Linked Security, Currency-Linked Security, Inflation-Linked Security, ETN-Linked Security, Rate-Linked Security or Property-Linked Security, the date specified as such in the applicable Pricing Supplement or, if that date is not a Business Day and, if specified in the applicable Pricing Supplement, an Exchange Business Day, a Commodity Business Day, a Currency Business Day or an Underlying Rate Business Day, the next following day that is a Business Day and, as the case may be, an

Exchange Business Day, a Commodity Business Day, a Currency Business Day or an Underlying Rate Business Day;

"Finnish CSD" means a duly authorised Finnish central securities depository (Fi.: *Arvopaperikeskus*) under the Act on the Book-Entry System and Clearing Operations (Fi.: *Laki arvo-osuusjärjestelmästä ja selvitystoiminnasta (348/2017)*) and the Finnish legislation governing book-entry accounts as well as the regulations and decisions of Euroclear Finland (Fi.: *Laki arvo-osuustileistä (927/1991) sekä Euroclear Finlandin säännöt ja toimitusjohtajan päätökset*), which is expected to be Euroclear Finland Oy, Itämerenkatu 25, FI-00180 Helsinki, Finland (Postal address: Box 1110, FI-00101 Helsinki, Finland);

"Finnish Issuing and Paying Agent" means Skandinaviska Enskilda Banken AB (publ) Helsinki Branch or a duly authorised issuing agent under the relevant NCSD Rules and designated as such by the Issuer in the applicable Pricing Supplement;

"Finnish Securities" means any Tranche of Warrants or Certificates issued by MSBV, MSI plc or, as applicable, MSESE and designated by the Issuer as "Finnish Securities" in the applicable Pricing Supplement;

"Fitch" means Fitch Ratings, Inc.;

"Fund Basket Securities" means Warrants or Certificates that relate to a basket of Underlying Securities that are funds;

"Fund-Linked Securities" has the meaning given to it in Condition 15 (*Provisions relating to Fund-Linked Securities*);

"Futures Contract-Linked Securities" has the meaning given to it in Condition 13 (*Provisions relating to Futures Contract-Linked Securities*);

"Futures Contract Basket Securities" means Warrants or Certificates relating to a basket of Underlying Securities that are futures contracts;

"Global Registered Security" means a global Registered Security representing interests in Securities;

"Implementation of Financial Transaction Tax" means that, on or after the Trade Date of any Warrants or Certificates 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 Warrants or Certificates or any part thereof, or perform its obligations under such Warrants or Certificates, including for the avoidance of doubt any obligation or exercise of any right to deliver Shares or any other asset 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 Warrants or Certificates or (C) realise, 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.

"Index Basket Securities" means Warrants or Certificates relating to a basket of Indices;

"Individual Registered Security" means an individual registered Security representing a Securityholder's holding of a Registered Security;

"Inflation-Linked Securities" has the meaning given to it in Condition 12 (*Provisions relating to Inflation-Linked Securities*);

"Initial Date" means the date specified as such in the applicable Pricing Supplement;

"Latest Exercise Time" means 10:00 a.m. (local time in the place where the Specified Office of the relevant Securities Agent or Securities Registrar, as the case may be, is located), unless specified otherwise in the applicable Pricing Supplement;

"Maximum Call Notice Number of Day(s)" means the number of calendar days or Business Days specified as such in the applicable Pricing Supplement;

"Minimum Call Notice Number of Day(s)" means the number of calendar days or Business Days specified as such in the applicable Pricing Supplement;

"Moody's" means Moody's Investors Service, Inc.;

"Morgan Stanley Securities" means Certificates issued by Morgan Stanley;

"MSBV Securities" means Warrants or Certificates issued by MSBV;

"MSESE Securities" means Warrants or Certificates issued by MSESE;

"MSFL Securities" means Warrants or Certificates issued by MSFL;

"MSI plc Securities" means Warrants or Certificates issued by MSI plc;

"NCSD" means the Finnish CSD or the Swedish CSD, as applicable;

"NCSD Register" means the book entry register maintained by the relevant NCSD on behalf of the Issuer in respect of the relevant Tranche of Nordic Securities;

"NCSD Rules" means any Finnish or, as applicable, Norwegian or, as applicable, Danish or, as applicable, Swedish legislation, regulations, rules and operating procedures applicable to and/or issued by the relevant NCSD (including but not limited to, (i) in the case of Finnish Securities, the Act on the Book-Entry System and Clearing Operations (Fi.: *Laki arvo-osuusjärjestelmästä ja selvitystoiminnasta (348/2017)*) and the Finnish legislation governing book-entry accounts as well as the regulations and decisions of Euroclear Finland (Fi.: *Laki arvo-osuustileistä (827/1991) sekä Euroclear Finlandin säännöt ja toimitusjohtajan päätökset*) (ii) in the case of Norwegian Securities, the Norwegian Central Securities Depository Act 2019 (No.: *lov om verdipapirsentraler og verdipapiroppgjør mv. av 15. mars 2019 nr. 6*); (iii) in the case of Danish Securities, the Consolidated Act No. 464 of 1 May 2026 on Capital Markets in the Kingdom of Denmark, as amended from time to time and the Danish Laws, Regulations and operating procedures applicable to and/or issued by VP Securities A/S, trading as Euronext Securities Copenhagen, from time to time and (iv) in the case of Swedish Securities, the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw.: *lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*);

"Nordic Issuing and Paying Agent" means the Finnish Issuing and Paying Agent, the Norwegian Issuing and Paying Agent, the Danish Issuing and Paying Agent or the Swedish Issuing and Paying Agent, as applicable;

"Nordic Securities" means Finnish Securities, Norwegian Securities, Danish Securities or Swedish Securities, as applicable;

"Norwegian CSD" means a duly authorised Norwegian central securities depository (No.: verdipapirsentral) under the Norwegian Central Securities Depository Act 2019 (No.: *lov om verdipapirsentraler og verdipapiroppgjør mv. av 15. mars 2019 nr. 6*) which implements Regulation (EU) No. 909/2014 into Norwegian law, which is Euronext Securities Oslo (No.: *Verdipapirsentralen ASA*), Tollbugata 2, 0152 Oslo, Norway (Postal address: P.O. Box 1174, Sentrum, 0107 Oslo, Norway);

"Norwegian Issuing and Paying Agent" means Skandinaviska Enskilda Banken AB (publ) or a duly authorised issuing agent under the relevant NCSD Rules and designated as such by the Issuer in the applicable Pricing Supplement;

"Norwegian Securities" means any Tranche of Securities issued by MSBV or, as applicable, MSI plc and designated by the Issuer as "Norwegian Securities" in the paragraph "Form of Securities" of the applicable Pricing Supplement;

"Optional Settlement Amount" means, in respect of any Warrant or Certificate, its principal amount or such other amount as may be specified in, or determined in accordance with, the applicable Pricing Supplement;

"Optional Settlement Date" has the meaning given in the applicable Pricing Supplement;

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

"Physical Settlement Date" means, in relation to Underlying Securities to be delivered following exercise of a Warrant or Certificate on an Exercise Date, and unless otherwise specified in the applicable Pricing Supplement, the first day on which settlement of a sale of such Underlying Securities on that Exercise Date customarily would take place through the relevant Clearing System, unless a Settlement Disruption Event prevents delivery of such Underlying Securities on that day;

"Potential Exercise Date" means:

- (a) in respect of any Single Share Security, Share Basket Security, Single Index Security, Index Basket Security, Single ETF Security, ETF Basket Security, Single Futures Contract Security, Futures Contract Basket Security, Single Fund Security or Fund Basket Security, each date specified as such in the applicable Pricing Supplement, or, if such date is not a Scheduled Trading Day or a Fund Business Day (as applicable), the relevant Potential Exercise Date shall (i) in the case of any Single Share Security, Share Basket Security, Single Index Security, Index Basket Security, Single ETF Security, ETF Basket Security, Single Futures Contract Security or Futures Contract Basket Security, be the next succeeding Scheduled Trading Day; or (ii) in the case of any Single Fund Security or Fund Basket Security, be the next succeeding Fund Business Day, and if any Potential Exercise Date is a Disrupted Day, the provisions of, as applicable, Condition 9.1 (*Reference Dates, Averaging Dates and Market Disruption*), Condition 13.1 (*Reference Dates, Averaging Dates and Market Disruption*) or Condition 15.1 (*Reference Dates, Averaging Dates and Market Disruption*) shall apply *mutatis mutandis* as if such Potential Exercise Date were a Reference Date, and otherwise subject to adjustment in accordance with the Conditions.

Notwithstanding the foregoing, if a Warrant or Certificate is exercised on a Scheduled Trading Day or Fund Business Day (as applicable) that would have been a Potential Exercise Date prior to the occurrence of an event giving rise to a Disrupted Day, such Scheduled Trading Day or Fund Business Day (as applicable) shall be deemed to be the Potential Exercise Date for the purpose of determining whether an Exercise Date has occurred during the Exercise Period.

If (A) either "Common Scheduled Trading Days and Common Disrupted Days" or "Common Scheduled Trading Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, references in the above two sub-paragraphs to "Scheduled Trading Day" shall be read as references to "Common Scheduled Trading Day"; and (B) either "Common Fund Business Days and Common Disrupted Days" or "Common Fund Business Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, references in the above sub-paragraph to "Fund Business Day" shall be read as references to "Common Fund Business Day"; and

- (b) in respect of any Bond-Linked Security, Commodity-Linked Security, Currency-Linked Security, Inflation-Linked Security, ETN-Linked Security, Rate-Linked Security or Property-Linked Security, the dates specified in the applicable Pricing Supplement (or, if any such date is not a Business Day, and, if so specified in the applicable Pricing Supplement, an Exchange Business Day, a Commodity Business Day, a Currency Business Day or an Underlying Rate Business Day, the next following date that is a Business Day, and, as the case may be, an Exchange Business Day, a Commodity Business Day, a Currency Business Day or an Underlying Rate Business Day);

"Principal Financial Centre" means, in respect of any Series of Warrants or Certificates and any currency, the financial centre(s) for that currency specified as such in the applicable Pricing Supplement, or, if none is specified, the financial centre or centres determined by the Determination Agent in its reasonable discretion;

"Property-Linked Securities" has the meaning given to it in Condition 14 (*Provisions relating to Property-Linked Securities*);

"Publication Calendar Day" means, in respect of a benchmark, any day on which the administrator is due to publish the rate for such benchmark pursuant to its publication calendar, as updated from time to time;

"QIB" means a "qualified institutional buyer" as defined in Rule 144A;

"QIB/QP" means a "qualified institutional buyer" as defined in Rule 144A who is also a "qualified purchaser" as defined in Section 2(a)(51) of the Investment Company Act and the rules thereunder;

"Qualified Financial Institution" means a financial institution organised under the laws of any jurisdiction in the United States of America, the European Union, the United Kingdom or Japan, which, as at the date the Determination Agent selects to determine the Early Settlement Amount, has outstanding debt obligations with a stated maturity of one year or less from the date of issue of such outstanding debt obligations, and such financial institution is rated either:

- (a) A2 or higher by S&P Global Ratings or any successor, or any other comparable rating then used by that rating agency; or
- (b) P-2 or higher by Moody's Investors Service, Inc. or any successor, or any other comparable rating then used by that rating agency,

provided that, if no such financial institution is reasonably available, then the Determination Agent shall, in good faith and acting in a commercially reasonable manner, select a financial institution of reputable standing organised under the laws of any jurisdiction in the United States of America, the European Union, the United Kingdom or Japan as a Qualified Financial Institution;

"Rate-Linked Securities" has the meaning given to it in Condition 18 (*Provisions relating to Rate-Linked Securities*);

"Reference Dealers" means, in respect of any Series of Warrants or Certificates, the dealers specified as such in the applicable Pricing Supplement;

"Registered Certificates" has the meaning ascribed thereto in Condition 3 (*Form, Title and Transfer*);

"Registered Warrants" has the meaning ascribed thereto in Condition 3 (*Form, Title and Transfer*);

"Regulatory Event" means that, at any time on or after the Trade Date, as a result of:

- (i) an implementation or adoption of, or change in, any applicable law, regulation, interpretation, action or response of a regulatory authority;
- (ii) the promulgation of, or any interpretation by any court, tribunal, government or regulatory authority with competent jurisdiction (a **"Relevant Authority"**) of, any relevant law or regulation (including any action taken by a taxing authority); or
- (iii) the public or private statement or action by, or response of, any Relevant Authority or any official or representative of any Relevant Authority acting in an official capacity,

there is a reasonable likelihood of it becoming:

- (A) unlawful, impossible or impracticable, for the Issuer and/or the Guarantor to maintain the Securities and/or to maintain other instruments issued under the Program and/or to perform its obligations under the Securities; and/or
- (B) necessary for the Issuer and/or the Guarantor to obtain a licence, authorisation or other approval for the continuation or maintenance of the business relating to or supporting the Securities or their hedging activities in relation to such Securities;

"Regulation S" means Regulation S under the Securities Act;

"Regulation S Global Security" means a Regulation S Global Security substantially in the form set out in the Issue and Paying Agency Agreement representing Regulation S Securities;

"Regulation S Security" means a Security offered and sold outside the United States to persons that are not U.S. persons (as defined in Regulation S) in reliance on Regulation S;

"Regulation S/Rule 144A Global Security" means a Regulation S/Rule 144A Global Security substantially in the form set out in the Issue and Paying Agency Agreement representing Regulation S/Rule 144A Securities;

"Regulation S/Rule 144A Security" means a Security offered and sold to QIBs, or in the case of Securities issued by MSBV, a Security offered and sold to QIB/QPs, in reliance on Rule 144A, in addition to Regulation S;

"Relevant Benchmark" means a Relevant Commodity Benchmark, a Relevant Equity Index Benchmark, a Relevant FX Benchmark, a Relevant Underlying Rates Benchmark or a Relevant Property Index Benchmark;

"Relevant Securities", in relation to Warrants and Certificates, means Warrants and Certificates issued (or to be issued) under the Securities Agency Agreement;

"Renminbi", **"RMB"** and **"CNY"** are to the lawful currency of the People's Republic of China ("**PRC**") which, for the purpose of these Conditions, shall exclude the Hong Kong Special Administrative Region of the People's Republic of China, the Macau Special Administrative Region of the People's Republic of China and Taiwan;

"Reserved Matter" means any proposal to change any date fixed for payment in respect of the Warrants or Certificates, to reduce the amount of any payment payable on any date in respect of the Warrants or Certificates, to alter the method of calculating the amount of any payment in respect of the Warrants or Certificates or the date for any such payment, to change the currency of any payment under the Warrants or Certificates or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution;

"Right to Termination" has the meaning given to it in Condition 35.6 (*Right to Termination in respect of substitutions with non-Morgan Stanley Group entities*);

"Right to Termination Notice" means a notice which must be delivered to a Paying Agent or the Euroclear Registrar, as applicable, by any Securityholder wanting to exercise a right to terminate a Security at the option of the Securityholder under Condition 35.6 (*Right to Termination in respect of substitutions with non-Morgan Stanley Group entities*);

"Right to Termination Receipt" means a receipt issued by a Paying Agent or the Euroclear Registrar to a depositing Securityholder upon deposit of a Security and a Right to Termination Notice with such Paying Agent, or deposit of a Right to Termination Notice with such Euroclear Registrar, as applicable, by any Securityholder wanting to exercise a right to terminate a Security at the option of the Securityholder;

"Rule 144A" means Rule 144A under the Securities Act;

"S&P" means Standard & Poor's Financial Services LLC through its business unit S&P Global Ratings;

"Securities Act" means the United States Securities Act of 1933, as amended;

"Security" means any Warrant or Certificate;

"Securityholder" has the meaning ascribed thereto in Condition 3 (*Form, Title and Transfer*);

"Settlement Currency" means, in respect of any Series of Warrants or Certificates, the currency specified as such in the applicable Pricing Supplement;

"Settlement Cycle" means, in respect of an Underlying Security, Index or ETF, the period of Settlement Cycle Days following a trade in such Underlying Security, the securities or other property underlying such Index or ETF as the case may be, on the Exchange in which settlement will customarily occur

according to the rules of such Exchange (or, if there are multiple Exchanges in respect of an Index, the longest such period) and for this purpose "**Settlement Cycle Day**" means a day on which the relevant Exchange at the relevant time is (or, but for the occurrence of a Settlement Disruption Event would have been) open for the acceptance and execution of settlement instructions or, if none, a day selected by the Determination Agent;

"**Settlement Election Date**" means, in respect of any Series of Warrants or Certificates, the date specified in the applicable Pricing Supplement or, if such date is not a Business Day, the next following day that is a Business Day;

"**Share Basket Securities**" means Warrants or Certificates relating to a basket of Underlying Securities that are shares;

"**Single ETF Securities**" means any Series of Warrants and Certificates that relates to a single Underlying Security that is an exchange traded fund;

"**Single Fund Securities**" means Warrants or Certificates relating to a single Underlying Security that is a fund;

"**Single Futures Contract Securities**" means Warrants or Certificates relating to a single Underlying Security that is a futures contract;

"**Single Index Securities**" means Warrants or Certificates relating to a single Index;

"**Single Share Securities**" means Warrants or Certificates relating to a single Underlying Security that is a share;

"**Specified Office**" means, in respect of any Series of Warrants or Certificates, in the case of a Reference Dealer, any office or branch of the Reference Dealer located in the city specified for such purpose in the applicable Pricing Supplement and, in the case of the Principal Securities Agent, the Securities Registrar or the Securities Transfer Agent, has the meaning given to such term in the Securities Agency Agreement. If a city is not so specified in respect of a Reference Dealer, the Specified Office will be deemed to be an office or branch of such Reference Dealer located in the Principal Financial Centre of the Reference Currency unless no quotations are available from the relevant office or branch of such Reference Dealer in which case, the Specified Office of the relevant Reference Dealer shall be the office or branch of such Reference Dealer located in any major financial market for the purchase and sale of the Reference Currency and the Base Currency outside the country where the Reference Currency is the lawful currency, as selected by the Determination Agent;

"**Specified Time**" means, in respect of any Series of Warrants or Certificates and the determination of the Spot Rate, the time specified as such in the applicable Pricing Supplement;

"**Sterling**" and "**£**" are to the lawful currency of the United Kingdom;

"**Strike Date**" means the date as specified in the applicable Pricing Supplement;

"**Strike Price**" means, in respect of any Series of Warrants or Certificates, the price, level or amount specified as such or otherwise determined as provided in the applicable Pricing Supplement;

"**Strike Price Payment Date**" has the meaning ascribed thereto in the applicable Pricing Supplement;

"**Substitution Date**" has the meaning given to it in Condition 35.6 (*Right to Termination in respect of substitutions with non-Morgan Stanley Group entities*);

"**Substitution Termination Date**" has the meaning given to it in Condition 35.6 (*Right to Termination in respect of substitutions with non-Morgan Stanley Group entities*);

"**Swedish CSD**" means a duly authorised Swedish central securities depository (*Sw: värdepapperscentral*) under the Swedish Central Securities Depositories and Financial Instruments Accounts Act (*Sw.: lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*), which is Euroclear Sweden AB, Klarabergsviadukten 63, Box 191, SE 101 23, Stockholm, Sweden;

"Swedish Issuing and Paying Agent" means Skandinaviska Enskilda Banken AB (publ) or a duly authorised issuing agent under the relevant NCSD Rules and designated as such by the Issuer, as specified in the applicable Pricing Supplement;

"Swedish Securities" means any Tranche of Warrants or Certificates issued by MSBV, MSI plc or, as applicable, MSESE and designated by the Issuer as "Swedish Securities" in the applicable Pricing Supplement;

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

"TARGET Settlement Day" means any day on which T2 is open for the settlement of payments in euro;

"Taxes" means all applicable stamp tax, stamp duty reserve tax, financial transaction tax, estate, inheritance, gift, transfer, capital gains, corporation, income, property, withholding, other taxes, duties and charges;

"Underlying Rate Business Day" has the meaning given to it in Condition 18 (*Provisions relating to Rate-Linked Securities*);

"Underlying Securities" means shares, futures contracts, bonds, other debt securities, other securities or other property specified as such in the applicable Pricing Supplement, and **"Underlying Security"** shall be construed accordingly;

"Underlying Security Issuer" means, in respect of Underlying Securities, the issuer of the relevant Underlying Securities; and

"U.S. Dollars", "U.S.\$" and "\$" are to the lawful currency of the United States of America.

3. Form, Title and Transfer

3.1 Form

Morgan Stanley may issue Certificates, and MSI plc, MSBV, MSFL and MSESE may issue Warrants and Certificates, in registered form ("**Registered Warrants**" and "**Registered Certificates**", together, the "**Registered Securities**"). MSBV, MSI plc and MSESE may issue Warrants and Certificates designated as "**Finnish Warrants**" or "**Finnish Certificates**" or "**Swedish Warrants**" or "**Swedish Certificates**" and MSBV and MSI plc may issue Warrants and Certificates designated as "Norwegian Warrants" or "Norwegian Certificates" or "Danish Warrants" or "Danish Certificates" in each case in dematerialised and uncertificated book-entry form with a Nordic central securities depository ("**Nordic Securities**").

3.2 Registered Securities

- (a) *Form*: Registered Securities will be in global registered form ("**Global Registered Securities**") or individual registered form ("**Individual Registered Securities**"), in each case as specified in the applicable Pricing Supplement.
- (b) *Title*: Title to the Registered Securities passes by registration in the Register which is kept by the Securities Registrar in accordance with the provisions of the Securities Agency Agreement. A certificate (an "**Individual Registered Security**") will be issued to each holder of Registered Securities in respect of its registered holding. Each Individual Registered Security will be numbered serially with an identifying number which will be recorded in the Register. "**holder**" means the person in whose name such Registered Security is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and "**Securityholder**" shall be construed accordingly.
- (c) *Ownership*: The holder of any Registered Security 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 on the Individual Registered Security 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.

- (d) *Transfers:* Subject to Conditions 3.2(h) (*Closed Periods*) and 3.2(i) (*Regulations concerning transfers and registration*) below, a Registered Security may be transferred upon surrender of the relevant Individual Registered Security, with the endorsed form of transfer duly completed, at the Specified Office of the Securities Registrar or any Securities Transfer Agent, together with such evidence as the Securities Registrar or (as the case may be) such Securities 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. Where not all the Registered Securities represented by the surrendered Individual Registered Security are the subject of the transfer, a new Individual Registered Security in respect of the balance of the Registered Securities will be issued to the transferor. In respect of Warrants or Certificates for which "(China Connect – ChiNext Shares)" and/or "(China Connect – STAR Shares)" is specified next to the name of the Exchange in the applicable Pricing Supplement, any transfer of such Warrants or Certificates shall only be to owners and beneficial owners who each are an Eligible Investor. The Issuer shall have the right to refuse to honour the transfer of any Regulation S/Rule 144A Security to a person who is not a QIB, or, in the case of Securities issued by MSBV, to a person who is not a QIB/QP. The Issuer shall have the right to refuse to honour the transfer of any Regulation S Securities to a person who is a U.S. person (as defined in Regulation S) or is in the United States. So far as permitted by applicable law, regulations and any stock exchange requirements by which the Issuer is bound, the Issuer has covenanted and agreed in the Issue and Paying Agency Agreement to give to the Fiscal Agent such information as it requires for the performance of its functions and, without prejudice to the foregoing, for so long as any Securities remain outstanding has covenanted and agreed that it shall, during any period in which it is not subject to the reporting requirements of Section 13 or 15(d) under the U.S. Securities Exchange Act of 1934, as amended, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, furnish, upon request, to any Securityholder and any beneficial owner of such Regulation S/Rule 144A Securities, and to any prospective purchaser of such Regulation S/Rule 144A Securities designated by such Securityholder or beneficial owner in connection with resale of a beneficial interest in such Securities, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act.
- (e) *Transfers of MSBV Securities:* In addition to the restrictions described above, transfers and resales of Securities issued by MSBV are subject to further conditions and restrictions. As a condition to its acquisition of any such Securities, each purchaser of such Securities may be required to execute and deliver to MSBV a purchaser certificate pursuant to which it will be required to make certain acknowledgements, representations, warranties and agreements, including, without limitation that (i) such purchaser is a non-U.S. person or, solely in the case of Regulation S/Rule 144A Securities, a QIB/QP (an "**MSBV Permitted Transferee**") and (ii) it understands and agrees to comply with the conditions and restrictions set forth in the following paragraph.

A holder of Securities issued by MSBV may offer, sell or otherwise transfer such Securities only to (i) MSBV, a Distribution Agent or any of their affiliates or (ii) an MSBV Permitted Transferee. MSBV has the right to refuse to honour the transfer or pledge of any Securities that do not meet the transfer restrictions and other restrictions and conditions described herein. Each purchaser of such Securities will be deemed to represent and warrant that it agrees to comply with the transfer restrictions and other restrictions and conditions set forth in this Offering Circular or the Pricing Supplement. Any purported transfer or pledge of such Securities that is in breach, at the time made, of any transfer restrictions or other restrictions or conditions set forth in this Offering Circular or the Pricing Supplement may be void ab initio. If, at any time, MSBV determines in good faith that (i) a holder of such Securities is in breach, at the time given, of any of the transfer restrictions or other restrictions or conditions set forth in this Offering Circular or the Pricing Supplement, (ii) a transfer or attempted or purported transfer of any such Securities was consummated in reliance on an incorrect purchaser certificate from the transferee or purported transferee, (iii) a transferee failed to deliver to MSBV a purchaser certificate satisfactory in form to it, (iv) the holder of such Securities was in breach of any representation, warranty or agreement contained in the purchaser certificate or (v) the holder of such Securities pledges or attempts or purports to pledge such Securities, MSBV may, in its discretion, consider the acquisition by such person or such pledge void and of no force and effect, and such acquisition or pledge will not, at the discretion of MSBV, operate to transfer any rights to the transferee notwithstanding any instructions to the contrary to MSBV or any other intermediary. In addition, MSBV may require such acquirer or beneficial owner to sell the Securities to a non-U.S. person or QIB/QP. In connection with the foregoing, MSBV may receive a list of participants holding positions in the Securities from one or more book-entry depositaries. For the purposes of the foregoing, references to holders and purchasers of Securities include beneficial owners and purchasers of beneficial interests in such Securities.

- (f) *Registration and Delivery*: Within five business days of the surrender of an Individual Registered Security in accordance with Condition 3.2(d) (*Transfers*) above, the Securities Registrar will register the transfer in question and deliver a new Individual Registered Security of a like number or nominal amount to the Registered Securities transferred to each relevant holder at its Specified Office or (as the case may be) the Specified Office of any Securities 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 3.2(f) (*Registration and Delivery*), "**business day**" means a day on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the Securities Registrar or (as the case may be) the relevant Securities Transfer Agent has its Specified Office.
- (g) *No charge*: The transfer of a Registered Security will be effected without charge by or on behalf of the Issuer or the Securities Registrar or any Securities Transfer Agent but against such indemnity as the Securities Registrar or (as the case may be) such Securities 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.
- (h) *Closed Periods*: Holders of Registered Securities may not require transfers to be registered during the period of 15 days ending on the due date for any payment in respect of the Registered Securities.
- (i) *Regulations concerning transfers and registration*: All transfers of Registered Securities and entries on the Register are subject to the detailed regulations concerning the transfer of Registered Securities scheduled to the Securities Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Securities Registrar. A copy of the current regulations will be mailed (free of charge) by the Securities Registrar to any holder of Registered Securities who requests in writing a copy of such regulations. The relevant Issuer shall have the right to refuse to honour the transfer of any Securities to a person who is a U.S. Person (as defined in Regulation S) or is in the United States unless such Securities were issued to, in the case of MSFL or MSIP Securities, a QIB, or, in the case of MSBV Securities, a QIP/QP, pursuant to the exemption from registration pursuant to Rule 144A, as detailed herein.

3.3 *Nordic Securities*

Warrants and Certificates designated as "Finnish Securities", "Norwegian Securities", "Danish Securities" or "Swedish Securities" in the applicable Pricing Supplement will be issued in uncertificated and dematerialised book entry form in accordance with the NCSD Rules. In respect of Nordic Securities, "**Securityholder**" and "**holder**" means the person in whose name a Nordic Security is registered in the NCSD Register and the reference to a person in whose name a Nordic Security is registered shall include also any person duly authorised to act as a nominee (*Sw: förvaltare*) and so registered for the Nordic Security. Title to Nordic Securities shall pass by registration in the NCSD Register. Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined above) of any Nordic Security shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it and no person shall be liable for so treating the holder. The Issuer shall be entitled to obtain information from the NCSD Register in accordance with the NCSD Rules. As the Nordic Securities will be in uncertificated and dematerialised book-entry form, the Conditions as so amended shall be deemed to be incorporated by reference in, and to form part of, the MSBV Deed of Covenant, or the MSI plc Deed of Covenant or the MSESE Deed of Covenant (as the case may be), by which the Nordic Securities are constituted. No physical global or definitive warrants or certificates will be issued in respect of Nordic Securities.

3.4 *General provisions relating to the Warrants and Certificates*

Interests in any Warrants or Certificates will be transferable in a minimum amount of such number of Warrants or Certificates (the "**Minimum Transfer Amount**") as is specified in the applicable Pricing Supplement.

Warrants and Certificates may not be offered, sold, delivered or otherwise transferred at any time within the United States or to, or for account or benefit of, U.S. Persons (as such are used in Regulation S and the CEA) unless they are sold in reliance on Rule 144A under the Securities Act, in addition to Regulation S, as further described herein. Each Warrant or Certificate will have a legend to such effect.

4. Status of Warrants and Certificates

4.1 *Status of Warrants and Certificates*

The Warrants and Certificates of each Series constitute direct and general obligations of the Issuer which rank *pari passu* among themselves.

4.2 *Status of Guarantee*

The Guarantor's obligations in respect of Warrants and Certificates issued by MSBV (other than Warrants and Certificates the Pricing Supplement relating to which specifies that such Warrants or Certificates are not guaranteed by Morgan Stanley) and MSFL constitute direct and general obligations of the Guarantor which rank without preference among themselves and *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Guarantor, present and future, but, in the event of insolvency, only to the extent permitted by laws affecting creditors' rights.

4.3 *The Issuer may elect the form of settlement*

By exercising a Warrant or Certificate, the holder thereof shall be deemed to have agreed to such form of settlement as the Issuer may elect in accordance with Conditions 5.6 (*Optional Physical Settlement*) and 5.7 (*Optional Cash Settlement*), if applicable.

5. Rights on Exercise of Warrants and Certificates

5.1 *American Style Securities*

If the Warrants or Certificates are specified in the applicable Pricing Supplement as being "**American Style Securities**", then this Condition 5.1 (*American Style Securities*) is applicable and the Warrants or Certificates are exercisable not later than the Latest Exercise Time on any day during the Exercise Period which is a Business Day and, if so specified in the applicable Pricing Supplement, a Scheduled Trading Day, an Exchange Business Day, a Commodity Business Day, a Currency Business Day, an Underlying Rate Business Day and/or a Fund Business Day, subject to Condition 5.9 (*Warrants and Certificates void on expiry*) and to prior termination of the Warrants or Certificates as provided in Conditions 9.3 (*Adjustments affecting Shares and ETF Interests*) to 24 (*Provisions relating to all Warrants and Certificates*) (as applicable), 27 (*Events of Default*) and 28 (*Illegality and Regulatory Event*).

5.2 *European Style Securities*

If the Warrants or Certificates are specified in the applicable Pricing Supplement as being "**European Style Securities**", then this Condition 5.2 (*European Style Securities*) is applicable and the Warrants or Certificates are exercisable only not later than the Latest Exercise Time on the Expiration Date, subject to Condition 5.9 (*Warrants and Certificates void on expiry*) and to prior termination of the Warrants or Certificates as provided in Conditions 9.3 (*Adjustments affecting Shares and ETF Interests*) to 24 (*Provisions relating to all Warrants and Certificates*) (as applicable), 27 (*Events of Default*) and 28 (*Illegality and Regulatory Event*).

5.3 *Bermudan Style Securities*

If the Warrants or Certificates are specified in the applicable Pricing Supplement as being "**Bermudan Style Securities**", then this Condition 5.3 (*Bermudan Style Securities*) is applicable and the Warrants or Certificates are exercisable only not later than the Latest Exercise Time on each Potential Exercise Date, subject to Condition 5.9 (*Warrants and Certificates void on expiry*) and to prior termination of the Warrants or Certificates as provided in Conditions 9.3 (*Adjustments affecting Shares and ETF Interests*) to 24 (*Provisions relating to all Warrants and Certificates*) (as applicable), 27 (*Events of Default*) and 28 (*Illegality and Regulatory Event*).

5.4 *Cash Settlement Securities*

If the Warrants or Certificates are specified in the applicable Pricing Supplement as being "**Cash Settlement Securities**", then, subject to Condition 5.6 (*Optional Physical Settlement*) if applicable, upon exercise each Warrant and Certificate entitles the holder thereof to receive from the Issuer on the Cash Settlement Payment Date an amount (the "**Cash Settlement Amount**") calculated in accordance with

the applicable Pricing Supplement in the Settlement Currency (less any amount in respect of Taxes). The Cash Settlement Amount will be rounded down to the nearest minimum unit of the Settlement Currency, with Warrants or Certificates exercised at the same time by the same Securityholder being aggregated for the purpose of determining the aggregate Cash Settlement Amount payable in respect of such Warrants or Certificates.

5.5 *Physical Settlement Securities*

- (a) *Full Physical Settlement Securities*: If the Warrants or Certificates are specified in the applicable Pricing Supplement as being "**Full Physical Settlement Securities**", then, subject to Condition 5.7 (*Optional Cash Settlement*) if applicable, upon the exercise of a Warrant or Certificate by a Securityholder, the Issuer will deliver or procure the delivery of all the Underlying Securities in respect of such Warrant or Certificate on the Physical Settlement Date to the account of the Clearing System specified, or as may otherwise be specified for that purpose by such Securityholder in the relevant Exercise Notice, following payment by such Securityholder to or to the order of the Issuer on or before the Strike Price Payment Date of the Strike Price (plus an amount equal to "**Taxes**" due by reason of the exercise of such Warrant or Certificate and the purchase for, and credit to or to the order of such Securityholder of such Underlying Securities and, in the case of Bond-Linked Securities, accrued interest, if any, on the Bond Security Entitlement computed by the Determination Agent in accordance with customary trade practices employed with respect to bonds or such other debt securities), all as more fully described in Condition 6 (*Exercise*).
- (b) *Part Physical Settlement Securities*: If the Warrants or Certificates are specified in the applicable Pricing Supplement as being "**Part Physical Settlement Securities**", then, subject to Condition 5.7 (*Optional Cash Settlement*) if applicable, upon the exercise of a Warrant or Certificate by a Securityholder, the Issuer will deliver or procure the delivery of all the Underlying Securities in respect of such Warrant or Certificate on the Physical Settlement Date to the account of the Clearing System specified, or as may otherwise be specified for that purpose by such Securityholder in the relevant Exercise Notice. The number of Underlying Securities to be so delivered shall be an amount of Underlying Securities, rounded down if not a whole number, whose market value (as determined by the Determination Agent in its reasonable discretion) on the Exercise Date (less any commissions which the Issuer may charge at such rate as it deems fit in its reasonable discretion and any applicable Taxes due by reason of the exercise of such Warrant or Certificate and the purchase for, and credit to or to the order of such Securityholder of such Underlying Securities) is equal to the excess, if any, of the Settlement Price over the Strike Price (plus, in the case of Bond-Linked Securities, any accrued interest, as specified in Condition 5.5(a) (*Full Physical Settlement Securities*) above). Where a Securityholder becomes entitled to receive Underlying Securities in respect of more than one Warrant or Certificate, any rounding adjustment referred to in this Condition 5.5(b) (*Part Physical Settlement Securities*) shall be applied only to the aggregate number of Underlying Securities deliverable in respect of such Warrants or Certificates.
- (c) *Other Physical Settlement Securities*: If the Warrants or Certificates are specified in the applicable Pricing Supplement as being "**Other Physical Settlement Securities**", then, subject to Condition 5.7 (*Optional Cash Settlement*) if applicable, upon the exercise of a Warrant or Certificate by a Securityholder, the Issuer will deliver or procure the delivery of such amount of Underlying Securities, or the Warrants or Certificates will be settled in any other manner, as may be specified in, or determined in accordance with, the applicable Pricing Supplement.
- (d) In these Conditions, references to "**Physical Settlement Securities**" shall, where the context so admits, comprise Full Physical Settlement Securities, Part Physical Settlement Securities and Other Physical Settlement Securities.

5.6 *Optional Physical Settlement*

If this Condition 5.6 (*Optional Physical Settlement*) is specified in the applicable Pricing Supplement as being applicable, then, upon the exercise of a Warrant or Certificate by a Securityholder, the Issuer may elect not to pay the Cash Settlement Amount to that Securityholder in accordance with Condition 5.4 (*Cash Settlement Securities*), but instead deliver or procure the delivery of Underlying Securities in accordance with Condition 5.5(a) (*Full Physical Settlement Securities*) or Condition 5.5(b) (*Part Physical Settlement Securities*).

5.7 *Optional Cash Settlement*

If this Condition 5.7 (*Optional Cash Settlement*) is specified in the applicable Pricing Supplement as being applicable, then, upon the exercise of a Warrant or Certificate by a Securityholder, the Issuer may elect not to deliver or procure the delivery of Underlying Securities in accordance with Condition 5.5(a) (*Full Physical Settlement Securities*) or Condition 5.5(b) (*Part Physical Settlement Securities*), but instead to pay the Cash Settlement Amount to that Securityholder in accordance with Condition 5.4 (*Cash Settlement Securities*).

5.8 *Notification of election*

If Condition 5.6 (*Optional Physical Settlement*) or Condition 5.7 (*Optional Cash Settlement*) is specified in the applicable Pricing Supplement as being applicable, the Issuer will, by the close of business (London time) on the Settlement Election Date, notify the Principal Securities Agent, the Securities Registrar (in the case of the Registered Warrants or Registered Certificates), the Determination Agent and the relevant Securityholder whether it has elected to pay the Cash Settlement Amount in accordance with Condition 5.4 (*Cash Settlement Securities*) or deliver or procure the delivery of Underlying Securities in accordance with Condition 5.5(a) (*Full Physical Settlement Securities*) or Condition 5.5(b) (*Part Physical Settlement Securities*). Notice to the relevant Securityholder shall be given by facsimile or telex to the number specified in the relevant Exercise Notice, and any notice so given shall be deemed received by the relevant Securityholder.

5.9 *Warrants and Certificates void on expiry*

Subject to Condition 6.7 (Deemed Exercise), Warrants or Certificates with respect to which an Exercise Notice has not been duly completed and delivered to the Principal Securities Agent or the Securities Registrar, in the manner set out in Condition 6 (*Exercise*), before the Latest Exercise Time shall become void for all purposes and shall cease to be transferable.

5.10 *Delivery outside the United States*

Notwithstanding the foregoing, other than with respect to Warrants or Certificates offered and sold in reliance upon Rule 144A under the Securities Act, no cash, securities or other property shall be delivered in the United States (as defined in Regulation S and in the CEA) in connection with the settlement of, or exercise of, Warrants or Certificates.

6. *Exercise*

6.1 *Exercise Notice*

- (a) Subject to Condition 5.9 (*Warrants and Certificates void on expiry*) and to prior termination of the Warrants or Certificates as provided in Conditions 9.3 (*Adjustments affecting Shares and ETF Interests*) to 24 (*Provisions relating to all Warrants and Certificates*) (as applicable), 27 (*Events of Default*) and 28 (*Illegality and Regulatory Event*), Warrants and Certificates may be exercised by a Securityholder (at his own expense) at such time and on such day(s) as provided in Condition 5.1 (*American Style Securities*), 5.2 (*European Style Securities*) or 5.3 (*Bermudan Style Securities*), as applicable, by (i) depositing from a location outside the United States the relevant Individual Registered Security and delivering from a location outside the United States a duly completed and signed Exercise Notice to the Securities Registrar and (ii) delivering a copy of such Exercise Notice to the Determination Agent.
- (b) Subject to Condition 5.9 (*Warrants and Certificates void on expiry*), any Exercise Notice delivered after the Latest Exercise Time on any day shall: (a) in the case of Bermudan Style Securities and European Style Securities, be void and (b) in the case of American Style Securities, be deemed to have been delivered on the next following day on which such Warrants or Certificates are exercisable (unless no such day occurs on or prior to the Expiration Date, in which case that Exercise Notice shall be void).
- (c) The Securities Registrar with which an Individual Registered Security is so deposited shall deliver a duly completed Exercise Receipt to the depositing Securityholder.
- (d) No Individual Registered Security, once deposited with a duly completed Exercise Notice in accordance with this Condition 6 (*Exercise*), may be withdrawn; provided however that if, following due presentation of any such Individual Registered Security, payment of the moneys falling due is improperly withheld

or refused by the relevant Issuer, the relevant Securities Agent or Securities Registrar (as applicable) shall mail notification thereof to the depositing Securityholder at such address as may have been given by such Securityholder in the relevant Exercise Notice and shall hold such Individual Registered Security at its Specified Office for collection by the depositing Securityholder against surrender of the relevant Exercise Receipt.

6.2 ***Form of Exercise Notice for Cash Settlement Securities***

Each Exercise Notice shall be in the form (for the time being current) available from each Securities Agent or the Securities Registrar, and must:

- (a) specify the name, address, telephone and facsimile details of the Securityholder in respect of the Warrants or Certificates being exercised;
- (b) specify the number of Warrants or Certificates of the relevant Series being exercised by the Securityholder (which must not be less than the Minimum Exercise Number);
- (c) include an irrevocable undertaking to pay any applicable Taxes due by reason of exercise of the relevant Warrants or Certificates and, if such amounts have not been paid prior to the Cash Settlement Payment Date, an authority to the Issuer to deduct an amount in respect thereof from any Cash Settlement Amount due to such Securityholder (on the Cash Settlement Payment Date) and to credit the specified account of the Principal Securities Agent (for the account of the relevant Issuer) with an amount or amounts in respect thereof;
- (d) specify the details of the relevant account of the Securityholder to be credited with the relevant Cash Settlement Amount; and
- (e) contain a representation and warranty from the Securityholder to the effect that the Warrants or Certificates to which the Exercise Notice relates are free from all liens, charges, encumbrances and other third party rights.

6.3 ***Form of Exercise Notice for Physical Settlement Securities***

If the Warrants or Certificates are specified in the applicable Pricing Supplement as being Physical Settlement Securities or if Condition 5.6 (*Optional Physical Settlement*) is specified in the applicable Pricing Supplement as being applicable, the Exercise Notice shall:

- (a) specify the name, address, telephone and facsimile details of the Securityholder in respect of the Warrants or Certificates being exercised;
- (b) specify the number of Warrants or Certificates of the relevant Series being exercised by the Securityholder (which must not be less than the Minimum Exercise Number);
- (c) in the case of Full Physical Settlement Securities, include an irrevocable undertaking to pay on or prior to the Strike Price Payment Date to the specified account of the Principal Securities Agent (for the account of the relevant Issuer) the aggregate Strike Price in respect of the Warrants or Certificates being exercised (plus any applicable Taxes and, in the case of Bond-Linked Securities, any accrued interest, as specified in Condition 5.5(a) (*Full Physical Settlement Securities*) above);
- (d) include an irrevocable undertaking to pay to the specified account of the Principal Securities Agent (for the account of the relevant Issuer) any applicable Taxes (to the extent payable but unpaid) determined by the Issuer to be payable by reason of the transfer (if any) of Underlying Securities to the account specified by the Securityholder to the account of the Issuer with an amount in respect thereof;
- (e) specify the details of the Securityholder's account to be credited with the relevant Underlying Securities;
- (f) contain a representation and warranty from the Securityholder to the effect that the Warrants or Certificates to which the Exercise Notice relates are free from all liens, charges, encumbrances and other third party rights;

- (g) specify such other details as the applicable Pricing Supplement may require; and
- (h) certify that the Warrants or Certificates are not being exercised or settled by or on behalf of a U.S. Person or a person within the United States and the Warrants or Certificates are not beneficially owned by a U.S. Person or a person within the United States (terms used in this Condition 6.3(h) (*Form of Exercise Notice for Physical Settlement Securities*) have the meanings in Regulation S).

6.4 Additional Exercise Notice Requirements for Warrants or Certificates linked to Shares traded through the China Connect Service

In the case of Warrants or Certificates which are Equity and Proprietary Index-Linked Securities (as defined in Condition 9 (*Provisions relating to Equity and Proprietary Index-Linked Securities*)) in respect of which "(China Connect)" is specified next to the name of the Exchange in the relevant Pricing Supplement, the Exercise Notice shall, in addition to satisfying the requirements of Condition 6.2 (*Form of Exercise Notice for Cash Settlement Securities*) or Condition 6.3 (*Form of Exercise Notice for Physical Settlement Securities*) (as applicable) certify that:

- (a) each of the owner and the beneficial owner of each Warrant or Certificate being exercised:
 - (i) in the case of an individual, is not a China Resident; or
 - (ii) in the case of an entity, either (x) is not incorporated or registered under the laws of China or (y) has purchased and held the Warrant or Certificate pursuant to any program approved by, or approval of or registration with, any competent China regulator; and
- (b) each of the owner and the beneficial owner of each Warrant or Certificate being exercised used funds lawfully owned by it and located outside China to purchase the Warrant or Certificate unless it purchased and held the Warrant or Certificate pursuant to any program approved by, or approval of or registration with, any competent China regulator; and
- (c) the purchase and holding of the Warrant or Certificate by each of the owner and the beneficial owner of each Warrant or Certificate being exercised did not, and does not, violate the laws and regulations of China, including those in relation to foreign exchange control and reporting; and

further to the above, where "ChiNext Shares" and/or "STAR Shares" is also specified next to the name of the Exchange in the relevant Pricing Supplement (such that the specification is "(China Connect – ChiNext Shares)" and/or "(China Connect – STAR Shares)"), the Exercise Notice shall also certify that each of the owner and the beneficial owner of each Warrant or Certificate being exercised is an Eligible Investor.

"China Resident" means a person who is a citizen of China and does not have permanent right of abode in a jurisdiction outside China.

6.5 Verification of Securityholder

- (a) To exercise Warrants or Certificates the holder thereof must duly complete an Exercise Notice. The relevant Securities Agent or the Securities Registrar shall, in accordance with its normal operating procedures, verify that each person exercising the Warrants and Certificates is the holder thereof.
- (b) If, in the determination of the relevant Securities Agent or the Securities Registrar:
 - (i) the Exercise Notice is not complete or not in proper form;
 - (ii) the person submitting an Exercise Notice is not validly entitled to exercise the relevant Warrants or Certificates or not validly entitled to deliver such Exercise Notice; or
 - (iii) the relevant Securityholder does not provide evidence, at the reasonable request of the relevant Securities Agent or Securities Registrar, that sufficient funds equal to any applicable Taxes and the aggregate Strike Price (if any) will be available on the Exercise Date,
 - (iv) that Exercise Notice will be treated as void and a new duly completed Exercise Notice must be submitted if exercise of the holder's Warrants or Certificates is still desired.

- (c) Any determination by the relevant Securities Agent or Securities Registrar as to any of the matters set out in Condition 6.5(b) (*Verification of Securityholder*) above shall, in the absence of manifest error, be conclusive and binding upon the Issuer and the Securityholder of the Warrants or Certificates exercised.
- (d) In the case of Warrants and Certificates the exercise of which would require the Issuer to deliver indebtedness in bearer form, the issuance of, payment on and delivery of the Warrants or Certificates and the indebtedness will be subject to the limitations set out in these Conditions and the applicable Pricing Supplement.

6.6 ***Notification to the relevant Securities Agent or Securities Registrar***

- (a) Subject to the verification set out in Condition 6.5(a) (*Verification of Securityholder*) above, the relevant Securities Agent or the Securities Registrar will confirm to the Principal Securities Agent (copied to the Issuer and the Determination Agent) the receipt of the Exercise Notice and the number of Warrants or Certificates being exercised.
- (b) Upon the exercise in part of the total number or aggregate nominal amount of Warrants or Certificates represented by an Individual Registered Security, the Securities Registrar will note such exercise shall cancel the relevant Individual Registered Security deposited and issue the holder of the relevant Warrant or Certificate with a new Individual Registered Security representing the number or nominal amount of the holder's Warrants or Certificates not exercised.

6.7 ***Deemed Exercise***

If "**Deemed Exercise**" is specified in the applicable Pricing Supplement to be applicable in relation to a Series of Warrants or Certificates, where an Exercise Notice has not been duly completed and delivered by the Latest Exercise Time on the Expiration Date in respect of any Warrants or Certificates of such Series, each such Warrant or Certificate shall be deemed to have been exercised at that time on such date and/or upon such other terms as may be specified in the applicable Pricing Supplement, subject in each case to prior termination as provided for in Conditions 9.3 (*Adjustments affecting Shares and ETF Interests*) to 24 (*Provisions relating to all Warrants and Certificates*) (as applicable), 27 (*Events of Default*) and 28 (*Illegality and Regulatory Event*).

Notwithstanding such Deemed Exercise, the Issuer shall be under no obligation to settle any such Warrant or Certificate until the holder has delivered an Exercise Notice in the prescribed form in accordance with Conditions 6.2 (*Form of Exercise Notice for Cash Settlement Securities*) and/or 6.3 (*Form of Exercise Notice for Physical Settlement Securities*) above.

6.8 ***Payment and delivery – Registered Securities***

- (a) In respect of Registered Securities which have been exercised in full and which are specified in the applicable Pricing Supplement as being Cash Settlement Securities, or in respect of which the Issuer has elected Cash Settlement in accordance with Condition 5.7 (*Optional Cash Settlement*) payments in respect of any amounts in respect of a Registered Security shall be made only following surrender of the relevant Individual Registered Security at the Specified Office of the Securities Registrar outside the United States by cheque drawn in the currency in which the payment is due on, or, upon application of a holder of a Registered Security, by transfer to the account specified by the relevant Securityholder in the Exercise Notice 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 not later than the Business Day that is not later than fifteen days prior to the due date for payment.
- (b) In respect of Registered Securities which have been exercised and which are specified in the applicable Pricing Supplement as being Physical Settlement Securities, or in respect of which the Issuer has elected Physical Settlement in accordance with Condition 5.6 (*Optional Physical Settlement*), subject, in the case of Full Physical Settlement Securities, to transfer of the Strike Price (plus any applicable Taxes and, in the case of Bond-Linked Securities, any accrued interest, as specified in Condition 5.5(a) (*Full Physical Settlement Securities*) above) from the relevant account of the Securityholder to the relevant account of the Principal Securities Agent (in favour of the Issuer) as aforesaid, the Issuer shall, on the Physical Settlement Date deliver or procure the delivery of the relevant number of Underlying Securities in respect of each Registered Security for credit to the account specified in the relevant Exercise Notice. The Issuer

shall be entitled, if it so elects, to divide any Underlying Securities to be transferred into such number of lots of such size as it desires to facilitate its delivery obligations.

- (c) Exercise of the Registered Securities and payments and deliveries by the Issuer and the Securities Agents will be subject in all cases to all applicable fiscal and other laws, regulations and practices in force at the relevant time (including, without limitation, any relevant exchange control laws or regulations) and none of the Issuer or any Securities Agent shall incur any liability whatsoever if it is unable to effect the transactions contemplated, after using all reasonable efforts, as a result of any such laws, regulations and practices.
- (d) 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 Business Day, for value the next succeeding Business Day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed on the later of the due date for payment and the day on which the relevant Individual Registered Security is surrendered at the Specified Office of the Securities Registrar. A holder of a Registered Security 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 Business Day or (B) a cheque mailed in accordance with this Condition 6 (*Exercise*) arriving after the due date for payment or being lost in the mail.
- (e) Each payment or delivery in respect of a Registered Security will be made to the person shown as the holder in the Register at the close of business in the place of the Securities Registrar's Specified Office on the fifteenth day before the due date for such payment (the "**Record Date**"). Where the payment in respect of a Registered Security is to be made by cheque, the cheque will be mailed to the address of the holder in the Register at the close of business on the relevant Record Date.
- (f) Notwithstanding the foregoing, in respect of CNY Securities, no payment in CNY will be made by cheque and all payments to Securityholders will be made solely (i) for so long as the CNY Securities are represented by a Global Registered Security held with the common depositary for Clearstream Banking société anonyme and Euroclear Bank S.A./N.V. or any alternative clearing system, by transfer to a CNY bank account maintained outside the PRC, or (ii) for so long as the Securities are in definitive form, by transfer to a CNY bank account maintained outside the PRC, in each case in accordance with prevailing rules and regulations.

6.9 *Effect of Exercise Notice*

- (a) For so long as any outstanding Warrant or Certificate is held by a Securities Agent, Securities Registrar or Securities Transfer Agent in accordance with this Condition 6 (*Exercise*), the depositor of the relevant Individual Registered Security and not such Securities Agent, Securities Registrar or Securities Transfer Agent (as applicable) shall be deemed to be the Securityholder for all purposes.
- (b) Delivery of an Exercise Notice shall constitute an irrevocable election and undertaking by the Securityholder to exercise the Warrants or Certificates specified therein, provided that, in the case of a Registered Security, the person exercising and delivering such Exercise Notice is the person then appearing in the Register as the holder of the relevant Registered Security. If the person exercising and delivering the Exercise Notice is not the person so appearing, such Exercise Notice shall for all purposes become void and shall be deemed not to have been so delivered.
- (c) After the delivery of an Exercise Notice (other than an Exercise Notice which shall become void pursuant to Condition 6.1(b) (*Exercise Notice*)) by a Securityholder, such Securityholder shall not be permitted to transfer either legal or beneficial ownership of the Warrants or Certificates exercised thereby. Notwithstanding this, if any Securityholder does so transfer or attempt to transfer such Warrants or Certificates, the Securityholder will be liable to the Issuer for any losses, costs and expenses suffered or incurred by the Issuer including those suffered or incurred as a consequence of it having terminated any related hedging operations in reliance on the relevant Exercise Notice and subsequently: (i) entering into replacement hedging operations in respect of such Warrants or Certificates; or (ii) paying any amount on the subsequent exercise of such Warrants or Certificates without having entered into any replacement hedging operations.

6.10 *Minimum Number of Warrants and Certificates Exercisable*

The Warrants and Certificates are exercisable in the minimum number (the "**Minimum Exercise Number**") specified in the applicable Pricing Supplement (or, if a "**Permitted Multiple**" is specified in

the applicable Pricing Supplement, higher integral multiples of the Minimum Exercise Number) on any particular occasion or such lesser Minimum Exercise Number or other Permitted Multiple as the Issuer may from time to time notify to the Securityholders in accordance with Condition 29 (*Notices*).

6.11 ***Exercise and Settlement of Nordic Securities***

Nordic Securities may only be exercised by delivery of a duly completed Exercise Notice to the relevant Nordic Issuing and Paying Agent in respect of the relevant Tranche of Nordic Securities and these Conditions shall be construed accordingly. The relevant Nordic Issuing and Paying Agent (or such other person designated by the then applicable NCSD Rules as responsible for such actions) shall perform the verification and debiting of the relevant securities accounts referred to in Condition 6.5 (*Verification of Securityholder*) and Condition 6.8 (*Payment and delivery – Registered Securities*) (or, as the case may be under the then applicable NCSD Rules, request and/or effect the transfer by the holder of the relevant Nordic Securities to an account blocked for further transfers until such debiting may occur) and notify the Principal Securities Agent in accordance with Condition 6.6 (*Notification to the relevant Securities Agent or Securities Registrar*). Cash Settlement and, to the extent applicable, settlement in respect of Physical Settlement Securities, will occur in accordance with the NCSD Rules and payments will be effected to the holder recorded as such on the record date (as specified in the then applicable NCSD Rules) or such other business day falling closer to the due date as may then be stipulated in said NCSD Rules (such date being the "**Record Date**" for the purposes of the Nordic Securities). Claims for any amount payable in respect of the Nordic Securities shall become void unless made within a period of ten years after the relevant due date.

7. **Issuer Call Option**

7.1 ***Discretionary Call Option:*** Subject to Condition 7.2 (*Issuer Call Option - Non-discretionary Call Option*) or Condition 7.3 (*Model-based Redemption*), if the Call Option is specified in the applicable Pricing Supplement as being applicable, the Warrants or Certificates may be terminated at the option of the Issuer in whole or, if so specified in the applicable Pricing Supplement, in part on any Optional Settlement Date at the relevant Optional Settlement Amount on the Issuer's giving not less than the Minimum Call Notice Number of Day(s) nor more than the Maximum Call Notice Number of Day(s) notice to the Securityholders (which notice shall be irrevocable and shall oblige the Issuer to terminate the Warrants or Certificates specified in such notice on the relevant Optional Settlement Date at the Optional Settlement Amount).

7.2 ***Non-discretionary Call Option:*** Notwithstanding anything to the contrary in Condition 7 (*Issuer Call Option - Discretionary Call Option*), if Non-discretionary Call Option is specified in the applicable Pricing Supplement as being applicable, the Warrants or Certificates shall be terminated by the Issuer in whole, but not in part, on any Optional Settlement Date at the relevant Optional Settlement Amount if, and only if, the output of a risk neutral valuation model on a Business Day that is at least five (5) but no greater than eight (8) Business Days prior to such Optional Settlement Date, as selected by the Determination Agent (the "**Optional Settlement Determination Date**"), taking as input: (i) prevailing reference market levels, volatilities and correlations, as applicable and in each case as of the Optional Settlement Determination Date and (ii) the Issuer's credit spreads as of the Trade Date(s) indicates, in the determination of the Determination Agent, that terminating the Warrants or Certificates on such Optional Settlement Date would be economically more rational for the Issuer than not terminating the Warrants or Certificates on such Optional Settlement Date. If the Issuer is required to terminate the Warrants or Certificates on any Optional Settlement Date in accordance with this Condition 7.2 (*Non-discretionary Call Option*), the Issuer will give the Securityholders not less than five (5) Business Days' prior notice.

7.3 ***Model-based Redemption.*** Notwithstanding anything to the contrary in Condition 7.1 (*Discretionary Call Option*), if Model-based Redemption is specified in the applicable Pricing Supplement as being applicable, the Warrants or Certificates shall be terminated by the Issuer in whole, but not in part, on any Model-based Redemption Date (Call) at the relevant Model-based Redemption Amount (Call), if and only if the output of the proprietary valuation model described below (the "**Valuation Model**") indicates, in the Determination Agent's reasonable opinion, that it would be economically more rational for the Issuer to terminate the Warrants or Certificates (as applicable) than not, as specified in Condition 7.3.2 (*Model-based Redemption*).

The Model-based Redemption Amount (Call) will be specified in the relevant Pricing Supplement and will be at least equal to Par, unless otherwise specified in the Pricing Supplement. The termination of the

Warrants or Certificates will be without prejudice to the rights of Securityholders to receive any other payment accrued at the Model-based Redemption Date (Call) based on the terms of the Warrants or Certificates.

7.3.1 *Valuation Model*

The Valuation Model is a Morgan Stanley Group proprietary valuation model. The inputs of the Valuation Model are market data relevant for determining the amount payable by the Issuer under the terms of the Warrants or Certificates, in particular:

- (a) reference market levels and volatilities for the relevant underlying assets, including forward looking predictions of their curves;
- (b) valuations of the correlation of the underlying assets; and
- (c) any relevant currency exchange rate.

The Valuation Model also utilises, as a fixed parameter, the credit spread of the Issuer (and the Guarantor, if applicable) taken at the Trade Date. The model is a quantitative model and is subject to internal approvals, controls and verifications to ensure it performs the relevant calculations systematically. No discretionary amendments can be made to the methodology of the Valuation Model.

On any given day, the Valuation Model calculates the financial opportunity cost for the Issuer to redeem the Warrants or Certificates on the relevant Model-based Redemption Date (Call).

7.3.2 *Model-based Redemption*

The Warrants or Certificates will be terminated, in whole but not in part, on a Model-based Redemption Date (Call) if the output of the Valuation Model determined by the Determination Agent at any time on a day that is no earlier than three (3) Business Days before and no later than a Model-based Redemption Determination Cut-off Date (Call) (any such date a "**Model-based Redemption Determination Date (Call)**") indicates, in the Determination Agent's reasonable opinion, that terminating the Warrants or Securities would be economically more rational for the Issuer than not terminating the Warrants or Securities. If so, the Issuer will notify Securityholders on the "**Model-based Redemption Notice Date (Call)**" which will not be less than five (5) Business Days' prior to the Model-based Redemption Date (Call) and Securityholders will be entitled to receive the Model-based Redemption Amount (Call).

An early termination of the Warrants or Certificates will not automatically occur based solely on the performance of the underlying assets.

7.3.3 *Use of discretion*

The Determination Agent maintains discretion, which shall be exercised in good faith, in the interpretation of the outputs of the Valuation Model and on the date and time when such outputs are observed (provided that such date and time shall be no earlier than three (3) Business Days before and no later than a Model-based Redemption Determination Cut-off Date (Call)), and therefore maintains discretion with respect to the final decision to terminate the Warrants or Certificates (as applicable).

8. **Equity and Proprietary Index-Linked, Commodity-Linked, Currency-Linked, Inflation-Linked, Futures Contract-Linked, Property-Linked, Fund-Linked, Bond-Linked, ETN-Linked, Rate-Linked Securities and Credit Linked Securities**

8.1 *Morgan Stanley may issue Morgan Stanley Securities and MSI plc, MSBV, MSFL and MSESE may issue Securities:*

- (a) the payment of principal of which is linked to the shares of an entity or a basket of shares of entities not affiliated with the Issuer and/or to a single index of shares or indices of shares, a single proprietary index or proprietary indices, and/or interests in a single exchange traded fund or basket of exchange traded funds and/or any combination of two or more of the foregoing types of underlying (being shares, indices and/or interests in exchange traded funds) (respectively, "**Single Share Securities**", "**Share Basket Securities**", "**Single Index Securities**" (which shall include Securities linked to a single proprietary index), "**Index Basket Securities**" (which shall include Securities linked to a basket of proprietary

indices), "**Single ETF Securities**", "**ETF Basket Securities**" and "**Hybrid Equity Basket Securities**", and together, "**Equity and Proprietary Index-Linked Securities**";

- (b) the payment of principal of which is to be determined by reference to one or more commodity prices ("**Commodity-Linked Securities**");
- (c) the payment of principal of which is to be determined by reference to one or more currencies as compared to the value of one or more other currencies ("**Currency-Linked Securities**");
- (d) the payment of principal of which is linked to one or more inflation indices ("**Inflation-Linked Securities**");
- (e) the payment of principal of which is linked to a single futures contract or a basket of futures contracts (respectively "**Single Futures Contract Securities**" and "**Futures Contract Basket Securities**" and together, "**Futures Contract-Linked Securities**");
- (f) the payment of principal of which is linked to one or more property indices ("**Property-Linked Securities**");
- (g) the payment of principal of which is linked to interests in a fund or basket of funds (respectively "**Single Fund Securities**" and "**Fund Basket Securities**", together "**Fund-Linked Securities**");
- (h) the payment of principal of which is linked to the price for the Underlying Securities ("**Bond-Linked Securities**");
- (i) the payment of principal of which is linked to one or more ETNs ("**ETN-Linked Securities**");
- (j) the payment of principal of which is linked to one or more benchmark rates ("**Rate-Linked Securities**");
- (k) the payment of principal of which is linked to the credit of one or more specified entities ("**Credit Linked Securities**"); or
- (l) on any other terms and conditions,

in each case, in accordance with the Conditions herein which are specified as applicable to Equity and Proprietary Index-Linked Securities, Commodity-Linked Securities, Currency-Linked Securities, Inflation-Linked Securities, Property-Linked Securities, Fund-Linked Securities Bond-Linked Securities, ETN-Linked Securities, Rate-Linked Securities or Credit Linked Securities, as the case may be, and the detailed terms and conditions set out in the applicable Pricing Supplement.

9. Provisions relating to Equity and Proprietary Index-Linked Securities

This Condition 9 (*Provisions relating to Equity and Proprietary Index-Linked Securities*) is applicable only in relation to Warrants or Certificates specified in the applicable Pricing Supplement as being Single Share Securities, Share Basket Securities, Single Index Securities, Index Basket Securities, Single ETF Securities, ETF Basket Securities or Hybrid Equity Basket Securities ("**Equity and Proprietary Index-Linked Securities**").

9.1 *Reference Dates, Averaging Dates and Market Disruption:*

- (a) If Reference Date is not a Scheduled Trading Day, the relevant Reference Date shall be the next succeeding Scheduled Trading Day or, if either "Common Scheduled Trading Days and Common Disrupted Days" or "Common Scheduled Trading Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, the next succeeding Common Scheduled Trading Day.
- (b) If any Scheduled Reference Date is a Disrupted Day, then:
 - (i) in the case of a Single Index Security, Single Share Security or Single ETF Security, the relevant Reference Date shall be the earlier of (i) the first succeeding Scheduled Trading Day that is not in the determination of the Determination Agent a Disrupted Day and (ii) the Reference Cut-Off Date (notwithstanding that such Scheduled Trading Day is a Disrupted Day).

- (ii) in the case of an Index Basket Security, a Share Basket Security, an ETF Basket Security or a Hybrid Equity Basket Security (as the case may be):
 - (A) where "Individual Scheduled Trading Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, if the Determination Agent determines that any Scheduled Reference Date is a Disrupted Day in respect of any Basket Component, then:
 - (1) the Reference Date for each Basket Component in respect of which the Scheduled Reference Date is not a Disrupted Day shall be the Scheduled Reference Date for such Basket Component; and
 - (2) the Reference Date for any Basket Component in respect of which the Scheduled Reference Date is a Disrupted Day (each an "**Affected Basket Component**") shall be the earlier of (A) the first Scheduled Trading Day following the relevant Scheduled Reference Date that is not a Disrupted Day in respect of such Affected Basket Component; and (B) the Reference Cut-Off Date for such Affected Basket Component (notwithstanding that such day may not be a Scheduled Trading Day).
 - (B) where "Common Scheduled Trading Days and Common Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, if the Determination Agent determines that any Scheduled Reference Date is a Disrupted Day in respect of any Basket Component, then the Reference Date for each Basket Component shall be the earlier of (i) the first Common Scheduled Trading Day following the relevant Scheduled Reference Date that is not a Disrupted Day with respect to any Basket Component; and (ii) the Reference Cut-Off Date (notwithstanding that such day may not be a Common Scheduled Trading Day).
 - (C) where "Common Scheduled Trading Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, if the Determination Agent determines that any Scheduled Reference Date is a Disrupted Day in respect of any Basket Component, then:
 - (1) the Reference Date for each Basket Component in respect of which the Scheduled Reference Date is not a Disrupted Day shall be the Scheduled Reference Date for such Basket Component; and
 - (2) the Reference Date for each Basket Component in respect of which the Scheduled Reference Date is a Disrupted Day (each an "**Affected Basket Component**") shall be the earlier of (A) the first Scheduled Trading Day following the relevant Scheduled Reference Date that is not a Disrupted Day in respect of such Affected Basket Component; and (B) the Reference Cut-Off Date for such Affected Basket Component (notwithstanding that such day may not be a Common Scheduled Trading Day or a Scheduled Trading Day).
- (iii) in the case of a Single Index Security, Single Share Security, Single ETF Security, Index Basket Security, Share Basket Security, ETF Basket Security or Hybrid Equity Basket Security (as the case may be), where a Reference Date falls on the relevant Reference Cut-Off Date pursuant to Condition 9.1(b)(ii) above, then:
 - (A) if such Reference Cut-Off Date is not a Disrupted Day for the relevant Index, Share or ETF Interest (as the case may be), the Determination Agent shall determine the level of such Index or the value of such Share or ETF Interest (as the case may be) as at the Determination Time on such Reference Cut-Off Date; or
 - (B) if such Reference Cut-Off Date is a Disrupted Day:
 - (1) in respect of the relevant Index, the Determination Agent shall determine, in its reasonable discretion, the level of such Index as of the Determination Time on the Reference Cut-Off Date in accordance with the formula for and method of calculating such Index last in effect prior to the occurrence of the first

Disrupted Day using (x) except in respect of a Proprietary Index, the Exchange traded or quoted price as of the Determination Time on such Reference Cut-Off Date of each security (or other property) comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on such Reference Cut-Off Date, its good faith estimate of the value for the relevant security as of the Determination Time on such Reference Cut-Off Date) and (y) in respect of a Proprietary Index, such levels or values as the Determination Agent determines to be appropriate as of the Determination Time on or in respect of that Reference Cut-Off Date in respect of each Component comprised in such Proprietary Index in respect of such Reference Cut-off Date; and

- (2) in respect of the relevant Share or ETF Interest (as the case may be), the Determination Agent shall determine, in its reasonable discretion, its good faith estimate of the value for such Share or ETF Interest (as the case may be) as of the Determination Time on such Reference Cut-Off Date.
- (c) If Averaging Dates are specified in the applicable Pricing Supplement as being applicable, then, notwithstanding any other provisions of these Conditions, the following provisions will apply to the valuation of the relevant Index, Share, ETF Interest, Basket of Indices, Basket of Shares or Basket of ETF Interests (or any combination of the foregoing as the case may be) in relation to the relevant Reference Date:
- (i) For purposes of determining the Settlement Price in relation to a Reference Date, the Settlement Price will be:
 - (A) in respect of a Single Index Security, a Single Share Security, a Single ETF Security, in respect of a Share Basket Security that is a Cash Settlement Security or a Part Physical Settlement Security, the arithmetic mean of the relevant Prices of the Index, the Shares or ETF Interests (as the case may be);
 - (B) in respect of an Index Basket Security, the arithmetic mean of the amounts for the Basket of Indices determined by the Determination Agent in its reasonable discretion as provided in the applicable Pricing Supplement as of the relevant Determination Time(s) on each Averaging Date or, if no means for determining the Settlement Price are so provided, the arithmetic mean of the amounts for the Basket calculated on each Averaging Date as the sum of the Relevant Prices of each Index comprised in the Basket (weighted or adjusted in relation to each Index as provided in the applicable Pricing Supplement);
 - (C) in respect of a Share Basket Security, the arithmetic mean of the amounts for the Basket of Shares determined by the Determination Agent in its reasonable discretion as provided in the applicable Pricing Supplement as of the relevant Determination Time(s) on each Averaging Date or, if no means for determining the Settlement Price are so provided, the arithmetic mean of the amounts for the Basket calculated on each Averaging Date as the sum of the values calculated for the Shares of each Share Issuer as the product of (1) the Relevant Price of such Share and (2) the number of such Shares comprised in the Basket;
 - (D) in respect of an ETF Basket Security, the arithmetic mean of the amounts for the Basket of ETF Interests determined by the Determination Agent in its reasonable discretion as provided in the applicable Pricing Supplement as of the relevant Determination Time(s) on each Averaging Date or, if no means for determining the Settlement Price are provided, the arithmetic mean of the amounts for the Basket calculated on each Averaging Date as the sum of the values calculated for the ETF Interests as the product of (1) the Relevant Price of such ETF Interest and (2) the number of such ETF Interests comprised in the Basket; and
 - (E) in respect of a Hybrid Equity Basket Security, the arithmetic mean of the amounts for the Basket determined by the Determination Agent in its reasonable discretion as provided in the applicable Pricing Supplement as of the relevant Determination

Time(s) on each Averaging Date or, if no means for determining the Settlement Price are so provided, the arithmetic mean of the amounts for the Basket calculated on each Averaging Date as the sum of the values calculated for each Basket Component as the product of (1) the Relevant Price of such Basket Component and (2) the weighting, number or proportion of such Basket Component comprised in the Basket, in each case as specified in the applicable Pricing Supplement.

- (ii) If, in respect of a Single Index Security, a Single Share Security or a Single ETF Security, a Scheduled Averaging Date is determined by the Determination Agent to be a Disrupted Day, then if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is:
 - (A) "**Omission**", then such date will be deemed not to be a relevant Averaging Date in respect of such Reference Date for the purposes of determining the relevant Settlement Price provided that, if through the operation of this provision no Averaging Date would occur with respect to the relevant Reference Date, then Condition 9.1(b) (*Reference Dates, Averaging Dates and Market Disruption*) will apply for purposes of determining the relevant level, price or amount on the final Averaging Date in respect of that Reference Date as if such final Averaging Date were a Reference Date that was a Disrupted Day;
 - (B) "**Postponement**", then Condition 9.1(b) (*Reference Dates, Averaging Dates and Market Disruption*) will apply for the purposes of determining the relevant level, price or amount on that date as if such date were a Reference Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date for the relevant Warrants or Certificates; or
 - (C) "**Modified Postponement**", then the Averaging Date shall be the earlier of (I) the first Valid Date following the Scheduled Averaging Date and (II) the Averaging Cut-Off Date, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date.
- (iii) If, in respect of an Index Basket Security, a Share Basket Security, an ETF Basket Security or a Hybrid Equity Basket Security, a Scheduled Averaging Date in respect of a Reference Date is determined by the Determination Agent to be a Disrupted Day in respect of any Basket Component, then:
 - (A) where "Individual Scheduled Trading Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement:
 - (1) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Omission":
 - (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (b) such date shall not be an Averaging Date in respect of such Reference Date for any Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**"), provided that if through the operation of this provision there would not be any Averaging Date in respect of such Reference Date for the Affected Basket Component, then the sole Averaging Date for such Affected Basket Component shall be the earlier of (I) the first Scheduled Trading Day following the final Scheduled Averaging Date that is not a Disrupted Day in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component;

- (2) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Postponement":
 - (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (b) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**") shall be the earlier of (I) the first Scheduled Trading Day following the Scheduled Averaging Date that is not a Disrupted Day in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component. Any day (including, for the avoidance of doubt, the Averaging Cut-Off Date) determined to be an Averaging Date as a result of the operation of this Condition 9.1(c)(iii)(A)(2)(b) shall be an Averaging Date, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date; or
- (3) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Modified Postponement":
 - (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (b) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**") shall be the earlier of (I) the first Valid Date following the Scheduled Averaging Date in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date;
- (B) where "Common Scheduled Trading Days and Common Disrupted Days" is specified to be applicable in the applicable Pricing Supplement:
 - (1) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Omission", such date will be deemed not to be a relevant Averaging Date in respect of any Basket Component for the purposes of determining the relevant Settlement Price provided that, if through the operation of this provision there would be no Averaging Date in respect of such Reference Date, then the sole Averaging Date for each Basket Component shall be the earlier of (A) the first Common Scheduled Trading Day following the Scheduled Averaging Date that is not a Disrupted Day for any Basket Component and (B) the Averaging Cut-Off Date (notwithstanding the fact that such Averaging Cut-Off Date may not be a Common Scheduled Trading Day);
 - (2) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Postponement", then the Averaging Date shall be the earlier of (A) the first Common Scheduled Trading Day following the Scheduled Averaging Date that is not a Disrupted Day in respect of any Basket Component and (B) the Averaging Cut-Off Date (notwithstanding the fact that such Averaging Cut-Off Date may not be a Common Scheduled Trading Day). Any day (including, for the avoidance of doubt, the Averaging Cut-Off Date) determined to be an Averaging Date as a result of the operation of this Condition 9.1(c)(iii)(B)(2) shall be an

Averaging Date, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date; or

- (3) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Modified Postponement", then the Averaging Date for each Basket Component shall be the earlier of (I) the first Common Valid Date following the Scheduled Averaging Date and (II) the Averaging Cut-Off Date (notwithstanding the fact that such Averaging Cut-Off Date may not be a Common Scheduled Trading Day), irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date;
- (C) where "Common Scheduled Trading Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement:
 - (1) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Omission":
 - (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (b) such date shall not be an Averaging Date in respect of such Reference Date for any Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**"), provided that if through the operation of this provision there would not be any Averaging Date in respect of such Reference Date for the Affected Basket Component, then the sole Averaging Date for such Affected Basket Component shall be the earlier of (I) the first Scheduled Trading Day following the final Scheduled Averaging Date that is not a Disrupted Day in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component (notwithstanding the fact that such day may not be a Common Scheduled Trading Day);
 - (2) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Postponement":
 - (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (b) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**") shall be the earlier of (I) the first Scheduled Trading Day following the Scheduled Averaging Date that is not a Disrupted Day in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component (notwithstanding the fact that such day not be a Common Scheduled Trading Day). Any day (including, for the avoidance of doubt, the Averaging Cut-Off Date) determined to be an Averaging Date as a result of the operation of this Condition 9.1(c)(iii)(C)(2)(b) shall be an Averaging Date, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date; or
 - (3) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Modified Postponement":
 - (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and

- (b) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**") shall be the earlier of (I) the first Valid Date (that is a Scheduled Trading Day) following the Scheduled Averaging Date in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date;
- (iv) If, in respect of any Single Index Security, Single Share Security, Single ETF Security, Index Basket Security, Share Basket Security or ETF Basket Security or Hybrid Equity Basket Security (as the case may be), an Averaging Date falls on the relevant Averaging Cut-Off Date pursuant to Condition 9.1(b)(ii):
 - (A) if such Averaging Cut-Off Date is not a Disrupted Day for the relevant Index, Share or ETF Interest (as the case may be), the Determination Agent shall determine the level of such Index or the value of such Share or ETF Interest (as the case may be) as at the Determination Time on such Averaging Cut-Off Date; or
 - (B) if such Averaging Cut-Off Date is a Disrupted Day:
 - (1) in respect of the relevant Index, the Determination Agent shall determine, in its reasonable discretion, the level of such Index as of the Determination Time on such date in accordance with the formula for and method of calculating such Index last in effect prior to the occurrence of the first Disrupted Day using (x) in except in respect of a Proprietary Index, the Exchange traded or quoted price as of the Determination Time on such Averaging Cut-Off Date of each security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on such Averaging Cut-Off Date, its good faith estimate of the value for the relevant security as of the Determination Time on such Averaging Cut-Off Date) and (y) in respect of a Proprietary Index, such levels or values as the Determination Agent determines to be appropriate as of the Determination Time on or in respect of that Averaging Cut-Off Date in respect of each Component comprised in such Proprietary Index in respect of such Averaging Cut-off Date; and
 - (2) in respect of the relevant Share or ETF Interest (as the case may be), the Determination Agent shall determine, in its reasonable discretion, its good faith estimate of the value for such Share or ETF Interest (as the case may be) as of the Determination Time on such Averaging Cut-Off Date.
- (v) If any Averaging Dates in relation to a Reference Date occur after that Reference Date as a result of the occurrence of a Disrupted Day, then (i) the relevant Exercise Date or, as the case may be, the relevant Physical Settlement Date or (ii) the occurrence of an Extraordinary Event, an Extraordinary ETF Event, an Index Adjustment Event, a Potential Adjustment Event or an Additional Disruption Event shall be determined by reference to the last such Averaging Date as though it were that Reference Date.

9.2 *Adjustments to Indices*

This Condition 9.2 (*Adjustments to Indices*) is applicable only in relation to Warrants or Certificates specified in the applicable Pricing Supplement as being Single Index Securities or Index Basket Securities.

- (a) *Successor Index*: If a relevant Index is (i) not calculated and announced by the Index Sponsor, but is calculated and announced by a successor sponsor acceptable to the Determination Agent in its reasonable discretion or (ii) replaced by a Successor Index using, in the determination of the Determination Agent (such determination to be at the Determination Agent's reasonable discretion), the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then in each case that index (the "**Successor Index**") will be

deemed to be the Index or as being Hybrid Equity Basket Securities where one or more of the Basket Components is specified in the applicable Pricing Supplement to be an Index.

(b) *Index Cancellation or Administrator/Benchmark Event Date:*

If on or prior to any Reference Date or Averaging Date either (1) the Index Sponsor permanently cancels the Index and no Successor Index exists (an "**Index Cancellation**") or (2) the applicable Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and an Administrator/Benchmark Event and an Administrator/Benchmark Event Date occurs in respect of such Index, then:

(i) If the applicable Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and if an Alternative Pre-nominated Index has been specified in relation to such Index in the applicable Pricing Supplement, then:

(A) the Determination Agent shall attempt to determine an Adjustment Payment;

(B) if the Determination Agent determines an Adjustment Payment,

(aa) it shall notify the Issuer of the Adjustment Payment and if the Adjustment Payment is an amount that the Securityholder would (but for Condition 9.2(b)(i)(B)(cc)(b)) be required to pay to the Issuer in respect of each Note, request the Issuer to notify the Determination Agent whether it intends to terminate the Warrants or Certificates pursuant to Condition 9.2(d) (*Termination for Index Adjustment Event*). If the Issuer does not intend to terminate the Warrants or Certificates pursuant to Condition 9.2(d) (*Termination for Index Adjustment Event*) then the following provisions of this Condition 9.2(b)(i) (*Index Cancellation or Administrator/Benchmark Event Date*) shall apply;

(bb) the terms of the Warrants or Certificates shall be amended so that references to the Index are replaced by references to the Alternative Pre-nominated Index;

(cc) the Conditions shall be adjusted to implement the Adjustment Payment as follows:

(a) if the Adjustment Payment is an amount that the Issuer is required to pay in respect of each Security, the Determination Agent shall adjust the Conditions to provide for the payment of the Adjustment Payment on the date when the Warrants or Certificates are settled in full; or

(b) if the Adjustment Payment is an amount that the Securityholder would (but for this Condition 9.2(b)(i)(B)(cc)(b)) be required to pay to the Issuer in respect of each Security, the Determination Agent shall adjust the Conditions to provide for the reduction of the amounts due by the Issuer until the aggregate amount of such reductions is equal to the Adjustment Payment, (subject, in the determination of the Determination Agent, to any minimum settlement amount of the Warrants or Certificates which the Determination Agent determines is required pursuant to any applicable law or regulation (including, without limitation, any tax law) and the rules of each listing authority, stock exchange and/or quotation system by which the Warrants or Certificates have then been admitted to listing, trading and/or quotation);

(dd) the Determination Agent shall make such other adjustments to the Conditions as it determines necessary or appropriate in order to

account for the effect of the replacement of the Index with the Alternative Pre-nominated Index and/or to preserve as nearly as practicable the economic equivalence of the Warrants or Certificates before and after the replacement of the Index with the Alternative Pre-nominated Index; and

- (ee) the Determination Agent shall notify the Issuer, the Principal Securities Agent and the Securityholders of any replacement of the Index by the Alternative Pre-nominated Index, the Adjustment Payment and any other adjustments to the Conditions, giving summary details of the adjustment(s), provided that any failure to give such notice shall not affect the validity of the foregoing.
- (C) If the Determination Agent is unable to determine an Adjustment Payment, then Condition 9.2(d) (*Termination for Index Adjustment Event*) shall apply.
- (ii) If the applicable Pricing Supplement does not specify that the Benchmark Trigger Provisions are applicable or, if the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable but does not specify an Alternative Pre-nominated Index in relation to the Relevant Equity Index Benchmark, then Condition 9.2(d) (*Termination for Index Adjustment Event*) shall apply.
- (c) *Index Modification and Index Disruption:*

If (i) on or prior to any Reference Date or Averaging Date, a relevant Index Sponsor announces that it will make a material change in the formula for or the method of calculating that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituents and capitalisation and other routine events) (an "**Index Modification**") or (ii) on any Reference Date or Averaging Date, the Index Sponsor fails to calculate and announce a relevant Index (provided that the Determination Agent may, in its reasonable discretion, determine that, in respect of a Multi-Exchange Index or a Proprietary Index, such failure to calculate and announce such Index shall instead be a Disrupted Day in respect of such Index) (an "**Index Disruption**") then the Determination Agent shall determine if such Index Modification or Index Disruption has a material effect on the Warrants or Certificates and, if so, subject to Condition 9.2(d) (*Termination for Index Adjustment Event*), shall calculate in its reasonable discretion the relevant Settlement Price or Relevant Price, as applicable, using, in lieu of a published level for that Index, the level for that Index as at that Reference Date or, as the case may be, that Averaging Date as determined by the Determination Agent in its reasonable discretion in accordance with the formula for and method of calculating that Index last in effect prior to that change, failure or cancellation, but using only those securities that comprised that Index immediately prior to that Index Adjustment Event.
- (d) *Termination for Index Adjustment Event:*

If:

 - (i) an Index Cancellation occurs and the Pricing Supplement does not specify that the Benchmark Trigger Provisions are applicable;
 - (ii) an Index Cancellation or an Administrator/Benchmark Event Date occurs, the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable but does not specify an Alternative Pre-nominated Index;
 - (iii) an Index Cancellation or an Administrator/Benchmark Event Date occurs, the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and specifies an Alternative Pre-nominated Index but the Determination Agent is unable to determine the Adjustment Payment;
 - (iv) an Index Cancellation or an Administrator/Benchmark Event Date occurs, the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and specifies an Alternative Pre-nominated Index and the Determination Agent determines that the Adjustment

Payment would be an amount that the Securityholder would (but for Condition 9.2(b)(i)(B)(cc)(b)) be required to pay to the Issuer in respect of each Security; or

- (v) an Index Modification or an Index Disruption occurs and it (a) would be unlawful at any time under any applicable law or regulation or (b) would contravene any applicable licensing requirements, in each case for the Determination Agent to calculate the relevant Settlement Price or Relevant Price, as applicable, in accordance with Condition 9.2(c) (*Index Modification and Index Disruption*),

then the Issuer may, at any time thereafter and in its reasonable discretion, determine that the Warrants or Certificates shall be terminated as of any later date. If the Issuer so determines that the Warrants or Certificates shall be terminated, then the Warrants and Certificates shall cease to be exercisable (or, in the case of any Warrants or Certificates which have been exercised, the entitlements of the respective exercising Securityholders to receive the Shares or ETF Interests or payment of the Cash Settlement Amount pursuant to such exercise shall cease) as of such later date and the Issuer will pay an amount in respect of each Warrant or Certificate which the Determination Agent, in its reasonable discretion, determines is an amount equal to the Early Settlement Amount.

The Issuer's obligations under the relevant Warrants or Certificates shall be satisfied in full upon payment of such amount.

If the Issuer determines that the relevant Warrants or Certificates shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to any variable relevant to the exercise, settlement or payment terms of the relevant Warrants or Certificates and/or any other adjustment, which change or adjustment shall be effective on such date as the Determination Agent shall determine. The Principal Securities Agent shall provide notice to the Securityholders of any such change or adjustment in accordance with Condition 29.7 (*Notices*), giving summary details of the relevant change or adjustment, provided that any failure to give such notice shall not affect the validity of any such change or adjustment.

- (e) *Correction of Index Levels*: If the level of an Index published by the Index Sponsor and which is utilised by the Determination Agent for any calculation or determination (the "**Original Determination**") under the Securities is subsequently corrected and the correction (the "**Corrected Value**") is published by the Index Sponsor by such time as may be specified in the applicable Pricing Supplement (or, if none is so specified, within one Settlement Cycle after the original publication and prior to the relevant payment date), then the Determination Agent will notify the Issuer and the Principal Securities Agent of the Corrected Value as soon as reasonably practicable and shall determine the relevant value (the "**Replacement Determination**") using the Corrected Value. If the result of the Replacement Determination is different from the result of the Original Determination, to the extent that it determines to be necessary and practicable, the Determination Agent may adjust any relevant terms accordingly.
- (f) *Additional Disruption Events*: If Additional Disruption Events are specified as applicable in the applicable Pricing Supplement, then, if an Additional Disruption Event occurs in respect of an Index or Indices:
 - (i) the Determination Agent will determine, in its reasonable discretion the appropriate adjustment, if any, to be made to any one or more of the Conditions relating to the calculation of Cash Settlement Amount and/or any other amounts applicable to the Securities set out in the applicable Pricing Supplement and/or remove and/or substitute the affected Index, to account for the Additional Disruption Event and determine the effective date of that adjustment; or
 - (ii) by giving notice to Securityholders in accordance with Condition 29 (*Notices*), the Issuer, in its reasonable discretion, may redeem all, but not some only, of the Securities, each Security being redeemed at the Early Settlement Amount.

Upon the occurrence of an Additional Disruption Event, the Issuer shall give notice, as soon as practicable, to the Securityholders in accordance with Condition 29 (*Notices*) stating the

occurrence of the Additional Disruption Event, as the case may be, giving details thereof and the action to be taken.

- (g) *Notice:* Upon the occurrence of an Index Adjustment Event, the Determination Agent shall give notice as soon as practicable to the Securityholders in accordance with Condition 29 (*Notices*) giving details of the action proposed to be taken in relation thereto.

9.3 *Adjustments affecting Shares and ETF Interests*

This Condition 9.3 (*Adjustments affecting Shares and ETF Interests*) is applicable only in relation to Single Share Securities, Single ETF Securities, Share Basket Securities, ETF Basket Securities or as being Hybrid Equity Basket Securities where one or more of the Basket Components is specified in the applicable Pricing Supplement to be an Index.

- (a) *Adjustments for Potential Adjustment Events:* Following the declaration by the Share Issuer, the relevant ETF or an ETF Service Provider of the terms of a Potential Adjustment Event, the Determination Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Shares or ETF Interests and, if so, will (i) make such adjustment as it in its reasonable discretion considers appropriate, if any, to the Strike Price, to the formula for the Cash Settlement Amount and/or the Settlement Price set out in the applicable Pricing Supplement, the number of Shares or ETF Interests to which each Warrant or Certificate relates, the number of Shares or ETF Interests comprised in a Basket, the amount, the number of or type of shares, fund interests or other securities which may be delivered in respect of such Warrants or Certificates and/or any other adjustment and, in any case, any other variable relevant to the exercise, settlement, payment or other terms of the relevant Warrants or Certificates as the Determination Agent determines, in its reasonable discretion, to be appropriate to account for that diluting or concentrative effect and (ii) determine, in its reasonable discretion, the effective date(s) of such adjustment(s). The Determination Agent may (but need not) determine the appropriate adjustment(s) by reference to the adjustment(s) in respect of such Potential Adjustment Event made by an options exchange or futures exchange to options or futures on the relevant Shares or ETF Interests, as the case may be, traded on such options exchange or futures exchange. The Principal Securities Agent shall provide notice to the Securityholders of any such change or adjustment in accordance with Condition 29.7 (*Notices*), giving summary details of the relevant change or adjustment, provided that any failure to give such notice shall not affect the validity of any such change or adjustment.
- (b) *Correction of Share and ETF Interest Prices:* If any price published on the Exchange and which is utilised by the Determination Agent for any calculation or determination (the "**Original Determination**") under the Warrants or Certificates is subsequently corrected and the correction (the "**Corrected Value**") is published by the Exchange by such time as may be specified in the applicable Pricing Supplement (or, if none is so specified, within one Settlement Cycle after the original publication and prior to the Expiration Date), then the Determination Agent will notify the Issuer and the Principal Securities Agent of the Corrected Value as soon as reasonably practicable and shall determine the relevant value (the "**Replacement Determination**") using the Corrected Value. If the result of the Replacement Determination is different from the result of the Original Determination, to the extent that it determines to be necessary and practicable, the Determination Agent may adjust any relevant terms accordingly. The Principal Securities Agent shall provide notice to the Securityholders of any such change or adjustment in accordance with Condition 29.7 (*Notices*), giving summary details of the relevant change or adjustment, provided that any failure to give such notice shall not affect the validity of any such change or adjustment.

9.4 *Extraordinary Events*

This Condition 9.4 (*Extraordinary Events*) is applicable only in relation to Warrants or Certificates specified in the applicable Pricing Supplement as being Single Share Securities, Single ETF Securities, Share Basket Securities or ETF Basket Securities or as being Hybrid Equity Basket Securities where one or more of the Basket Components is specified in the applicable Pricing Supplement to be a Share or an ETF Interest.

(a) *Merger Event or Tender Offer:*

- (i) Following the occurrence of any Merger Event or Tender Offer, the Issuer will, in its reasonable discretion, determine whether the relevant Warrants or Certificates shall continue or shall be redeemed early.
- (ii) If the Issuer determines that the relevant Warrants or Certificates shall continue, the Determination Agent may:
 - (A) substitute any Affected Share/ETF Interest with the Successor Share/ETF Interest relating to such Affected Share/ETF Interest, provided that if no Successor Share/ETF Interest has been identified within 10 Business Days of the Extraordinary Event Notice Date (as defined below), then sub-paragraph (B) below shall apply; and/or
 - (B) make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to the Strike Price, to the formula for the Cash Settlement Amount and/or the Settlement Price set out in the applicable Pricing Supplement, the number of Shares or ETF Interests to which each Warrant or Certificate relates, the number of Shares or ETF Interests comprised in a Basket, the amount, the number of or type of shares or other securities which may be delivered under such Warrants or Certificates and, in any case, any other variable relevant to the exercise, settlement, or payment terms of the relevant Warrants or Certificates and/or any other adjustment (including, without limitation, in relation to Share Basket Warrants or Certificates, ETF Basket Warrants or Certificates or Hybrid Equity Basket Warrants or Certificates, the cancellation of terms applicable in respect of the Shares or ETF Interests affected by the relevant Merger Event or Tender Offer), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event or Tender Offer by an options exchange or futures exchange to options or futures on the relevant Shares or ETF Interests, as the case may be, traded on such options exchange or futures exchange, which adjustment shall be effective on such date as the Determination Agent shall determine.

The Principal Securities Agent shall provide notice to the Securityholders of (a) any Successor Share/ETF Interest identified in accordance with sub-paragraph (A) above and (b) any change or adjustment made in accordance with sub-paragraph (B) above, in each case in accordance with Condition 29.7 (*Notices*), giving summary details of the relevant change or adjustment, if applicable, provided that any failure to give such notice shall not affect the validity of any such change or adjustment.

- (iii) If the Issuer determines that the relevant Warrants or Certificates shall be terminated then the relevant Warrants or Certificates shall cease to be exercisable as of the Merger Date (in the case of a Merger Event) or Tender Offer Date (in the case of a Tender Offer) (or, in the case of any Warrants or Certificates which have been exercised but remain unsettled, the entitlements of the respective exercising Securityholders to receive Underlying Securities or the Cash Settlement Amount, as the case may be, pursuant to such exercise shall cease) and the Issuer's obligations under the Warrants or Certificates shall be satisfied in full upon payment of an amount in respect of each Warrant or Certificate equal to the Early Settlement Amount.
- (iv) The Issuer shall as soon as reasonably practicable under the circumstances notify the Principal Securities Agent of the Determination Agent's determination of the occurrence of an Extraordinary Event that is a Merger Event or Tender Offer (the date of such notice, the "**Extraordinary Event Notice Date**").
- (v) For the purposes hereof:

"**Affected Share/ETF Interest**" means, at any time, any Share or ETF Interest, as applicable, in respect of which the Determination Agent has determined that a Merger Event or Tender Offer has occurred.

"Merger Date" means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Determination Agent in its reasonable discretion;

"Merger Event" means, in respect of any relevant Shares or ETF Interests, as determined by the Determination Agent, acting in a commercially reasonable manner, any: (i) reclassification or change of such Shares or ETF Interests that results in a transfer of or an irrevocable commitment to transfer all of such Shares or ETF Interests outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of the Share Issuer or ETF with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Share Issuer or ETF is the continuing entity and which does not result in a reclassification or change of all such Shares or ETF Interests outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares or ETF Interests of the Share Issuer or ETF that results in a transfer of or an irrevocable commitment to transfer all such Shares or ETF Interests (other than such Shares or ETF Interests owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Share Issuer or its subsidiaries or ETF or its sub funds with or into another entity in which the Share Issuer or ETF is the continuing entity and which does not result in a reclassification or change of all such Shares or ETF Interests outstanding but results in the outstanding Shares or ETF Interests (other than Shares or ETF Interests owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares or ETF Interests immediately following such event (a **"Reverse Merger"**), in each case if the Merger Date is on or before, (A) in respect of Physical Settlement Securities, the later to occur of the Exercise Date and the Physical Settlement Date or, (B) in any other case, the final Reference Date.

"Successor Share/ETF Interest" means, in respect of an Affected Share/ETF Interest, (1) if specified in the applicable Pricing Supplement, any Eligible Share or Eligible ETF Interest, as applicable; (2) if no Eligible Share or Eligible ETF Interest, as applicable, is specified, the successor Share or ETF Interest, as applicable, as determined by the Determination Agent, using commercially reasonable efforts, taking into account any factors which the Determination Agent determines to be relevant, including (but not limited to) the existence of any other Share or ETF Interest, as applicable, that is linked to or is a constituent of the same underlying index or asset as the Affected Share/ETF Interest, liquidity of the proposed successor Share or ETF Interest, as applicable, the prevailing market conditions at the time the Determination Agent makes its determination, the circumstances of the relevant Extraordinary Event, and the Issuer's hedging arrangements in respect of the relevant Warrants or Certificates; or (3) if the Determination Agent determines that it is unable to determine a suitable successor Share or ETF Interest, as applicable, the Determination Agent may determine that, where the Affected Share/ETF Interest is linked to the relevant underlying index (the **"Related Underlying Index"**), such Related Underlying Index (to the extent relevant) shall be the Successor Share/ETF Interest and the provisions applicable to Single Index Securities or Index Basket Securities (as the case may be) will apply to the relevant Warrants or Certificates with such adjustments as the Determination Agent determines to be appropriate.

"Tender Offer" means, in respect of any Shares or ETF Interests, as determined by the Determination Agent, acting in a commercially reasonable manner, a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Share Issuer or ETF, as determined by the Determination Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Determination Agent deems relevant.

"Tender Offer Date" means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained, as determined by the Determination Agent in its reasonable discretion.

- (b) *Nationalisation, Insolvency and Delisting:*

- (i) If in the determination of the Determination Agent, acting in a commercially reasonable manner:
- (A) all the Shares or ETF Interests or all or substantially all the assets of a Share Issuer, ETF or ETF Service Provider are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof ("**Nationalisation**"); or
 - (B) by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding up of, or any analogous proceeding affecting, a Share Issuer, ETF or ETF Service Provider, (1) all the Shares or ETF Interests of that Share Issuer, ETF or ETF Service Provider are required to be transferred to a trustee, liquidator or other similar official or (2) holders of the Shares or ETF Interests of that Share Issuer, ETF or ETF Service provider become legally prohibited from transferring them ("**Insolvency**"); or
 - (C) the Exchange announces that pursuant to the rules of such Exchange, the Shares or ETF Interests cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re listed, re traded or re quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any Member State of the European Union) ("**Delisting**"),
- then the Issuer will, in its reasonable discretion, determine whether or not the Warrants or Certificates shall continue.
- (ii) If the Issuer determines that the relevant Warrants or Certificates shall continue, the Determination Agent may:
- (A) substitute any Affected Share/ETF Interest with the Successor Share/ETF Interest relating to such Affected Share/ETF Interest, provided that if no Successor Share/ETF Interest has been identified within 10 Business Days of the Extraordinary Event Notice Date, then sub-paragraph (B) below shall apply; and/or
 - (B) make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to the Strike Price to the formula for the Cash Settlement Amount and/or the Settlement Price set out in the applicable Pricing Supplement, the number of Shares or ETF Interests to which each Warrant or Certificate relates, the number of Shares or ETF Interests comprised in a Basket, the amount, the number of or type of shares or other securities which may be delivered under such Warrants or Certificates and, in any case, any other variable relevant to the settlement or payment terms of the relevant Warrants or Certificates and/or any other adjustment (including without limitation, in relation to Share Basket Securities, ETF Basket Securities or Hybrid Equity Basket Securities, the removal from the Basket of the Shares or ETF Interests affected by the relevant Nationalisation, Insolvency or Delisting with effect from the day selected by the Determination Agent, and the adjustment of the such terms of the Warrants or Certificates as the Determination Agent considers to be appropriate as a result of such removal), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Nationalisation, Insolvency or Delisting by an options exchange or futures exchange to options or futures on the relevant Shares or ETF Interests, as the case may be, traded on such options exchange or futures exchange, which change or adjustment shall be effective on such date as the Determination Agent shall determine.

The Principal Securities Agent shall provide notice to the Securityholders of (a) any Successor Share/ETF Interest identified in accordance with sub-paragraph (A) above

and (b) any adjustment made in accordance with sub-paragraph (B) above, in each case in accordance with Condition 29.7 (*Notices*), giving summary details of the adjustment, if applicable, provided that any failure to give such notice shall not affect the validity of any such adjustment.

- (iii) The Issuer shall as soon as reasonably practicable under the circumstances notify the Principal Securities Agent of the Determination Agent's determination of the occurrence of an Extraordinary Event.
- (iv) If the Issuer determines that the relevant Warrants or Certificates shall be terminated, then the Warrants or Certificates shall cease to be exercisable (or, in the case of any Warrants or Certificates which have been exercised, the entitlements of the respective exercising Securityholders to receive the Shares or ETF Interests or the payment of the Cash Settlement Amount pursuant to such exercise shall cease) as of such later date and the Issuer will pay an amount in respect of each Warrant or Certificate which the Determination Agent, in its reasonable discretion, determines is an amount equal to the Early Settlement Amount.
- (v) For the purposes hereof:

"Affected Share/ETF Interest" means, at any time, any Share or ETF Interest, as applicable, in respect of which the Determination Agent has determined that a Nationalisation, Insolvency or Delisting has occurred.

"Successor Share/ETF Interest" has the meaning given to it in Condition 9.4(a)(v).

9.5 *Extraordinary ETF Events*

This Condition 9.5 (*Extraordinary ETF Events*) is applicable only in relation to Single ETF Securities or ETF Basket Securities or Hybrid Equity Basket Securities where one or more of the Basket Components is specified in the applicable Pricing Supplement to be an ETF Interest.

- (a) Following the occurrence of any Extraordinary ETF Event, the Issuer will, in its reasonable discretion, determine whether the relevant Warrants or Certificates shall continue or shall be redeemed early. The Determination Agent shall not have any obligation to monitor the occurrence of an Extraordinary ETF Event nor shall it have any obligation to make a determination that an Extraordinary ETF Event has occurred and is continuing.
- (b) If the Issuer determines that the relevant Warrants or Certificates shall continue, the Determination Agent may:
 - (i) substitute any Affected ETF Interest with the Successor ETF Interest relating to such Affected ETF interest, provided that if no Successor ETF Interest has been identified in the manner set forth below within 10 Business Days of the Extraordinary ETF Event Notice Date (as defined below), then sub-paragraph (ii) below shall apply; and/or
 - (ii) make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to the Strike Price to the formula for the Cash Settlement Amount and/or the Settlement Price set out in the applicable Pricing Supplement, the number of ETF Interests to which each Warrant or Certificate relates, the number of ETF Interests comprised in a Basket, the amount, the number of or type of shares or other securities which may be delivered under such Warrants or Certificates and, in any case, any other variable relevant to the exercise, settlement, or payment terms of the relevant Warrants or Certificates and/or any other adjustment (including, without limitation, in relation to ETF Basket Securities or Hybrid Equity Basket Securities (as the case may be), the cancellation of terms applicable in respect of ETF Interests affected by the relevant Extraordinary ETF Event) (including, without limitation, in relation to ETF Basket Securities or Hybrid Equity Basket Securities, the removal from the Basket of ETF Interests affected by the relevant Extraordinary ETF Event with effect from the day selected by the Determination Agent) to account for the economic effect on the Warrants or Certificates of such Extraordinary ETF Event, which may, but need not, be determined by reference to the adjustment(s) made in respect of such Extraordinary ETF Event by an options exchange or futures exchange to options or futures on the relevant ETF Interest traded on such

options exchange or futures exchange, which adjustment shall be effective on such date as the Determination Agent shall determine.

The Principal Securities Agent shall provide notice to the Securityholders of (a) any Successor ETF Interest identified in accordance with sub-paragraph (i) above, as soon as reasonably practicable after the date on which such Successor ETF Interest is identified, if applicable, and (b) any adjustment made in accordance with sub-paragraph (ii) above, in each case in accordance with Condition 29.7 (*Notices*), giving summary details of the adjustment, if applicable, provided that any failure to give such notice shall not affect the validity of any such adjustment.

- (c) If the Issuer determines that the relevant Warrants or Certificates shall be terminated, then the Warrants or Certificates shall cease to be exercisable (or, in the case of any Warrants or Certificates which have been exercised, the entitlements of the respective exercising Securityholders to receive the ETF Interests or the payment of the Cash Settlement Amount pursuant to such exercise shall cease) as of such later date and the Issuer will pay an amount in respect of each Warrant or Certificate which the Determination Agent, in its reasonable discretion, determines is an amount equal to the Early Settlement Amount.
- (d) The Issuer shall as soon as reasonably practicable under the circumstances notify the Principal Securities Agent of the Determination Agent's determination of the occurrence of an Extraordinary ETF Event (the date of such notice, the "**Extraordinary ETF Event Notice Date**").
- (e) For the purposes hereof:

"**Extraordinary ETF Event**" shall mean, with respect to an ETF or ETF Service Provider (as the case may be), the occurrence of any of the following events, as determined by the Determination Agent, in its reasonable discretion:

- (i) there exists any litigation against the ETF or an ETF Service Provider which in the reasonable discretion of the Determination Agent could materially affect the value of the ETF Interests or on the rights or remedies of any investor therein;
- (ii) (A) an allegation of criminal or fraudulent activity is made in respect of the ETF, or any ETF Service Provider, or any employee of any such entity, or the Determination Agent reasonably determines that any such criminal or fraudulent activity has occurred, or (B) any investigative, judicial, administrative or other civil or criminal proceedings is commenced or is threatened against the ETF, any ETF Service Provider or any key personnel of such entities if such allegation, determination, suspicion or proceedings could, in the reasonable discretion of the Determination Agent, materially affect the value of the ETF Interests or the rights or remedies of any investor in such ETF Interests;
- (iii) (A) an ETF Service Provider ceases to act in such capacity in relation to the ETF (including by way of Merger Event or Tender Offer) and is not immediately replaced in such capacity by a successor acceptable to the Determination Agent; and/or (B) any event occurs which causes, or will with the passage of time (in the opinion of the Determination Agent) cause, the failure of the ETF and/or any ETF Service Provider to meet or maintain any obligation or undertaking under the ETF Documents which failure is reasonably likely to have an adverse impact on the value of the ETF Interests or on the rights or remedies of any investor therein;
- (iv) a material modification of or deviation from any of the investment objectives, investment restrictions, investment process or investment guidelines of the ETF (howsoever described, including the underlying type of assets in which the ETF invests), from those set out in the ETF Documents, or any announcement regarding a potential modification or deviation, except where such modification or deviation is of a formal, minor or technical nature;
- (v) a material modification, cancellation or disappearance (howsoever described), or any announcement regarding a potential future material modification, cancellation or

disappearance (howsoever described), of the type of assets (A) in which the ETF invests, (B) the ETF purports to track, or (C) the ETF accepts/provides for purposes of creation/redemption baskets;

- (vi) a material modification occurs, or any announcement regarding a potential future material modification is made, in respect of the ETF (including but not limited to a material modification of the ETF Documents or to the ETF's liquidity terms) other than a modification or event which does not affect the ETF Interests or the ETF or any portfolio of assets to which the ETF Interest relates (either alone or in common with other ETF Interests issued by the ETF);
- (vii) the ETF ceases to be an undertaking for collective investment under the legislation of its relevant jurisdiction, provided that on the relevant Issue Date, the ETF was such an undertaking, and any such cessation would, in the reasonable discretion of the Determination Agent have a material adverse effect on any investor in such ETF Interests;
- (viii) (A) any relevant activities of or in relation to the ETF or any ETF Service Provider are or become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any present or future law, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, in any applicable jurisdiction (including, but not limited to, any cancellation, suspension or revocation of the registration or approval of the ETF by any governmental, legal or regulatory entity with authority over the ETF), (B) a relevant authorisation or licence is revoked, lapses or is under review by a competent authority in respect of the ETF or the ETF Service Provider or new conditions are imposed, or existing conditions varied, with respect to any such authorisation or licence, (C) the ETF is required by a competent authority to redeem any ETF Interests, (D) any hedge provider is required by a competent authority or any other relevant entity to dispose of or compulsorily redeem any ETF Interests held in connection with any hedging arrangements relating to the Warrants or Certificates and/or (E) any change in the legal, tax, accounting or regulatory treatment of the ETF or any ETF Service Provider that is reasonably likely to have an adverse impact on the value of the ETF Interests or other activities or undertakings of the ETF or on the rights or remedies of any investor therein;
- (ix) the value of any ETF Interest held by the Issuer and its Affiliates is greater than 10 per cent. of the aggregate net asset value of the relevant ETF (whether or not all of such holding results from hedging transactions entered into in connection with the Warrants or Certificates) and including, where the excess holding results from a reduction in the aggregate net asset value of the relevant ETF; or
- (x) any event specified as an Additional Extraordinary ETF Event in respect of the Warrants or Certificates in the applicable Pricing Supplement occurs; and

"Successor ETF Interest" means, in respect of an Affected ETF Interest, (1) if specified in the applicable Pricing Supplement, any Eligible ETF Interest; (2) if no Eligible ETF Interest is specified, the successor ETF Interest as determined by the Determination Agent, using commercially reasonable efforts, taking into account any factors which the Determination Agent determines to be relevant, including (but not limited to) the existence of other ETFs that are linked to the same underlying index or asset as the Affected ETF Interest, liquidity of the proposed successor ETF Interest, the prevailing market conditions at the time the Determination Agent makes its determination and the Issuer's hedging arrangements in respect of the relevant Warrants or Certificates; or (3) if the Determination Agent determines that it is unable to determine a suitable successor ETF Interest, the Determination Agent may determine that the relevant Warrants or Certificates, where the Affected ETF Interest will be linked to the relevant underlying index (the **"Related Underlying Index"**) and such Related Underlying Index shall be the Successor ETF Interest and the provisions applicable to Single Index Securities or Index Basket Securities (as the case may be) will apply to the relevant Warrants or Certificates with such adjustments as the Determination Agent determines to be appropriate.

9.6 *Additional Disruption Events*

- (a) Following the occurrence of an Additional Disruption Event, the Issuer will, in its reasonable discretion, determine whether or not the relevant Warrants or Certificates (which, if the Additional Disruption Event is a ChiNext and STAR Event, shall include only the Ineligible Securities) shall continue or be redeemed early.
- (b) If the Issuer determines that the relevant Warrants or Certificates shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to the Strike Price, to the formula for the Cash Settlement Amount and/or the Settlement Price set out in the applicable Pricing Supplement, the number of Shares or ETF Interests to which each Warrant or Certificate relates, the number of Shares or ETF Interest comprised in a Basket, the amount, the number of or type of shares, fund interests or other securities or assets which may be delivered under such Warrant or Certificate and, in any case, any other variable relevant to the redemption, settlement, or payment terms of the relevant Warrants or Certificates and/or any other adjustment (including without limitation, in relation to Share Basket Securities, Index Basket Securities ETF Basket Securities or Hybrid Equity Basket Securities, removal of any Shares, Index or ETF Interest, as the case may be, affected by the relevant Additional Disruption Event, and the adjustment of such terms of the Securities as the Determination Agent considers to be appropriate as a result of such removal) which change or adjustment shall be effective on such date as the Determination Agent shall determine. The Principal Securities Agent shall provide notice to the Securityholders of any such adjustment in accordance with Condition 29.7 (*Notices*), giving summary details of the adjustment, provided that any failure to give such notice shall not affect the validity of any such adjustment.
- (c) If the Issuer determines that the relevant Warrants or Certificates shall be terminated, then the Warrants or Certificates shall cease to be exercisable (or, in the case of any Warrants or Certificates which have been exercised, the entitlements of the respective exercising Securityholders to receive the Shares or ETF Interests or payment of the Cash Settlement Amount, as the case may be, pursuant to such exercise shall cease) as of such later date and the Issuer will pay an amount which the Determination Agent, in its reasonable discretion, determines is an amount equal to the Early Settlement Amount.
- (d) The Issuer shall as soon as reasonably practicable under the circumstances notify the Principal Securities Agent and the Determination Agent of the occurrence of an Additional Disruption Event.
- (e) For the purposes hereof:

"**Additional Disruption Event**" means with respect to any Series of Warrants or Certificates (i) any or all of (A) Change in Law, (B) Hedging Disruption, (C) Increased Cost of Hedging, (D) Increased Regulatory Capital, (E) Insolvency Filing and/or (F) (other than in relation to Single Index Securities or Index Basket Securities) Loss of Stock Borrow (in each case, unless otherwise specified in the applicable Pricing Supplement), (ii) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, each of China Connect Service Termination and China Connect Share Disqualification (in each case, unless otherwise specified in the applicable Pricing Supplement), (iii) if "(China Connect – ChiNext Shares)" and/or "(China Connect – STAR Shares)" is specified next to the name of the Exchange in the applicable Pricing Supplement, each of China Connect Service Termination, China Connect Share Disqualification and ChiNext and STAR Event (in each case, unless otherwise specified in the applicable Pricing Supplement), (iv) if "QFII" is specified next to the name of the Exchange in the applicable Pricing Supplement, each of Change in QFII Status and Regulatory Request ADE (in each case, unless otherwise specified in the applicable Pricing Supplement), and (v) any further event or events as may be specified in the applicable Pricing Supplement as an Additional Disruption Event with respect to such Warrants or Certificates.

9.7 *Partial Lookthrough Depositary Receipt Provisions*

- (a) Where the applicable Pricing Supplement specifies that the "Partial Lookthrough Depositary Receipt Provisions" shall apply to a Share, then the provisions set out in this Condition 9.7 (*Partial Lookthrough Depositary Receipt Provisions*) shall apply, and, in relation to such Share, the other provisions of this Condition 9.7 (*Partial Lookthrough Depositary Receipt Provisions*) shall be deemed to be amended and modified as set out in this Condition 9.7 (*Partial Lookthrough Depositary Receipt Provisions*).
- (b) The definition of "Potential Adjustment Event" shall be amended so that it reads as follows:

"Potential Adjustment Event" means any of the following:

- (i) a subdivision, consolidation or reclassification of relevant Shares and/or Underlying Shares (unless resulting in a Merger Event), or a free distribution or dividend of any such Shares and/or Underlying Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of the relevant Shares and/or Underlying Shares specified in the applicable Pricing Supplement of (A) such Shares and/or Underlying Shares, (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of a Share Issuer or Underlying Share Issuer, as appropriate, equally or proportionately with such payments to holders of such Shares and/or Underlying Shares, (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Issuer or Underlying Share Issuer, as appropriate, as a result of a spin-off or other similar transaction or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Determination Agent;
- (iii) an Extraordinary Dividend;
- (iv) a call by a Share Issuer or Underlying Share Issuer, as appropriate, in respect of relevant Shares and/or Underlying Shares that are not fully paid;
- (v) a repurchase by a Share Issuer or Underlying Share Issuer, as appropriate, or any of its subsidiaries of relevant Shares and/or Underlying Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) in respect of a Share Issuer or Underlying Share Issuer, as appropriate, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Share Issuer or Underlying Share Issuer, as appropriate, pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value as determined by the Determination Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights;
- (vii) any other event having, in the opinion of the Determination Agent, a diluting, concentrative or other effect on the theoretical value of the relevant Shares and/or Underlying Shares; and
- (viii) the making of any amendment or supplement to the terms of the Deposit Agreement,

provided that an event under (i) to (vii) (inclusive) above in respect of Underlying Shares shall not constitute a Potential Adjustment Event unless, in the opinion of the Determination Agent, such event has a diluting or concentrative effect on the theoretical value of the Shares.

(c) *If the Determination Agent determines that:*

- (i) an event under (i) to (vii) (inclusive) of the definition of "Potential Adjustment Event" has occurred in respect of any Underlying Shares; or
- (ii) an event under (viii) of the definition of "Potential Adjustment Event" has occurred, the Determination Agent will determine whether such Potential Adjustment Event has an economic effect on the Warrants or Certificates,

and, in each case, the Determination Agent will make the corresponding adjustment(s), if any, to one or more of any variable relevant to the exercise, settlement, payment or other terms of these Conditions and/or the applicable Pricing Supplement as the Determination Agent determines appropriate to account for (A) in respect of an event under (i) to (vii) (inclusive) of the definition of "Potential Adjustment Event", the diluting or concentrative effect on the theoretical value of the Shares, and (B) in respect of an event under (viii) of the definition of "Potential Adjustment Event", such economic effect on the Warrants or Certificates, as the case may be (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share), following the Potential Adjustment Event. The Determination Agent may (among other factors) have

reference to any adjustment made by the Depositary under the Deposit Agreement. The Principal Securities Agent shall provide notice to the Securityholders of any such adjustment in accordance with Condition 29.7 (*Notices*), giving summary details of the adjustment, provided that any failure to give such notice shall not affect the validity of any such adjustment.

If the Determination Agent determines that no adjustment that it could make will produce a commercially reasonable result, it shall notify the Issuer and the Securityholders that the relevant consequence shall be the early settlement of the Warrants or Certificates, in which case, on such date as selected by the Determination Agent in its reasonable discretion, the Issuer shall settle the Warrants or Certificates upon prior notice made to the Securityholders, and the Issuer will cause to be paid to each Securityholder in respect of each Warrant or Certificate held by it an amount equal to the Early Settlement Amount of such Warrants or Certificates.

- (d) The definitions of "Merger Event" and "Tender Offer" shall be amended in accordance with the DR Amendment.
- (e) If the Determination Agent determines that a Merger Event or Tender Offer has occurred in respect of any Underlying Share, then, where the Determination Agent makes an adjustment to these Conditions and/or the applicable Pricing Supplement in connection with a Merger Event or Tender Offer, the Determination Agent may (among other factors) have reference to any adjustment made by the Depositary under the Deposit Agreement.
- (f) The definitions of "Nationalisation", "Insolvency" and "Delisting" shall be amended in accordance with the DR Amendment.
- (g) Notwithstanding anything to the contrary in the definition of "Delisting", a Delisting shall not occur in respect of any Underlying Share if such Underlying Shares are immediately relisted, re-traded or re-quoted on an exchange or quotation system regardless of the location of such exchange or quotation system.
- (h) If the Determination Agent determines that a Nationalisation or Insolvency has occurred in respect of a Share or the Depositary, then, notwithstanding anything to the contrary herein, the Determination Agent may determine that the affected Share be substituted with Replacement DRs and may make any appropriate adjustments to the terms of these Conditions and/or the applicable Pricing Supplement. In such case, the Issuer shall not settle the Warrants or Certificates early and, following such replacement, references to Shares herein shall be replaced by references to such Replacement DRs, and the Determination Agent will determine the effective date of any adjustments.
- (i) If the Determination Agent determines that a Delisting of Shares has occurred or if the Depositary announces that the Deposit Agreement is (or will be) terminated, then, notwithstanding anything to the contrary herein, the Determination Agent may determine that the affected Share be substituted with Replacement DRs or the Underlying Shares and may make any appropriate adjustments to the terms of these Conditions and/or the applicable Pricing Supplement. In such case, the Issuer shall not settle the Warrants or Certificates early and, following such replacement, references to Shares herein shall be replaced by references to such Replacement DRs or the Underlying Shares, as applicable, and the Determination Agent will determine the effective date of any adjustments.
- (j) The definition of "Insolvency Filing" shall be amended in accordance with the DR Amendment.
- (k) The definition of "Change in Law" shall be amended in accordance with the DR Amendment.

For the avoidance of doubt, where a provision is amended pursuant to this Condition 9.7 (*Partial Lookthrough Depositary Receipt Provisions*) in accordance with the DR Amendment, if the event described in such provision occurs in respect of the Underlying Share or the Underlying Share Issuer, then the consequence of such event shall be interpreted consistently with the DR Amendment and such event.

9.8 ***Full Lookthrough Depositary Receipt Provisions***

- (a) Where the applicable Pricing Supplement specifies that the "Full Lookthrough Depositary Receipt Provisions" shall apply to a Share, then the provisions set out in this Condition 9.8 (*Full Lookthrough Depositary Receipt Provisions*) shall apply, and, in relation to such Share, the other provisions of this

Condition 9 (*Provisions relating to Equity and Proprietary Index-Linked Securities*) shall be deemed to be amended and modified as set out in this Condition 9.8 (*Full Lookthrough Depositary Receipt Provisions*).

- (b) The definition of "Potential Adjustment Event" shall be amended so that it reads as follows:

"Potential Adjustment Event" means any of the following:

- (i) a subdivision, consolidation or reclassification of relevant Shares and/or Underlying Shares (unless resulting in a Merger Event), or a free distribution or dividend of any such Shares and/or Underlying Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of the relevant Shares and/or Underlying Shares specified in the applicable Pricing Supplement of (A) such Shares and/or Underlying Shares, (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of a Share Issuer or Underlying Share Issuer, as appropriate, equally or proportionately with such payments to holders of such Shares and/or Underlying Shares, (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Issuer or Underlying Share Issuer, as appropriate, as a result of a spin-off or other similar transaction or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Determination Agent;
- (iii) an Extraordinary Dividend;
- (iv) a call by a Share Issuer or Underlying Share Issuer, as appropriate, in respect of relevant Shares and/or Underlying Shares that are not fully paid;
- (v) a repurchase by a Share Issuer or Underlying Share Issuer, as appropriate, or any of its subsidiaries of relevant Shares and/or Underlying Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) in respect of a Share Issuer or Underlying Share Issuer, as appropriate, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Share Issuer or Underlying Share Issuer, as appropriate, pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value as determined by the Determination Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights;
- (vii) any other event having, in the opinion of the Determination Agent, a diluting, concentrative or other effect on the theoretical value of the relevant Shares and/or Underlying Shares; and
- (viii) the making of any amendment or supplement to the terms of the Deposit Agreement, provided that an event under (i) to (vii) (inclusive) above in respect of Underlying Shares shall not constitute a Potential Adjustment Event unless, in the opinion of the Determination Agent, such event has a diluting or concentrative effect on the theoretical value of the Shares.

- (c) *If the Determination Agent determines that:*

- (i) an event under (i) to (vii) (inclusive) of the definition of "Potential Adjustment Event" has occurred in respect of any Underlying Shares; or
- (ii) an event under (viii) of the definition of "Potential Adjustment Event" has occurred, the Determination Agent will determine whether such Potential Adjustment Event has an economic effect on the Warrants or Certificates,

and, in each case, the Determination Agent will make the corresponding adjustment(s), if any, to one or more of any variable relevant to the exercise, settlement, payment or other terms of these Conditions and/or the applicable Pricing Supplement as the Determination Agent determines appropriate to account for (A) in respect of an event under (i) to (vii) (inclusive) of the definition of "Potential Adjustment

Event", the diluting or concentrative effect on the theoretical value of the Shares, and (B) in respect of an event under (viii) of the definition of "Potential Adjustment Event", such economic effect on the Warrants or Certificates, as the case may be (provided that no adjustments will be made to account reasonably for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share), following the Potential Adjustment Event. The Determination Agent may (among other factors) have reference to any adjustment made by the Depositary under the Deposit Agreement. The Principal Securities Agent shall provide notice to the Securityholders of any such adjustment in accordance with Condition 29.7 (*Notices*), giving summary details of the adjustment, provided that any failure to give such notice shall not affect the validity of any such adjustment.

If the Determination Agent determines that no adjustment that it could make will produce a commercially reasonable result, it shall notify the Issuer and the Securityholders that the relevant consequence shall be the early settlement of the Warrants or Certificates, in which case, on such date as selected by the Determination Agent in its reasonable discretion, the Issuer shall settle the Warrants or Certificates upon prior notice made to the Securityholders, and the Issuer will cause to be paid to each Securityholder in respect of each Warrant or Certificate held by it an amount equal to the Early Settlement Amount of such Warrants or Certificates.

- (d) The definitions of "Merger Event" and "Tender Offer" shall be amended in accordance with the DR Amendment.
 - (e) If the Determination Agent determines that a Merger Event or Tender Offer has occurred in respect of an Underlying Share, then, where the Determination Agent makes an adjustment to these Conditions and/or the applicable Pricing Supplement in connection with a Merger Event or Tender Offer, the Determination Agent may (among other factors) have reference to any adjustment made by the Depositary under the Deposit Agreement.
 - (f) The definitions of "Nationalisation", "Insolvency" and "Delisting" shall be amended in accordance with the DR Amendment.
 - (g) If the Determination Agent determines that a Nationalisation or Insolvency has occurred in respect of a Share or the Depositary, then, notwithstanding anything to the contrary herein, the Determination Agent may determine that the affected Share be substituted with Replacement DRs and may make any appropriate adjustments to the terms of these Conditions and/or the applicable Pricing Supplement. In such case, the Issuer shall not settle the Warrants or Certificates early and, following such replacement, references to Shares herein shall be replaced by references to such Replacement DRs, and the Determination Agent will determine the effective date of any adjustments.
 - (h) If the Determination Agent determines that a Delisting of Shares has occurred or if the Depositary announces that the Deposit Agreement is (or will be) terminated, then, notwithstanding anything to the contrary herein, the Determination Agent may determine that the affected Share be substituted with Replacement DRs or the Underlying Shares and may make any appropriate adjustments to the terms of these Conditions and/or the applicable Pricing Supplement. In such case, the Issuer shall not settle the Warrants or Certificates early and, following such replacement, references to Shares herein shall be replaced by references to such Replacement DRs or the Underlying Shares, as applicable, and the Determination Agent will determine the effective date of any adjustments.
 - (i) The definition of any Additional Disruption Event specified as applicable in the applicable Pricing Supplement shall be amended in accordance with the DR Amendment.
 - (j) The definitions of "Exchange Business Day", "Scheduled Closing Time", "Scheduled Trading Day", "Trading Disruption", "Exchange Disruption", "Early Closure" and "Disrupted Day" which relate to the Exchange shall be deemed to include a reference to the primary exchange on which the Underlying Shares are traded, as determined by the Determination Agent.
 - (k) The definitions of "Exchange Disruption", "Market Disruption Event" and "Trading Disruption" shall be amended in accordance with the DR Amendment.
- 9.9 For the avoidance of doubt, where a provision is amended pursuant to this Condition 9.9 (*Provisions relating to Equity and Proprietary Index-Linked Securities*) in accordance with the DR Amendment, if the event described in such provision occurs in respect of the Underlying Share or the Underlying Share

Issuer, then the consequence of such event shall be interpreted consistently with the DR Amendment and such event.

9.10 **Definitions applicable to Equity and Proprietary Index-Linked Securities**

In relation to Single Share Securities, Share Basket Securities, Single Index Securities, Index Basket Securities, Single ETF Securities and ETF Basket Securities, the following expressions have the meanings set out below:

"Adjustment Payment" means, in respect of any Security, the payment (if any) determined by the Determination Agent as is required 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 Index by the Alternative Pre-nominated Index. The Determination Agent may determine that the Adjustment Payment is zero;

"Affected ETF Interest" means, at any time, any ETF Interest in respect of which the Determination Agent has determined that an Extraordinary ETF Event has occurred;

"Averaging Cut-Off Date" means, in the case where Certificates or Warrants relate to an Index, Share or ETF Interest or a Basket and in respect of a Scheduled Averaging Date for the purposes of Condition 9.1(c) (*Reference Dates, Averaging Dates and Market Disruption*):

- (a) if "Common Scheduled Trading Days and Common Disrupted Days" in respect of a Basket is specified to be applicable in the Pricing Supplement, the eighth Common Scheduled Trading Day following such Scheduled Averaging Date; or
- (b) in any other case, the eighth Scheduled Trading Day following such Scheduled Averaging Date;

"Averaging Date" means, in respect of each Reference Date, either:

- (a) in the case of (i) a Single Index Security, a Single Share Security or a Single ETF Security (as the case may be); or (ii) an Index Basket Security, a Share Basket Security, an ETF Basket Security or a Hybrid Equity Basket Security (as the case may be) where the applicable Pricing Supplement provides that "Individual Scheduled Trading Days and Individual Disrupted Days" shall be applicable, each date specified as such in the applicable Pricing Supplement, or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day for such (or the relevant) Index, Share or ETF Interest or Basket Component (as the case may be); or
- (b) in the case of an Index Basket Security, a Share Basket Security, an ETF Basket Security or a Hybrid Equity Basket Security, where the applicable Pricing Supplement provides that either "Common Scheduled Trading Days and Common Disrupted Days" or "Common Scheduled Trading Days and Individual Disrupted Days" shall be applicable, each date specified as such in the applicable Pricing Supplement, or if any such date is not a Common Scheduled Trading Day, the next following Common Scheduled Trading Day for such Basket,

provided that if any such day is a Disrupted Day, the Averaging Date shall be determined in accordance with the provisions of Condition 9.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"Basket" means in relation to any Share Basket Securities, the Shares specified in the applicable Pricing Supplement as comprising the Basket, in relation to Index Basket Securities, the Indices specified in the applicable Pricing Supplement as comprising the Basket and in relation to any ETF Basket Securities, the ETF Interests specified in the applicable Pricing Supplement as comprising the Basket, and in relation to a particular Series of Hybrid Equity Basket Securities, each Index, Share or ETF Interest specified in the applicable Pricing Supplement as comprising the relevant Basket, in each case in the relative proportions or numbers specified in such Pricing Supplement;

"Basket Component" means, in relation to a particular Series of Index Basket Securities, Share Basket Securities or ETF Basket Securities (as applicable), each Index, Share or ETF Interest (as applicable) comprised in the relevant Basket of Indices, Basket of Shares or Basket of ETF Interests (as applicable), and in relation to a particular Series of Hybrid Equity Basket Securities, each Index, Share or ETF Interest specified in the applicable Pricing Supplement as comprising the relevant Basket;

"Basket of ETF Interests" means, in relation to a particular Series, a basket comprising the ETF Interests specified in the applicable Pricing Supplement in the relative proportions or number of ETF Interests specified in such Pricing Supplement;

"Basket of Indices" means, in relation to a particular Series, a basket comprising the Indices specified in the applicable Pricing Supplement in the relative proportions specified in such Pricing Supplement;

"Basket of Shares" means, in relation to a particular Series, a basket comprising Shares of each Share Issuer specified in the applicable Pricing Supplement in the relative proportions or number of Shares of each Share Issuer specified in such Pricing Supplement;

"Change in Law" means that, on or after the Trade Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (x), in the case of Single Share Warrants or Certificates, Single Index Warrants or Certificates, Single ETF Warrants or Certificates, Share Basket Securities, Index Basket Securities, ETF Basket Securities or Hybrid Equity Basket Securities, it has become illegal to hold, acquire or dispose of any relevant Shares or ETF Interests or of any financial instrument or contract providing exposure to the Shares or ETF Interests or Index or Indices (as the case may be), or (y) it will incur a materially increased cost in performing its obligations with respect to the Warrants or Certificates (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position), provided that, for the avoidance of doubt, where "QFII" is specified next to the name of the Exchange in the applicable Pricing Supplement, the "Administrative Measures on Domestic Securities Investment by Qualified Foreign Institutional Investors and RMB Qualified Foreign Institutional Investors (Decree No. 176)" issued by the China Securities Regulatory Commission ("CSRC"), the People's Bank of China ("PBOC") and the State Administration of Foreign Exchange ("SAFE") and the associated rules, regulations and interpretations issued from time to time by the CSRC, PBOC, SAFE, the Shanghai Stock Exchange, the Shenzhen Stock Exchange and the CSDCC and any other relevant regulatory body or government authority shall be deemed to be an applicable law, rule or regulation for the purpose of determining if a Change in Law has occurred;

"Change in QFII Status" means that, on or after the Trade Date, due to any change in Morgan Stanley & Co. International plc's status or investment scope as a Qualified Foreign Institutional Investor ("QFII") under PRC law, the Issuer determines, in its sole and absolute discretion that (i) it has or will become illegal to hold, acquire or dispose of any relevant Share, Underlying Share or Component comprised in a relevant Index which is a share (as applicable) or of any financial instrument or contract providing exposure to any such Share, Underlying Share or Component (as applicable), (ii) it will incur a materially increased cost in performing its obligations with respect to the Warrants or Certificates, or (iii) it becomes unlawful for it to perform its obligations with respect to the Warrants or Certificates;

"China Connect" means a securities trading and clearing links programme developed or to be developed by the SEHK, each relevant China Connect Market, HKSCC and CSDCC for the establishment of mutual market access between the SEHK and the relevant China Connect Market;

"China Connect Business Day" means any Scheduled Trading Day on which the China Connect Service is open for order-routing during its regular order-routing sessions, notwithstanding the China Connect Service closing prior to its Scheduled Closing Time;

"China Connect Disruption" means (a) any suspension of or limitation imposed on routing of orders (including in respect of buy orders only, sell orders only or both buy and sell orders) through the China Connect Service, relating to the Shares on the Exchange or (b) any event (other than a China Connect Early Closure) that disrupts or impairs (as determined by the Determination Agent) the ability of the market participants in general to enter orders in respect of Shares through the China Connect Service;

"China Connect Early Closure" means the closure on any China Connect Business Day of the China Connect Service prior to its Scheduled Closing Time unless such earlier closing time is announced by SEHK or the Exchange, as the case may be, at least one hour prior to the earlier of (a) the actual closing time for order-routing through the China Connect Service on such China Connect Business Day and (b) the submission deadline for orders to be entered into the China Connect Service system for execution on the Exchange at the Determination Time on such China Connect Business Day;

"China Connect Market" means the Shanghai Stock Exchange or the Shenzhen Stock Exchange, as the case may be;

"China Connect Securities" means any securities listed on a China Connect Market which may be eligible for trading by Hong Kong and overseas investors on China Connect;

"China Connect Service" means the securities trading and clearing links programme developed by the Exchange, SEHK, CSDCC and HKSCC, through which (i) SEHK and/or its affiliates provides order-routing and other related services for certain eligible securities traded on the Exchange and (ii) CSDCC and HKSCC provides clearing, settlement, depository and other services in relation to such securities;

"China Connect Service Termination" means, on or after the Trade Date, the announcement by one or more of the Exchange, SEHK, the CSDCC, HKSCC or any regulatory authority with competent jurisdiction of a suspension or termination of the China Connect Service or a part thereof for any reason which materially affects the routing of orders in respect of, or holding of, the Shares through the China Connect Service and the Determination Agent determines that there is a reasonable likelihood that such suspension or termination is not, or will not be, temporary;

"China Connect Share Disqualification" means, on or after the Trade Date, the Shares cease to be accepted as "China Connect Securities" (as defined in the rules of the exchange of SEHK) for the purpose of the China Connect Service as determined by the Determination Agent;

"ChiNext and STAR Event" means, on or after the Trade Date, the owner or the beneficial owner of the Warrants or Certificates is not or ceases to be an Eligible Investor (and such owner or beneficial owner, an **"Ineligible Securityholder"** and such Warrants or Certificates owned or beneficially owned by the Ineligible Securityholder, the **"Ineligible Securities"**);

"ChiNext Shares" means securities listed and traded on the ChiNext Board of the Shenzhen Stock Exchange which may be traded by Hong Kong and overseas investors under the China Connect Service;

"Common Scheduled Trading Day" means, in respect of an Index Basket Security, a Share Basket Security, an ETF Basket Security or a Hybrid Equity Basket Security (as the case may be), each day which is a Scheduled Trading Day for all the Basket Components;

"Common Valid Date" means, in respect of an Index Basket Security, a Share Basket Security, an ETF Basket Security or a Hybrid Equity Basket Security (as the case may be), a Common Scheduled Trading Day that is not a Disrupted Day for any Basket Component and on which another Averaging Date does not or is deemed not to occur;

"Components" means in relation to an Index, the securities which comprise such Index (each a **"Component"** for such Index);

"CSDCC" means China Securities Depository and Clearing Corporation Limited;

"Deposit Agreement" means, in relation to the Shares, the agreements or other instruments constituting the Shares, as from time to time amended or supplemented in accordance with their terms;

"Depository" means, where the applicable Pricing Supplement specifies that either the "Partial Lookthrough Depository Receipt Provisions" or the "Full Lookthrough Depository Receipt Provisions" shall apply to a Share, the issuer of the Shares or any successor issuer of the Shares from time to time;

"Determination Date" means, in relation to any determination, each date specified as such in the applicable Pricing Supplement, provided that if any such date is (i) not a Scheduled Trading Day and/or (ii) a Disrupted Day, the relevant Determination Date shall be determined in accordance with the provisions of Condition 9.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"Determination Time" means the time specified as such in the applicable Pricing Supplement, or if no such time is specified, (a) save with respect to a Multi-Exchange Index or a Proprietary Index, the Scheduled Closing Time on the relevant Exchange in relation to each Index, Share or ETF Interest to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Determination Time is after the actual closing time for its regular trading session, then the Determination Time shall be such actual closing time; (b) with respect to any Multi-Exchange Index, (i) for the purposes

of determining whether a Market Disruption Event has occurred: (x) in respect of any Component, the Scheduled Closing Time on the Exchange in respect of such Component and (y) in respect of any option contracts or futures contracts on the Index, the close of trading on the Related Exchange; and (ii) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor and (c) with respect to a Proprietary Index, the time at which or in respect of which the Index Sponsor calculates and publishes the official level of the Index;

"Disrupted Day" means (a) except with respect to a Multi-Exchange Index or a Proprietary Index, any Scheduled Trading Day on which (i) a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session, or if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, the China Connect Service fails to open for order-routing during its regular order-routing session, or (ii) a Market Disruption Event has occurred; (b) with respect to any Multi-Exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor fails to publish the level of the Index (provided that the Calculation Agent may, in its reasonable discretion, determine that such failure to publish shall instead be an Index Disruption for such Index), (ii) the Related Exchange fails to open for trading during its regular trading session, or if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, the China Connect Service fails to open for order-routing during its regular order-routing session, or (iii) a Market Disruption Event has occurred; and (c) with respect to a Proprietary Index, any Scheduled Trading Day on which (i) a Market Disruption Event has occurred (provided that the Determination Agent may, in its discretion, determine that such event instead results in the occurrence of an Index Disruption), or (ii) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, the China Connect Service fails to open for order-routing during its regular order-routing session;

"DR Amendment" means, in respect of the definitions of Merger Event, Tender Offer, Nationalisation, Insolvency, Delisting, Insolvency Filing, Change in Law, any other Additional Disruption Event specified as applicable in the applicable Pricing Supplement, Exchange Disruption, Market Disruption Event and Trading Disruption, that the following changes shall be made to such definition or provision where provided for in this Condition 9 (*Provisions relating to Equity and Proprietary Index-Linked Securities*):

- (i) all references to "Shares" shall be deleted and replaced with the words "Shares and/or the Underlying Shares"; and
- (ii) all references to "Share Issuer" shall be deleted and replaced with the words "Share Issuer or Underlying Share Issuer, as appropriate";

"Early Closure" means (a) except with respect to a Multi-Exchange Index, the closure on any Exchange Business Day of the relevant Exchange (or in the case of a Single Index Security, Index Basket Security or Hybrid Equity Basket Security (as the case may be), any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Determination Time on such Exchange Business Day and (b) with respect to any Multi-Exchange Index, the closure on any Exchange Business Day of the Exchange in respect of any Component or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of: (i) the actual closing time for the regular trading session on such Exchange or Related Exchange (as the case may be) on such Exchange Business Day; and (ii) the submission deadline for orders to be entered into such Exchange or Related Exchange system for execution at the relevant Determination Time on such Exchange Business Day;

"Eligible ETF Interest" means, in respect of any Affected ETF Interest or any Affected Share/ETF Interest, the interest specified as such in the applicable Pricing Supplement;

"Eligible Investor" means a "professional investor" within the meaning of paragraph (a), (b), (c), (d), (e), (f), (g), (h) or (i) of the definition of "professional investor" in section 1 of Part 1 of Schedule 1 to the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) or other types of investors

that are permitted or approved by the Exchange, SEHK, CSDCC and/or HKSCC to trade ChiNext Shares or STAR Shares through the China Connect Service;

"Eligible Share" means, in respect of any Affected Share/ETF Interest, the share specified as such in the applicable Pricing Supplement;

"ETF" means (in respect of an ETF Interest) any fund specified in the applicable Pricing Supplement as an ETF;

"ETF Documents" means, unless otherwise specified in the applicable Pricing Supplement, with respect to any ETF Interest, the offering document of the relevant ETF, the constitutive and governing documents, subscription agreements and any other agreement or document specifying the terms and conditions of such ETF Interest and any additional documents specified in the applicable Pricing Supplement, each as amended from time to time;

"ETF Interest" means the share, or other interest or unit of holding (including, without limitation, any debt security) issued to or held by an investor in an ETF, as identified in the applicable Pricing Supplement;

"ETF Service Provider" means, in respect of any ETF, any person who is appointed to provide services, directly or indirectly, in respect of such ETF, whether or not specified in the ETF Documents, including any advisor, manager, administrator, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar, transfer agent, domiciliary agent, sponsor or general partner or any other person specified in the applicable Pricing Supplement;

"Exchange" means:

- (i) in respect of an Index relating to Single Index Securities, Index Basket Securities or Hybrid Equity Basket Securities other than a Multi-Exchange Index, each exchange or quotation system specified as such for such Index in the applicable Pricing Supplement or, if none is specified, the principal exchange or quotation system for trading in such Index, as determined by the Determination Agent, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the shares underlying such Index has temporarily relocated, **provided that** the Determination Agent has determined that there is comparable liquidity relative to the shares underlying such Index on such temporary substitute exchange or quotation system as on the original Exchange, and (ii) with respect to any Multi-Exchange Index, and in respect of each Component, the principal stock exchange on which such Component is principally traded, as determined by the Determination Agent;
- (ii) in respect of a Share relating to Single Share Securities, Share Basket Securities or Hybrid Equity Basket Securities, each exchange or quotation system specified as such for such Share in the applicable Pricing Supplement or, if none is specified, the principal exchange or quotation system for trading in such Share, as determined by the Determination Agent, any successor to such Exchange or quotation system or any substitute exchange or quotation system to which trading in the Share has temporarily relocated, **provided that** the Determination Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange; and
- (iii) in respect of an ETF Interest relating to Single ETF Securities, ETF Basket Securities or Hybrid Equity Basket Securities, each exchange or quotation system specified as such for such ETF Interest in the applicable Pricing Supplement or, if none is specified, the principal exchange or quotation system for trading in such ETF Interest, as determined by the Determination Agent, any successor to such Exchange or quotation system or any substitute exchange or quotation system to which trading in the ETF Interest has temporarily relocated, **provided that** the Determination Agent has determined that there is comparable liquidity relative to such ETF Interest on such temporary substitute exchange or quotation system as on the original Exchange;

"Exchange Business Day" means:

- (i) except with respect to a Multi-Exchange Index, any Scheduled Trading Day (a) on which each Exchange and Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its

Scheduled Closing Time and (b) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, which is a China Connect Business Day; and

- (ii) with respect to any Multi-Exchange Index, any Scheduled Trading Day (a) on which the Index Sponsor publishes the level of the Index and (ii) on which the Related Exchange is open for trading during its regular trading session, notwithstanding any Exchange or the Related Exchange closing prior to its Scheduled Closing Time, and (iii) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, which is a China Connect Business Day;

"Exchange Disruption" means:

- (i) except with respect to a Multi-Exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Determination Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Shares or ETF Interests on the Exchange (or in the case of Single Index Securities, Index Basket Securities or Hybrid Equity Basket Securities, on any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index), or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Shares, the relevant Index or the ETF Interests (as the case may be) on any relevant Related Exchange and
- (ii) with respect to any Multi-Exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Determination Agent) the ability of market participants in general to effect transactions in, or obtain market values for, (i) any Component on the Exchange in respect of such Component, or (ii) futures or options contracts relating to the Index on the Related Exchange;

"Extraordinary Dividend" means the dividend per Share or ETF Interest, or portion thereof, to be characterised as an Extraordinary Dividend as determined by the Determination Agent;

"Extraordinary ETF Event" has the meaning given in Condition 9.5(e) (*Extraordinary ETF Events*);

"Extraordinary Event" means a Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting;

"Hedging Disruption" means that the Issuer is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations under the Warrants or Certificates, or (B) realise, recover or remit the proceeds of any such transactions or asset(s);

"HKSCC" means the Hong Kong Securities Clearing Company Limited;

"Increased Cost of Hedging" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Warrants or Certificates or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s) **provided that** any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging;

"Increased Regulatory Capital" means there would be a material increase (as compared with circumstances existing on the Trade Date) in the amount or cost of regulatory capital that would have to be maintained by the Issuer any/or any Affiliate in relation to the Warrants or Certificates and/or any related hedging arrangements, as determined by the Determination Agent.

"Index" means any index specified as such in the applicable Pricing Supplement, subject to Condition 9.2 (*Adjustments to Indices*);

"Index Adjustment Event" means, in respect of an Index, an Administrator/Benchmark Event, an Index Cancellation, an Index Disruption or an Index Modification;

"Index Sponsor" means, in respect of an Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and methods of calculation and adjustments, if any, related to the relevant Index (the **"Index Rules"** in respect of such Index) and (b) announces (directly or through an agent) the level of the relevant Index on a regular basis during each Scheduled Trading Day;

"Insolvency Filing" means that the Share Issuer or Underlying Share Issuer, as applicable, institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Issuer or Underlying Share Issuer, as applicable, shall not be deemed an Insolvency Filing.

"Loss of Stock Borrow" means that the Issuer is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) the Shares or ETF Interests or of any financial instrument or contract providing exposure to the Shares or ETF Interests or Index or Indices with respect to the Warrants or Certificates in an amount which the Issuer deems necessary to hedge the risk of entering into and performing its obligations with respect to the Warrants or Certificates (not to exceed the number of the Shares, ETF Interests or financial instruments or contracts underlying the Warrants or Certificates) at a rate determined by the Issuer;

"Market Disruption Event" means:

- (i) in respect of (1) a Share, (2) an Index other than a Multi-Exchange Index or Proprietary Index or (3) an ETF Interest, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, (iii) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, a China Connect Disruption, which in each case the Determination Agent determines is material, at any time during the one hour period that ends at the relevant Determination Time, or (iv) an Early Closure, or (v) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, a China Connect Early Closure. For the purpose of determining whether a Market Disruption Event exists in respect of an Index at any time, if a Market Disruption Event occurs in respect of a security included in the Index at any time, then the relevant percentage contribution of that security to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that security and (y) the overall level of the Index, in each case immediately before the Market Disruption Event occurred;
- (ii) with respect to any Multi-Exchange Index either (i)(A) the occurrence or existence, in respect of any Component, of (1) a Trading Disruption, (2) an Exchange Disruption, (3) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, a China Connect Disruption, which in each case the Determination Agent determines is material, at any time during the one hour period that ends at the relevant Determination Time in respect of the Exchange on which such Component is principally traded, or (4) an Early Closure, or (5) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, a China Connect Early Closure; AND (B) the aggregate of all Components in respect of which a Trading Disruption, an Exchange Disruption, a China Connect Disruption (if applicable), an Early Closure or a China Connect Early Closure (if applicable) occurs or exists comprises 20 per cent. or more of the level of the Index; OR (ii) the occurrence or existence, in respect of futures or options contracts relating to the Index, of: (A) a Trading Disruption, (B) an Exchange Disruption, (C) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, a China Connect Disruption, which in each case the Determination Agent determines is material, at any time during the one hour period that ends at the relevant Determination Time in respect of the Related Exchange, or (D) an Early Closure or (E) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, a China Connect Early Closure; and
- (iii) with respect to a Proprietary Index, either (a) the failure by the Index Sponsor to calculate and publish the level of the Index for any Scheduled Trading Day or in respect of such Scheduled Trading Day within the scheduled or usual timeframe for publication or (b) the occurrence of

any other event specified as a Proprietary Index Additional Market Disruption Event in the applicable Pricing Supplement.

For the purposes of determining whether a Market Disruption Event exists in respect of a Component at any time, if a Market Disruption Event occurs in respect of such Component at that time, then the relevant percentage contribution of that Component to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that Component to (y) the overall level of the Index, in each case using the official opening weightings as published by the Index Sponsor as part of the market "**opening data**";

"Multi-Exchange Index" means any Index specified as such in the applicable Pricing Supplement;

"Observation Date" means each date specified as such in the applicable Pricing Supplement, provided that if any such date is (i) not a Scheduled Trading Day and/or (ii) a Disrupted Day, the relevant Observation Date shall be determined in accordance with the provisions of Condition 9.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"Observation Period" means such period as specified in the applicable Pricing Supplement;

"Potential Adjustment Event" means, in respect of Single Share Securities, Single ETF Securities, Share Basket Securities, ETF Basket Securities or Hybrid Equity Basket Securities (as the case may be):

- (i) a subdivision, consolidation or reclassification of a Share or ETF Interest (unless resulting in a Merger Event), or a free distribution or dividend of Shares or ETF Interests to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of relevant Shares or ETF Interests of (A) such Shares or ETF Interests, or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Share Issuer or ETF equally or proportionately with such payments to holders of such a Share or ETF Interest, or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Issuer or ETF as a result of a spin off or other similar transaction, or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Determination Agent;
- (iii) an Extraordinary Dividend;
- (iv) a call by the Share Issuer in respect of relevant Shares that are not fully paid;
- (v) a repurchase by an Share Issuer or ETF (as the case may be) or any of its subsidiaries of Shares or ETF Interests, whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) in respect of an Share Issuer, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Share Issuer pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides, upon the occurrence of certain events, for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Determination Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (vii) any other event having, in the opinion of the Determination Agent, a diluting, concentrative or other effect on the theoretical value of the relevant Shares or ETF Interests;

"Proprietary Index" means any Index specified as such in the applicable Pricing Supplement;

"Proprietary Index Components" means, in relation to a Proprietary Index, the shares, securities, commodities, rates, indices, futures contracts, options contracts, foreign exchange rates or other components which comprise such Index (each a "**Proprietary Index Component**" for such Proprietary Index)

"Reference Cut-Off Date" means, in the case where Certificates or Warrants relate to an Index, Share or ETF Interest or a Basket and in respect of a Scheduled Reference Date for the purposes of Condition 9.1(c) (*Reference Dates, Averaging Dates and Market Disruption*):

- (a) if "Common Scheduled Trading Days and Common Disrupted Days" in respect of a Basket is specified to be applicable in the Pricing Supplement, the eighth Common Scheduled Trading Day following such Scheduled Reference Date; or
- (b) in any other case, the eighth Scheduled Trading Day, or, in respect of a Basket, the eighth Scheduled Trading Day for the Affected Basket Component, following such Scheduled Reference Date;

"Reference Date" means, for the purposes of Condition 9.1 (*Reference Dates, Averaging Dates and Market Disruption*), each Valuation Date, Observation Date, Strike Date, or Determination Date (as applicable) specified in the applicable Pricing Supplement, or otherwise, any date construed to be a Reference Date in accordance with the Conditions;

"Regulatory Request" means, in respect of Morgan Stanley & Co. International plc or its Affiliates any request from time to time to report or otherwise disclose to applicable regulatory authorities, including without limitation the CSRC and other regulatory bodies in the PRC, details of the relevant Notes and any other information (including, without limitation, the beneficial owner of the relevant Notes) as may be required by law or under any applicable rules or regulations of such regulatory authorities, including without limitation, any *ad hoc* or periodic reporting obligations;

A **"Regulatory Request ADE"** shall occur if the Issuer determines in its sole and absolute discretion that, after using reasonable efforts to contact the Securityholders (or, in the case of an investment fund, its investment manager) to obtain information to respond to a Regulatory Request, it is unable to, or does not have sufficient information, to respond to a Regulatory Request;

"Related Exchange", in respect of an Index relating to Single Index Securities or Index Basket Securities or Hybrid Equity Basket Securities, a Share relating to Single Share Securities or Share Basket Securities or Hybrid Equity Basket Securities or an ETF Interest relating to Single ETF Securities or ETF Basket Securities or Hybrid Equity Basket Securities, means the exchange specified as the Related Exchange in the applicable Pricing Supplement, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures and options contracts relating to such Index, Share or ETF Interest has temporarily relocated (**provided that** the Determination Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index, Share or ETF Interests on such temporary substitute exchange or quotation system as on the original Related Exchange) or, if none or if "All Exchanges" is specified in the applicable Pricing Supplement, each exchange or quotation system where trading has a material effect (as determined by the Determination Agent) on the overall market for futures or options contracts relating to such Index, Share or ETF Interests, as the case may be;

"Relevant Equity Index Benchmark" means the Index;

"Relevant Price" on any day means:

- (i) in respect of a Share to which a Single Share Security, a Share Basket Security or a Hybrid Equity Basket Security relates, the price per Share determined by the Determination Agent in the manner provided in the applicable Pricing Supplement as of the Determination Time on the relevant day, or, if no means for determining the Relevant Price are so provided: (i) in respect of any Share for which the Exchange is an auction or **"open outcry"** exchange that has a price as of the Determination Time at which any trade can be submitted for execution, the Relevant Price shall be the price per Share as of the Determination Time on the relevant day, as reported in the official real time price dissemination mechanism for such Exchange; and (ii) in respect of any Share for which the Exchange is a dealer exchange or dealer quotation system, the Relevant Price shall be the mid-point of the highest bid and lowest ask prices quoted as of the Determination Time on the relevant day (or the last such prices quoted immediately before the Determination Time) without regard to quotations that **"lock"** or **"cross"** the dealer exchange or dealer quotation system;

- (ii) in respect of an Index to which a Single Index Security, an Index Basket Security or a Hybrid Equity Basket Security relates, the level of such Index determined by the Determination Agent as provided in the applicable Pricing Supplement as of the Determination Time on the relevant day or, if no method for determining the Relevant Price is so provided, the level of the Index as of the Determination Time on the relevant day; and
- (iii) in respect of an ETF Interest to which a Single ETF Security, an ETF Basket Security or a Hybrid Equity Basket Security relates, the price per ETF Interest determined by the Determination Agent in the manner provided in the applicable Pricing Supplement as of the Determination Time on the relevant day, or, if no means for determining the Relevant Price are so provided: (i) in respect of any ETF Interest for which the Exchange is an auction or "open outcry" exchange that has a price as of the Determination Time at which any trade can be submitted for execution, the Relevant Price shall be the price per ETF Interest as of the Determination Time on the relevant day, as reported in the official real time price dissemination mechanism for such Exchange; and (ii) in respect of any ETF Interest for which the Exchange is a dealer exchange or dealer quotation system, the Relevant Price shall be the mid-point of the highest bid and lowest ask prices quoted as of the Determination Time on the relevant day (or the last such prices quoted immediately before the Determination Time) without regard to quotations that "lock" or "cross" the dealer exchange or dealer quotation system;

"Replacement DRs" means depositary receipts other than the Shares over the same Underlying Shares;

"Scheduled Averaging Date" means an original date (following any adjustment (if applicable) pursuant to paragraph (a) or (b) in the definition of "Averaging Date") that, but for such day being a Disrupted Day, would have been an Averaging Date;

"Scheduled Closing Time" means in respect of an Exchange, Related Exchange or, if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, the China Connect Service, and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange, Related Exchange or the China Connect Service (as the case may be) on such Scheduled Trading Day, without regard (in the case of any Exchange or Related Exchange) to after hours or any other trading outside of regular trading session hours or (in the case of the China Connect Service) to any after hours or any other order-routing outside of the regular order-routing session hours;

"Scheduled Reference Date" means, for the purposes of Condition 9.1(b) (*Reference Dates, Averaging Dates and Market Disruption*), any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Reference Date;

"Scheduled Trading Day" means (a) except with respect to a Multi-Exchange Index or a Proprietary Index, any day on which (i) each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading session and (ii) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, the China Connect Service is scheduled to be open for order-routing for its regular order-routing sessions, (b) with respect to any Multi-Exchange Index, any day on which (i) the Index Sponsor is scheduled to publish the level of the Index and (ii) the Related Exchange is scheduled to be open for trading for its regular trading session and (iii) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, the China Connect Service is scheduled to be open for order-routing for its regular order-routing sessions, and (c) with respect to a Proprietary Index, any day on which (i) the Index Sponsor is scheduled to publish the level of such Index and (ii) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, the China Connect Service is scheduled to be open for order-routing for its regular order-routing sessions;

"SEHK" means The Stock Exchange of Hong Kong Limited;

"Settlement Cycle" means, in respect of a Share, Index or ETF Interest, the period of Settlement Cycle Days following a trade in such Share, the securities underlying such Index or ETF Interest, as the case may be, on the Exchange in which settlement will customarily occur according to the rules of such exchange (or, in respect of any Multi-Exchange Index, the longest such period) and for this purpose **"Settlement Cycle Day"** means, in relation to a clearing system any day on which such clearing system is (or but for the occurrence of a Settlement Disruption Event would have been) open for acceptance and executions of settlement instructions;

"Settlement Price" means, in respect of a Single Share Security, a Share Basket Security, a Single Index Security, an Index Basket Security, a Single ETF Security, an ETF Basket Security or a Hybrid Equity Basket Security, the price, level or amount as determined by the Determination Agent, in its reasonable discretion, in accordance with the applicable Pricing Supplement;

"Share" means, in relation to a particular Series of Warrants or Certificates, a share specified as such in the applicable Pricing Supplement, or, in the case of a Share Basket Security or Hybrid Equity Basket Security (as the case may be), a share forming part of a Basket to which such Warrants or Certificates relates;

"Share Issuer" means the entity that is the issuer of the Share specified in the applicable Pricing Supplement;

"STAR Shares" means securities listed and traded on the STAR Board of the Shanghai Stock Exchange which may be traded by Hong Kong and overseas investors under the China Connect Service;

"Strike Date" means each date specified as such in the applicable Pricing Supplement, provided that if any such date is (i) not a Scheduled Trading Day and/or (ii) a Disrupted Day, the relevant Strike Date shall be determined in accordance with the provisions of Condition 9.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"Trading Disruption" means (a) except with respect to a Multi-Exchange Index, any suspension of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange, Related Exchange or otherwise (i) relating to the Share or ETF Interest on the Exchange, or, in the case of a Single Index Security, Index Basket Security or Hybrid Equity Basket Security (as the case may be) on any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index or (ii) in futures or options contracts relating to the Share, the relevant Index or Indices or the ETF Interest on any relevant Related Exchange, and (b) with respect to any Multi-Exchange Index, any suspension of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or Related Exchange or otherwise (i) relating to any Component on the Exchange in respect of such Component; or (ii) in futures or options contracts relating to the Index on the Related Exchange;

"Underlying Share Issuer" means the entity that is the issuer of the Underlying Share specified in the applicable Pricing Supplement; and

"Underlying Share" means, the share or other security which is the subject of the Deposit Agreement.

"Valid Date" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in respect of the Reference Date does not, or is not deemed to, occur; and

"Valuation Date" means each date specified as such in the applicable Pricing Supplement, provided that if any such date is (i) not a Scheduled Trading Day and/or (ii) a Disrupted Day, the relevant Valuation Date shall be determined in accordance with the provisions of Condition 9.1 (*Reference Dates, Averaging Dates and Market Disruption*).

10. Provisions relating to Commodity-Linked Securities

This Condition 10 (*Provisions relating to Commodity-Linked Securities*) is applicable in respect of any Series of Warrants or Certificates ("**Commodity-Linked Securities**") where "**Commodity-Linked Settlement Provisions**" are specified in the applicable Pricing Supplement as being applicable.

10.1 Corrections to Published Prices

For the purposes of determining the Relevant Price for any Pricing Date, if applicable, as specified in the applicable Pricing Supplement for the purposes of calculating the Cash Settlement Amount or any other amount in respect of a Commodity-Linked Security, if the price published or announced on a given day and used or to be used by the Determination Agent to determine such Relevant Price is subsequently corrected and the correction is published or announced by the person responsible for that publication or announcement by such time as may be specified in the applicable Pricing Supplement (or, if none is so specified, within thirty calendar days of the original publication or announcement) and the Determination

Agent determines (in its reasonable discretion) that an amount is repayable to the Issuer as a result of that correction, the Issuer shall be entitled to reimbursement of the relevant payment by the relevant Securityholder, together with interest on that amount at a rate per annum equal to the cost (without proof or evidence of actual cost) to the Issuer of funding that amount for the period from and including the day on which a payment originally was made, to but excluding the day of payment of the refund or payment resulting from that correction (all as determined by the Determination Agent in its reasonable discretion). Any such reimbursement shall be effected in such manner as the Issuer shall agree with the Principal Securities Agent and shall be notified to the relevant Securityholder(s) by facsimile or telex to the number specified in the relevant Exercise Notice.

10.2 *Commodity Disruption Events*

- (a) If so specified in the Pricing Supplement relating to any Series of Commodity-Linked Securities, the following shall constitute "**Commodity Disruption Events**" for the purposes of such Series:
- (i) "**Price Source Disruption**", which means (A) the failure of the Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price) for the relevant Commodity Reference Price, (B) the temporary or permanent discontinuance or unavailability of the Price Source, (C) if the Commodity Reference Price is "Commodity Reference Dealers", the failure to obtain at least three quotations from the relevant Reference Dealers or (D) if Price Materiality Percentage is specified in the applicable Pricing Supplement, the Specified Price for the relevant Commodity Reference Price differs from the Specified Price determined in accordance with the Commodity Reference Price "Commodity-Reference Dealers" by such Price Materiality Percentage;
 - (ii) "**Trading Disruption**", which means the material suspension of, or the material limitation imposed on, trading in the Futures Contract or the Commodity on the Exchange or in any additional futures contract, options contract or commodity on any Exchange as specified in the applicable Pricing Supplement. The determination of whether a suspension of or limitation on trading is material shall be made by the Determination Agent in its reasonable discretion;
 - (iii) "**Disappearance of Commodity Reference Price**", which means (A) the permanent discontinuation of trading in the relevant Futures Contract on the relevant Exchange, (B) the disappearance of, or of trading in, the relevant Commodity, or (C) the disappearance or permanent discontinuance or unavailability of a Commodity Reference Price, notwithstanding the availability of the related Price Source or the status of trading in the relevant Futures Contract or the relevant Commodity;
 - (iv) "**Material Change in Content**", which means the occurrence since the Trade Date of a material change in the content, composition or constitution of the relevant Commodity or relevant Futures Contract;
 - (v) "**Material Change in Formula**", which means the occurrence since the Trade Date of a material change in the formula for or method of calculating the relevant Commodity Reference Price;
 - (vi) "**Tax Disruption**", which means the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, the relevant Commodity (other than a tax on, or measured by reference to, overall gross or net income) by any government or taxation authority after the Trade Date, if the direct effect of such imposition, change or removal is to raise or lower the Relevant Price on the day that would otherwise be a Pricing Date from what it would have been without that imposition, change or removal; and
 - (vii) any other (if any) Commodity Disruption Event specified in the applicable Pricing Supplement.
- (b) If the applicable Pricing Supplement for a Series of Commodity-Linked Securities specifies that any Commodity Disruption Event shall be applicable to such Series, then, where the Determination Agent determines, acting in a commercially reasonable manner, that such Commodity Disruption Event has occurred and is continuing in respect of such Series on the Pricing Date in respect of such Series (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published or announced by the Price Source), or on any other day as may be specified for this purpose in the applicable Pricing Supplement, then the Relevant Price will be determined, or the Warrants or Certificates of such

Series shall be settled following exercise, as the case may be, in accordance with the terms of the Commodity Disruption Fallback applicable pursuant to Condition 10.3 (*Commodity Disruption Fallbacks*).

10.3 ***Commodity Disruption Fallbacks***

Where one or more Commodity Disruption Event occurs or exists, then unless the applicable Pricing Supplement specifies that any other Commodity Disruption Fallback shall apply in respect of any such Commodity Disruption Event, "**Determination Agent Determination**" shall apply.

"**Determination Agent Determination**" means that the Determination Agent will determine, in its reasonable discretion, the Relevant Price (or a method for determining the Relevant Price), taking into consideration the latest available quotation for the relevant Commodity Reference Price and any other information that it deems relevant.

10.4 ***Administrator/Benchmark Events***

If the Benchmark Trigger Provisions are specified in the applicable Pricing Supplement as being applicable and an Administrator/Benchmark Event and an Administrator/Benchmark Event Date occur in respect of any Relevant Commodity Benchmark (other than a Commodity Index):

- (a) the Commodity Disruption Fallbacks specified in the applicable Pricing Supplement to apply with respect to an Administrator/Benchmark Event will apply, or if none is so specified, or if none is so specified, Determination Agent Determination (as such term is defined in Condition 10.3 (*Commodity Disruption Fallbacks*)) shall be deemed to apply;
- (b) if it (i) is or would be unlawful at any time under any applicable law or regulation or (ii) would contravene any applicable licensing requirements, in each case for the Issuer, the Determination Agent or the Calculation Agent to perform the actions prescribed in an applicable Commodity Disruption Fallback (or it would be unlawful or would contravene those licensing requirements were a determination to be made at such time), the next applicable Commodity Disruption Fallback will apply;
- (c) if the Determination Agent determines that the last applicable Commodity Disruption Fallback does not provide the Relevant Underlying Value (including due to the applicability of paragraph (b) above in relation to the last applicable Commodity Disruption Fallback), then the Issuer shall terminate the relevant Warrants or Certificates, which shall cease to be exercisable (or, in the case of any Warrants or Certificates which have been exercised, the entitlements of the respective exercising Securityholders to receive payment of the Cash Settlement Amount pursuant to such exercise shall cease) and the Issuer will pay an amount in respect of each Warrant or Certificate which the Determination Agent, in its reasonable discretion, determines is an amount equal to the Early Settlement Amount.

The Issuer's obligations under the relevant Warrants or Certificates shall be satisfied in full upon payment of such amount; and

- (d) the Determination Agent shall as soon as reasonably practicable under the circumstances notify the Issuer, the Principal Securities Agent and the Securityholders of the occurrence of an Administrator/Benchmark Event and an Administrator/Benchmark Event Date and of any action taken as a consequence, provided that any failure to give such notice shall not affect the validity of the foregoing.

10.5 ***Common Pricing***

With respect to Warrants or Certificates relating to a Basket of Commodities, if "**Common Pricing**" has been selected in the applicable Pricing Supplement as:

- (a) "**Applicable**", then no date will be a Pricing Date unless such date is a day on which all referenced Commodity Reference Prices (for which such date would otherwise be a Pricing Date) are scheduled to be published or announced, as determined as of the time of issue of the Warrants or Certificates.

- (b) **"Inapplicable"**, then if the Determination Agent determines that a Commodity Disruption Event has occurred or exists on the Pricing Date in respect of any Commodity in the Basket (the **"Affected Commodity"**), the Relevant Price of each Commodity within the basket which is not affected by the occurrence of a Commodity Disruption Event shall be determined on its scheduled Pricing Date and the Relevant Price for the Affected Commodity shall be determined in accordance with the first applicable Commodity Disruption Fallback that provides a Commodity Reference Price.

10.6 **Commodity Index Disruption Events**

- (a) The following shall constitute **"Commodity Index Disruption Events"** for the purposes of any Series of Warrants or Certificates with respect to a Commodity Index:
 - (i) a temporary or permanent failure by the applicable exchange or other price source to announce or publish the final settlement price for the relevant Commodity Index; or
 - (ii) the occurrence in respect of any Component of the relevant Commodity Index of a Commodity Disruption Event (as defined in Condition 10.2(a) (*Commodity Disruption Events*)).
- (b) Where the Determination Agent determines, acting in a commercially reasonable manner, that a Commodity Index Disruption Event has occurred and is continuing in respect of a Series on the Pricing Date in respect of such Series (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published or announced by the Price Source), or on any other day as may be specified for this purpose in the applicable Pricing Supplement, then (unless Condition 10.6(c) (*Physical Hedging Fallback*) applies) the following provisions shall apply:
 - (i) with respect to each Component which is not affected by the Commodity Index Disruption Event, the Relevant Price will be determined by the Determination Agent based on the closing prices of each such Component on the applicable Pricing Date;
 - (ii) with respect to each Component which is affected by the Commodity Index Disruption Event, the Relevant Price will be determined by the Determination Agent (in the case of any Dow Jones-UBS Commodity Index) as set out in the DJ UBSCI Manual or (in the case of any S&P Commodity Index) as set out in the Index Methodology, and in respect of any other Commodity Index as set out in the applicable Pricing Supplement, in each case based on the closing prices of each such Component on the first day following the applicable Pricing Date on which no Commodity Index Disruption Event occurs with respect to such Component;
 - (iii) subject to (iv) below, the Determination Agent shall determine the Relevant Price by reference to the closing prices determined in (i) and (ii) above using the then-current method for calculating the relevant Commodity Index; and
 - (iv) where a Commodity Index Disruption Event with respect to one or more Components continues to exist (measured from and including the first day following the applicable determination date) for five consecutive Trading Days, the Determination Agent shall determine the Relevant Price acting in good faith and in a commercially reasonable manner. In calculating the Relevant Price as set out in this paragraph (iv), the Determination Agent shall use the formula for calculating the relevant Commodity Index last in effect prior to the Commodity Index Disruption Event. For the purposes of this paragraph (iv), **"Trading Day"** shall mean a day when the exchanges for all Components included in the relevant Commodity Index are scheduled to be open for trading.
- (c) *Physical Hedging Fallback*: Where the Determination Agent determines that a Commodity Index Disruption Event has occurred and is continuing in respect of a Series on the Pricing Date in respect of such Series and **"Physical Hedging Fallback"** is specified as applicable in the applicable Pricing Supplement, then the following provisions shall apply:
 - (i) with respect to each Component included in the Commodity Index which is not affected by the Commodity Index Disruption Event, the Relevant Price will be based on the closing prices of each such Component on the applicable determination date;

- (ii) with respect to each Component included in the Commodity Index which is affected by the Commodity Index Disruption Event, the Relevant Price will be based on the closing price of each such Component on the first day following the applicable determination date on which no Commodity Index Disruption Event occurs with respect to such Component;
 - (iii) subject to (iv) below, the Determination Agent shall determine the Relevant Price by reference to the closing prices determined in Condition 10.5(a) (*Common Pricing*) and 10.5(b) (*Common Pricing*) above using the then-current method for calculating the Relevant Price; and
 - (iv) where a Commodity Index Disruption Event with respect to one or more Components included in the Commodity Index continues to exist (measured from and including the first day following the applicable determination date) for five consecutive Trading Days, the Determination Agent shall determine the Relevant Price in good faith and in a commercially reasonable manner. For the purposes of this paragraph (iv), "**Trading Day**" shall mean a day when the exchanges for all Components included in the relevant Commodity Index are scheduled to be open for trading with respect to each Component included in the Commodity Index which is not affected by the Commodity Index Disruption Event, the Relevant Price will be based on the closing prices of each such Component on the applicable determination date.
- (d) If it (a) is or would be unlawful at any time under any applicable law or regulation or (b) would contravene any applicable licensing requirements, for the Determination Agent to perform the actions prescribed in either Condition 10.6(b) (*Commodity Index Disruption Events*) or (c) (*Physical Hedging Fallback*) (as applicable) then the Issuer shall terminate the relevant Warrants or Certificates, which shall cease to be exercisable (or, in the case of any Warrants or Certificates which have been exercised, the entitlements of the respective exercising Securityholders to receive payment of the Cash Settlement Amount pursuant to such exercise shall cease) and the Issuer will pay an amount in respect of each Warrant or Certificate which the Determination Agent, in its reasonable discretion, determines is an amount equal to the Early Settlement Amount.
- (e) The Determination Agent shall as soon as reasonably practicable under the circumstances notify the Issuer, the Principal Securities Agent and the Securityholders of the occurrence of a Commodity Index Disruption Event and of any action taken as a consequence, provided that any failure to give such notice shall not affect the validity of the foregoing.

10.7 *Adjustments to Commodity Index*

- (a) If a Commodity Index with respect to a Commodity Reference Price is permanently cancelled or is not calculated and announced by the sponsor of such Commodity Index or any of its affiliates (together the "**Sponsor**") but (i) is calculated and announced by a successor sponsor (the "**Successor Sponsor**") acceptable to the Determination Agent, or (ii) replaced by a Successor Index (the "**Successor Index**") using, in the determination of the Determination Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of such Commodity Index, then the Commodity Reference Price will be determined by reference to the Index so calculated and announced by that Successor Sponsor or that Successor Index, as the case may be.

(b) *Commodity Index Cancellation or Administrator/Benchmark Event Date*

If, for a Commodity Index with respect to a Commodity Reference Price, on or prior to the settlement date or early settlement date of the Warrants or Certificates, either (1) the Sponsor permanently cancels the Commodity Index and no Successor Index exists (a "**Commodity Index Cancellation**") or (2) the applicable Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and an Administrator/Benchmark Event and an Administrator/Benchmark Event Date occurs in respect of such Commodity Index, then:

- (i) If the applicable Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and if an Alternative Pre-nominated Index has been specified in relation to such Commodity Index in the applicable Pricing Supplement, then:
 - (A) the Determination Agent shall attempt to determine an Adjustment Payment;
 - (B) if the Determination Agent determines an Adjustment Payment,

- (aa) it shall notify the Issuer of the Adjustment Payment and if the Adjustment Payment is an amount that the Securityholder would (but for Condition 10.7(b)(i)(B)(cc)(b)) be required to pay to the Issuer in respect of each Security, request the Issuer to notify the Determination Agent whether it intends to terminate the Warrants or Certificates pursuant to Condition 10.7(d) (*Termination for Commodity Index Adjustment Event*). If the Issuer does not intend to terminate the Warrants or Certificates pursuant to Condition 10.7(d) (*Termination for Commodity Index Adjustment Event*) then the following provisions of this Condition 10.7(b)(i) (*Commodity Index Cancellation or Administrator/Benchmark Event Date*) shall apply;
 - (bb) the terms of the Warrants or Certificates shall be amended so that references to the Commodity Index are replaced by references to the Alternative Pre-nominated Index;
 - (cc) the Conditions shall be adjusted to implement the Adjustment Payment as follows:
 - (a) if the Adjustment Payment is an amount that the Issuer is required to pay in respect of each Security, the Determination Agent shall adjust the Conditions to provide for the payment of the Adjustment Payment on the date when the Warrants or Certificates are settled in full; or
 - (b) if the Adjustment Payment is an amount that the Securityholder would (but for this Condition 10.7(b)(i)(B)(cc)(b)) be required to pay to the Issuer in respect of each Security, the Determination Agent shall adjust the Conditions to provide for the reduction of the amounts due by the Issuer until the aggregate amount of such reductions is equal to the Adjustment Payment, (subject, in the determination of the Determination Agent, to any minimum settlement amount of the Warrants or Certificates which the Determination Agent determines is required pursuant to any applicable law or regulation (including, without limitation, any tax law) and the rules of each listing authority, stock exchange and/or quotation system by which the Warrants or Certificates have then been admitted to listing, trading and/or quotation);
 - (dd) the Determination Agent shall make such other adjustments to the Conditions as it determines necessary or appropriate in order to account for the effect of the replacement of the Commodity Index with the Alternative Pre-nominated Index and/or to preserve as nearly as practicable the economic equivalence of the Warrants or Certificates before and after the replacement of the Commodity Index with the Alternative Pre-nominated Index; and
 - (ee) the Determination Agent shall notify the Issuer, the Principal Securities Agent and the Securityholders of any replacement of the Commodity Index by the Alternative Pre-nominated Index, the Adjustment Payment and any other adjustments to the Conditions, giving summary details of the adjustment(s), provided that any failure to give such notice shall not affect the validity of the foregoing.
- (C) If the Determination Agent is unable to determine an Adjustment Payment, then Condition 10.7(d) (*Termination for Commodity Index Adjustment Event*) shall apply.
- (ii) If the applicable Pricing Supplement does not specify that the Benchmark Trigger Provisions are applicable or, if the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable but does not specify an Alternative Pre-nominated Index in relation to the Relevant Commodity Benchmark, then Condition 10.7(d) (*Termination for Commodity Index Adjustment Event*) shall apply.

(c) *Commodity Index Modification and Commodity Index Disruption:*

If, for a Commodity Index with respect to a Commodity Reference Price, on or prior to the settlement date or early settlement date of the Warrants or Certificates, (i) the Sponsor makes a material change in the formula for or the method of calculating such Commodity Index or in any other way materially modifies such Commodity Index (other than a modification prescribed in that formula or method to maintain the Commodity Index in the event of changes in constituent commodities and weightings and other routine events) (a "**Commodity Index Modification**") or, (ii) the Sponsor fails to calculate and announce the Commodity Index for a continuous period of three Trading Days and the Determination Agent determines that there is no Successor Sponsor or Successor Index (a "**Commodity Index Disruption**"), then the Determination Agent may at its option (in the case of (i)) and shall (in the case of (ii)) calculate the Relevant Price using in lieu of the published level for that Commodity Index (if any), the level for that Commodity Index as at the relevant determination date as determined by the Determination Agent in accordance with the formula for and method of calculating that Commodity Index last in effect prior to the relevant Commodity Index Adjustment Event, but using only those Components that comprised that Commodity Index immediately prior to the relevant Commodity Index Adjustment Event (other than those futures contracts that have ceased to be listed on any relevant exchange).

(d) *Termination for Commodity Index Adjustment Event:*

If:

- (i) a Commodity Index Cancellation occurs and the Pricing Supplement does not specify that the Benchmark Trigger Provisions are applicable;
- (ii) a Commodity Index Cancellation or an Administrator/Benchmark Event Date occurs in respect of a Commodity Index, the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable but does not specify an Alternative Pre-nominated Index;
- (iii) a Commodity Index Cancellation or an Administrator/Benchmark Event Date occurs in respect of a Commodity Index, the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and specifies an Alternative Pre-nominated Index but the Determination Agent is unable to determine the Adjustment Payment;
- (iv) a Commodity Index Cancellation or an Administrator/Benchmark Event Date occurs in respect of a Commodity Index, the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and specifies an Alternative Pre-nominated Index and the Determination Agent determines that the Adjustment Payment would be an amount that the Securityholder would (but for Condition 10.7(b)(i)(B)(cc)(b)) be required to pay to the Issuer in respect of each Security; or
- (v) a Commodity Index Modification or a Commodity Index Disruption occurs and it (a) would be unlawful at any time under any applicable law or regulation or (b) would contravene any applicable licensing requirements, in each case for the Determination Agent to calculate the Relevant Price in accordance with Condition 12.7(c) (*Commodity Index Modification and Commodity Index Disruption*),

then the Issuer may, at any time thereafter and in its reasonable discretion, determine that the Warrants or Certificates shall be terminated as of any later date. If the Issuer so determines that the Warrants or Certificates shall be terminated, then the Warrants and Certificates shall cease to be exercisable (or, in the case of any Warrants or Certificates which have been exercised, the entitlements of the respective exercising Securityholders to receive payment of the Cash Settlement Amount pursuant to such exercise shall cease) as of such later date and the Issuer will pay an amount in respect of each Warrant or Certificate which the Determination Agent, in its reasonable discretion, determines is an amount equal to the Early Settlement Amount.

The Issuer's obligations under the relevant Warrants or Certificates shall be satisfied in full upon payment of such amount.

If the Issuer determines that the relevant Warrants or Certificates shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers

appropriate, if any, to any variable relevant to the exercise, settlement or payment terms of the relevant Warrants or Certificates and/or any other adjustment, which change or adjustment shall be effective on such date as the Determination Agent shall determine. The Principal Securities Agent shall provide notice to the Securityholders of any such change or adjustment in accordance with Condition 29.7 (*Notices*), giving summary details of the relevant change or adjustment, provided that any failure to give such notice shall not affect the validity of any such change or adjustment.

- (e) The Determination Agent shall as soon as reasonably practicable under the circumstances notify the Issuer, the Principal Securities Agent and the Securityholders of the occurrence of a Commodity Index Adjustment Event and of any action taken as a consequence, provided that any failure to give such notice shall not affect the validity of the foregoing.

10.8 ***Additional Disruption Events***

- (a) Following the occurrence of an Additional Disruption Event, the Issuer will, in its reasonable discretion, determine whether or not the relevant Warrants and Certificates shall continue or be redeemed early.
- (b) If the Issuer determines that the relevant Warrants or Certificates shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to any variable relevant to the redemption, settlement, or payment terms of the relevant Warrants or Certificates and/or any other adjustment which change or adjustment shall be effective on such date as the Determination Agent shall determine.
- (c) If the Issuer determines that the relevant Warrants or Certificates shall be terminated, then the Warrants or Certificates shall cease to be exercisable (or, in the case of any Warrants or Certificates which have been exercised, the entitlements of the respective exercising Securityholders to receive the payment of the Cash Settlement Amount pursuant to such exercise shall cease) as of such later date and the Issuer will pay an amount in respect of each Warrant or Certificate which the Determination Agent, in its reasonable discretion, determines is an amount equal to the Early Settlement Amount.
- (d) The Issuer shall as soon as reasonably practicable under the circumstances notify the Principal Securities Agent and the Determination Agent of the occurrence of an Additional Disruption Event.
- (e) For the purposes hereof:

"Additional Disruption Event" means, with respect to any Series of Warrants or Certificates (unless otherwise specified in the applicable Pricing Supplement) a Change in Law, Hedging Disruption, Increased Cost of Hedging and any further event or events as may be specified in the applicable Pricing Supplement as an Additional Disruption Event with respect to such Warrants or Certificates.

10.9 ***Definitions applicable to Commodity-Linked Securities***

In relation to Commodity-Linked Securities, the following expressions have the meanings set out below:

"Adjustment Payment" means, in respect of any Security, the payment (if any) determined by the Determination Agent as is required 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 Commodity Index by the Alternative Pre-nominated Index;

"Basket" means a basket composed of each Commodity specified in the applicable Pricing Supplement;

"Change in Law" means that, on or after the Trade Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (x) it has become illegal to hold, acquire or dispose of Hedge Positions or (y) it will incur a materially increased cost in performing its obligations with respect to the Warrants or Certificates (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

"Commodity" means each commodity specified as such in the applicable Pricing Supplement;

"Commodity Business Day" means:

- (i) in the case where the Commodity Reference Price is a price announced or published by an Exchange, a day that is (or, but for the occurrence of a Commodity Disruption Event, would have been) a day on that Exchange is open for trading during its regular trading session, notwithstanding any such Exchange closing prior to its scheduled closing time; and
- (ii) in the case where the Commodity Reference Price is not a price announced or published by an Exchange, a day in respect of which the relevant Price Source published (or, but for the occurrence of a Commodity Disruption Event, would have published) a price;

"Commodity Index" means an index comprising commodities specified as such in the applicable Pricing Supplement;

"Commodity Index Adjustment Event" means, in respect of a Commodity Index, a Commodity Index Cancellation, a Commodity Index Disruption or a Commodity Index Modification;

"Commodity Reference Price" means the commodity reference price(s) specified as such in the applicable Pricing Supplement;

"Component" means in relation to a Commodity Index, any commodity or Futures Contract the price of which is included in such Commodity Index;

"Delivery Date" means the relevant date or month for delivery of the underlying Commodity (which must be a date or month reported or capable of being determined from information reported in or by the relevant Price Source) specified as such in, or determined in accordance with the provisions in, the applicable Pricing Supplement. In relation to any underlying Commodity which is specified in the applicable Pricing Supplement to be a **"Non Metal"** and each Pricing Date, the relevant Delivery Date shall be the month of expiration of the first Futures Contract to expire following such Pricing Date. In relation to any underlying Commodity which is specified in the applicable Pricing Supplement to be a **"Base Metal"** or a **"Precious Metal"** and each Pricing Date, the Delivery Date shall be such Pricing Date;

"DJ-UBS Commodity Index" means the Dow Jones-UBS Commodity Index and any other Commodity Index, in each case which is calculated and sponsored by Dow Jones Inc, or any successor to such sponsor;

"DJ-UBSCI Manual" means the manual or handbook in respect of a DJ-UBS Commodity Index published by the sponsor of the relevant Commodity Index and in effect from time to time;

"Exchange" means each exchange or principal trading market specified as such in relation to a Commodity in the applicable Pricing Supplement or in the applicable Commodity Reference Price;

"Futures Contract" means either (a) the contract for future delivery in respect of the relevant Delivery Date relating to the relevant Commodity referred to in the relevant Commodity Reference Price or (b) each futures contract underlying or included in a Commodity Index;

"Hedge Positions" means any purchase, sale, entry into or maintenance of one or more (a) positions or contracts in securities, commodities, options, futures, derivatives or foreign exchange, (b) stock loan transactions or (c) other instruments or arrangements (howsoever described) by a party in order to hedge, individually or on a portfolio basis, the Warrants or Certificates;

"Hedging Disruption" means that the Issuer is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations under the Warrants or Certificates, or (b) realise, recover or remit the proceeds of any such transactions or asset(s);

"Increased Cost of Hedging" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Warrants or Certificates or (b) realise, recover or remit the proceeds of

any such transaction(s) or asset(s) **provided that** any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging;

"Index Methodology" means the manual or handbook in respect of an S&P Commodity Index published by the sponsor of the relevant Commodity Index and in effect from time to time;

"Price Source" means the publication (or such other origin of reference, including an Exchange) containing (or reporting) the Specified Price (or prices from which the Specified Price is calculated) specified as such in the applicable Pricing Supplement;

"Pricing Date" means, subject as provided in this Condition 10 (*Provisions relating to Commodity-Linked Securities*) each date specified as such (or determined pursuant to a method specified for such purpose) in the applicable Pricing Supplement;

"Relevant Commodity Benchmark" means:

- (a) the Commodity Reference Price (or, if applicable, the index, benchmark or other price source that is referred to in the Commodity Reference Price);
- (b) the Commodity Index; and
- (c) any other index, benchmark or price source specified as such in the applicable Pricing Supplement.

To the extent that a Fallback Reference Price is used, such Fallback Reference Price shall be a "Relevant Benchmark" from the day on which it is used.

"Relevant Price" on any day means, in respect of a unit of measure of the Commodity to which a Commodity-Linked Security relates, the price, expressed as a price per unit, determined by the Determination Agent as provided in the applicable Pricing Supplement with respect to such day for the applicable Commodity Reference Price;

"S&P Commodity Index" means the S&P GSCI Commodity Index and any other Commodity Index, in each case which is calculated and sponsored by Standard & Poor's, or any successor to such sponsor; and

"Specified Price" means any of the following prices of a Commodity or Commodities or levels of a Commodity Index (which must be a price reported or capable of being determined from information reported in or by the relevant Price Source), as specified in the applicable Pricing Supplement (and, if applicable, as of the time so specified) (a) the high price, (b) the low price, (c) the average of the high price and the low price, (d) the closing price, (e) the opening price, (f) the bid price, (g) the asked price, (h) the average of the bid price and the asked price, (i) the settlement price, (j) the official settlement price (which shall be the Specified Price for any Commodity Index, and for any Commodity specified in the applicable Pricing Supplement as a **"Non Metal"**), (k) the official price, (l) the morning fixing, (m) the afternoon fixing (which shall be the Specified Price in respect of any Commodity specified in the applicable Pricing Supplement as a **"Precious Metal"**), (n) the spot price or (o) any other price specified in the applicable Pricing Supplement. The Specified Price for any Commodity specified in the applicable Pricing Supplement as a "Precious Metal" shall be the official cash bid price.

11. Provisions relating to Currency-Linked Securities

This Condition 11 (*Provisions relating to Currency-Linked Securities*) is applicable in respect of any Series of Warrants or Certificates (**"Currency-Linked Securities"**) where **"Currency-Linked Settlement Provisions"** are specified in the applicable Pricing Supplement as being applicable.

11.1 Valuation Date

"Valuation Date" means, in respect of any Series of Currency-Linked Securities, the date(s) specified as such or otherwise determined as provided in the applicable Pricing Supplement **provided that** where the Valuation Date is not a Currency Business Day then the Valuation Date shall be the first preceding day that is a Currency Business Day, unless (i) an Unscheduled Holiday occurs and Condition 11.3 (*EM Unscheduled Holiday*) applies; (ii) an event giving rise to EM Valuation Postponement occurs and

Condition 11.5(a)(iii) (*Currency Disruption Fallbacks – EM Valuation Postponement*) applies; (iii) an event giving rise to EM Valuation Fallback Postponement occurs and Condition 11.5(a)(iv) (*Currency Disruption Fallbacks – EM Valuation Fallback Postponement*) applies; or (iv) otherwise specified in the applicable Pricing Supplement. Unless otherwise specified in the applicable Pricing Supplement and subject to Condition 11.2 (*Averaging*), Condition 11.3 (*EM Unscheduled Holiday*), Condition 11.5(a)(iii) (*Currency Disruption Fallbacks – EM Valuation Postponement*), and Condition 11.5(a)(iv) (*Currency Disruption Fallbacks – EM Valuation Fallback Postponement*) (as applicable), the Valuation Date will be the date falling two Currency Business Days prior to the Exercise Date.

Where any Valuation Date is postponed pursuant to Condition 11.3 (*EM Unscheduled Holiday*), Condition 11.5(a)(iii) (*Currency Disruption Fallbacks – EM Valuation Postponement*) or Condition 11.5(a)(iv) (*Currency Disruption Fallbacks – EM Valuation Fallback Postponement*) (as applicable), the Exercise Date to which the Valuation Date relates shall be the later of (a) the scheduled Exercise Date and (b) the date that falls two Currency Business Days after the Valuation Date (or such other date as may be specified in the applicable Pricing Supplement).

11.2 *Averaging*

If Averaging Dates are specified in the applicable Pricing Supplement, then notwithstanding any other provisions of these Conditions, the following provisions will apply to the determination of the Settlement Rate in relation to a Valuation Date:

- (a) "**Averaging Date**" means, in respect of a Valuation Date, each date specified as such or otherwise determined as provided in the applicable Pricing Supplement, **provided that** if any such date is not a Currency Business Day, such date shall be the first preceding day that is a Currency Business Day, unless (i) an Unscheduled Holiday occurs and Condition 11.3 (*EM Unscheduled Holiday*) applies; (ii) an event giving rise to EM Valuation Postponement occurs and Condition 11.5(a)(iii) (*Currency Disruption Fallbacks – EM Valuation Postponement*) applies; (iii) an event giving rise to EM Valuation Fallback Postponement occurs and Condition 11.5(a)(iv) (*Currency Disruption Fallbacks – EM Valuation Fallback Postponement*) applies; or (iv) otherwise specified in the applicable Pricing Supplement.
- (b) For purposes of determining the Settlement Rate in relation to a Valuation Date, the Settlement Rate will be the arithmetic mean of the Spot Rates on each Averaging Date (or, if different, the day on which rates for each Averaging Date would, in the ordinary course, be published or announced by the relevant price source).
- (c) Unless (i) an Unscheduled Holiday occurs and Condition 11.3 (*EM Unscheduled Holiday*) applies; (ii) an event giving rise to EM Valuation Postponement occurs and Condition 11.5(a)(iii) (*Currency Disruption Fallbacks – EM Valuation Postponement*) applies; (iii) an event giving rise to EM Valuation Fallback Postponement occurs and Condition 11.5(a)(iv) (*Currency Disruption Fallbacks – EM Valuation Fallback Postponement*) applies; or (iv) otherwise specified in the applicable Pricing Supplement, in the case where it becomes impossible to obtain the Spot Rate on an Averaging Date (or, if different, the day on which rates for that Averaging Date would, in the ordinary course, be published or announced by the relevant price source), such Averaging Date will be deemed not to be a relevant Averaging Date for purposes of determining the relevant Settlement Rate. If through the operation of this Condition 11.2(c) (*Averaging*), there would not be an Averaging Date with respect to the relevant Valuation Date, the provisions of Condition 11.5 (*Currency Disruption Fallbacks*) shall apply for purposes of determining the relevant Spot Rate on the final Averaging Date with respect to that Valuation Date as if such Averaging Date were a Valuation Date on which a Price Source Disruption had occurred.

Where any Averaging Date in respect of a Valuation Date is postponed pursuant to Condition 11.3 (*EM Unscheduled Holiday*), Condition 11.5(a)(iii) (*Currency Disruption Fallbacks – EM Valuation Postponement*) or Condition 11.5(a)(iv) (*Currency Disruption Fallbacks – EM Valuation Fallback Postponement*) (as applicable), the Exercise Date to which the Averaging Date and the Valuation Date relates shall be the later of (a) the scheduled Exercise Date and (b) the date that falls two Currency Business Days after the final Averaging Date in respect of such Valuation Date (or such other date as may be specified in the applicable Pricing Supplement).

11.3 *EM Unscheduled Holiday*

If "EM Unscheduled Holiday" is specified to be applicable in the applicable Pricing Supplement, if the Determination Agent determines that a Valuation Date or an Averaging Date is an Unscheduled Holiday in respect of a Settlement Rate, then the Valuation Date or Averaging Date, as the case may be, in respect of such Settlement Rate shall be the first succeeding Currency Business Day which is not an Unscheduled Holiday, unless the Determination Agent determines that such first Currency Business Day has not occurred on or before the Maximum Days of Unscheduled Holiday Postponement immediately following such scheduled Valuation Date or Averaging Date. In that case:

- (A) the next day after that period that would be a Currency Business Day but for the occurrence of an Unscheduled Holiday shall be deemed to be the Valuation Date or the Averaging Date, as the case may be (such day, the "**Adjusted Valuation Date**" or the "**Adjusted Averaging Date**", as applicable); and
- (B) the Determination Agent shall determine the Settlement Rate in respect of such Adjusted Valuation Date or Adjusted Averaging Date, as the case may be, in accordance with the first applicable Currency Disruption Fallback (applied in accordance with its terms) that provides the Settlement Rate.

If this Condition 11.3 (*EM Unscheduled Holiday*) applies, the provisions of Condition 11.4(a)(ii)(B) (*Currency Disruption Events – Additional Price Source Disruption*) shall not apply notwithstanding that "Additional Price Source Disruption" may be specified as applicable in the applicable Pricing Supplement.

11.4 *Currency Disruption Events*

- (a) If so specified in the Pricing Supplement relating to any Series of Warrants or Certificates, the following shall constitute "**Currency Disruption Events**" for the purposes of such Series:
 - (i) "**Price Source Disruption**", which means it becomes impossible, as determined by the Determination Agent, acting in a commercially reasonable manner, to determine the Settlement Rate on any Averaging Date or Valuation Date (or, if different, the day on which rates for that Valuation Date would, in the ordinary course, be published or announced by the Reference Source);
 - (ii) "**Additional Price Source Disruption**", which means in relation to the determination of the Settlement Rate on any Averaging Date or Valuation Date:
 - (A) the relevant exchange rate is not displayed on the Reference Source for such Averaging Date or Valuation Date;
 - (B) such Averaging Date or Valuation Date is an Unscheduled Holiday; or
 - (C) the Determination Agent determines in good faith that the exchange rate so displayed on the Reference Source is manifestly incorrect;
 - (iii) "**Price Materiality Event**", which means the Primary Rate differs from the Secondary Rate by at least the Price Materiality Percentage;
 - (iv) "**Dual Exchange Rate**", which means that the Settlement Rate splits into dual or multiple exchange rates;
 - (v) "**General Inconvertibility**", which means in respect of a Currency Pair, the occurrence of any event that generally makes it impossible for the Issuer or the Determination Agent on its behalf to convert the Event Currency into the Non-Event Currency in the Event Currency Jurisdiction through customary legal channels;
 - (vi) "**General Non-Transferability**", which means the occurrence of any event in or affecting any relevant jurisdiction that generally makes it impossible for the Issuer to deliver (A) the Non-Event Currency from accounts inside the Event Currency Jurisdiction to accounts outside the

Event Currency Jurisdiction or (B) the Event Currency between accounts inside the Event Currency Jurisdiction or to a party that is a non-resident of the Event Currency Jurisdiction;

- (vii) **"Illiquidity"**, which means it becomes impossible for the Issuer or the Determination Agent on its behalf to obtain a firm quote of the Settlement Rate for the Minimum Amount (either in one transaction or a commercially reasonable number of transactions that, when taken together, total the Minimum Amount) on any Averaging Date or Valuation Date (or, if different, the day on which rates for that Valuation Date would, in the ordinary course, be published or announced by the relevant price source) or by such other date (the **"Illiquidity Valuation Date"**) as is specified for such purpose in the applicable Pricing Supplement. If an Illiquidity Valuation Date is specified in the applicable Pricing Supplement and an Illiquidity Currency Disruption Event occurs on such date, then the Illiquidity Valuation Date will be deemed to be the Valuation Date;
 - (viii) **"Governmental Authority Default"**, which means with respect to any security or indebtedness for borrowed money of, or guaranteed by, any Governmental Authority, the occurrence of a default, event of default or other similar condition or event (however described) including, but not limited to, (A) the failure of timely payment in full of any principal, interest or other amounts due (without giving effect to any applicable grace periods) in respect of any such security, indebtedness for borrowed money or guarantee, (B) a declared moratorium, standstill, waiver, deferral, repudiation or rescheduling of any principal, interest or other amounts due in respect of any such security, indebtedness for borrowed money or guarantee or (C) the amendment or modification of the terms and conditions of payment of any principal, interest or other amounts due in respect of any such security, indebtedness for borrowed money or guarantee without the consent of all holders of such obligation. The determination of the existence or occurrence of any default, event of default or other similar condition or event shall be made without regard to any lack or alleged lack of authority or capacity of such Governmental Authority to issue or enter into such security, indebtedness for borrowed money or guarantee;
 - (ix) **"Nationalization"**, which means any expropriation, confiscation, requisition, nationalization or other action by any Governmental Authority which deprives the Issuer (or any of its Affiliates), of all or substantially all of its assets in the Event Currency Jurisdiction;
 - (x) **"Material Change in Circumstance"**, which means the occurrence of any event (other than those events specified as Currency Disruption Events in this Condition 11.4 (*Currency Disruption Events*)) in the Event Currency Jurisdiction beyond the control of the Issuer which makes it impossible for the Issuer to fulfil its obligations under the Notes; and
 - (xi) any other (if any) currency disruption event specified in the applicable Pricing Supplement.
- (b) If the applicable Pricing Supplement specifies that any Currency Disruption Event shall be applicable to such Series, then, where the Determination Agent determines, acting in a commercially reasonable manner, that such Currency Disruption Event occurs or has occurred and is continuing in respect of such Series:
- (i) in the case of Price Source Disruption, on any Averaging Date or Valuation Date in respect of such Series (or, if different, the day on which rates for that Valuation Date would, in the ordinary course, be published or announced by the relevant price source); and
 - (ii) in the case of any other Currency Disruption Event, on any Averaging Date, Valuation Date or such other day as may be specified for this purpose in the applicable Pricing Supplement,
- then the Settlement Rate for such Series will be determined, or the Warrants or Certificates of such Series shall be settled following exercise, as the case may be, in accordance with the terms of the Currency Disruption Fallback first applicable pursuant to Condition 11.5 (*Currency Disruption Fallbacks*), which shall be subject to Condition 11.4(c) below.
- (c)
 - (i) If the Series of Warrants or Certificates are Currency Securities linked to a single Currency Pair, the provisions of Conditions 11.4(a) and (b) (*Currency Disruption Events*) above shall apply.
 - (ii) If the Series of Warrants or Certificates are Currency Securities linked to a Basket, and the Determination Agent determines that a Currency Disruption Event has occurred on any

Averaging Date, Valuation Date or Relevant Date in respect of any Settlement Rate (which for the purposes of Conditions 11.4 (*Currency Disruption Events*) and 11.5 (*Currency Disruption Fallbacks*) shall mean the Settlement Rate in respect of each Currency Pair), then:

- (A) for each Settlement Rate for which the Determination Agent determines that a Currency Disruption Event has not occurred, the Settlement Rate shall be determined in accordance with the Conditions; and
- (B) for each Settlement Rate for which the Determination Agent determines that a Currency Disruption Event has occurred, the Determination Agent shall determine the Settlement Rate in accordance with the applicable Currency Disruption Fallback in accordance with Condition 11.5 (*Currency Disruption Fallbacks*) and the applicable Pricing Supplement.

11.5 *Currency Disruption Fallbacks*

- (a) If so specified in the Pricing Supplement relating to any Series of Warrants or Certificates, the following shall constitute "**Currency Disruption Fallbacks**" for the purposes of such Series, and the applicable Pricing Supplement shall specify which Currency Disruption Fallback(s) shall apply to such Series, to which Currency Disruption Event each such Currency Disruption Fallback shall apply and, where more than one Currency Disruption Fallback may apply to a Currency Disruption Event, the order in which such Currency Disruption Fallback(s) shall apply to such Currency Disruption Event:
 - (i) "**Determination Agent Determination of Settlement Rate**" means that the Determination Agent will determine, in its reasonable discretion, the Settlement Rate (or a method for determining the Settlement Rate), taking into consideration all available information that it deems relevant including (but not limited to), in the case of Currency Securities linked to a Basket, the relevant rate for each unaffected Currency Pair which was determined on the relevant Valuation Date;
 - (ii) "**Fallback Reference Price**" means that the Determination Agent will determine, in its reasonable discretion, the Settlement Rate for such Series on the relevant Valuation Date (or, if different, the day on which rates for that Valuation Date would, in the ordinary course, be published or announced) pursuant to Currency Reference Dealers or pursuant to such other methodology or price sources as may be specified as the Fallback Reference Price in the applicable Pricing Supplement; and
 - (iii) "**EM Valuation Postponement**" means that if the Determination Agent determines that a Valuation Date, an Adjusted Valuation Date, an Averaging Date or an Adjusted Averaging Date is a Disrupted Day in respect of the Settlement Rate (which term shall include, where the applicable Pricing Supplement provides that the prior applicable Currency Disruption Fallback is "Fallback Reference Price", the Settlement Rate determined using the applicable Fallback Reference Price), then the Valuation Date, Adjusted Valuation Date, Averaging Date or Adjusted Averaging Date, as the case may be, shall be the first succeeding Currency Business Day which is not a Disrupted Day, unless the Determination Agent determines that no such Currency Business Day has occurred on or before the Maximum Days of EM Valuation Postponement immediately following such scheduled Valuation Date, Adjusted Valuation Date, Averaging Date or Adjusted Averaging Date, as the case may be. In that case:
 - (A) the next Currency Business Day after the EM Valuation Longstop Date shall be deemed to be the Valuation Date, Adjusted Valuation Date, Averaging Date or Adjusted Averaging Date, as the case may be, (notwithstanding the fact that such day may be a Disrupted Day); and
 - (B) the next Currency Disruption Fallback specified in the applicable Pricing Supplement shall apply;
 - (iv) "**EM Valuation Fallback Postponement**" means that if the Determination Agent determines that the Settlement Rate (which term shall include, where the applicable Pricing Supplement provides that the prior applicable Currency Disruption Fallback is "Fallback Reference Price", the Settlement Rate determined using the applicable Fallback Reference Price) is not available
 - (a) on the first Currency Business Day following the end of the Maximum Days of EM

Valuation Postponement (where a Currency Disruption Event has occurred or exists in respect of the Settlement Rate throughout the Maximum Days of EM Valuation Postponement); or (b) the Adjusted Valuation Date or Adjusted Averaging Date, as the case may be, then the Valuation Date or the Averaging Date, as the case may be, shall be the first succeeding Currency Business Day which is not a Disrupted Day, unless the Determination Agent determines that no such Currency Business Day has occurred on or before the Maximum Days of EM Valuation Fallback Postponement immediately following such first Currency Business Day following the end of the Maximum Days of EM Valuation Postponement, or the Adjusted Valuation Date or Adjusted Averaging Date, as the case may be. In that case:

- (A) the next Currency Business Day after the EM Valuation Fallback Longstop Date shall be deemed to be the Valuation Date or the Averaging Date, as the case may be, (notwithstanding the fact that such day may be a Disrupted Day); and
- (B) the next Currency Disruption Fallback specified in the applicable Pricing Supplement shall apply;
- (v) "**Cumulative Events**" means that the total number of consecutive calendar days during which a Valuation Date or an Averaging Date, as the case may be, is deferred due to (i) an *Unscheduled Holiday* in circumstances where Condition 11.3 (*EM Unscheduled Holiday*) applies; (ii) EM Valuation Postponement; or (iii) EM Valuation Fallback Postponement (or a combination of (i) (ii) and (iii)), shall not exceed the Maximum Days of Cumulative Postponement in the aggregate.

Accordingly, if by the operation of the above paragraph, a Valuation Date or an Averaging Date, as the case may be, is postponed by the number of calendar days equal to the Maximum Days of Cumulative Postponement, then such Valuation Date or Averaging Date, as the case may be, shall be the Cumulative Postponement Longstop Date. If such Cumulative Postponement Longstop Date is a Disrupted Day, then the Determination Agent shall determine the Settlement Rate in respect of such Cumulative Postponement Longstop Date in accordance with the next applicable Currency Disruption Fallback; and

- (vi) any other provisions specified as Currency Disruption Fallbacks in the applicable Pricing Supplement.
- (b) Where more than one Currency Disruption Event occurs or exists or is deemed to occur or exist, then, unless the applicable Pricing Supplement has specified which Currency Disruption Fallback shall apply in such circumstances, the Determination Agent shall determine, in its reasonable discretion, which Currency Disruption Fallback shall apply.

11.6 **Administrator/Benchmark Events**

- (a) If an Administrator/Benchmark Event and an Administrator/Benchmark Event Date occur:
 - (i) the Currency Disruption Fallbacks specified in the applicable Pricing Supplement to apply with respect to Administrator/Benchmark Event will apply in the order specified, or if none are specified, the Currency Disruption Fallbacks specified in the applicable Pricing Supplement to apply shall be deemed to apply in accordance with Condition 11.5 (*Currency Disruption Fallbacks*) provided that if the Relevant FX Benchmark is not the Settlement Rate then references to the "Settlement Rate" in the applicable Currency Disruption Fallbacks and related definitions and provisions of these Conditions shall be deemed to be references to the Relevant FX Benchmark;
 - (ii) if it (i) is or would be unlawful at any time under any applicable law or regulation or (ii) would contravene any applicable licensing requirements, for the Issuer or the Determination Agent to perform the actions prescribed in an applicable Currency Disruption Fallback (or it would be unlawful or would contravene those licensing requirements were a determination to be made at such time), the next applicable Currency Disruption Fallback will apply; and
 - (iii) if the Issuer determines that the last applicable Currency Disruption Fallback does not provide a Settlement Rate (including due to the applicability of sub-paragraph (ii) above in relation to the last applicable Currency Disruption Fallback), then the Issuer shall terminate the relevant

Warrants or Certificates, which shall cease to be exercisable (or, in the case of any Warrants or Certificates which have been exercised, the entitlements of the respective exercising Securityholders to receive the Reference Currency or payment of the Cash Settlement Amount pursuant to such exercise shall cease) and the Issuer will pay an amount in respect of each Warrant or Certificate which the Determination Agent, in its reasonable discretion, determines is an amount equal to the Early Settlement Amount.

The Issuer's obligations under the relevant Warrants or Certificates shall be satisfied in full upon payment of such amount; and

- (b) The Determination Agent shall as soon as reasonably practicable under the circumstances notify the Issuer, the Principal Securities Agent and the Securityholders of the occurrence of an Administrator/Benchmark Event Date and of any action taken as a consequence, provided that any failure to give such notice shall not affect the validity of the foregoing.

11.7 ***Change to a Relevant FX Benchmark***

If the definition, methodology or formula for a Relevant FX Benchmark, or other means of calculating the Relevant FX Benchmark, is changed (irrespective of the materiality of any such change or changes), then, unless otherwise specified in the applicable Pricing Supplement, references to that Relevant FX Benchmark shall be to the Relevant FX Benchmark as changed.

11.8 ***Additional Disruption Events***

- (a) Following the occurrence of an Additional Disruption Event, the Issuer will, in its reasonable discretion, determine whether or not the relevant Warrants and Certificates shall continue or be redeemed early.
- (b) If the Issuer determines that the relevant Warrants or Certificates shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to any variable relevant to the redemption, settlement, or payment terms of the relevant Warrants or Certificates and/or any other adjustment which change or adjustment shall be effective on such date as the Determination Agent shall determine.
- (c) If the Issuer determines that the relevant Warrants or Certificates shall be terminated, then the Warrants or Certificates shall cease to be exercisable (or, in the case of any Warrants or Certificates which have been exercised, the entitlements of the respective exercising Securityholders to receive the Reference Currency or the payment of the Cash Settlement Amount pursuant to such exercise shall cease) as of such later date and the Issuer will pay an amount in respect of each Warrant or Certificate which the Determination Agent, in its reasonable discretion, determines is an amount equal to the Early Settlement Amount.
- (d) The Issuer shall as soon as reasonably practicable under the circumstances notify the Principal Securities Agent and the Determination Agent of the occurrence of an Additional Disruption Event.
- (e) For the purposes hereof:

"**Additional Disruption Event**" means with respect to any Series of Warrants or Certificates (unless otherwise specified in the applicable Pricing Supplement) a Change in Law, Hedging Disruption, Increased Cost of Hedging and any further event or events as may be specified in the applicable Pricing Supplement as an Additional Disruption Event with respect to such Warrants or Certificates.

11.9 ***Definitions applicable to Currency-Linked Securities***

In relation to Currency-Linked Securities, the following expressions have the meanings set out below:

"**Base Currency**" means the currency specified as such in the applicable Pricing Supplement;

"**Basket**" means a basket composed of each Reference Currency specified in the applicable Pricing Supplement;

"**Change in Law**" means that, on or after the Trade Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation

of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (x) it has become illegal to hold, acquire or dispose of Hedge Positions or (y) it will incur a materially increased cost in performing its obligations with respect to the Warrants or Certificates (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

"Cumulative Postponement Longstop Date" means, in respect of any postponement by a number of days equal to the Maximum Days of Cumulative Postponement, the last day of such postponement;

"Currency Business Day" means, unless otherwise specified in the applicable Pricing Supplement:

- (a) for the purposes of the definition of "Valuation Date" in Condition 11.1 (*Valuation Date*), in respect of any Series of Currency-Linked Securities: (1) a day on which commercial banks are (or but for the occurrence of a Currency Disruption Event would have been) open for business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in the Principal Financial Centre(s) of the Reference Currency and, if so specified in the applicable Pricing Supplement for this paragraph (a), in any Additional Currency Financial Centre or (2) where the currency to be valued is euro, a day that is a TARGET Settlement Day and a Business Day;
- (b) for any other purpose, in respect of any Series of Currency-Linked Securities: (1) a day on which commercial banks are open for general business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in the Principal Financial Centre(s) of the Reference Currency and, if so specified in the applicable Pricing Supplement for this paragraph (b), in any Additional Currency Financial Centre and (2) where one of the Currency Pair is euro, a day that is a TARGET Settlement Day;

"Currency Pair" means the Reference Currency and the Base Currency;

"Currency Reference Dealers" means that the Settlement Rate or the Spot Rate for a Rate Calculation Date will be determined on the basis of quotations provided by Reference Dealers on that Rate Calculation Date of that day's Specified Rate, expressed as the amount of Reference Currency per one unit of Base Currency for settlement on the Cash Settlement Date for the purposes of calculating the Cash Settlement Amount. The Determination Agent will request each of the Reference Dealers to provide a firm quotation of its Specified Rate for a transaction where the amount of Reference Currency equals the Specified Amount. If four quotations are provided, the rate for a Rate Calculation Date will be the arithmetic mean of the Specified Rates, without regard to the Specified Rates having the highest and lowest value. If exactly three quotations are provided, the rate for a Rate Calculation Date will be the Specified Rate provided by the Reference Dealer that remains after disregarding the Specified Rates having the highest and lowest values. For this purpose, if more than one quotation has the same highest value or lowest value, then the Specified Rate of one of such quotations shall be disregarded. If exactly two quotations are provided, the rate for a Rate Calculation Date will be the arithmetic mean of the Specified Rates. If only one quotation is provided, the rate for a Rate Calculation Date will be the Specified Rate quoted by that Reference Dealer. The quotations used to determine the Spot Rate for a Rate Calculation Date will be determined in each case at the Specified Time on that Rate Calculation Date, or, if no such time is specified, the time chosen by the Determination Agent;

"Disrupted Day" means any day on which a Currency Disruption Event occurs or has occurred and is continuing;

"EM Valuation Fallback Longstop Date" means, in respect of any postponement by a number of days equal to the Maximum Days of EM Valuation Fallback Postponement, the last day of such postponement;

"EM Valuation Longstop Date" means, in respect of any postponement by a number of days equal to the Maximum Days of EM Valuation Postponement, the last day of such postponement;

"Event Currency" means the Reference Currency, unless otherwise specified in the applicable Pricing Supplement;

"Event Currency Jurisdiction" means the country for which the Event Currency is the lawful currency;

"Governmental Authority" means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of a relevant jurisdiction;

"Hedge Positions" means any purchase, sale, entry into or maintenance of one or more (i) positions or contracts in securities, commodities, options, futures, derivatives or foreign exchange, (ii) stock loan transactions or (iii) other instruments or arrangements (howsoever described) by a party in order to hedge, individually or on a portfolio basis, the Warrants or Certificates;

"Hedging Disruption" means that the Issuer is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations under the Warrants or Certificates, or (B) realise, recover or remit the proceeds of any such transactions or asset(s);

"Increased Cost of Hedging" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Warrants or Certificates or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s) **provided that** any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging;

"Maximum Days of Cumulative Postponement" means the number of days specified as such in the applicable Pricing Supplement;

"Maximum Days of EM Valuation Fallback Postponement" means the number of days specified as such in the applicable Pricing Supplement;

"Maximum Days of EM Valuation Postponement" means the number of days specified as such in the applicable Pricing Supplement;

"Maximum Days of Unscheduled Holiday Postponement" means the number of days specified as such in the applicable Pricing Supplement;

"Minimum Amount" means, for the purposes of an Illiquidity Currency Disruption Event, the amount specified as such in the applicable Pricing Supplement or, if such an amount is not specified, the Specified Amount;

"Non-Event Currency" means, in respect of a Currency Pair, the currency that is not the Event Currency;

"Price Materiality Percentage" means the percentage specified as such in the applicable Pricing Supplement;

"Primary Rate" means the rate specified as such in the applicable Pricing Supplement;

"Rate Calculation Date" means any Valuation Date or Averaging Date (as defined in Conditions 11.1 (*Valuation Date*) and 11.2 (*Averaging*) respectively);

"Reference Currency" means the currency or currencies specified as such in the applicable Pricing Supplement;

"Reference Dealers" means the reference dealers specified as such in the applicable Pricing Supplement;

"Reference Source" has means the source (such as a Reuters screen page, Bloomberg page or website) specified as such in the applicable Pricing Supplement or any successor;

"Relevant FX Benchmark" means, in respect of any Warrants or Certificates:

- (i) the Settlement Rate;
- (ii) the Primary Rate and the Secondary Rate; and

- (iii) any other index, benchmark, rate or price source which is referenced in the Warrants or Certificates and which is a measure constituting an index (or combination of indices) under any law or regulation applicable to the Warrants or Certificates and identified as a "Relevant FX Benchmark" in the applicable Pricing Supplement.

To the extent that a Fallback Reference Price is used, it shall be a "Relevant FX Benchmark" from the day on which it is used.

"Secondary Rate" means the rate specified as such in the applicable Pricing Supplement;

"Settlement Rate" means the rate as determined by the Determination Agent, in its reasonable discretion, in accordance with the applicable Pricing Supplement and, where applicable shall be determined in accordance with Condition 11.2 (*Averaging*);

"Specified Amount" means the amount of Reference Currency specified as such in the applicable Pricing Supplement;

"Specified Rate" means any of the following rates, as specified in the applicable Pricing Supplement: (i) the Reference Currency bid exchange rate, (ii) the Reference Currency offer exchange rate, (iii) the average of the Reference Currency bid and offer exchange rates, (iv) the Base Currency bid exchange rate, (v) the Base Currency offer exchange rate, (vi) the average of the Base Currency bid and offer exchange rates, (vii) the official fixing rate or (viii) any other exchange rate specified in the applicable Pricing Supplement. If no such rate is specified, the Specified Rate will be deemed to be the average of the Reference Currency bid and offer rate;

"Specified Time" means, in respect of any series of Warrants or Certificates and the determination of the Spot Rate, the time specified as such in the applicable Pricing Supplement or if no such time is specified the time chosen by the Determination Agent;

"Spot Rate" means for any Valuation Date, the relevant currency exchange rate expressed as the amount of Reference Currency per one unit of Base Currency determined as the currency exchange rate at the time at which such rate is to be determined for foreign exchange transactions in the Currency Pair for value on the Cash Settlement Date (or other relevant date for payment under the Warrants or Certificates), as determined in good faith and in a commercially reasonable manner by the Determination Agent; and

"Unscheduled Holiday" means that a day is not a Currency Business Day and that the market was not aware of such fact (by means of a public announcement or by reference to other publicly available information) until a time later than 9:00 a.m. local time in the Principal Financial Centre(s) of the Reference Currency two Currency Business Days prior to such day.

12. Provisions relating to Inflation-Linked Securities

This Condition 12 (*Provisions relating to Inflation-Linked Securities*) is applicable in respect of any Series of Warrants or Certificates ("**Inflation-Linked Securities**") where "**Inflation-Linked Settlement Provisions**" are specified in the applicable Pricing Supplement as being applicable.

12.1 *Delay of Publication*

If any level of an Index for a Reference Month which is relevant to the calculation of a payment under the Warrants or Certificates (a "**Relevant Level**") has not been published or announced by the day that is five Business Days prior to the next Exercise Date under the Warrants or Certificates, the Determination Agent shall determine a Substitute Index Level (in place of such Relevant Level) in a commercially reasonable manner in its reasonable discretion. If a Relevant Level is published or announced at any time after the day that is five Business Days prior to the next Exercise Date or other relevant exercise date as may be specified in the applicable Pricing Supplement, such Relevant Level will not be used in any calculations. The Substitute Index Level so determined pursuant to this Condition 12.1 (*Delay of Publication*), will be the definitive level for that Reference Month.

12.2 *Cessation of Publication:*

If a level for the Index has not been published or announced for two consecutive months or the Index Sponsor announces that it will no longer continue to publish or announce the Index then the

Determination Agent shall determine a Successor Index (in lieu of any previously applicable Index) for the purposes of the Warrants or Certificates by using the following methodology:

- (a) If at any time a Successor Index has been designated by the calculation agent of the Related Bond pursuant to the terms and conditions of the Related Bond, such Successor Index shall be designated a "**Successor Index**" for the purposes of all subsequent Exercise Dates or other relevant exercise dates as may be specified in the applicable Pricing Supplement in relation to the Warrants or Certificates, notwithstanding that any other Successor Index may previously have been determined under Conditions 12.2(b), 12.2(c) or 12.2(d) below; or
- (b) If a Successor Index has not been determined under Condition 12.2(a) above and a notice has been given or an announcement has been made by the Index Sponsor, specifying that the Index will be superseded by a replacement index specified by the Index Sponsor, and the Determination Agent determines that such replacement index is calculated using the same or substantially similar formula or method of calculation as used in the calculation of the previously applicable Index, such replacement index shall be the Index for purposes of the Warrants or Certificates from the date that such replacement index comes into effect; or
- (c) If a Successor Index has not been determined under Condition 12.2(a) or 12.2(b) above, the Determination Agent shall ask five leading independent dealers to state what the replacement Index for the Index should be. If between four and five responses are received, and of those four or five responses, three or more leading independent dealers state the same Index, this Index will be deemed the "Successor Index". If three responses are received, and two or more leading independent dealers state the same Index, this Index will be deemed the "Successor Index". If fewer than three responses are received, the Determination Agent will proceed to Condition 12.2(d) below;
- (d) If no Successor Inflation Index has been determined under Condition 12.2(a), 12.2(b) or 12.2(c) above by the fifth Business Day prior to the next Affected Payment Date, the Determination Agent will determine an appropriate alternative index for such Affected Payment Date, and such index will be deemed a "Successor Inflation Index"; or
- (e) If the Determination Agent determines that there is no appropriate alternative index, the Issuer shall terminate the relevant Warrants or Certificates, which shall cease to be exercisable (or, in the case of any Warrants or Certificates which have been exercised, the entitlements of the respective exercising Securityholders to receive payment of the Cash Settlement Amount pursuant to such exercise shall cease) and the Issuer will pay an amount in respect of each Warrant or Certificate which the Determination Agent, in its reasonable discretion, determines is an amount equal to the Early Settlement Amount.

The Issuer's obligations under the relevant Warrants or Certificates shall be satisfied in full upon payment of such amount.

12.3 *Rebasing of the Index*

If the Determination Agent determines that an Index has been or will be rebased at any time, the Index as so rebased (the "**Rebased Index**") will be used for purposes of determining the level of such Index from the date of such rebasing; provided, however, that the Determination Agent shall make such adjustments as are made by the calculation agent of the Related Bond pursuant to the terms and conditions of the Related Bond, if any, to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Index before it was rebased. If there is no Related Bond, the Determination Agent shall make adjustments to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Index before it was rebased. Any such rebasing shall not affect any prior payments made under the Warrants or Certificates.

12.4 *Material Modification Prior to Payment Date*

If, on or prior to the day that is five Business Days before an Exercise Date or other relevant payment date as may be specified in the applicable Pricing Supplement, an Index Sponsor announces that it will make a material change to an Index then the Determination Agent shall make any such adjustments to the Index consistent with adjustments made to the Related Bond, or, if there is no Related Bond, only those adjustments necessary for the modified Index to continue as the Index.

12.5 *Manifest Error in Publication*

If, within thirty days of publication and prior to the Expiration Date or payments in respect of any relevant Exercise Date or other relevant payment date as may be specified in the applicable Pricing Supplement, the Determination Agent determines that the Index Sponsor has corrected the level of the Index to remedy a manifest error in its original publication, the Determination Agent will notify the holders of the Warrants or Certificates in accordance with Condition 29 (*Notices*) of (i) that correction, (ii) the adjusted amount that is then payable under the Warrant or Certificates as a result of that correction and (iii) take such other action as it may deem necessary to give effect to such correction, provided that any amount payable pursuant to sub-paragraph (ii) above shall be paid (with no interest accruing thereon) (a) in connection with an Index Sponsor's correction to remedy a manifest error in the level of an Index for a Reference Month for which the Specified Interest Payment Date, or other relevant payment date as may be specified in the applicable Pricing Supplement has occurred, within 15 Business Days after notice of such amount payable by the Determination Agent, (b) in connection with an Index Sponsor's correction to remedy a manifest error in the level of an Index for a Reference Month for which the Specified Interest Payment Date, or other relevant payment date as may be specified in the applicable Pricing Supplement, has not occurred, as an adjustment to the payment obligation on the next Specified Interest Payment Date, or other relevant exercise date as may be specified in the applicable Pricing Supplement, or (c) if there are no further Specified Interest Payment Dates, or other relevant exercise dates as may be specified in the applicable Pricing Supplement, within 15 Business Days after notice of such amount payable by the Determination Agent.

12.6 *Additional Disruption Events*

- (a) Following the occurrence of an Additional Disruption Event, the Issuer will, in its reasonable discretion, determine whether or not the relevant Warrants and Certificates shall continue or be redeemed early.
- (b) If the Issuer determines that the relevant Warrants or Certificates shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to any variable relevant to the redemption, settlement, or payment terms of the relevant Warrants or Certificates and/or any other adjustment which change or adjustment shall be effective on such date as the Determination Agent shall determine.
- (c) If the Issuer determines that the relevant Warrants or Certificates shall be terminated, then the Warrants or Certificates shall cease to be exercisable (or, in the case of any Warrants or Certificates which have been exercised, the entitlements of the respective exercising Securityholders to receive payment of the Cash Settlement Amount pursuant to such exercise shall cease) as of such later date and the Issuer will pay an amount which the Determination Agent, in its reasonable discretion, determines is an amount equal to the Early Settlement Amount.
- (d) The Issuer shall as soon as reasonably practicable under the circumstances notify the Principal Securities Agent and the Determination Agent of the occurrence of an Additional Disruption Event.
- (e) For the purposes hereof:

"Additional Disruption Event" means, if specified as applicable in the applicable Pricing Supplement, with respect to any Series of Warrants or Certificates, a Change in Law, Hedging Disruption, Increased Cost of Hedging and any further event or events as may be specified in the applicable Pricing Supplement as an Additional Disruption Event with respect to such Warrants or Certificates.

12.7 *Definitions Applicable to Inflation-Linked Securities*

In relation to Inflation-Linked Securities the following expressions have the meanings set out below:

"Affected Exercise Date" means each Exercise Date, or other relevant exercise date as may be specified in the applicable Pricing Supplement, in respect of which an Index has not been published or announced;

"Change in Law" means that, on or after the Trade Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (i) it has become illegal to hold, acquire or dispose of Hedge Positions or (ii) it

will incur a materially increased cost in performing its obligations with respect to the Warrants or Certificates (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

"Fallback Bond" means a bond selected by the Determination Agent and issued by the government of the country to whose level of inflation the Index relates and which pays a coupon or redemption amount which is calculated by reference to the Index, with a maturity date which falls on (a) the same date as the Settlement Election Date, (b) the next longest maturity after the Settlement Election Date or (c) the next shortest maturity before the Settlement Election Date if no bond is defined in (a) and (b) is selected by the Determination Agent. If the Index relates to the level of inflation across the European Monetary Union, the Determination Agent will select an inflation-linked bond that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union. In each case, the Determination Agent will select the Fallback Bond from those inflation-linked bonds issued on or before the Settlement Date and, if there is more than one inflation-linked bond maturing on the same date, the Fallback Bond shall be selected by the Determination Agent from those bonds. If the Fallback Bond redeems the Determination Agent will select a new Fallback Bond on the same basis, but selected from all eligible bonds in issue at the time the original Fallback Bond redeems (including any bond for which the redeemed bond is exchanged);

"Hedge Positions" means any purchase, sale, entry into or maintenance of one or more (a) positions or contracts in securities, commodities, options, futures, derivatives or foreign exchange, (b) stock loan transactions or (c) other instruments or arrangements (howsoever described) by a party in order to hedge, individually or on a portfolio basis, the Warrants or Certificates;

"Hedging Disruption" means that the Issuer is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations under the Warrants or Certificates, or (b) realise, recover or remit the proceeds of any such transactions or asset(s);

"Increased Cost of Hedging" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Warrants or Certificates or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s) **provided that** any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging;

"Index" means any index specified as such in the applicable Pricing Supplement;

"Index Sponsor" means, in respect of an Index, the entity specified as such in the applicable Pricing Supplement or, if no entity is specified, the entity that publishes or announces (directly or through an agent) the level of the relevant Index;

"Reference Month" means the calendar month for which the level of the relevant Index was reported, regardless of when this information is published or announced. If the period for which the Index level was reported is a period other than a month, the Reference Month will be the period for which the Index level was reported;

"Related Bond" means the bond specified in the applicable Pricing Supplement, or if no bond is so specified, the Fallback Bond. If the Related Bond is "Fallback Bond", then for any Related Bond determination under these Conditions, the Determination Agent shall use the Fallback Bond (as that is defined in this Condition 12.7 (*Definitions Applicable to Inflation-Linked Securities*) herein). If no bond is specified in the applicable Pricing Supplement as the Related Bond and "Fallback Bond: Not Applicable" is specified in the applicable Pricing Supplement there will be no Related Bond. If a bond is selected as the Related Bond in the applicable Pricing Supplement, and that bond redeems or matures before the relevant Expiration Date, unless "Fallback Bond: Not Applicable" is specified in the applicable Pricing Supplement, the Determination Agent shall use the Fallback Bond for any Related Bond determination;

"**Substitute Index Level**" means an Index level, determined by the Determination Agent pursuant to the provisions of Condition 12.1 (*Delay of Publication*), in respect of an Affected Exercise Date; and

"**Successor Index**" has the meaning specified in Condition 12.2 (*Cessation of Publication*).

13. Provisions relating to Futures Contract-Linked Securities

This Condition 13 (*Provisions relating to Futures Contract-Linked Securities*) is applicable in respect of any Series of Warrants or Certificates ("**Futures Contract-Linked Securities**") where "**Futures Contract-Linked Settlement Provisions**" are specified in the applicable Pricing Supplement as being applicable.

13.1 *Reference Dates, Averaging Dates and Market Disruption*

- (a) If a Reference Date is not a Scheduled Trading Day, the relevant Reference Date shall be the next succeeding Scheduled Trading Day or, if either "Common Scheduled Trading Days and Common Disrupted Days" or "Common Scheduled Trading Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, the next succeeding Common Scheduled Trading Day.
- (b) Subject to Condition 13.1(d) (*Reference Dates, Averaging Dates and Market Disruption*) below, if any Scheduled Reference Date is a Disrupted Day, then:
 - (i) in the case of a Single Futures Contract Security, the relevant Reference Date shall be the earlier of (i) the first succeeding Scheduled Trading Day that is not in the determination of the Determination Agent a Disrupted Day and (ii) the Reference Cut-Off Date (notwithstanding that such Scheduled Trading Day is a Disrupted Day).
 - (ii) in the case of a Futures Contract Basket Security:
 - (A) where "Individual Scheduled Trading Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, if the Determination Agent determines that any Scheduled Reference Date is a Disrupted Day in respect of any Basket Component, then:
 - (1) the Reference Date for each Basket Component in respect of which the Scheduled Reference Date is not a Disrupted Day shall be the Scheduled Reference Date for such Basket Component; and
 - (2) the Reference Date for any Basket Component in respect of which the Scheduled Reference Date is a Disrupted Day (each an "**Affected Basket Component**") shall be the earlier of (A) the first Scheduled Trading Day following the relevant Scheduled Reference Date that is not a Disrupted Day in respect of such Affected Basket Component; and (B) the Reference Cut-Off Date for such Affected Basket Component (notwithstanding that such day may not be a Scheduled Trading Day).
 - (B) where "Common Scheduled Trading Days and Common Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, if the Determination Agent determines that any Scheduled Reference Date is a Disrupted Day in respect of any Basket Component, then the Reference Date for each Basket Component shall be the earlier of (i) the first Common Scheduled Trading Day following the relevant Scheduled Reference Date that is not a Disrupted Day with respect to any Basket Component; and (ii) the Reference Cut-Off Date (notwithstanding that such day may not be a Common Scheduled Trading Day).
 - (C) where "Common Scheduled Trading Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, if the Determination Agent determines that any Scheduled Reference Date is a Disrupted Day in respect of any Basket Component, then:

- (1) the Reference Date for each Basket Component in respect of which the Scheduled Reference Date is not a Disrupted Day shall be the Scheduled Reference Date for such Basket Component; and
 - (2) the Reference Date for each Basket Component in respect of which the Scheduled Reference Date is a Disrupted Day (each an "**Affected Basket Component**") shall be the earlier of (A) the first Scheduled Trading Day following the relevant Scheduled Reference Date that is not a Disrupted Day in respect of such Affected Basket Component; and (B) the Reference Cut-Off Date for such Affected Basket Component (notwithstanding that such day may not be a Common Scheduled Trading Day or a Scheduled Trading Day).
- (iii) in the case of any Single Futures Contract Security or Futures Contract Basket Security (as the case may be), where a Reference Date falls on the relevant Reference Cut-Off Date pursuant to Condition 13.1(c)(ii) (*Reference Dates, Averaging Dates and Market Disruption*), then:
 - (A) if such Reference Cut-Off Date is not a Disrupted Day for such Single Futures Contract Security or Futures Contract Basket Security (as the case may be), the Determination Agent shall determine the value of such Futures Contract as at the Determination Time on such Reference Cut-Off Date; or
 - (B) if such Reference Cut-Off Date is a Disrupted Day, in respect of Single Futures Contract Security and Futures Contract Basket Security, the Determination Agent shall determine, in its reasonable discretion, its good faith estimate of the value for such Futures Contract as of the Determination Time on such Reference Cut-Off Date.
- (c) Subject to Condition 13.1(d) (*Reference Dates, Averaging Dates and Market Disruption*) below, if Averaging Dates are specified in the applicable Pricing Supplement as being applicable, then, notwithstanding any other provisions of these Conditions (other than Condition 13.1(d)) (*Reference Dates, Averaging Dates and Market Disruption*) below, the following provisions will apply to the valuation of the relevant Futures Contract in relation to the relevant Reference Date:
 - (i) If, in respect of a Single Futures Contract Security, a Scheduled Averaging Date is determined by the Determination Agent to be a Disrupted Day, then if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is:
 - (A) "**Omission**", then such date will be deemed not to be a relevant Averaging Date in respect of such Reference Date for the purposes of determining the relevant level, price, value or amount provided that, if through the operation of this provision no Averaging Date would occur with respect to the relevant Reference Date, then Condition 13.1(b) (*Reference Dates, Averaging Dates and Market Disruption*) will apply for purposes of determining the relevant level, price, value or amount on the final Averaging Date in respect of that Reference Date as if such final Averaging Date were a Reference Date that was a Disrupted Day;
 - (B) "**Postponement**", then Condition 13.1(b) (*Reference Dates, Averaging Dates and Market Disruption*) above will apply for the purposes of determining the relevant level, price, value or amount on that date as if such date were a Reference Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date for the relevant Warrants or Certificates; or
 - (C) "**Modified Postponement**", then the Averaging Date shall be the earlier of (I) the first Valid Date following the Scheduled Averaging Date and (II) the Averaging Cut-Off Date, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date.
 - (ii) If, in respect of a Futures Contract Basket Security, a Scheduled Averaging Date in respect of a Reference Date is determined by the Determination Agent to be a Disrupted Day in respect of any Basket Component, then:

- (A) where "Individual Scheduled Trading Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement:
- (1) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Omission":
 - (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (b) such date shall not be an Averaging Date in respect of such Reference Date for any Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "Affected Basket Component"), provided that if through the operation of this provision there would not be any Averaging Date in respect of such Reference Date for the Affected Basket Component, then the sole Averaging Date for such Affected Basket Component shall be the earlier of (I) the first Scheduled Trading Day following the final Scheduled Averaging Date that is not a Disrupted Day in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component;
 - (2) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Postponement":
 - (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (b) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**") shall be the earlier of (I) the first Scheduled Trading Day following the Scheduled Averaging Date that is not a Disrupted Day in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component. Any day (including, for the avoidance of doubt, the Averaging Cut-Off Date) determined to be an Averaging Date as a result of the operation of this Condition 13.1(c)(ii)(A)(2)(b) shall be an Averaging Date, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date; or
 - (3) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Modified Postponement":
 - (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (b) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**") shall be the earlier of (I) the first Valid Date following the Scheduled Averaging Date in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date;
- (B) where "Common Scheduled Trading Days and Common Disrupted Days" is specified to be applicable in the applicable Pricing Supplement:

- (1) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Omission", such date will be deemed not to be a relevant Averaging Date in respect of any Basket Component for the purposes of determining the relevant level, price, value or amount provided that, if through the operation of this provision there would be no Averaging Date in respect of such Reference Date, then the sole Averaging Date for each Basket Component shall be the earlier of (A) the first Common Scheduled Trading Day following the Scheduled Averaging Date that is not a Disrupted Day for any Basket Component and (B) the Averaging Cut-Off Date (notwithstanding the fact that such Averaging Cut-Off Date may not be a Common Scheduled Trading Day);
 - (2) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Postponement", then the Averaging Date shall be the earlier of (A) the first Common Scheduled Trading Day following the Scheduled Averaging Date that is not a Disrupted Day in respect of any Basket Component and (B) the Averaging Cut-Off Date (notwithstanding the fact that such Averaging Cut-Off Date may not be a Common Scheduled Trading Day). Any day (including, for the avoidance of doubt, the Averaging Cut-Off Date) determined to be an Averaging Date as a result of the operation of this Condition 13.1(c)(ii)(B)(2) shall be an Averaging Date, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date; or
 - (3) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Modified Postponement", then the Averaging Date for each Basket Component shall be the earlier of (I) the first Common Valid Date following the Scheduled Averaging Date and (II) the Averaging Cut-Off Date (notwithstanding the fact that such Averaging Cut-Off Date may not be a Common Scheduled Trading Day), irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date;
- (C) where "Common Scheduled Trading Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement:
- (1) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Omission":
 - (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (b) such date shall not be an Averaging Date in respect of such Reference Date for any Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**"), provided that if through the operation of this provision there would not be any Averaging Date in respect of such Reference Date for the Affected Basket Component, then the sole Averaging Date for such Affected Basket Component shall be the earlier of (I) the first Scheduled Trading Day following the final Scheduled Averaging Date that is not a Disrupted Day in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component (notwithstanding the fact that such day may not be a Common Scheduled Trading Day);
 - (2) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Postponement":

- (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (b) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**") shall be the earlier of (I) the first Scheduled Trading Day following the Scheduled Averaging Date that is not a Disrupted Day in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component (notwithstanding the fact that such day not be a Common Scheduled Trading Day). Any day (including, for the avoidance of doubt, the Averaging Cut-Off Date) determined to be an Averaging Date as a result of the operation of this Condition 13.1(c)(ii)(C)(2)(b) shall be an Averaging Date, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date; or
- (3) if, in relation to "**Averaging Date Disruption**", the consequence specified in the applicable Pricing Supplement is "Modified Postponement":
 - (a) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (b) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**") shall be the earlier of (I) the first Valid Date (that is a Scheduled Trading Day) following the Scheduled Averaging Date in respect of such Affected Basket Component and (II) the Averaging Cut-Off Date for such Affected Basket Component, irrespective of whether it falls on a day that already is or is deemed to be an Averaging Date;
- (iii) If, in respect of any Single Futures Contract Security or Futures Contract Basket Security (as the case may be), an Averaging Date falls on the relevant Averaging Cut-Off Date pursuant to Condition 13.1(c)(ii) (*Reference Dates, Averaging Dates and Market Disruption*):
 - (A) if such Averaging Cut-Off Date is not a Disrupted Day for such Single Futures Contract Security or Futures Contract Basket Security (as the case may be), the Determination Agent shall determine the value of such Futures Contract as at the Determination Time on such Averaging Cut-Off Date; or
 - (B) if such Averaging Cut-Off Date is a Disrupted Day in respect of Single Futures Contract Security or Futures Contract Basket Security (as the case may be), the Determination Agent shall determine, in its reasonable discretion, its good faith estimate of the value for such Futures Contract as of the Determination Time on such Averaging Cut-Off Date.
- (iv) If any Averaging Dates in relation to a Reference Date occur after that Reference Date as a result of the occurrence of a Disrupted Day, then (i) the relevant Interest Payment Date, Exercise Date or (ii) the occurrence of a Futures Contract Adjustment Event or an Additional Disruption Event shall be determined by reference to the last such Averaging Date as though it were that Reference Date.
- (d) If in respect of a Futures Contract and a Reference Date, a Scheduled Reference Date or Scheduled Averaging Date is specified to be the "Expiry Date" in the applicable Pricing Supplement and due to the Scheduled Reference Date or Scheduled Averaging Date (as the case may be) being a Disrupted Day (or for any other reason), the final settlement price has been announced and published on or prior to the Scheduled Reference Date or Scheduled Averaging Date (as the case may be), then the Reference Date or Averaging Date (as the case may be) for such Futures Contract shall fall on the Expiry Date and the

provisions of Conditions 13.1(b) and (c) (*Reference Dates, Averaging Dates and Market Disruption*) above shall not apply to such Futures Contract and Scheduled Reference Date or Scheduled Averaging Date (as the case may be).

- (e) If an event or circumstance that would otherwise constitute or give rise to a Disrupted Day also constitutes a Futures Contract Adjustment Event, the Determination Agent shall determine whether such event or circumstance shall be treated as a Disrupted Day or a Futures Contract Adjustment Event.

13.2 Administrator/Benchmark Event or Disappearance of Futures Contract or Settlement Price:

If the applicable Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and, on or prior to any Reference Date, (i) an Administrator/Benchmark Event and an Administrator/Benchmark Event Date occurs or (ii) a Disappearance of Futures Contract or Settlement Price occurs, in each case in respect of a relevant Futures Contract, then:

- (a) If the applicable Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and if an Alternative Pre-nominated Futures Contract has been specified in relation to such Futures Contract in the applicable Pricing Supplement, then:

- (i) the Determination Agent shall attempt to determine an Adjustment Payment;
- (ii) if the Determination Agent determines an Adjustment Payment,

- (A) it shall notify the Issuer of the Adjustment Payment and if the Adjustment Payment is an amount that the Securityholder would (but for Condition 13.2(a)(ii)(C)(2)) be required to pay to the Issuer in respect of each Security, request the Issuer to notify the Determination Agent whether it intends to terminate the Warrants or Certificates pursuant to Condition 13.4(b) (*Termination*). If the Issuer does not intend to terminate the Warrants or Certificates pursuant to Condition 13.4(b) (*Termination*) then the following provisions of this Condition 13.2(a) (*Administrator/Benchmark Event or Disappearance of Futures Contract or Settlement Price*) shall apply;

- (B) the terms of the Warrants or Certificates shall be amended so that references to the Futures Contract are replaced by references to the Alternative Pre-nominated Futures Contract;

- (C) the Conditions shall be adjusted to implement the Adjustment Payment as follows:

- (1) if the Adjustment Payment is an amount that the Issuer is required to pay in respect of each Security, the Determination Agent shall adjust the Conditions to provide for the payment of the Adjustment Payment on the immediately succeeding Interest Payment Date or if there is no such immediately succeeding Interest Payment Date, on the Exercise Date or other date when the Warrants or Certificates are settled in full; or

- (2) if the Adjustment Payment is an amount that the Securityholder would (but for this Condition 13.2(a)(ii)(C)(2)) be required to pay to the Issuer in respect of each Security, the Determination Agent shall adjust the Conditions to provide for the reduction of the amounts due by the Issuer until the aggregate amount of such reductions is equal to the Adjustment Payment, (subject, in the determination of the Determination Agent, to any minimum settlement amount of the Warrants or Certificates which the Determination Agent determines is required pursuant to any applicable law or regulation (including, without limitation, any tax law) and the rules of each listing authority, stock exchange and/or quotation system by which the Warrants or Certificates have then been admitted to listing, trading and/or quotation);

- (D) the Determination Agent shall make such other adjustments to the Conditions as it determines necessary or appropriate in order to account for the effect of the replacement of the Futures Contract with the Alternative Pre-nominated Futures Contract and/or to preserve as nearly as practicable the economic equivalence of the Warrants or Certificates before and after the replacement of the Futures Contract with the Alternative Pre-nominated Futures Contract; and
 - (E) the Determination Agent shall notify the Issuer, the Principal Securities Agent and the Securityholders of any the replacement of the Futures Contract by the Alternative Pre-nominated Futures Contract, the Adjustment Payment and any other adjustments to the Conditions, giving summary details of the adjustment(s), provided that any failure to give such notice shall not affect the validity of the foregoing.
- (iii) If the Determination Agent is unable to determine an Adjustment Payment then Condition 13.4(b) (*Termination*) shall apply.
 - (b) If the applicable Pricing Supplement does not specify that the Benchmark Trigger Provisions are applicable or, if the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable but does not specify an Alternative Pre-nominated Futures Contract in relation to the relevant Futures Contract, then Condition 13.4(b) (*Termination*) shall apply.
 - (c) If it (i) is or would be unlawful at any time under any applicable law or regulation or (ii) would contravene any applicable licensing requirements, in each case for the Issuer, the Determination Agent or the Calculation Agent to perform the actions prescribed in this Condition 13.2 (*Administrator/Benchmark Event or Disappearance of Futures Contract or Settlement Price*) (or it would be unlawful or would contravene those licensing requirements were a determination to be made at such time), then Condition 13.4(b) (*Termination*) shall apply.

13.3 ***Futures Contract Adjustment Events***

If so specified in the Pricing Supplement relating to any Series of Futures Contract Securities, the following shall constitute "**Futures Contract Adjustment Events**" for the purposes of such Series:

- (a) "**Price Source Disruption**", which means (i) the failure of the Futures Contract Sponsor to announce or publish the Settlement Price (or the information necessary for determining the Settlement Price) or (ii) the failure by the relevant Exchange to publish the Settlement Price;
- (b) "**Trading Restriction**", which means the material suspension of, or the material limitation imposed on, trading in (i) the Futures Contract on the Exchange or (ii) any relevant Futures Contract Underlier(s).
- (c) "**Disappearance or Non-commencement of Futures Contract or Settlement Price**", which means (i) the permanent discontinuation of the Futures Contract or of trading in the relevant Futures Contract on the relevant Exchange or (ii) the disappearance or permanent discontinuance or unavailability of a Settlement Price or (iii) trading in the relevant Futures Contract never commenced and, in any such case, no Successor Futures Contract exists provided that the scheduled expiry of a Futures Contract in accordance with the relevant contract specifications shall not constitute the Disappearance or Non-commencement of Futures Contract or Settlement Price;
- (d) "**Material Change in Formula**", which means the occurrence since the Trade Date of a material change or modification in the formula for or method of calculating the settlement price or other price of the relevant Futures Contract;
- (e) "**Material Change in Content**", which means the occurrence since the Trade Date of a material change or modification in the content, composition or constitution of the relevant Futures Contract;
- (f) "**Tax Disruption**", which means the imposition of, change in or removal of an excise, severance, sales, use, value added, transfer, stamp, documentary, recording or similar tax on, or

measured by reference to, the relevant Futures Contract (other than a tax on, or measured by reference to, overall gross or net income) by any government or taxation authority after the Trade Date, if the direct effect of such imposition, change or removal is to raise or lower the relevant level, price, value or amount on the day that would otherwise be a Reference Date from what it would have been without that imposition, change or removal.

- (g) **"Change of Exchange"**, which means that the Futures Contract is no longer negotiated on the Exchange and/or under a market-standard format as of the Trade Date but is negotiated on an exchange and/or under a format that is not acceptable to the Determination Agent.
- (h) **"Illiquidity Event"**, which means that in the determination of the Determination Agent, the liquidity of the Futures Contract has decreased significantly since the Trade Date, such decrease of liquidity being likely to have a material impact on any hedging arrangements of the Issuer and/or any of its Affiliates in connection with the Warrants or Certificates.

13.4 ***Adjustments for Futures Contract Adjustment Events:***

(a) ***Adjustment:***

If a Futures Contract Adjustment Event which is a Price Source Disruption, a Trading Disruption, a Material Change in Formula, a Material Change in Content, a Tax Disruption, a Change of Exchange or an Illiquidity Event occurs, the Determination Agent shall determine if such Futures Contract Adjustment Event has a material effect on the Warrants or Certificates and, if so, subject to Condition 13.4(b) (*Termination*), shall:

- (i) make such adjustments to the Conditions and/or the applicable Pricing Supplement as the Determination Agent determines necessary or appropriate to account for the effect of such Futures Contract Adjustment Event and determine the effective date of each such adjustment; and/or
- (ii) substitute such Futures Contract with a new Futures Contract selected by the Determination Agent (which shall be a replacement futures contract using, in the determination of the Determination Agent, the same or a substantially similar formula and method of calculation as used in the calculation of the Futures Contract or a replacement futures contract selected by the Determination Agent in accordance with any other criteria specified in the applicable Pricing Supplement) and make such adjustments (if any) to the Conditions and/or the applicable Pricing Supplement as it deems necessary or appropriate in relation to such substitution. Such new futures contract shall be deemed to be a Futures Contract in place of the Futures Contract the subject of the Futures Contract Adjustment Event.

If the Determination Agent determines that no calculation, adjustment and/or substitution can reasonably be made pursuant to the above, Condition 13.4(b) (*Termination*) shall apply.

(b) ***Termination:***

If either:

- (i) a Futures Contract Adjustment Event which is a Disappearance of Futures Contract or Settlement Price occurs or an Administrator/Benchmark Event and an Administrator/Benchmark Event Date occurs and:
 - (A) the Pricing Supplement does not specify that the Benchmark Trigger Provisions are applicable;
 - (B) the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable but does not specify an Alternative Pre-nominated Futures Contract;
 - (C) the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and specifies an Alternative Pre-nominated Futures Contract but the Determination Agent is unable to determine the Adjustment Payment;

- (D) the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and specifies an Alternative Pre-nominated Futures Contract and the Determination Agent determines that the Adjustment Payment would be an amount that the Securityholder would (but for Condition 13.2(a)(ii)(C)(2)) be required to pay to the Issuer in respect of each Security; or
- (E) it (a) would be unlawful at any time under any applicable law or regulation or (b) would contravene any applicable licensing requirements, in each case for the Determination Agent to calculate the relevant level, price, value or amount in accordance with Condition 13.4(a) (*Adjustment*); or
- (ii) any Futures Contract Adjustment Event (other than a Disappearance of Futures Contract or Settlement Price) occurs and the Determination Agent determines that no calculation, adjustment and/or substitution can reasonably be made pursuant to Condition 13.4(a) (*Adjustment*),

then the Issuer may, at any time thereafter and in its reasonable discretion, determine that the Warrants or Certificates shall be terminated as of any later date. If the Issuer so determines that the Warrants or Certificates shall be terminated, then the Warrants or Certificates shall cease to be exercisable (or, in the case of any Warrants or Certificates which have been exercised, the entitlements of the respective exercising Securityholders to receive the Underlying Securities or payment of the Cash Settlement Amount, as the case may be, pursuant to such exercise shall cease) as of such later date and the Issuer will pay an amount which the Determination Agent, in its reasonable discretion, determines is an amount equal to the Early Settlement Amount.

The Issuer's obligations under the relevant Warrants or Certificates shall be satisfied in full upon payment of such amount.

If the Issuer determines that the relevant Warrants or Certificates shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to any variable relevant to the redemption, settlement or payment terms of the relevant Warrants or Certificates and/or any other adjustment, which change or adjustment shall be effective on such date as the Determination Agent shall determine. The Principal Securities Agent shall provide notice to the Securityholders of any such change or adjustment in accordance with Condition 29.7 (*Notices*), giving summary details of the relevant change or adjustment, provided that any failure to give such notice shall not affect the validity of any such change or adjustment.

13.5 ***Correction of Futures Contract Prices:***

If any settlement price announced by the Futures Contract Sponsor or published by the Exchange and which is utilised by the Determination Agent for any calculation or determination (the "**Original Determination**") under the Securities is subsequently corrected and the correction (the "**Corrected Value**") is published by the Futures Contract Sponsor by such time (the "**Correction Cut Off Time**") as may be specified in the applicable Pricing Supplement (or, if none is so specified, at least 3 Business Days prior to the relevant Reference Date, Expiration Date or any early termination date of the Futures Contract Securities or Futures Contract Basket Securities (as applicable)), then the Determination Agent will notify the Issuer and the Principal Securities Agent of the Corrected Value as soon as reasonably practicable and shall determine the relevant value (the "**Replacement Determination**") using the Corrected Value. If the result of the Replacement Determination is different from the result of the Original Determination, to the extent that it determines to be necessary and practicable, the Determination Agent may adjust any relevant terms accordingly.

In the event there is any discrepancy between any settlement price published or announced by the Futures Contract Sponsor and the Exchange any which is used by the Determination Agent for any calculation or determination under the Warrants or Certificates and that is not otherwise corrected pursuant to this Condition 13.5 (*Correction of Futures Contract Prices*), the settlement price selected by the Determination Agent acting in good faith and a commercially reasonable manner shall prevail for the relevant day.

13.6 ***Additional Disruption Events***

- (a) Following the occurrence of an Additional Disruption Event, the Issuer will, in its reasonable discretion, determine whether or not the relevant Warrants or Certificates shall continue or shall be terminated early.
- (b) If the Issuer determines that the relevant Warrants or Certificates shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to the formula for the Cash Settlement Amount, any Interest Amount and/or the relevant level, price, value or amount set out in the applicable Pricing Supplement, the number of Futures Contracts to which each Warrant or Certificate relates, the number of Futures Contracts comprised in a Basket of Futures Contracts, the amount, the number of or type of shares, futures contracts or other securities which may be delivered under such Warrants or Certificates and, in any case, any other variable relevant to the termination, settlement, or payment terms of the relevant Warrants or Certificates and/or any other adjustment (including without limitation, in relation to Futures Contract Basket Securities, the cancellation of terms applicable in respect of any Futures Contracts affected by the relevant Additional Disruption Event), to account for the economic effect on the Warrants or Certificates of such Additional Disruption Event, which change or adjustment shall be effective on such date as the Determination Agent shall determine.
- (c) If the Issuer determines that the relevant Warrants or Certificates shall be terminated, then the Warrants or Certificates shall cease to be exercisable (or, in the case of any Warrants or Certificates which have been exercised, the entitlements of the respective exercising Securityholders to receive the Underlying Securities or payment of the Cash Settlement Amount, as the case may be, pursuant to such exercise shall cease) as of such later date and the Issuer will pay an amount which the Determination Agent, in its reasonable discretion, determines is an amount equal to the Early Settlement Amount.
- (d) The Issuer shall as soon as reasonably practicable under the circumstances notify the Principal Securities Agent and the Determination Agent of the occurrence of an Additional Disruption Event.
- (e) For the purposes hereof:

"Additional Disruption Event" means with respect to any Series of Futures Contract Securities, any or all of a Change in Law, a Hedging Disruption, an Increased Cost of Hedging and an Increased Regulatory Capital, as have been specified in the applicable Pricing Supplement as an applicable Additional Disruption Event with respect to such Warrants or Certificates.

13.7 ***Definitions applicable to Futures Contract Securities and Futures Contract Basket Securities***

In relation to Futures Contract Securities and Futures Contract Basket Securities, the following expressions have the meanings set out below:

"Adjustment Payment" means, in respect of any Warrant or Certificate, the payment (if any) determined by the Determination Agent as is required 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 a Futures Contract by the Alternative Pre-nominated Futures Contract. The Determination Agent may determine that the Adjustment Payment is zero;

"Alternative Pre-nominated Futures Contract" means, in respect of a Futures Contract, the first of the indices, benchmarks or other price sources specified in the applicable Pricing Supplement as an "Alternative Pre-nominated Futures Contract" that is not subject to an Administrator/Benchmark Event;

"Averaging Cut-Off Date" means, in the case where Warrants or Certificates relate to a Futures Contract or Basket of Futures Contracts and in respect of a Scheduled Averaging Date for the purposes of Condition 13.1 (*Reference Dates, Averaging Dates and Market Disruption*) the date falling the Specified Number of Scheduled Trading Days or the Specified Number of Common Scheduled Trading Days (as the case may be) following the Scheduled Averaging Date, or if no such number is specified:

- (a) if "Common Scheduled Trading Days and Common Disrupted Days" in respect of a Basket of Futures Contracts is specified to be applicable in the Pricing Supplement, the eighth Common Scheduled Trading Day following such Scheduled Averaging Date; or
- (b) in any other case, the eighth Scheduled Trading Day following such Scheduled Averaging Date;

"Averaging Date" means, in respect of each Reference Date, either:

- (a) in the case of (i) a Single Futures Contract Security or (ii) a Futures Contract Basket Security where the applicable Pricing Supplement provides that "Individual Scheduled Trading Days and Individual Disrupted Days" shall be applicable, each date specified as such in the applicable Pricing Supplement, or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day for such (or the relevant) Futures Contract or Basket Component (as the case may be); or
- (b) in the case of a Futures Contract Basket Security, where the applicable Pricing Supplement provides that either "Common Scheduled Trading Days and Common Disrupted Days" or "Common Scheduled Trading Days and Individual Disrupted Days" shall be applicable, each date specified as such in the applicable Pricing Supplement, or if any such date is not a Common Scheduled Trading Day, the next following Common Scheduled Trading Day for such Basket of Futures Contracts,

provided that if any such day is a Disrupted Day, the Averaging Date shall be determined in accordance with the provisions of Condition 13.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"Basket" means in relation to any Futures Contract Basket Securities, the Futures Contracts specified in the applicable Pricing Supplement as comprising the Basket, in each case in the relative proportions specified in such Pricing Supplement;

"Basket Component" means, in relation to a particular Series of Futures Contract Basket Securities, each Futures Contract comprised in the relevant Basket of Futures Contracts;

"Basket of Futures Contracts" means, in relation to a particular Series, a basket comprising the Futures Contracts specified in the applicable Pricing Supplement in the relative proportions specified in such Pricing Supplement;

"Change in Law" means that, on or after the Trade Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (x) it has become illegal to hold, acquire or dispose of any relevant Futures Contracts, or (y) it will incur a materially increased cost in performing its obligations with respect to the Warrants or Certificates (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

"Common Scheduled Trading Day" means, in respect of a Futures Contract Basket Security, each day which is a Scheduled Trading Day for all the Basket Components;

"Common Valid Date" means, in respect of a Futures Contract Basket Security, a Common Scheduled Trading Day that is not a Disrupted Day for any Basket Component and on which another Averaging Date does not or is deemed not to occur;

"Determination Date" means, in relation to any determination, each date specified as such in the applicable Pricing Supplement, provided that if any such date is (i) not a Scheduled Trading Day and/or (ii) a Disrupted Day, the relevant Determination Date shall be determined in accordance with the provisions of Condition 13.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"Determination Time" means, in respect of a Futures Contract, the time at which the Settlement Price is announced or published (or, in the case of a Disrupted Day, scheduled to be announced or published in accordance with the terms of such Futures Contract);

"Disrupted Day" means any Scheduled Trading Day on which a Market Disruption Event has occurred or is continuing;

"Exchange" means, in respect of a Futures Contract relating to Single Futures Contract Securities or Futures Contract Basket Securities, each exchange or quotation system specified as such for such Futures Contract in the applicable Pricing Supplement or, if none is specified, the principal exchange or quotation system for trading in such Futures Contract, as determined by the Determination Agent, and (without

prejudice to a Futures Contract Adjustment Event that is a Change of Exchange) any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Futures Contract has temporarily relocated, provided that the Determination Agent has determined that there is comparable liquidity relative to such Futures Contract on such temporary substitute exchange or quotation system as on the original Exchange;

"Exchange Disruption" means the Exchange fails to open for trading during any regular trading session that the Determination Agent considers material to the determination of the applicable Settlement Price for the relevant Futures Contract or any other event occurs that disrupts or impairs (as determined by the Determination Agent) the ability of market participants in general (i) to effect transactions in, comply with clearing obligations or obtain market values for, the Futures Contract on the Exchange, or (ii) to effect transactions in, comply with clearing obligations or obtain market values for, the Futures Contract Underlier(s), and in each case the Determination Agent determines that such event is material in relation to the Warrants or Certificates;

"Expiry Date" means, in respect of a Futures Contract and each day that is a Reference Date or an Averaging Date, the expiry date of such Futures Contract on which the Futures Contract Sponsor announces, and the Exchange publishes, the "final settlement price" of such Futures Contract;

"Failure to Announce or Publish" means (a) the failure by the relevant Futures Contract Sponsor to announce or publish the Settlement Price; or (b) the failure by the relevant Exchange to publish the Settlement Price provided that, if either of (a) or (b) occurs and the Determination Agent determines that the failure of the other announcement or publication to occur is not material for the purposes of the Warrants or Certificates, then such circumstances shall not constitute a Failure to Announce or Publish;

"Futures Contract" means any futures contract specified in the applicable Pricing Supplement as a Futures Contract;

"Futures Contract Sponsor" means, in respect of a Futures Contract, the corporation or other entity which (a) is responsible for setting and reviewing the contract specifications, rules and procedures and methods of calculations and adjustments, if any, related to such Futures Contract; and (b) announces (directly or through an agent) the settlement price of such Futures Contract on a regular basis;

"Futures Contract Underlier(s)" means, in respect of a Futures Contract, the or each index, rate, asset or reference item underlying such Futures Contract as specified in the applicable Pricing Supplement;

"Hedging Disruption" means that the Issuer is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations under the Warrants or Certificates, or (B) realise, recover or remit the proceeds of any such transactions or asset(s);

"Increased Cost of Hedging" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Warrants or Certificates or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s) provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging;

"Increased Regulatory Capital" means there would be a material increase (as compared with circumstances existing on the Trade Date) in the amount or cost of regulatory capital that would have to be maintained by the Issuer any/or any Affiliate in relation to the Warrants or Certificates and/or any related hedging arrangements, as determined by the Determination Agent.

"Market Disruption Event" means in respect of a Futures Contract, the occurrence or existence of (i) a Failure to Announce or Publish, (ii) a Trading Disruption, or (iii) an Exchange Disruption;

"Observation Date" means each date specified as such in the applicable Pricing Supplement, provided that if any such date is (i) not a Scheduled Trading Day and/or (ii) a Disrupted Day, the relevant Observation Date shall be determined in accordance with the provisions of Condition 13.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"Reference Cut-Off Date" means, in the case where Warrants or Certificates relate to a Futures Contract or a Basket of Futures Contracts and in respect of a Scheduled Reference Date for the purposes of Condition 13.1(b) (*Reference Dates, Averaging Dates and Market Disruption*), the date falling the Specified Number of Scheduled Trading Days or the Specified Number of Common Scheduled Trading Days (as the case may be) following the Scheduled Reference Date, or if no such number is specified:

- (a) if "Common Scheduled Trading Days and Common Disrupted Days" in respect of a Basket of Futures Contracts is specified to be applicable in the Pricing Supplement, the eighth Common Scheduled Trading Day following such Scheduled Reference Date; or
- (b) in any other case, the eighth Scheduled Trading Day, or, in respect of a Basket of Futures Contracts, the eighth Scheduled Trading Day for the Affected Basket Component, following such Scheduled Reference Date;

"Reference Date" means, for the purposes of Condition 13.1 (*Reference Dates, Averaging Dates and Market Disruption*), each Valuation Date, Observation Date, Strike Date or Determination Date (as applicable) specified in the applicable Pricing Supplement, or otherwise, any date construed to be a Reference Date in accordance with the Conditions;

"Relevant Futures Contract Benchmark" means the Futures Contract or the Futures Contract Underlier;

"Scheduled Averaging Date" means an original date (following any adjustment (if applicable) pursuant to paragraph (a) or (b) of the definition of "Averaging Date") that, but for such day being a Disrupted Day, would have been a Reference Date;

"Scheduled Closing Time" means in respect of an Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of regular trading session hours;

"Scheduled Reference Date" means, for the purposes of Condition 13.1 (*Reference Dates, Averaging Dates and Market Disruption*), any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Reference Date;

"Scheduled Trading Day" means any day on which each Exchange is scheduled to be open for trading for their respective regular trading sessions notwithstanding that any such Exchange may close prior to its Scheduled Closing Time;

"Settlement Price" means, in respect of a Futures Contract and any day, the official "daily settlement price" or "final settlement price" on such day (in each case, however defined in the contract specifications of such Futures Contract or the relevant Exchange);

"Specified Number of Scheduled Trading Days" means the number specified as such in the applicable Pricing Supplement;

"Specified Number of Common Scheduled Trading Days" means the number specified as such in the applicable Pricing Supplement;

"Strike Date" means each date specified as such in the applicable Pricing Supplement, provided that if any such date is (i) not a Scheduled Trading Day and/or (ii) a Disrupted Day, the relevant Strike Date shall be determined in accordance with the provisions of Condition 13.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"Successor Futures Contract" means, in respect of a Futures Contract, a successor futures contract using, in the determination of the Determination Agent, the same or a substantially similar formula for or method of calculation as used in the calculation of such Futures Contract;

"Trading Disruption" means any suspension of or limitation imposed on trading by the Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or otherwise relating to the Futures Contract on the Exchange, which the Determination Agent determines to be material in relation to the Warrants or Certificates;

"Valid Date" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in respect of the Reference Date does not, or is not deemed to, occur; and

"Valuation Date" means each date specified as such in the applicable Pricing Supplement, provided that if any such date is (i) not a Scheduled Trading Day and/or (ii) a Disrupted Day, the relevant Valuation Date shall be determined in accordance with the provisions of Condition 13.1 (*Reference Dates, Averaging Dates and Market Disruption*).

14. Provisions relating to Property-Linked Securities

This Condition 14 (*Provisions relating to Property-Linked Securities*) is applicable in respect of any Series of Warrants or Certificates ("**Property-Linked Securities**") where "**Property-Linked Settlement Provisions**" are specified in the applicable Pricing Supplement as being applicable.

14.1 *Rebasing of the Property Index*

If the Determination Agent determines that an Index has been or will be Rebased at any time (the Property Index as so Rebased, the "**Rebased Property Index**"), the Rebased Property Index will be used for the purposes of determining the level of the Property Index from the date of such Rebasing, provided however, that the Determination Agent shall adjust the terms of the Warrants or Certificates so that the use of the Rebased Property Index reflects what would have been the performance of the Index had the Rebasing not occurred save that any such Rebasing shall not affect any prior payments under the Warrants or Certificates.

14.2 *Error in Publication*

If the Determination Agent determines that an Error in Publication has occurred with respect to the Property Index, the Determination Agent may (a) use the corrected level of the Property Index to make any relevant calculations and/or (b) make any necessary adjustments to the relevant Property Index Level and such other terms of the Warrants or Certificates as it in its reasonable discretion determines to be appropriate to account for such Error in Publication.

For these purposes:

An "**Error in Publication**" will occur if the Property Index Sponsor announces that an error has occurred with respect to the Property Index Level as published on any Publication Date; the Property Index Level for such Publication Date is corrected to remedy such error; and the correction is published by the Index Sponsor at any time prior to the next following Scheduled Publication Date or if earlier any relevant determination date. An Error in Publication will not include a routine revision in the level of the Index in a regularly scheduled republication of the Index.

14.3 *Determination Agent Unable to Perform Actions*

If it (a) is or would be unlawful at any time under any applicable law or regulation or (b) would contravene any applicable licensing requirements, for the Determination Agent to perform the actions prescribed in Condition 14.2 (*Error in Publication*), then the Issuer shall terminate the relevant Warrants or Certificates, which shall cease to be exercisable (or, in the case of any Warrants or Certificates which have been exercised, the entitlements of the respective exercising Securityholders to receive payment of the Cash Settlement Amount pursuant to such exercise shall cease) and the Issuer will pay an amount in respect of each Warrant or Certificate which the Determination Agent, in its reasonable discretion, determines is an amount equal to the Early Settlement Amount.

The Issuer's obligations under the relevant Warrants or Certificates shall be satisfied in full upon payment of such amount.

14.4 *Notification of Inability to Perform Actions*

The Determination Agent shall as soon as reasonably practicable under the circumstances notify the Issuer, the Principal Securities Agent and the Securityholders of the occurrence of the event described in Condition 14.3 (*Determination Agent Unable to Perform Actions*) and of any action taken as a consequence, provided that any failure to give such notice shall not affect the validity of the foregoing.

14.5 ***Property Index Cancellation or Administrator/Benchmark Event Date***

If, for a Property Index and with respect to a Property Index Level, on or prior to the settlement date or early settlement date of the Warrants or Certificates, either (1) the Property Index Sponsor permanently cancels the Property Index and no Replacement Property Index exists (a "**Property Index Cancellation**") or (2) the applicable Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and an Administrator/Benchmark Event and an Administrator/Benchmark Event Date occurs in respect of such Property Index, then:

- (i) If the applicable Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and if an Alternative Pre-nominated Index has been specified in relation to such Property Index in the applicable Pricing Supplement, then:
 - (A) the Determination Agent shall attempt to determine an Adjustment Payment;
 - (B) if the Determination Agent determines an Adjustment Payment,
 - (aa) it shall notify the Issuer of the Adjustment Payment and if the Adjustment Payment is an amount that the Securityholder would (but for Condition 14.5(i)(B)(cc)(b)) be required to pay to the Issuer in respect of each Security, request the Issuer to notify the Determination Agent whether it intends to terminate the Warrants or Certificates pursuant to Condition 14.8 (*Property Index Adjustment Event*). If the Issuer does not intend to terminate the Warrants or Certificates pursuant to Condition 14.8 (*Property Index Adjustment Event*) then the following provisions of this Condition 14.5(i) (*Property Index Cancellation or Administrator/Benchmark Event Date*) shall apply;
 - (bb) the terms of the Warrants or Certificates shall be amended so that references to the Property Index are replaced by references to the Alternative Pre-nominated Index;
 - (cc) the Conditions shall be adjusted to implement the Adjustment Payment as follows:
 - (a) if the Adjustment Payment is an amount that the Issuer is required to pay in respect of each Security, the Determination Agent shall adjust the Conditions to provide for the payment of the Adjustment Payment on the date on which the Warrants or Certificates are settled in full; or
 - (b) if the Adjustment Payment is an amount that the Securityholder would (but for this Condition 14.5(i)(B)(cc)(b)) be required to pay to the Issuer in respect of each Security, the Determination Agent shall adjust the Conditions to provide for the reduction of the amounts due by the Issuer until the aggregate amount of such reductions is equal to the Adjustment Payment, (subject, in the determination of the Determination Agent, to any minimum settlement amount of the Warrants or Certificates which the Determination Agent determines is required pursuant to any applicable law or regulation (including, without limitation, any tax law) and the rules of each listing authority, stock exchange and/or quotation system by which the Warrants or Certificates have then been admitted to listing, trading and/or quotation);
 - (dd) the Determination Agent shall make such other adjustments to the Conditions as it determines necessary or appropriate in order to account for the effect of the replacement of the Property Index with the Alternative Pre-nominated Index and/or to preserve as nearly as practicable the economic equivalence of the Warrants or Certificates before and after the replacement of the Property Index with the Alternative Pre-nominated Index; and

- (ee) the Determination Agent shall notify the Issuer, the Principal Securities Agent and the Securityholders of any replacement of the Property Index by the Alternative Pre-nominated Index, the Adjustment Payment and any other adjustments to the Conditions, giving summary details of the adjustment(s), provided that any failure to give such notice shall not affect the validity of the foregoing.
- (C) If the Determination Agent is unable to determine an Adjustment Payment, then a Property Index Disruption Event shall be deemed to have occurred and Condition 14.8 (*Property Index Adjustment Event*) shall apply.
- (ii) If the applicable Pricing Supplement does not specify that the Benchmark Trigger Provisions are applicable or, if the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable but does not specify an Alternative Pre-nominated Index in relation to the Relevant Property Index Benchmark, then a Property Index Disruption Event shall be deemed to have occurred and Condition 14.8 (*Property Index Adjustment Event*) shall apply.

14.6 ***Delay in Publication***

If the Property Index Level has not been announced by the Scheduled Publication Date or if earlier any relevant determination date, the following will apply:

- (a) if the Property Index Sponsor publishes a provisional Property Index Level prior to the next Scheduled Publication Date or if earlier any relevant determination date, such provisional level of the Property Index for that Measurement Period shall apply for the purposes of the Warrants or Certificates; or
- (b) if the Property Index Sponsor fails to publish the Property Index Level prior to the next occurring Scheduled Publication Date or if earlier any relevant determination date, in circumstances other than those described in Condition 14.5 (*Property Index Cancellation or Administrator/Benchmark Event Date*), a Property Index Disruption Event shall be deemed to have occurred and Condition 14.8 (*Property Index Adjustment Event*) shall apply.

14.7 ***Methodology Adjustment***

If the Property Index Sponsor announces that it has changed the methodology in calculating a Property Index and:

- (a) continues publication of a property index based on the original methodology (the "**Replacement Property Index**"), such Replacement Property Index shall apply in lieu of the original Property Index in relation to the Warrants or Certificates; or
- (b) discontinues publication of the Property Index based on the original Computational Methodology, a Property Index Disruption Event shall be deemed to have occurred and the procedure set out in Condition 14.8 (*Property Index Adjustment Event*) shall apply.

14.8 ***Property Index Adjustment Event***

If:

- (i) a Property Index Cancellation occurs and the Pricing Supplement does not specify that the Benchmark Trigger Provisions are applicable;
- (ii) a Property Index Cancellation or an Administrator/Benchmark Event Date occurs in respect of a Property Index, the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable but does not specify an Alternative Pre-nominated Index;
- (iii) a Property Index Cancellation or an Administrator/Benchmark Event Date occurs in respect of a Property Index, the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and specifies an Alternative Pre-nominated Index but the Determination Agent is unable to determine the Adjustment Payment;

- (iv) a Property Index Cancellation or an Administrator/Benchmark Event Date occurs in respect of a Property Index, the Pricing Supplement specifies that the Benchmark Trigger Provisions are applicable and specifies an Alternative Pre-nominated Index and the Determination Agent determines that the Adjustment Payment would be an amount that the Securityholder would (but for Condition 14.5(i)(B)(cc)(b)) be required to pay to the Issuer in respect of each Security; or
- (v) a Property Index Disruption Event occurs,

then the Issuer shall, in its reasonable discretion, determine whether or not the relevant Warrants or Certificates shall continue or be terminated early. If the Issuer determines that the relevant Warrants or Certificates shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, to preserve the economic value of the Warrants or Certificates. If the Issuer determines that the Warrants or Certificates shall be terminated early, then the relevant Warrants or Certificates shall cease to be exercisable (or, in the case of any Warrants or Certificates which have been exercised, the entitlements of the respective exercising Securityholders to receive payment of the Cash Settlement Amount pursuant to such exercise shall cease) and the Issuer will pay an amount in respect of each Warrant or Certificate which the Determination Agent, in its reasonable discretion, determines is an amount equal to the Early Settlement Amount.

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

If the Issuer determines that the relevant Warrants or Certificates shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to any variable relevant to the exercise, settlement or payment terms of the relevant Warrants or Certificates and/or any other adjustment, which change or adjustment shall be effective on such date as the Determination Agent shall determine. The Principal Securities Agent shall provide notice to the Securityholders of any such change or adjustment in accordance with Condition 29.7 (*Notices*), giving summary details of the relevant change or adjustment, provided that any failure to give such notice shall not affect the validity of any such change or adjustment.

14.9 ***Notification of Property Index Adjustment Event***

The Determination Agent shall as soon as reasonably practicable under the circumstances notify the Issuer, the Principal Securities Agent and the Securityholders of the occurrence of a Property Index Adjustment Event and of any action taken as a consequence, provided that any failure to give such notice shall not affect the validity of the foregoing.

14.10 ***Additional Disruption Events***

- (a) Following the occurrence of an Additional Disruption Event, the Issuer will, in its reasonable discretion, determine whether or not the relevant Warrants and Certificates shall continue or be redeemed early.
- (b) If the Issuer determines that the relevant Warrants or Certificates shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to any variable relevant to the redemption, settlement, or payment terms of the relevant Warrants or Certificates and/or any other adjustment which change or adjustment shall be effective on such date as the Determination Agent shall determine.
- (c) If the Issuer determines that the relevant Warrants or Certificates shall be terminated, then the Warrants or Certificates shall cease to be exercisable (or, in the case of any Warrants or Certificates which have been exercised, the entitlements of the respective exercising Securityholders to receive payment of the Cash Settlement Amount pursuant to such exercise shall cease) as of such later date and the Issuer will pay an amount which the Determination Agent, in its reasonable discretion, determines is an amount equal to the Early Settlement Amount.
- (d) The Issuer shall as soon as reasonably practicable under the circumstances notify the Principal Securities Agent and the Determination Agent of the occurrence of an Additional Disruption Event.
- (e) For the purposes hereof:

"Additional Disruption Event" means, if specified as applicable in the applicable Pricing Supplement, with respect to any Series of Warrants or Certificates, a Change in Law, Hedging Disruption, Increased Cost of Hedging and any further event or events as may be specified in the applicable Pricing Supplement as an Additional Disruption Event with respect to such Warrants or Certificates.

14.11 *Definitions Applicable to Property-Linked Securities*

In relation to Property-Linked Securities, the following expressions have the meanings set out below:

"Adjustment Payment" means, in respect of any Security, the payment (if any) determined by the Determination Agent as is required 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 Property Index by the Alternative Pre-nominated Index;

"Change in Law" means that, on or after the Trade Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (i) it has become illegal to hold, acquire or dispose of Hedge Positions or (ii) it will incur a materially increased cost in performing its obligations with respect to the Warrants or Certificates (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

"Data Pool" means the pool of properties underlying a Property Index.

"Hedge Positions" means any purchase, sale, entry into or maintenance of one or more (a) positions or contracts in securities, commodities, options, futures, derivatives or foreign exchange, (b) stock loan transactions or (c) other instruments or arrangements (howsoever described) by a party in order to hedge, individually or on a portfolio basis, the Warrants or Certificates;

"Hedging Disruption" means that the Issuer is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations under the Warrants or Certificates, or (b) realise, recover or remit the proceeds of any such transactions or asset(s);

"Increased Cost of Hedging" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Warrants or Certificates or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s) **provided that** any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging;

"Property Index" means any index specified as such in the applicable Pricing Supplement;

"Property Index Adjustment Event" means, in respect of a Property Index, any of the events listed in Condition 14.8 (*Property Index Adjustment Event*);

"Property Index Disruption Event" means, in respect of a Property Index, either of the events described in Condition 14.6(b) (*Delay in Publication*) or Condition 14.7(b) (*Methodology Adjustment*);

"Property Index Level" means the final level of the relevant Property Index for a specified period or a specified date (as set out in the Pricing Supplement), as published by the Property Index Sponsor (or otherwise determined as set out in the applicable Pricing Supplement);

"Publication Date" means, in respect of an Index, each date on which such Property Index is published by the Property Index Sponsor;

"Rebasing" means the revaluation of a Property Index by the Property Index Sponsor by the application of a new Reference Price, without amendment to the formula for or the method of calculating the Index, and "Rebased" will be construed accordingly;

"Reference Price" means the historic value of the Data Pool used by the Property Index Sponsor as the benchmark for a Property Index; and

"Relevant Property Index Benchmark" means the Property Index;

"Scheduled Publication Date" means the date on which the Property Index Level is scheduled to be published.

15. Provisions relating to Fund-Linked Securities

This Condition 15 (*Provisions relating to Fund-Linked Securities*) is applicable in respect of any Series of Warrants or Certificates ("**Fund-Linked Securities**") where "**Fund-Linked Settlement Provisions**" are specified in the applicable Pricing Supplement as being applicable.

15.1 *Reference Dates, Averaging Dates and Market Disruption:*

- (a) If a Reference Date is not a Fund Business Day, the relevant Reference Date shall be the next succeeding Fund Business Day or, if either "Common Fund Business Days and Common Disrupted Days" or "Common Fund Business Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, the next succeeding Common Fund Business Day.
- (b) The Determination Agent shall as soon as reasonably practicable under the circumstances notify the Issuer of the occurrence of a Disrupted Day on any day that, but for the occurrence or continuance of a Disrupted Day, would have been a Reference Date.
- (c) If any Reference Date is a Disrupted Day, then:
 - (i) in the case of Single Fund Securities, the relevant Reference Date shall be the next succeeding Fund Business Day that is not in the determination of the Determination Agent a Disrupted Day, unless no Fund Business Day that is not a Disrupted Day has occurred prior to the last Fund Business Day of the Cut-off Period following the Scheduled Reference Date. In that case, (i) the last Fund Business Day of such Cut-off Period shall be deemed to be the Reference Date, notwithstanding the fact that such Fund Business Day is a Disrupted Day, and (ii) the Determination Agent shall determine its good faith estimate of the value for the Fund Interest as of the Valuation Time on that deemed Reference Date; or
 - (ii) in the case of Fund Basket Securities:
 - (A) where "Individual Fund Business Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, if the Determination Agent determines that any Scheduled Reference Date is a Disrupted Day in respect of any Basket Component, then:
 - (1) the Reference Date for each Basket Component in respect of which the Scheduled Reference Date is not a Disrupted Day shall be the Scheduled Reference Date for such Basket Component; and
 - (2) the Reference Date for any Basket Component in respect of which the Scheduled Reference Date is a Disrupted Day (each an "**Affected Basket Component**") shall be the first Fund Business Day following the relevant Scheduled Reference Date that is not a Disrupted Day in respect of such Affected Basket Component, unless no Fund Business Day that is not a Disrupted Day has occurred prior to the last Fund Business Day of the Cut-off Period following the Scheduled Reference Date. In that case, (i) the last Fund Business Day of such Cut-off Period shall be deemed to be the Reference Date, notwithstanding the fact that such Fund Business Day is a Disrupted Day, and (ii) the Determination Agent shall determine its good faith estimate of the value for that Affected Basket Component as of the Valuation Time on that deemed Reference Date;
 - (B) where "Common Fund Business Days and Common Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, then if the Determination Agent

determines that any Scheduled Reference Date is a Disrupted Day in respect of any Basket Component, the Reference Date for each Basket Component shall be the first Common Fund Business Day following the relevant Scheduled Reference Date that is not a Disrupted Day in respect of any Basket Component, unless no Common Fund Business Day that is not a Disrupted Day has occurred prior to the last Fund Business Day of the Cut-off Period following the Scheduled Reference Date. In that case, (i) the last Fund Business Day of such Cut-off Period shall be deemed to be the Reference Date, notwithstanding the fact that such Fund Business Day is a Disrupted Day, and (ii) the Determination Agent shall determine its good faith estimate of the value for each Basket Component as of the Valuation Time on that deemed Reference Date;

(C) where "Common Fund Business Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, if the Determination Agent determines that any Scheduled Reference Date is a Disrupted Day in respect of any Basket Component, then:

- (1) the Reference Date for each Basket Component in respect of which the Scheduled Reference Date is not a Disrupted Day shall be the Scheduled Reference Date for such Basket Component; and
- (2) the Reference Date for each Basket Component in respect of which the Scheduled Reference Date is a Disrupted Day (each an "**Affected Basket Component**") shall be the first Fund Business Day following the relevant Scheduled Reference Date that is not a Disrupted Day in respect of such Affected Basket Component, unless no Fund Business Day for such Basket Component that is not a Disrupted Day has occurred prior to the last Fund Business Day of the Cut-off Period following the Scheduled Reference Date. In that case, (i) the last Fund Business Day of such Cut-off Period shall be deemed to be the Reference Date, notwithstanding the fact that such Fund Business Day is a Disrupted Day, and (ii) the Determination Agent shall determine its good faith estimate of the value for that Affected Basket Component as of the Valuation Time on that deemed Reference Date;

(d) If Averaging Dates are specified in the applicable Pricing Supplement with respect to a Reference Date then, notwithstanding any other provisions of the Conditions, the following provisions will apply to the valuation of the relevant Fund Interest or Basket of Funds in relation to the relevant Reference Date:

(i) If, in respect of Single Fund Securities, any Averaging Date in respect of a Reference Date is a Disrupted Day, then the Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred prior to the Cut-off Period following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of the relevant Scheduled Reference Date, then (1) the last day of such Cut-off Period shall be deemed the Averaging Date (irrespective of whether such day is already an Averaging Date), and (2) the Determination Agent shall determine its good faith estimate of the value for the Fund Interest as of the Valuation Time on that deemed Averaging Date; and

(ii) If, in the case of Fund Basket Securities, a Scheduled Averaging Date in respect of a Reference Date is determined by the Determination Agent to be a Disrupted Day in respect of any Basket Component, then:

(A) where "Individual Fund Business Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement:

- (1) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
- (2) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**") shall be the first succeeding Valid Date

in relation to such Affected Basket Component. If the first succeeding Valid Date has not occurred prior to the Cut-off Period following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of the relevant Scheduled Reference Date, then (1) the last day of such Cut-off Period shall be deemed the Averaging Date (irrespective of whether such day is already an Averaging Date notwithstanding the fact that such day may not be a Valid Date), and (2) the Determination Agent shall determine its good faith estimate of the value for that Affected Basket Component as of the Valuation Time on that deemed Averaging Date;

- (B) where "Common Fund Business Days and Common Disrupted Days" is specified to be applicable in the applicable Pricing Supplement, then the Averaging Date for each Basket Component shall be the first succeeding Common Valid Date. If the first succeeding Common Valid Date has not occurred prior to the Cut-off Period following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of the relevant Scheduled Reference Date, then (1) the last day of such Cut-off Period shall be deemed the Averaging Date (irrespective of whether such day is already an Averaging Date and notwithstanding the fact that such day may not be a Common Valid Date), and (2) the Determination Agent shall determine its good faith estimate of the value for each Basket Component as of the Valuation Time on that deemed Averaging Date;
- (C) where "Common Fund Business Days and Individual Disrupted Days" is specified to be applicable in the applicable Pricing Supplement:
 - (1) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is not a Disrupted Day shall be the Scheduled Averaging Date; and
 - (2) the Averaging Date for each Basket Component in respect of which the Scheduled Averaging Date is a Disrupted Day (each such Basket Component, an "**Affected Basket Component**") shall be the first succeeding Valid Date in relation to such Affected Basket Component. If the first succeeding Valid Date has not occurred prior to the Cut-off Period following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of the relevant Scheduled Reference Date, then (1) the last day of such Cut-off Period shall be deemed the Averaging Date (irrespective of whether such day is already an Averaging Date and notwithstanding the fact that such day may not be a Valid Date), and (2) the Determination Agent shall determine its good faith estimate of the value for that Affected Basket Component as of the Valuation Time on that deemed Averaging Date;

15.2 *Potential Adjustment Events*

Following the declaration by any Fund or Fund Service Provider of the terms of any Potential Adjustment Event, the Determination Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Fund Interest or amount of Fund Interest and, if so, will (a) make the corresponding adjustment(s), if any, to any one or more of the Cash Settlement Amount and/or any such other amounts payable under the Warrants or Certificates, the Reference Price and, in any case, any other variable relevant to the calculation, valuation, payment or other terms of Warrants or Certificates as the Determination Agent determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends or liquidity relative to the relevant Fund Interest) and (b) determine the effective date(s) of the adjustment(s).

15.3 *Corrections*

Unless occurring after the day falling three Business Days prior to a due date for any payment or delivery under the Warrants or Certificates calculated by reference to the value of, or proceeds received from, any

Fund Interest, if the Determination Agent determines that a Fund or a Fund Administrator adjusts any relevant value of the Fund Interest, including the Reference Price or the Redemption Proceeds that would have been paid to a Hypothetical Investor redeeming the relevant number of Fund Interests that are subject to valuation used for determining amounts and/or assets due under the Warrants or Certificates, then the Determination Agent shall make such adjustments to the terms of the Warrants or Certificates as it determines necessary and practicable to reflect that the relevant value of the Fund Interest to be used shall be the value of, or proceeds received from, the relevant Fund Interest as so adjusted.

15.4 ***Fund Events***

- (a) If at any time the Determination Agent acting in good faith and a commercially reasonable manner determines that a Fund Event has occurred and/or is continuing then the Determination Agent shall provide written notice thereof to the Issuer (a "**Fund Event Notice**"). The Determination Agent shall not have any obligation to monitor the occurrence of a Fund Event nor shall it have any obligation to make a determination that a Fund Event has occurred or is continuing.
- (b) The Issuer will, in its reasonable discretion, determine:
 - (i) where Fund Event Unscheduled Termination is specified as applicable in the applicable Pricing Supplement, whether the relevant Warrants or Certificates shall be terminated other than on the scheduled Expiration Date. If the Issuer determines that the Warrants or Certificates shall be terminated, then the Warrants or Certificates shall cease to be exercisable (or, in the case of any Warrants or Certificates which have been exercised, the entitlements of the respective exercising Securityholders to receive payment of the Cash Settlement Amount pursuant to such exercise shall cease) as of such other date and the Issuer will pay an amount which the Determination Agent, in its reasonable discretion, determines is an amount equal to the Early Settlement Amount;
 - (ii) whether to substitute any Affected Fund Interest with the Successor Fund Interest relating to such Affected Fund Interest; and/or
 - (iii) whether to make such adjustment to account for such Fund Event as it considers appropriate which may include, without limitation:
 - (A) making an adjustment to the calculation of the Cash Settlement Amount and/or any such other amounts due under the Warrants or Certificates (which may include calculating a valuation (which may be zero) for the Affected Fund Interest and/or adjusting the weighting of the Affected Fund Interest in a Basket of Funds and/or deferring any relevant Determination Date until the circumstances giving rise to the relevant Fund Event are no longer continuing), all in the determination of the Determination Agent, acting in good faith and a commercially reasonable manner, and/or
 - (B) adjustments to any amount due in respect of the Warrants or Certificates to reflect (I) the Removal Value of the Affected Fund Interest instead of the Relevant Price of the Affected Fund Interest and (II) an amount determined by the Determination Agent in respect of interest (compounded on a daily basis) on the Removal Value of such Affected Fund Interest accrued at an overnight rate relating to the Settlement Currency selected by the Determination Agent during the period from (and including) the date on which the replacement of the Affected Fund Interest is effective to (but excluding) the Expiration Date.

Where it is required to determine a valuation of the Affected Fund Interest for the purposes of this Condition 15.4(b) (*Fund Events*) by reference to the Reference Price of the Affected Fund Interest, the Determination Agent shall determine the mechanics for calculating such valuation of the Affected Fund Interest (which valuation may be zero) by reference to such sources as it considers appropriate including, but not limited to, the value it may obtain from a third party on arms' length terms for the transfer to it of any hedging arrangements relating to the Warrants or Certificates in so far as they relate to such Affected Fund Interest. Any payments under the Warrants or Certificates determined by reference to the value of the Affected Fund Interest shall be suspended until payment of the Early Settlement Amount or, as the case may be,

determination of the valuation of the Affected Fund Interest. The date of payment of the Early Settlement Amount (or the proportion thereof relating to the valuation of the Affected Fund Interest) or other relevant amount determined by reference to the Affected Fund Interest may fall on such commercially reasonable date after the scheduled Cash Settlement Payment Date as the Determination Agent considers necessary or appropriate to enable it to determine the relevant valuation subject to any Final Cut-off Date and provided that, if the Determination Agent is not able to determine such a value by reference to a Reference Price for an applicable deferred Determination Date or for such a transfer of any hedging arrangements to a third party by the scheduled Cash Settlement Payment Date or, if later, any Final Cut-off Date, it may deem the valuation to be zero.

The Principal Securities Agent shall provide notice to the Securityholders of any such adjustment in accordance with Condition 29.7 (*Notices*), giving summary details of the adjustment, provided that any failure to give such notice shall not affect the validity of any such adjustment.

(iv) For the purposes of this Condition 15.4(b) (*Fund Events*):

- (A) **"Successor Fund Interest"** means, in respect of any Affected Fund Interest, one or more funds that, in the determination of the Determination Agent, have characteristics, investment objectives and policies similar to those in effect for the Affected Fund Interest immediately prior to the occurrence of the relevant event.
- (B) the Affected Fund Interest shall be replaced by a number of units of the Successor Fund Interest with a combined value (as determined by the Determination Agent) equal to the relevant Removal Value of the applicable number of units of the Affected Fund Interest. Such replacement shall be effected, from time to time whenever the Removal Value changes, on the date, as determined by the Determination Agent, on which the Fund issuing the Successor Fund Interest would admit a Hypothetical Investor who, on the Fund Business Day next following the date on which any Removal Value not previously applied toward any Successor Fund Interest would be received by such Hypothetical Investor redeeming out of the relevant amount of Affected Fund Interest, had submitted a valid order to purchase such amount of the Successor Fund Interest; and
- (C) if necessary, the Determination Agent will adjust any relevant terms, including, but not limited to adjustments to account for changes in the Fund Interest Currency, the Frequency of Fund Interest Valuations, volatility, investment strategy or liquidity relevant to such Fund Interests or the Warrants or Certificates.

15.5 ***Notice of Fund Event***

Notice of the consequences of a Fund Event shall be given to the Securityholders in accordance with Condition 29.7 (*Notices*). Such notice shall (a) identify the Affected Fund Interest (if applicable) and the relevant Fund Event and contain a summary of the facts constituting such event, (b) if applicable, identify the Successor Fund Interest and specify the effective date of such substitution, (c) if applicable, specify adjustments made or expected to be made by the Determination Agent and (d) if applicable, specify the date on which the Warrants or Certificates are to be redeemed.

15.6 ***Definitions applicable to Fund-Linked Securities***

In relation to Fund-Linked Securities, the following expressions shall have the meanings set out below:

"Affected Fund Interest" means, at any time, any Fund Interest in respect of which the Determination Agent has determined that a Fund Event has occurred;

"Affiliate" means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person (for such purposes, **"control"** of any entity or person means ownership of a majority of the voting power of the entity or person);

"Averaging Date" means, in respect of each Reference Date, either:

- (a) in the case of (i) a Single Fund Security; or (ii) a Fund Basket Security, where the applicable Pricing Supplement provides that "Individual Fund Business Days and Individual Disrupted Days" shall be applicable, each date specified as such in the applicable Pricing Supplement, or, if such date is not a Fund Business Day, the next following Fund Business Day for such Fund or Basket Component (as the case may be); or
- (b) in the case of a Fund Basket Security, where the applicable Pricing Supplement provides that "Common Fund Business Days and Common Disrupted Days" or "Common Fund Business Days and Individual Disrupted Days" shall be applicable, each date specified as such in the applicable Pricing Supplement, or if any such date is not a Common Fund Business Day, the next following Common Fund Business Day for such Basket of Funds,

provided that if any such day is a Disrupted Day, the Averaging Date shall be determined in accordance with the provisions of Condition 15.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"Basket Component" means, in relation to a particular Series of Fund Basket Securities, each Fund Interest comprised in the relevant Basket of Funds;

"Basket of Funds" means a basket composed of such Fund Interests in such Funds specified in the applicable Pricing Supplement in the relative proportions or number of units of each Fund Interest specified in the applicable Pricing Supplement, subject to the provisions of Condition 15.4 (*Fund Events*);

"Common Fund Business Day" means, in respect of a Fund Basket Security, each day which is a Fund Business Day for all the Basket Components;

"Common Valid Date" means, in respect of a Fund Basket Security, a Fund Business Day that is not a Disrupted Day for any Basket Component and on which another Averaging Date in respect of the relevant Reference Date does not or is deemed not to occur;

"Cut-off Period" means, in respect of any date, the period specified in the applicable Pricing Supplement, or if no such period is specified, a period of the shorter of (a) eight Fund Business Days or, in the case of a Fund Basket Security, eight Common Fund Business Days; and (b) three months; provided that if a "Final Cut-off Date" is specified in the applicable Pricing Supplement, then any Cut-off Period that would otherwise end after such Final Cut-off Date shall end on such Final Cut-off Date;

"Determination Date" means, in relation to any determination, each date specified as such in the applicable Pricing Supplement, provided that if any such date is (i) not a Fund Business Day and/or (ii) a Disrupted Day, the relevant Determination Date shall be determined in accordance with the provisions of Condition 15.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"Disrupted Day" means any day on which a Disruption Event has occurred or is continuing;

"Disruption Event" means any of the following events as determined by the Determination Agent:

- (a) in respect of any Fund Interest, the failure of (i) a Scheduled Fund Valuation Date to be a Fund Valuation Date or any continued postponement or suspension of such Fund Valuation Date; and/or (ii) there to be a Fund Reporting Date and/or Reported Net Asset Value relating to the relevant Fund Valuation Date;
- (b) in respect of any Fund Interest (i) there is a failure by the Fund to pay the full amount (whether expressed as a percentage or otherwise) of the Redemption Proceeds in the Fund Interest Currency with respect to the relevant amount of such Fund Interest scheduled to have been paid on or by such day according to the Fund Documents (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of such Fund Interests) or (ii) a Hypothetical Investor which had submitted a valid redemption notice in respect of such Fund Interest (in the case of a Single Fund Security) or each Fund Interest comprised in the Basket of Funds (in the case of a Fund Basket Security) on the last date permitted pursuant to the relevant Fund Documents would, in the reasonable opinion of the Determination Agent, not have received in full the Redemption Proceeds in respect of such redemption(s) on or before the date which is three Business Days prior to a related scheduled date for payment under the Warrants or Certificates;

- (c) the inability (including by reason of illegality) of, or the impracticability for, a Hedging Party to (i) unwind or dispose of any transaction it has entered into, or any asset it holds, in either case for the purpose of hedging its exposure to price variations of the Fund Interest (in the case of Single Fund Securities) or the Basket of Funds (in the case of Fund Basket Securities) inherent in its obligations, in the case of the Issuer, under the Warrants or Certificates or, in the case of an Affiliate, under any transaction pursuant to which it hedges the Issuer's exposure to the Fund Interest (in the case of Single Fund Securities) or the Basket of Funds (in the case of the Fund Basket Securities) under the Warrants or Certificates when scheduled or at all (including any change to the notice period for redemptions, transfers or subscriptions of a Fund Interest under the Fund Documents, any gating, side-pocketing or other arrangement affecting such a Hedging Party), or (ii) realise, recover or remit to any person the proceeds of any such transaction or asset; and/or
- (d) any closure other than for ordinary public holidays and/or any restriction or suspension in trading of foreign exchange markets or money markets in a relevant Fund Interest Currency or Specified Currency that, in the opinion of the Determination Agent, would have a material effect on the ability market participants to effect transactions in such markets,

provided that if any event would otherwise be both a Disruption Event and Fund Event, such event shall be treated solely as a Fund Event;

"Exchange" means, in respect of a Fund Interest, the principal exchange or quotation system for such Fund Interest, as determined by the Determination Agent, any successor to such Exchange or quotation system or any substitute exchange or quotation system to which the Fund Interest has temporarily relocated;

"Extraordinary Dividend" means an amount per relevant Fund Interest specified or otherwise determined by the Determination Agent;

"Final Cut-off Date" means the date specified as such in the applicable Pricing Supplement;

"Frequency of Fund Interest Valuation" means, in respect of a Fund Interest, the frequency of occurrence of a Fund Business Day for such Fund Interest as determined by reference to the Fund Documents in effect on the Trade Date;

"Fund" means, in respect of any Fund Interest, the issuer of, or other legal arrangement (including, if applicable, any relevant class or series) giving rise to, the relevant Fund Interest as specified in the applicable Pricing Supplement;

"Fund Administrator" means, in respect of any Fund and the related Fund Interest, any fund administrator, manager, trustee or similar person responsible for the administration of such Fund and the determination and reporting of any official price or value of such Fund according to the Fund Documents or any successor acceptable to the Determination Agent;

"Fund Advisor" means any person appointed in the role of discretionary investment manager or non-discretionary investment advisor (including a non-discretionary investment advisor to a discretionary investment manager or to another non-discretionary investment advisor) for such Fund and/or a Fund Administrator and/or any other person(s) designated in the Fund Documents as responsible for the oversight of the Fund, or any successor to any such person acceptable to the Determination Agent;

"Fund Business Day" means, in respect of any Fund Interest and the related Fund, either (a) where the Reference Price for such Fund Interest is "Reported Net Asset Value", each of a Scheduled Fund Valuation Date and any day on which the Fund or the primary Fund Administrator acting on behalf of the Fund is scheduled to effect subscription and redemption requests or (b) where the Reference Price for such Fund Interest is "Redemption Proceeds", a Scheduled Redemption Valuation Date;

"Fund Documents" means, in respect of any Fund and the related Fund Interest, the constitutive and governing documents, subscription agreements and other agreements of the related Fund specifying the terms and conditions relating to such Fund Interest (including, without limitation, the prospectus, information memorandum or other offering document issued by such Fund in connection with such Fund Interest), in each case and unless where otherwise specified, as amended and/or supplemented from time to time;

"Fund Event" means in the determination of the Determination Agent, the occurrence or announcement by the Fund or a Fund Service Provider at any time of any of the following events unless any such event is specified in the applicable Pricing Supplement as a Non-Applicable Fund Event:

- (a) *Nationalisation*: in respect of a Fund Interest and the related Fund, all the Fund Interests or all or substantially all the assets of the Fund are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof;
- (b) *Fund Insolvency Event*: in respect of a Fund Interest and the related Fund (i) the Fund and/or any Fund Service Provider (A) is dissolved or has a resolution passed for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger); (B) makes a general assignment or arrangement with or for the benefit of its creditors; (C)(1) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (2) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in (1) above and either (x) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (y) is not dismissed, discharged, stayed or restrained in each case within 15 days of the institution or presentation thereof; (D) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (E) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 15 days thereafter; or (F) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in (A) through (E) above; or (without prejudice to the foregoing) (ii) by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Fund, (A) all the Fund Interests of that Fund are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Fund Interests of that Fund become legally prohibited from transferring them;
- (c) *NAV Trigger/Restriction Event*: in respect of any Fund Interest, (A) the Reported Fund Interest Value as of the last Fund Valuation Date of any month has decreased by a percentage equal to, or greater than, fifty per cent. of the Reported Fund Interest Value as of the Fund Valuation Date of the same month in the immediately preceding calendar year (or, if the first year of operation of the relevant Fund Interest, as of its highest Reported Fund Interest Value on the last Fund Valuation Date of any month during such first year); or (B) the related Fund has violated any leverage restriction that is applicable to, or affecting, such Fund or its assets by operation of any law, any order or judgment of any court or other agency of government applicable to it or any of its assets, the Fund Documents or any contractual restriction binding on or affecting the Fund or any of its assets;
- (d) *Fund Advisor Event*: in respect of any Fund Interest, as determined by the Determination Agent, (a) that at any time after the Trade Date, the total value of the assets managed by the relevant Fund Adviser (including in relation to the Fund) is equal to or less than 50,000,000 U.S. Dollars (or its equivalent) or (b) that over any period of twelve months, the total value of the assets managed by the relevant Fund Adviser (including in relation to the Fund) has decreased by fifty per cent. (whether due to redemptions or decrease in the value of such assets or otherwise) (c) any material breach by the Fund Adviser (or any of its Affiliates) of any Relevant Hedging Transaction between it and a Hedging Party;
- (e) *Changes to Fund or Fund Service Providers*: in respect of any Fund Interest and the related Fund: (i) any change in the organisation of the Fund or of any Fund Service Provider without

the prior written consent of the Determination Agent including, without *limitation*, a change of control of, or a change of the main shareholders, managing directors or individual(s) designated as fund manager(s) in the Fund Documents as at the Trade Date (if any) of a Fund Service Provider, (ii) any Fund Service Provider ceasing to act in the relevant capacity in relation to the Fund unless immediately replaced in such capacity by a successor acceptable to the Determination Agent or (iii) any delegation or transfer by the Fund Advisor of any of its powers, duties or obligations under the Fund Documents to a third party without the prior written consent of the Determination Agent;

- (f) *Fund Modification*: in respect of any Fund Interest, any change, modification or termination of the related Fund Documents or of any rights attaching to the related Fund Interests (including without limitation any change or modification affecting management policy, the Fund Interest Currency, the Frequency of Fund Interest Valuation, the terms relating to subscription, transfer and/or redemption of such Fund Interest including any change to the form or schedule of payment or notice period) from those prevailing on the Trade Date (in the case of Single Fund Securities) or the date on which any Fund Interest issued by such Fund was first included in the Basket of Funds (in the case of Fund Basket Securities) and which could reasonably be expected to affect the value of such Fund Interest or the rights or remedies of any holders thereof;
- (g) *Strategy Breach*: in respect of any Fund Interest, as determined by the Determination Agent, any breach of or non-compliance with any investment objective, investment restrictions or other strategy or investment guidelines or requirements, subscription and redemption provisions (including, without limitation, the days treated as Fund Business Days) or valuation provisions (including, without limitation, the method of determining the net asset value of the relevant Fund Interest), in each case as set out in the Fund Documents as in effect on the Trade Date or, if later, the date on which such Fund Interest was first included in the Basket of Funds (in the case of Fund Basket Securities) that is reasonably likely to affect the value of such Fund Interests or the rights or remedies of any holders thereof;
- (h) *Breach by Fund Service Provider*: in respect of any Fund Interest, the breach by any relevant Fund Service Provider of any obligation (including, without limitation, non-compliance with any investment guidelines relating to such Fund Interest), representation or warranties concerning the relevant Fund (including, without limitation, pursuant to any agreement with the Fund), which breach, if capable of remedy, has not been remedied within ten (10) calendar days of its occurrence;
- (i) *Regulatory Event*: (A) in respect of any Fund Interest, (1) any change in the legal, tax, accounting, or regulatory treatments of the relevant Fund or its Fund Advisor that is reasonably likely to have an adverse impact on the value of such Fund Interest or on any investor therein (as determined by the Determination Agent) or (2) the related Fund or any of its Fund Service Providers becoming subject to any investigation, proceeding, arbitration, litigation or official action by any relevant governmental, legal or regulatory authority involving the alleged violation of, or non-compliance with, applicable law or regulation in relation to any activities relating to or resulting from the operation of: (i) such Fund, or (ii) another fund where (in the opinion of the Determination Agent) such circumstances in respect of such other fund may have an adverse effect on the relevant Fund or (B) any event which would have the effect of: (i) imposing on the Issuer and/or any Affiliate or adversely modifying any reserve, funding arrangement, special deposit, or similar requirement that would be applicable to the Issuer and/or such Affiliate in relation to the Warrants or Certificates or any related hedging arrangement or (ii) changing the amount or cost of regulatory capital that would have to be maintained by the Issuer and/or any Affiliate in relation to the Warrants or Certificates or any related hedging arrangement, including, without limitation, any requirement under applicable law, regulation or other rule or requirement from time to time applicable to the Issuer and/or any Affiliate that requires any information-provision or other transparency requirements in respect of a Fund Interest, whether to keep constant the cost of regulatory capital that would have to be maintained by any such person in relation to the Warrants or Certificates or otherwise comply therewith, and the relevant Fund Service Provider fails to provide sufficient information in respect of a Fund Interest for any such person to satisfy such relevant obligations or (C) in respect of any Fund Interest and the related Fund (i) the withdrawal, cancellation, suspension or revocation of any registration, licence or approval of such Fund Interest or the related Fund by any governmental, legal or regulatory entity with authority over such Fund Interest or Fund;

- (ii) the withdrawal, suspension, cancellation or modification of any licence, consent, permit, authorisation or clearance required for the Fund or any one or more of its significant Fund Service Providers to carry out their activities as they are or should be carried out in compliance with applicable law or regulation; and/or (iii) the failure of such Fund Interest and/or the related Fund to comply with any applicable requirements from time to time applied by any relevant listing authority, stock exchange, quotation system and/or regulator that allow it to be used to determine amounts due under the Warrants or Certificates (or, in the case of (C)(i), (ii) or (iii), any official announcement indicating that any such circumstances may occur);
- (j) *Reporting Disruption*: in respect of any Fund Interest, (A) the occurrence of any event affecting such Fund Interest that, in the determination of the Determination Agent, would make it impossible or impracticable for the Determination Agent to determine the value of such Fund Interest and the Determination Agent does not expect such event to cease in the foreseeable future; (B) any failure of the related Fund to deliver, or cause to be delivered, or recipients in general to receive (1) information that such Fund has agreed to deliver, or cause to be delivered to the Determination Agent, the Issuer and/or any Hedging Party, as applicable, or (2) information that has been previously delivered to the Determination Agent, the Issuer and/or any Hedging Party, as applicable, in accordance with such Fund's, or its authorised representative's, normal practice and that the Determination Agent deems necessary for it or the Issuer, as applicable, to monitor such Fund's compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to such Fund Interest; (C) the related Fund ceases, for any reason whatsoever (either directly or through any Fund Service Provider acting on its behalf for this purpose) to provide, publish or make available its net asset value on any Fund Reporting Date; or (D) a Fund Service Provider informs the Determination Agent, the Issuer and/or any Hedging Party that any Reported Net Asset Value of such Fund Interest should not be relied on (whether by reason of it being only a provisional or estimated net asset value or for any other reason) and/or, in the opinion of the Determination Agent, any Reported Net Asset Value is inaccurate (which, for the avoidance of doubt, includes without limitation circumstances where any net asset value reported by a Fund Service Provider to the Issuer, any Hedging Party and/or investors in Fund Interest generally differs from any net asset value published on any one or more publishing service), in each case which the Determination Agent considers to be material to the Warrants or Certificates;
- (k) *Compulsory Redemption or Assignment*: in respect of any Fund Interest, (i) the repurchase or redemption by the Fund of all or some of the Fund Interests otherwise than at the request of a holder of Fund Interests; or (ii) any event or circumstance (whether or not in accordance with the constitutive documents and investment guidelines of the Fund) which would mandatorily oblige a holder of Fund Interests to redeem, sell, assign or otherwise dispose of any Fund Interests and which the Determination Agent determines could affect a Hypothetical Investor;
- (l) *Closure to Subscriptions; Dealing Restrictions*: in respect of any Fund Interest, (i) the closure of the related Fund to new subscriptions of Fund Interests, or (ii) the imposition of any dealing restrictions (including, without limitation, material amendments to relevant documentation, delay (partial or otherwise), suspension or termination (partial or otherwise) of subscription, redemption or settlement) relating to the Fund or transactions in Fund Interests by any Fund Service Provider, any Affiliate or agent of any Fund Service Provider, or any intermediary platform through which the Issuer or its Affiliates may contract (via a trading agreement or otherwise) in order to carry out transactions in Fund Interests;
- (m) *Disposals: Material Change: Merger*: in respect of any Fund Interest, (i) a disposal to any person(s) of all, or a material part, of the assets of (A) the related Fund, or (B) any significant Fund Service Provider, or (ii) a material change in the business of the Fund or any significant Fund Service Provider, or (iii) the merger, amalgamation or consolidation of the related Fund and/or such Fund Interest with (1) any other sub-fund or compartment of the Fund or (2) any other collective investment undertaking (or sub-fund or compartment of such other collective investment undertaking, including another fund), or (iv) a reclassification or change of such Fund Interest which results in a transfer of or an irrevocable commitment to transfer all such Fund Interests outstanding to another entity or person, or (v) a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Fund Interests of the relevant Fund, which

results in a transfer of or an irrevocable commitment to transfer all such Fund Interests (other than those Fund Interests owned or controlled by such other entity or person);

- (n) *Hedging Disruption*: any of the following:
- (i) the Determination Agent reasonably determines that the Issuer or any Affiliate (a "**Hedging Party**") is unable (including without limitation by reason of illegality), or that it is impracticable for a Hedging Party, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) (each a "**Relevant Hedging Transaction**") such Hedging Party deems necessary or appropriate to hedge its exposure to price variations of the Fund Interest (in the case of Single Fund Securities) or the Basket of Funds (in the case of Fund Basket Securities) inherent in its obligations, in the case of the Issuer, under the Warrants or Certificates or, in the case of an Affiliate, under any transaction pursuant to which it hedges the Issuer's exposure to the Fund Interest (in the case of Single Fund Securities) or the Basket of Funds (in the case of Fund Basket Securities) under the Warrants or Certificates, or (B) realise, recover or remit to any person the proceeds of such transaction or asset; and/or
 - (ii) the Determination Agent reasonably determines that it has become illegal for any Hedging Party to hold, acquire or dispose of Fund Interests relating to the Warrants or Certificates; and/or
 - (iii) the Determination Agent reasonably determines that the Issuer would incur an increased cost in respect of the Relevant Hedging Transactions related to the performance of its obligation under the Warrants or Certificates (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position); and/or
 - (iv) the Determination Agent reasonably determines that any Hedging Party would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any Relevant Hedging Transaction, or (B) realise, recover or remit the proceeds of any such Relevant Hedging Transaction; unless any such materially increased amount is incurred solely due to the deterioration of the creditworthiness of the Hedging Party,
 - (v) and such determinations by the Determination Agent may include, but are not limited to, the following: (A) any increased illiquidity in the market for the Fund Interest (in the case of Single Fund Securities) or the Basket of Funds (in the case of Fund Basket Securities) (as compared with circumstances existing on the Trade Date); or (B) a change in any applicable law (including, without limitation, any tax law) or the promulgation of, or change in, the interpretation of any court, tribunal or regulatory authority with competent jurisdiction of any applicable law (including any action taken by a taxing authority); or (C) the general unavailability of market participants who will so enter into a Relevant Hedging Transaction on commercially reasonable terms;
- (o) *Fraud*: in respect of any Fund Interest and the related Fund, the Fund is the object of a material fraud which may, in the determination of the Determination Agent, have an adverse effect on the Fund or the value of Fund Interests; or any act or omission of a Fund Service Provider constitutes fraud (including, but not limited to, theft, misappropriation, mispricing of holdings or concealment of trades), bad faith, wilful misconduct or negligence, as determined by the Determination Agent in its reasonable discretion;
- (p) *Force Majeure Event*: in respect of any Fund Interest and the related Fund, any Fund Service Provider fails to perform any of its obligations pursuant to the Fund Documents to the extent that such performance is prevented, hindered or delayed by a Force Majeure Event, where "**Force Majeure Event**" means any event due to any cause beyond the reasonable control of the applicable Fund Service Provider, such as unavailability of communications system, failure of or interruptions in power supply or network computer systems, sabotage, fire, flood, explosion, acts of God, civil commotion, riots, insurrection or war;

- (q) *Value Limitation*: the value of any Fund Interest held by the Issuer and its Affiliates is greater than 10 per cent. of the aggregate net asset value of the relevant Fund (whether or not all of such holding results from hedging transactions entered into in connection with the Warrants or Certificates) and including, where the excess holding results from a reduction in the aggregate net asset value of the relevant Fund;
- (r) *Delisting*: in respect of a Fund Interest, where there is or was intended to be an Exchange in respect of such Fund Interest that (A) such Exchange announces that pursuant to the rules of such Exchange, such Fund Interests cease (or will cease) being listed or publicly quoted on the Exchange for any reason and are not immediately re listed or re quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any Member State of the European Union), or (B) such Fund Interests are never so listed or quoted as intended and disclosed in the Fund Documents as at the Trade Date;
- (s) *Fund Accounting Event*: in respect of a Fund Interest and the related Fund, any (i) change in the currency in which the Fund Interest's accounts are denominated; or (ii) material adverse change in the accounting treatment of the Fund which does or could affect a Hypothetical Investor and/or a Hedging Party and/or any actual or potential requirement to consolidate its accounts with any such entity;
- (t) *Fees or Charges Event*: in respect of a Fund (i) any charge of a transaction fee for subscription or redemption of Fund Interests; (ii) any imposition of any taxes or similar charges for subscription or redemption of Fund Interests (whether by the Fund or a Fund Adviser in respect of holders of Fund Interests generally or otherwise occurring in respect of any Hedging Party) and/or (iii) any material change in the applicable fee arrangement between a Fund Adviser and a Hedging Party (as compared with that arrangement as of the Trade Date), including the increase to the existing level of, or introduction of any new, fees, commissions or other expenses payable to any person, in each case as determined by the Determination Agent;
- (u) *Legal Action*: in respect of a Fund, litigation, dispute or legal proceedings against such Fund, or its investment adviser or any Fund Service Provider of such Fund that has a material adverse effect on the functioning, operations, inflows or outflows of such Fund;
- (v) *Cross-contamination*: in respect of a Fund, the occurrence of a cross-contamination or other failure to segregate effectively assets between different classes, series or sub-funds of such Fund; and/or
- (w) *Additional Fund Event*: any other event(s) specified as Fund Events in the applicable Pricing Supplement;

"Fund Event Notice" has the meaning given to that term in Condition 15.4 (*Fund Events*);

"Fund Interest" means, in respect of a Fund, a share, unit or other interest in respect of such Fund, as specified in the applicable Pricing Supplement;

"Fund Interest Currency" means, in respect of a Fund Interest, the currency in which such Fund Interest is denominated on the Trade Date as set out in the Fund Documents;

"Fund Reporting Date" means, in respect of a Fund Interest and a Fund Valuation Date, the date on which the Reported Fund Interest Value of such Fund Interest as determined as of such Fund Valuation Date is reported (as provided in the definition of "Reported Fund Interest Value");

"Fund Service Provider" means, in respect of a Fund, any person who is appointed to provide services, directly or indirectly, to that Fund, whether or not specified in the Fund Documents or any successor acceptable to the Determination Agent, including without limitation any Fund Adviser, Fund Administrator, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent or domiciliary agent;

"Fund Valuation Date" means, in respect of a Fund Interest, the date as of which the related Fund (or its Fund Service Provider that generally determines such value) determines the value of such Fund

Interest or, if the related Fund only reports its aggregate net asset value, the date as of which such Fund determines its aggregate net asset value;

"**Hedging Party**" has the meaning given in the definition of "**Fund Event**" above;

"**Hypothetical Investor**" means, in respect of a Fund Interest, a hypothetical investor in such Fund Interest deemed to have (a) the benefits and obligations, as provided under the Fund Documents, of an investor holding, as of the Trade Date, an interest in the relevant Fund in an amount equal to the relevant number or relevant amount of such Fund Interest; (b) in the case of any deemed redemption of such Fund Interest, to have submitted to the relevant Fund on the relevant Redemption Notice Date, a duly completed notice requesting redemption of the relevant number of such Fund Interests; and (c) in the case of any deemed investment in such Fund Interest, to have submitted, on the Trade Date, a duly completed notice to the relevant Fund, requesting subscription to the relevant number of Fund Interests;

"**Observation Date**" means each date specified as such in the applicable Pricing Supplement, provided that if any such date is (i) not a Fund Business Day and/or (ii) a Disrupted Day, the relevant Observation Date shall be determined in accordance with the provisions of Condition 15.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"**Potential Adjustment Event**" means, in respect of any Fund Interest, any of the following events in the determination of the Determination Agent:

- (a) a subdivision, consolidation or reclassification of the relevant amount of Fund Interest, or a free distribution or dividend of any such Fund Interest to existing holders by way of bonus, capitalisation or similar issue;
- (b) a distribution, issue or dividend to existing holders of the relevant Fund Interest of (i) an additional amount of such Fund Interest, or (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Fund equally or proportionately with such payments to holders of such Fund Interest, or (iii) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Fund as a result of a spin-off or other similar transaction, or (iv) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Determination Agent;
- (c) an Extraordinary Dividend;
- (d) a repurchase by the Fund of relevant Fund Interests whether the consideration for such repurchase is cash, securities or otherwise, other than in respect of a redemption of Fund Interests initiated by an investor in such Fund Interests; or
- (e) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Fund Interests;

"**Redemption Notice Date**" means, in respect of a Fund Interest and a Reference Date or Averaging Date, the date specified as such in the applicable Pricing Supplement or, if no date is so specified, the last date on which a Hypothetical Investor in such Fund Interest would be permitted, pursuant to the Fund Documents of the related Fund, to submit a redemption notice that would be timely for a redemption as of the Scheduled Redemption Valuation Date for which the Scheduled Redemption Payment Date falls on or immediately prior to such Reference Date or Averaging Date;

"**Redemption Proceeds**" means, in respect of the relevant amount of any Fund Interest, the redemption proceeds that in the determination of the Determination Agent would be paid by the related Fund to a Hypothetical Investor who, as of the relevant Redemption Valuation Date, redeems such amount of Fund Interest (for the avoidance of doubt after deduction of any tax, levy, charge, assessment or fee of any nature that, in the determination of the Determination Agent, would (or would be very likely to) be withheld or deducted from such amount); provided that (a) any such proceeds that would be paid in property other than cash shall be deemed to have a value of zero and (b) if the Hypothetical Investor would be entitled to elect payment of such redemption proceeds to be made either in the form of cash or other property, then the Hypothetical Investor shall be deemed to have elected cash payment;

"Redemption Valuation Date" means, in respect of a Fund Interest and any Scheduled Redemption Valuation Date, the date as of which the related Fund (or its Fund Service Provider that generally determines such value) determines the net asset value of such Fund Interest for purposes of calculating the redemption proceeds to be paid to a Hypothetical Investor that has submitted a valid notice for redemption on or before the related Redemption Notice Date;

"Reference Date" means, for the purposes of Condition 15.1 (*Reference Dates, Averaging Dates and Market Disruption*), each Valuation Date, Observation Date, Strike Date or Determination Date (as applicable) specified in the applicable Pricing Supplement, or otherwise, any date construed to be a Reference Date in accordance with the Conditions;

"Reference Price" means, in respect of a Fund Interest and the Valuation Time on any Valuation Date or Averaging Date, either (a) where "Reported Net Asset Value" is specified in the applicable Pricing Supplement for such Fund Interest, the Reported Net Asset Value of such Fund Interest for the related Fund Valuation Date falling on such Reference Date or Averaging Date, as the case may be; or (b) where "Redemption Proceeds" is specified in the applicable Pricing Supplement for such Fund Interest, an amount equal to the Redemption Proceeds relating to such Fund Interest that in the determination of the Determination Agent would be received by a Hypothetical Investor in such Fund Interest in respect of a redemption of Fund Interests to be effected as of the Scheduled Redemption Valuation Date relating to such Reference Date or Averaging Date, as the case may be;

"Removal Value" means, in respect of an Affected Fund Interest, the value calculated by the Determination Agent in the same manner as would be used in determining the Reference Price of Fund Interests in the related Fund, but assuming where the Reference Price is Redemption Proceeds that a valid notice requesting redemption of Fund Interests in such Fund has been submitted to such Fund on the Fund Business Day next following delivery of the relevant Fund Event Notice and, where the Removal Value is required to be converted into the Settlement Currency or the currency of the Successor Fund Interest it shall be so converted by the Determination Agent at such time and by reference to such sources as it deems appropriate;

"Reported Net Asset Value" means, in respect of any Fund Interest and a Fund Reporting Date relating to such Fund Interest, the official net asset value per Fund Interest as of the related Fund Valuation Date or, if the related Fund reports only its aggregate net asset value, the portion of such Fund's aggregate net asset value relating to a Fund Interest as of the related Fund Valuation Date, in each case as reported on the Fund Reporting Date relating to such Fund Valuation Date by the Fund Service Provider that generally reports such value on behalf of the Fund to its investors or a publishing service;

"Scheduled Averaging Date" means an original date (following any adjustment (if applicable) pursuant to paragraph (a) or (b) in the definition of "Averaging Date") that, but for such day being a Disrupted Day, would have been an Averaging Date;

"Scheduled Fund Valuation Date" means, in respect of a Fund Interest, the date as of which the related Fund (or its Fund Service Provider that generally determines such value) is scheduled, according to its Fund Documents (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Interests), to determine the value of such Fund Interest or, if the related Fund only reports its aggregate net asset value, the date as of which such Fund determines its aggregate net asset value;

"Scheduled Redemption Payment Date" means, in respect of a Fund Interest and any Scheduled Redemption Valuation Date, the date by which the related Fund is scheduled to have paid, according to its Fund Documents, all or a specified portion of the Redemption Proceeds to an investor that has submitted a timely and valid notice requesting redemption of such Fund Interest as of such Scheduled Redemption Valuation Date;

"Scheduled Redemption Valuation Date" means, in respect of a Fund Interest, the date as of which the related Fund (or its Fund Service Provider that generally determines such value) is scheduled, according to its Fund Documents (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Interests), to determine the net asset value of such Fund Interest for the purposes of calculating the redemption proceeds to be paid to an investor that has submitted a valid and timely notice for redemption of Fund Interests based on the value determined as of such date; the Scheduled Redemption Valuation Date relating to any Reference Date or Averaging

Date, as the case may be, shall be the date specified as such in the applicable Pricing Supplement or, if no such date is specified, the Scheduled Redemption Valuation Date for which the Scheduled Redemption Payment Date falls on or immediately prior to such Reference Date or Averaging Date, as the case may be;

"Scheduled Reference Date" means, for the purposes of Condition 15.1 (*Reference Dates, Averaging Dates and Market Disruption*), any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Reference Date;

"Strike Date" means such date as specified in the applicable Pricing Supplement, provided that if any such date is (i) not a Fund Business Day and/or (ii) a Disrupted Day, the relevant Strike Date shall be determined in accordance with the provisions of Condition 15.1 (*Reference Dates, Averaging Dates and Market Disruption*);

"Valid Date" means a Fund Business Day that is not a Disrupted Day and on which another Averaging Date in respect of the relevant Reference Date does not or is not deemed to occur;

"Valuation Date" means each date specified as such in the applicable Pricing Supplement, provided that if any such date is (i) not a Fund Business Day and/or (ii) a Disrupted Day, the relevant Valuation Date shall be determined in accordance with the provisions of Condition 15.1 (*Reference Dates, Averaging Dates and Market Disruption*); and

"Valuation Time" means the time on or in respect of the Reference Date or Averaging Date at which the applicable Reference Price is scheduled to be determined in accordance with the Fund Documents.

16. Provisions relating to Bond-Linked Securities

This Condition 16 (*Provisions relating to Bond-Linked Securities*) is applicable in respect of any Series of Warrants or Certificates ("**Bond-Linked Securities**") where "**Bond-Linked Settlement Provisions**" are specified in the applicable Pricing Supplement as being applicable.

16.1 *Conversion*

- (a) Following the occurrence of any Conversion, the Issuer will, in its reasonable discretion, determine whether or not the Warrants or Certificates will continue and, if so, the Determination Agent will determine, in its reasonable discretion, any adjustments to be made.
- (b) If the Issuer determines that the Warrants or Certificates shall continue, the Determination Agent may make such adjustment as it, in its reasonable discretion considers appropriate, including but not limited to, the Strike Price, the formula for the Cash Settlement Amount set out in the applicable Pricing Supplement and, in any case, any other variable relevant to the exercise, settlement, or payment terms of the relevant Warrants or Certificates and/or any other adjustment and determine, in its reasonable discretion, the effective date(s) of such adjustment.
- (c) If the Issuer determines that the Warrants or Certificates shall be terminated, then the Warrants or Certificates shall cease to be exercisable (or, in the case of any Warrants or Certificates which have been exercised, the entitlements of the respective exercising Securityholders to receive Underlying Securities or the Cash Settlement Amount, as the case may be, pursuant to such exercise, shall cease) and the Issuer's obligations under the Warrants or Certificates shall be satisfied in full upon payment of the Early Settlement Amount.
- (d) For the purposes hereof:

"Conversion" means, as determined by the Determination Agent, acting in a commercially reasonable manner, in respect of any relevant Underlying Securities any irreversible conversion by the Underlying Security Issuer, of such Underlying Securities into other securities, any other financial instrument or cash or any notice of early redemption or repayment in whole or in part prior to its scheduled maturity date other than a notice in respect of any scheduled amortisation.

16.2 ***Correction to published prices***

For the purposes of determining the Spot Price for any day, if applicable, as specified in the applicable Pricing Supplement for the purposes of calculating the Cash Settlement Amount or any other amount in respect of a Bond-Linked Security, if the price published or announced on a given day and used or to be used by the Determination Agent to determine a Spot Price is subsequently corrected and the correction is published or announced by the person responsible for that publication or announcement by such time as may be specified in the applicable Pricing Supplement (or, if none is so specified, within thirty days of the original publication or announcement), and the Determination Agent determines (in its reasonable discretion) that an amount is repayable to the Issuer as a result of that correction, the Issuer shall be entitled to reimbursement of the relevant payment by the relevant Securityholder, together with interest on that amount at a rate per annum equal to the cost (without proof or evidence of actual cost) to the Issuer of funding that amount for the period from and including the day on which a payment originally was made, to but excluding the day of payment of the refund or payment resulting from that correction (all as determined by the Determination Agent in its reasonable discretion). Any such reimbursement shall be effected in such manner as the Issuer shall agree with the Principal Securities Agent and shall be notified to the relevant Securityholder(s) by facsimile or telex to the number specified in the relevant Exercise Notice.

16.3 ***Additional Disruption Events***

- (a) Following the occurrence of an Additional Disruption Event, the Issuer will, in its reasonable discretion, determine whether or not the relevant Warrants and Certificates shall continue or be redeemed early.
- (b) If the Issuer determines that the relevant Warrants or Certificates shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to any variable relevant to the redemption, settlement, or payment terms of the relevant Warrants or Certificates and/or any other adjustment which change or adjustment shall be effective on such date as the Determination Agent shall determine.
- (c) If the Issuer determines that the relevant Warrants or Certificates shall be terminated, then the Warrants or Certificates shall cease to be exercisable (or, in the case of any Warrants or Certificates which have been exercised, the entitlements of the respective exercising Securityholders to receive the Underlying Securities or payment of the Cash Settlement Amount, as the case may be, pursuant to such exercise shall cease) as of such later date and the Issuer will pay an amount which the Determination Agent, in its reasonable discretion, determines is an amount equal to the Early Settlement Amount.
- (d) The Issuer shall as soon as reasonably practicable under the circumstances notify the Principal Securities Agent and the Determination Agent of the occurrence of an Additional Disruption Event.
- (e) For the purposes hereof:

"**Additional Disruption Event**" means with respect to any Series of Warrants or Certificates (unless otherwise specified in the applicable Pricing Supplement) a Change in Law, Hedging Disruption, Increased Cost of Hedging, Price Source Disruption and any further event or events as may be specified in the applicable Pricing Supplement as an Additional Disruption Event with respect to such Warrants or Certificates.

16.4 ***In relation to Bond-Linked Securities, the following expressions have the meanings set out below:***

"**Change in Law**" means that, on or after the Trade Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (i) it has become illegal to hold, acquire or dispose of Hedge Positions or (ii) it will incur a materially increased cost in performing its obligations with respect to the Warrants or Certificates (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

"**Disrupted Day**" means any day on which a Disruption Event has occurred or is continuing, as determined by the Determination Agent in its reasonable discretion;

"Disruption Event" means any closure of markets in trading of the Underlying Securities other than for ordinary public holidays and/or any restriction or suspension in trading of the Underlying Securities that, in the opinion of the Determination Agent, would have a material effect on the ability of market participants to effect transactions in such markets;

"Early Settlement Amount" means, unless otherwise specified in the applicable Pricing Supplement, an amount which the Determination Agent, acting in a commercially reasonable manner, determines is the fair market value to the Securityholder of a Warrant or Certificate with terms that would preserve the economic equivalent of any payment or delivery (assuming satisfaction of each applicable condition precedent) to which the Securityholder would have been entitled under the Warrant or Certificate but for the occurrence of the Conversion, less the proportion attributable to that Warrant or Certificate 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.

"Exchange" means each securities exchange or trading market specified as such in the applicable Pricing Supplement (including any successor to that securities exchange or trading market) for so long as the Underlying Securities are listed or otherwise included in that securities exchange or trading market. If the specified Exchange ceases to list or otherwise include the Underlying Securities and the Underlying Securities are listed or otherwise included in any other securities exchange or trading market, the Determination Agent will, in its reasonable discretion, select an alternative securities exchange or trading market;

"Exchange Business Day" means, in respect of any Bond-Linked Security, any day that is a trading day on the Exchange (or on each Exchange if more than one is specified) other than a day on which trading on the Exchange is scheduled to close prior to its regular weekday closing time;

"Hedge Positions" means any purchase, sale, entry into or maintenance of one or more (a) positions or contracts in securities, commodities, options, futures, derivatives or foreign exchange, (b) stock loan transactions or (c) other instruments or arrangements (howsoever described) by a party in order to hedge, individually or on a portfolio basis, the Warrants or Certificates;

"Hedging Disruption" means that the Issuer is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations under the Warrants or Certificates, or (b) realise, recover or remit the proceeds of any such transactions or asset(s);

"Increased Cost of Hedging" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Warrants or Certificates or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s) provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging;

"Price Source" is as specified in the Pricing Supplement;

"Price Source Disruption" means (A) the failure of the Price Source to announce or publish any relevant price in respect of the relevant Underlying Securities and/or (B) the temporary or permanent discontinuance or unavailability of the Price Source;

"Reference Cut-Off Date" means in the case of Bond-Linked Securities and any Scheduled Valuation Date, the date falling the Specified Number of Scheduled Trading Days following such Scheduled Valuation Date, or if no such number is specified, the date falling five Scheduled Trading Days following such Scheduled Valuation Date;

"Scheduled Trading Day" means in the case of Bond-Linked Securities, the day(s) specified as such in the applicable Pricing Supplement.

"Scheduled Valuation Date" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date;

"Spot Price" means, in respect of any Bond-Linked Security, unless otherwise specified in the applicable Pricing Supplement:

- (a) if the Strike Price is stated as an amount in the relevant currency, the price for the Underlying Securities, stated as an amount in the relevant currency, equal in amount to the nominal amount specified in the applicable Pricing Supplement of the relevant Underlying Securities to which one Warrant or Certificate, as applicable relates; and
- (b) if the Strike Price is stated as a percentage of the nominal value of the Underlying Securities, the price of the Underlying Securities stated as a percentage of their nominal value,

in each case, as of the Valuation Time on any relevant Valuation Date, as determined by the Determination Agent in its reasonable discretion, which may without limitation and in its discretion be by reference to a Price Source;

"Valuation Date" means in the case of Bond-Linked Securities, the day(s) specified as such in the applicable Pricing Supplement, provided that if any such date is (a) not a Scheduled Trading Day and/or (b) a Disrupted Day, the relevant Valuation Date shall be the earlier of (i) first succeeding Scheduled Trading Day that is not in the determination of the Determination Agent a Disrupted Day and (ii) the Reference Cut-Off Date (notwithstanding that such Scheduled Trading Day is a Disrupted Day); and

"Valuation Time" means in the case of Bond-Linked Securities, the time specified as such in the applicable Pricing Supplement.

17. Provisions relating to ETN-Linked Securities

In respect of any Series of Warrants or Certificates ("**ETN-Linked Securities**") where "**ETN-Linked Settlement Provisions**" are specified in the applicable Pricing Supplement as being applicable, the Conditions shall be supplemented and modified by the terms and conditions set out in the applicable Pricing Supplement.

18. Provisions relating to Rate-Linked Securities

This Condition 18 (*Provisions relating to Rate-Linked Securities*) is applicable in respect of any Series of Warrants or Certificates ("**Rate-Linked Securities**") where "**Rate-Linked Settlement Provisions**" are specified in the applicable Pricing Supplement as being applicable.

18.1 *Screen Rate Determination*

Subject to the provisions of Condition 18.3 (*CMS Underlying Rate Determination*), Condition 18.4 (*Provisions specific to SOFR as Underlying Rate*), Condition 18.5 (*Provisions specific to SONIA as Underlying Rate*), Condition 18.6 (*Provisions specific to €STR as Underlying Rate*), Condition 18.7 (*Provisions specific to SARON as Underlying Rate*), Condition 18.8 (*Provisions specific to TONA as Underlying Rate*) Condition 18.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*), where such provisions are specified to apply in the applicable Pricing Supplement, Condition 18.10 (*Underlying CMS Reference Rate – Effect of Index Cessation Event*) or Condition 18.11 (*General Fallback Arrangements*), if Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Underlying Rate(s) is/are to be determined, the Underlying Rate(s) applicable to the Warrants or Certificates in respect of each Underlying Rate Determination Date or Averaging Date (as applicable) will be determined by the Determination Agent on the following basis:

- (a) if the Underlying Rate is a composite quotation or customarily supplied by one entity, the Determination Agent will determine the Underlying Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Underlying Rate Determination Date;
- (b) in any other case, the Determination Agent will determine the arithmetic mean of the Underlying Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Underlying Rate Determination Date;
- (c) if, in the case of Condition 18.1(a) above, such rate does not appear on that page or, in the case of Condition 18.1(b) 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:

- (i) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Underlying Rate at approximately the Relevant Time on the Underlying Rate 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
- (ii) determine the arithmetic mean of such quotations; and
- (d) 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 Underlying 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 Reference Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Reference Period and in an amount that is representative for a single transaction in that market at that time,

and the Underlying Rate in respect of such Reference Period shall be the rate or (as the case may be) the arithmetic mean so determined, 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 Reference Period, the Underlying Rate applicable to the Warrants or Certificates during such Reference Period will be the rate or (as the case may be) the arithmetic mean last determined in relation to the Warrants or Certificates in respect of a preceding Reference Period.

18.2 **ISDA Determination**

Subject to the provisions of Condition 18.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*), where such provisions are specified to apply in the applicable Pricing Supplement, Condition 18.10 (*Underlying CMS Reference Rate – Effect of Index Cessation Event*) or Condition 18.11 (*General Fallback Arrangements*), if ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Underlying Rate(s) is/are to be determined, the Underlying Rate applicable to the Warrants or Certificates for each Reference Period will be the relevant ISDA Rate where "ISDA Rate" in relation to any Reference Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Determination 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:

- (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the applicable Pricing Supplement;
- (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 Pricing Supplement;
- (iii) the relevant Fixing Day (as defined in the ISDA Definitions) is the date as specified in the applicable Pricing Supplement;
- (iv) the relevant Fixing Time (as defined in the ISDA Definitions) is the time as specified in the applicable Pricing Supplement;
- (v) the relevant Reset Date (as defined in the ISDA Definitions) is as specified in the applicable Pricing Supplement;
- (vi) if an Overnight Floating Rate Option (as defined in the ISDA Definitions) is specified as applicable in the relevant Pricing Supplement and:
 - (A) an Overnight Rate Compounding Method (as defined in the ISDA Definitions) is specified in the applicable Pricing Supplement:
 - (1) OIS Compounding is applicable if specified in the applicable Pricing Supplement and, if so, Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and,

if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement; or

- (2) Compounding with Lookback is applicable if specified in the applicable Pricing Supplement and, if so, (a) Lookback is the number of Applicable Business Days specified in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions and (b) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement;
 - (3) Compounding with Observation Period Shift is applicable if specified in the applicable Pricing Supplement and, if so, Set-in-Advance is applicable if specified as such in the applicable Pricing Supplement and, if so, (a) Set-in-Advance is applicable if specified as such in the applicable Pricing Supplement, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions, (c) Observation Period Shift Additional Business Days are the days, if any, specified as such in the applicable Pricing Supplement and (d) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement;
 - (4) Compounding with Lockout is applicable if specified in the applicable Pricing Supplement and, if so, (a) Lockout is the number of Lockout Period Business Days specified in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions, (b) Lockout Period Business Days are the days specified as such in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions and (c) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement; or
 - (5) unless an Overnight Rate Compounding Method in sub-paragraphs (1) to (4) below 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 applicable Pricing Supplement:
- (1) Overnight Averaging is applicable if specified in the applicable Pricing Supplement and, if so, Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement;
 - (2) Averaging with Lookback is applicable if specified in the applicable Pricing Supplement and, if so, (a) Lookback is the number of Applicable Business Days specified in the applicable Pricing Supplement or, if not so specified in the applicable Pricing

- Supplement, in the ISDA Definitions and (b) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement;
- (3) Averaging with Observation Period Shift is applicable if specified in the applicable Pricing Supplement and, if so, Set-in-Advance is applicable if specified as such in the applicable Pricing Supplement and, if so, (a) Set-in-Advance is applicable if specified as such in the applicable Pricing Supplement, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions, (c) Observation Period Shift Additional Business Days are the days, if any, specified as such in the applicable Pricing Supplement and (d) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement;
 - (4) Averaging with Lockout is applicable if specified in the applicable Pricing Supplement and, if so, (a) Lockout is the number of Lockout Period Business Days specified in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions, (b) Lockout Period Business Days are the days specified as such in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions and (c) Daily Capped Rate and/or Daily Floored Rate are applicable if specified in the applicable Pricing Supplement and, if so, the Daily Capped Rate and the Daily Floored Rate are the rates specified in the applicable Pricing Supplement;
 - (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; and
- (vii) if an Index Floating Rate Option (as defined in the ISDA Definitions) is specified as applicable in the relevant Pricing Supplement and an Index Method is specified in the applicable Pricing Supplement:
 - (A) Standard Index Method is applicable if specified in the applicable Pricing Supplement;
 - (B) Compounded Index Method is applicable if specified in the applicable Pricing Supplement; or
 - (C) Compounded Index Method with Observation Period Shift is applicable if specified in the applicable Pricing Supplement and, if so, (a) Set-in-Advance is applicable if specified as such in the applicable Pricing Supplement, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the applicable Pricing Supplement or, if not so specified in the applicable Pricing Supplement, in the ISDA Definitions and (c) Observation Period Shift Additional Business Days are the days, if any, specified as such in the applicable Pricing Supplement;
 - (viii) in connection with the Index Method, 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 applicable

Pricing Supplement; (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 Reference 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 last day of the relevant Reference Period; (6) "Termination Date" shall be deemed to be references to the last day of the final Reference Period; and (7) "Effective Date" shall be deemed to be references to the first day of the initial Reference Period; or

- (ix) Delayed Payment is applicable if specified in the applicable Pricing Supplement and the relevant delay is the number of Business Days specified in respect of Delayed Payment in the applicable Pricing Supplement;
- (x) Period End Date/ Termination Date adjustment for Unscheduled Holiday will apply if specified in the relevant Pricing Supplement to be applicable;
- (xi) Non-Representative (as defined in the 2021 ISDA Definitions) will apply if specified in the relevant Pricing Supplement to be applicable;
- (xii) Successor Benchmark and Successor Benchmark Effective Date (as defined in the 2021 ISDA Definitions) will be as specified in the applicable Pricing Supplement;
- (xiii) 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 18.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*), where such provision is specified to apply in the applicable Pricing Supplement, or Condition 18.11 (*General Fallback Arrangements*) and the ISDA Definitions shall be construed accordingly;
- (xiv) Sections 1.2.2 (*Calculation Agent Standard*) and 1.2.4 (*Determinations by Calculation Agent*) of the ISDA Definitions are deemed to be deleted;
- (xv) 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 Pricing Supplement; and
- (xvi) 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.

Notwithstanding any other Conditions where the Floating Rate Option is "EUR-CNO TEC10", and unless "TEC10 Adjustment" is specified as "Not Applicable" in the applicable Pricing Supplement, if in respect of any Interest Period the Determination Agent determines that the 10-year constant maturity French treasury rate (known as CNO TEC10) published by the Bank of France no longer represents the actual yield to maturity of a notional *Obligations assimilables du Trésor* ("OAT") with a maturity of exactly 10 years (based on executable prices available to the Determination Agent for OATs with a maturity most closely matching a 10-year maturity) (which event may occur in connection with or following any default or potential default of the Republic of France or unexpected volatility or illiquidity in markets in trading of OATs), then the ISDA Rate in respect of such Interest Period for the purposes of the Conditions shall be deemed to be the yield to maturity of a notional OAT with a maturity of exactly 10 years, as determined by the Determination Agent acting in good faith and a commercially reasonable manner by reference to bid prices for OATs with a maturity most closely matching a 10-year maturity and having regard to such pricing sources, methods and models (which may include, without limitation, any available firm or indicative prices for such OATs or internal valuation or recovery models) as the Determination Agent considers appropriate.

- 18.3 **CMS Underlying Rate Determination:** Subject to the provisions of Condition 18.10 (*Underlying CMS Reference Rate – Effect of Index Cessation Event*), if CMS Underlying Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Underlying Rate(s) is/are to be determined, the Underlying Rate(s) applicable to the Warrants or Certificates for each Reference Period

will be the relevant CMS Underlying Rate determined in accordance with paragraphs (a) or (b) below, as applicable.

(a) *Single CMS Underlying Rate*

If the CMS Underlying Rate is specified in the applicable Pricing Supplement to be "Single CMS Underlying Rate", the CMS Underlying Rate in respect of a Reference Period or any relevant day will be equal to the CMS Underlying Rate for such Reference Period or such relevant day multiplied by the Underlying Rate Participation Rate (if any is specified in the applicable Pricing Supplement in relation to such CMS Underlying Rate).

(b) *Spread CMS Underlying Rate*

If the CMS Underlying Rate is specified in the applicable Pricing Supplement to be "Spread CMS Underlying Rate", the CMS Underlying Rate in respect of a Reference Period or any relevant day will be equal to the difference between (1) CMS Underlying Rate 1 for such Reference Period or such relevant day multiplied by Underlying Rate Participation Rate 1 (if any is specified in the applicable Pricing Supplement in relation to such CMS Underlying Rate 1), minus (2) CMS Underlying Rate 2 for such Reference Period or such relevant day multiplied by Underlying Rate Participation Rate 2 (if any is specified in the applicable Pricing Supplement in relation to such CMS Underlying Rate 2).

(c) *Determination of CMS Underlying Rate*

The CMS Underlying Rate in respect of a Reference Period or any relevant day (as applicable) will be the Specified Swap Rate for swap transactions in the Reference Currency with a maturity of the Designated Maturity (expressed as a percentage rate per annum) (the "**Relevant Swap Rate**") which appears on the Relevant Screen Page as at the Relevant Time on the Underlying Rate Determination Date in respect of such Reference Period or such relevant day, all as determined by the Determination Agent. If the Relevant Swap Rate does not appear on the Relevant Screen Page at the Relevant Time, the CMS Underlying Rate in respect of a Reference Period or a relevant day (as applicable) will be determined by the Determination Agent in accordance with the first applicable Fallback Rate Determination that provides a CMS Underlying Rate, and if the applicable Pricing Supplement specifies:

- (i) "Fallback Screen Page" to be applicable, the Determination Agent will, acting in good faith and in a commercially reasonable manner, determine an alternative or successor page or publication to the Relevant Screen Page for the Relevant Swap Rate;
- (ii) "Mid-Market Quotations" to be applicable, the Determination Agent will determine the CMS Underlying Rate on the basis of the arithmetic mean of the Mid-Market Quotations provided by the Reference Banks at approximately the Relevant Time on the Underlying Rate Determination Date in respect of such Reference Period or such day by requesting the principal Relevant Financial Centre office of each of the Reference Banks to provide Mid-Market Quotations. If at least five Mid-Market Quotations are provided, the Determination Agent will determine the arithmetic mean of such Mid-Market Quotations provided by discarding the highest of such Mid-Market Quotations (or in event of equality, one of the highest) and lowest of such Mid-Market Quotations (or in event of equality, one of the lowest). If four Mid-Market Quotations are provided, the Determination Agent will determine the arithmetic mean of such Mid-Market Quotations provided. If less than four Mid-Market Quotations are provided, the next Fallback Rate Determination specified in the applicable Pricing Supplement will apply, or if none is specified, Determination Agent Fallback will apply. All calculations of the arithmetic mean of the relevant number of Mid-Market Quotations provided pursuant to this paragraph will be rounded to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards; and
- (iii) "Determination Agent Fallback" to be applicable, the Determination Agent will, acting in good faith and in a commercially reasonable manner, determine the CMS Underlying Rate by using available and relevant public information and having regard to comparable benchmarks available.

If any Fallback Rate Determination(s) are specified in the applicable Pricing Supplement, then only that or those (as the case may be) Fallback Rate Determinations shall apply and if two or more Fallback Rate Determinations are specified, those Fallback Rate Determinations shall apply in the order as specified in the applicable Pricing Supplement, such that if the Determination Agent determines that the CMS Underlying Rate cannot be determined by applying a Fallback Rate Determination, then the next Fallback Rate Determination specified shall apply.

18.4 *Provisions specific to SOFR as Underlying Rate*

- (i) If Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Underlying Rate(s) is/are to be determined and SOFR is specified in the relevant Pricing Supplement as the Underlying Rate, the Underlying Rate(s) for a Reference Period will be the relevant SOFR Benchmark, subject to a minimum of zero per cent.
- (ii) 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:
 - (1) if SOFR Compound with Lookback ("**SOFR Compound with Lookback**") is specified as applicable in the relevant Pricing Supplement, the SOFR Benchmark for each Reference 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):

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

where:

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

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

"**Lookback Days**" means the number of U.S. Government Securities Business Days specified in the applicable Pricing Supplement;

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

"**SOFR_i-xUSBD**", for any U.S. Government Securities Business Day "i" in the relevant Reference 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;

- (2) if SOFR Compound with Observation Period Shift ("**SOFR Compound with Observation Period Shift**") is specified as applicable in the relevant Pricing Supplement, the SOFR Benchmark for each Reference 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 Reference 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 Reference Period to, but excluding, the date falling a number of U.S. Government Securities Business Days equal to the Observation Shift Days preceding the last day of the relevant Reference Period;

"**Observation Shift Days**" means the number of U.S. Government Securities Business Days specified in the applicable Pricing Supplement; and

"**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;

- (3) if SOFR Compound with Payment Delay ("**SOFR Compound with Payment Delay**") is specified as applicable in the relevant Pricing Supplement, the SOFR Benchmark for each Reference 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 Reference Period;

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

"**n_i**" for any U.S. Government Securities Business Day "**i**" in the relevant Reference 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**"); and

"SOFR_i", for any U.S. Government Securities Business Day "i" in the relevant Reference 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 Reference 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 Expiration Date or the termination date, as applicable, shall be the level of SOFR in respect of such SOFR Rate Cut-Off Date;

- (4) if SOFR Index Average ("**SOFR Index Average**") is specified as applicable in the relevant Pricing Supplement, the SOFR Benchmark for each Reference 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):

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

where:

"**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 applicable Pricing Supplement preceding the last day of the relevant Reference Period (or in the final Reference Period, the Expiration Date or termination date); and

"**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 applicable Pricing Supplement preceding the first date of the relevant Reference Period;

If the values for SOFR Index_{Start} or SOFR Index_{End} are not published on or by the relevant Underlying Rate 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 Underlying Rate Determination Date with respect to the relevant Reference Period, in accordance with the formula set out in subparagraph (2) above of this Condition 18.4(ii) (*Provisions specific to SOFR as Underlying Rate*) and for such purpose, "Observation Shift Days" shall be the number of U.S. Government Securities Business Days specified for such purpose in the applicable Pricing Supplement. If a Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in paragraph (iii) below shall apply.

(iii) *Effect of Benchmark Transition Event*

- (A) *Benchmark Replacement.* If the Issuer or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred 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 Warrants or

Certificates in respect of such determination on such date and all determinations on all subsequent dates.

- (B) *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.
- (C) *Decisions and Determinations.* Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 18.4(iii) (*Effect of Benchmark Transition Event*), 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 Warrants or Certificates, shall become effective without consent from the holders of the Warrants or Certificates or any other party.

18.5 *Provisions specific to SONIA as Underlying Rate*

- (i) If Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Underlying Rate(s) is/are to be determined and SONIA is specified in the relevant Pricing Supplement as the Underlying Rate, the Underlying Rate(s) for a Reference Period will be the relevant SONIA Benchmark, subject to a minimum of zero per cent.
- (ii) 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:
 - (1) if SONIA Compound with Lookback ("**SONIA Compound with Lookback**") is specified as applicable in the relevant Pricing Supplement, the SONIA Benchmark for each Reference 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):

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{SONIA}_{i-\text{pLBD}} \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where:

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

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

"**Lookback Days**" means the number of London Banking Days specified in the applicable Pricing Supplement;

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

"**SONIA_{i-pLBD}**" for any London Banking Day "i" in the relevant Reference Period, is equal to 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;

- (2) if SONIA Compound with Observation Period Shift ("**SONIA Compound with Observation Period Shift**") is specified as applicable in the relevant Pricing Supplement, the SONIA Benchmark for each Reference 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):

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{SONIA}_i \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where:

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

"**d₀**" for any Observation Period, means the number of 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;

"**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 Reference 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 the Reference Period to, but excluding, the date falling a number of London Banking Days equal to the Observation Shift Days preceding the last day of the relevant Reference Period;

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

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

- (3) if SONIA Compound with Payment Delay ("**SONIA Compound with Payment Delay**") is specified as applicable in the relevant Pricing Supplement, the SONIA Benchmark for each Reference 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):

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{SONIA}_i \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where:

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

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

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

"**SONIA_i**" for any London Banking Day "i" in the relevant Reference 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 Reference 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 Expiration Date or the termination date, as applicable, shall be the level of SONIA in respect of such SONIA Rate Cut-Off Date;

- (4) if SONIA Index Average ("**SONIA Index Average**") is specified as applicable in the relevant Pricing Supplement, the SONIA Benchmark for each Reference 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):

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

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 Pricing Supplement (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 Underlying Rate Determination Date, the SONIA Benchmark for the applicable Reference Period for which the SONIA Index is not available shall be determined as set out under sub-paragraph (2) above of this Condition 18.5(ii) (*Provisions specific to SONIA as Underlying Rate*) as if SONIA Compound with Observation Period Shift were specified as applicable in the relevant Pricing Supplement, and for these purposes: the Observation Shift Days in respect of the applicable Reference 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 Pricing Supplement, as if such alternative elections had been made in the applicable Pricing Supplement);

"**SONIA Index_{End}**" means, in respect of a Reference Period, the SONIA Index value on the date that is the Relevant Number of London Banking Days preceding the relevant payment date relating to such Reference Period; and

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

For the purposes of this Condition 18.5 (*Provisions specific to SONIA as Underlying Rate*), 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 Conditions 18.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*) or 18.11 (*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.

18.6 **Provisions specific to €STR as Underlying Rate**

- (i) If Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which an Underlying Rate is to be determined and €STR is specified in the relevant Pricing Supplement as the Underlying Rate, the Underlying Rate for a Reference Period will be the relevant €STR Benchmark, subject to a minimum of zero per cent.
- (ii) 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:
 - (1) if €STR Compound with Lookback ("**€STR Compound with Lookback**") is specified as applicable in the relevant Pricing Supplement, the €STR Benchmark for each Reference 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):

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

where:

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

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

"**€STR_{i-pTBD}**" for any TARGET Settlement Day "**i**" in the relevant Reference 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 Reference Period;

"**Lookback Days**" means the number of TARGET Settlement Days specified in the relevant Pricing Supplement; and

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

- (2) if €STR Compound with Observation Period Shift ("**€STR Compound with Observation Period Shift**") is specified as applicable in the relevant Pricing Supplement, the €STR Benchmark for each Reference 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 Reference 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 Reference Period to, but excluding, the date falling a number of TARGET Settlement Days equal to the Observation Shift Days preceding the last day of such Reference Period; and

"**Observation Shift Days**" means the number of TARGET Settlement Days specified in the relevant Pricing Supplement;

- (3) if €STR Compound with Payment Delay ("**€STR Compound with Payment Delay**") is specified as applicable in the relevant Pricing Supplement, the €STR Benchmark for each Reference 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 Reference Period;

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

"**€STR_i**" for any TARGET Settlement Day "i" in the relevant Reference 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 Reference Period;

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

Where "€STR Compound with Payment Delay" applies, for the purposes of calculating €STR with respect to the final Reference 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 Expiration Date or the termination date, as applicable, shall be the level of €STR in respect of such €STR Rate Cut-Off Date;

- (4) if €STR Index Average ("**€STR Index Average**") is specified as applicable in the relevant Pricing Supplement, the €STR Benchmark for each Reference 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):

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

where:

"**d**" means the number of calendar days from, and including, the €STR IndexStart to, but excluding, the €STR IndexEnd.

"**€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 Underlying Rate Determination Date, the €STR Benchmark for the applicable Reference Period for which the €STR Index is not available shall be determined as set out under sub-paragraph (2) of this Condition 18.6(ii) (*Provisions specific to €STR as Underlying Rate*) above as if €STR Compound with Observation Period Shift were specified as applicable in the relevant Pricing Supplement, and for these purposes: the Observation Shift Days in respect of the applicable Reference 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 Pricing Supplement, as if such alternative elections had been made in the applicable Pricing Supplement).

"**€STR Index_{End}**" means, in respect of a Reference Period, the €STR Index value on the date that is the Relevant Number of TARGET Settlement Days specified in the relevant Pricing Supplement preceding the relevant payment date relating to such Reference Period.

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

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

For the purposes of this Condition 18.6 (*Provisions specific to €STR as Underlying Rate*), 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 Conditions 18.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*) or 18.11 (*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.

18.7 Provisions specific to SARON as Underlying Rate

- (i) If Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which an Underlying Rate is to be determined and SARON is specified in the relevant Pricing Supplement as the Underlying Rate, the Underlying Rate for a Reference Period will be the relevant SARON Benchmark, subject to a minimum of zero per cent.
- (ii) 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:
 - (1) if SARON Compound with Lookback ("**SARON Compound with Lookback**") is specified as applicable in the relevant Pricing Supplement, the SARON Benchmark for each Reference Period shall be equal to the rate of return of a daily compound SARON interest investment 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):

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

Where:

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

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

"**Lookback Days**" means the number of Zurich Banking Days specified in the applicable Pricing Supplement;

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

"**SARON_{i-xZBD}**" for any Zurich Banking Day "i" in the relevant Reference 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;

- (2) if SARON Compound with Observation Period Shift ("**SARON Compound with Observation Period Shift**") is specified as applicable in the relevant Pricing Supplement, the SARON Benchmark for each Reference Period shall be equal to the rate of return of a daily compound SARON interest investment 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 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 Reference 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 Reference Period to, but excluding, the date falling a number of Zurich Banking Days equal to the Observation Shift Days preceding the last day of the relevant Reference Period;

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

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

- (3) if SARON Compound with Payment Delay ("**SARON Compound with Payment Delay**") is specified as applicable in the relevant Pricing Supplement, the SARON Benchmark for each Reference Period shall be equal to the rate of return of a daily compound SARON interest investment 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 Reference Period;

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

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

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

Where "SARON Compound with Payment Delay" applies, for the purposes of calculating SARON with respect to the final Reference 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;

- (4) if SAION Index Average ("**SAION Index Average**") is specified as applicable in the relevant Pricing Supplement, the SARON Benchmark for each Reference 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):

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

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 Pricing Supplement (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 Swiss Exchange 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 Underlying Rate Determination Date, the SARON Benchmark for the applicable Reference Period for which the SAION Index is not available shall be determined as set out under subparagraph (2) of this Condition 18.7(ii) (*Provisions specific to SARON as Underlying Rate*) as if SARON Compound with Observation Period Shift were specified as applicable in the relevant Pricing Supplement, and for these purposes the Observation Shift Days in respect of the applicable Reference 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 Business Days specified for this purpose in the applicable Pricing Supplement), as if such alternative elections had been made in the applicable Pricing Supplement;

"**SAION Index_{End}**" means, with respect to a Reference Period, the SAION Index value on the date that is the Relevant Number of Zurich Banking Days preceding the relevant payment date relating to such Reference Period; and

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

For the purposes of this Condition 18.7 (*Provisions specific to SARON as Underlying Rate*), 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 Conditions 18.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*) or 18.11 (*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.

18.8 Provisions specific to TONA as Underlying Rate

- (i) If Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which an Underlying Rate is to be determined and TONA is specified in the applicable Pricing Supplement as the Underlying Rate, the Underlying Rate for a Reference Period will be the relevant TONA Benchmark, subject to a minimum of zero per cent.
- (ii) 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:
 - (1) if TONA Compound with Lookback ("**TONA Compound with Lookback**") is specified as applicable in the relevant Pricing Supplement, the TONA Benchmark for each Reference 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):

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{TONA}_{i-\text{pTBD}} \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where:

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

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

"**Lookback Days**" means the number of Tokyo Banking Days specified in the relevant Pricing Supplement;

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

"**TONA_{i-pTBD}**" for any Tokyo Banking Day "i" in the relevant Reference 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;

- (2) if TONA Compound with Observation Period Shift ("**TONA Compound with Observation Period Shift**") is specified as applicable in the relevant Pricing Supplement, the TONA Benchmark for each Reference 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):

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{TONA}_i \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where:

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

"**d₀**" for any Observation Period, means the number of Tokyo Banking Days in the relevant Observation 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 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 Reference 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 Reference Period to, but excluding, the date falling a number of Tokyo Banking Days equal to the Observation Shift Days preceding the last day of the relevant Reference Period;

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

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

- (3) if TONA Compound with Payment Delay ("**TONA Compound with Payment Delay**") is specified as applicable in the relevant Pricing Supplement, the TONA Benchmark for each Reference 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):

$$\left(\prod_{i=1}^{d_0} \left(1 + \frac{\text{TONA}_i \times n_i}{365} \right) - 1 \right) \times \frac{365}{d}$$

where:

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

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

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

"**TONA_i**" for any Tokyo Banking Day "**i**" in the relevant Reference 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 Reference 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 Expiration Date or the termination date, as applicable, shall be the level of TONA in respect of such TONA Rate Cut-Off Date;

- (4) if TONA Index Average ("**TONA Index Average**") is specified as applicable in the relevant Pricing Supplement, the TONA Benchmark for each Reference 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):

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

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 Pricing Supplement (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 Underlying Rate Determination Date, the TONA Benchmark for the applicable Reference Period for which the TONA Index is not available shall be determined as set out under sub-paragraph (2) of this Condition 18.8(ii) (*Provisions specific to TONA as Underlying Rate*) as if TONA Compound with Observation Period Shift were specified as applicable in the relevant Pricing Supplement, and for these purposes: the Observation Shift Days in respect of the applicable Reference 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 Pricing Supplement, as if such alternative elections had been made in the applicable Pricing Supplement);

"**TONA Index_{End}**" means, with respect to a Reference Period, the TONA Index value on the date that is the Relevant Number of Tokyo Banking Days preceding the relevant payment date relating to such Reference Period; and

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

For the purposes of this Condition 18.8 (*Provisions specific to TONA as Underlying Rate*), 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 Conditions 18.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*) or 18.11 (*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.

18.9 ***Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use***

If (i) Condition 18.10 (*Underlying CMS Reference Rate – Effect of Index Cessation Event*) does not apply, (ii) the applicable Pricing Supplement specifies that the provisions of this Condition 18.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*) are applicable and (iii) unless otherwise specified in the applicable Pricing Supplement, where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Underlying 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 Underlying Rates Benchmark announcing that it has ceased or will cease to provide the Relevant Underlying 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 Underlying Rates Benchmark; or
- (b) a public statement or publication of information by the regulatory supervisor for the administrator of the Relevant Underlying Rates Benchmark, the central bank for the currency of the Relevant Underlying Rates Benchmark, an insolvency official with jurisdiction over the administrator of the Relevant Underlying Rates Benchmark, a resolution authority with jurisdiction over the administrator of the Relevant Underlying Rates Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator of the Relevant Underlying Rates Benchmark, which states that the administrator of the Relevant Underlying Rates Benchmark has ceased or will cease to provide the Relevant Underlying 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 Underlying Rates Benchmark; or
- (c) unless otherwise specified in the Pricing Supplement, an Administrator/Benchmark Event occurs in relation to a Relevant Underlying Rates Benchmark,

then the Determination Agent may use, as a substitute for the Relevant Underlying Rates Benchmark, and for each future Underlying Rate 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 Pricing Supplement 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 Pricing Supplement, 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 (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 Underlying Rates Benchmark with the Alternative Rate), as well as the applicable Business Day Convention, Underlying Rate Determination Dates (or any other rate fixing dates) and related provisions and definitions of the Warrants or Certificates, in each case that are consistent with accepted market practice for the use of such Alternative Rate for instruments such as the Warrants or Certificates.

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 Underlying Rates Benchmark (which shall be the "Alternative Rate" for the purposes of these provisions), the Business Day Convention, the Underlying Rate Determination Dates (or any other rate fixing dates) and related provisions and definitions in respect of the Warrants or Certificates, in each case, that are consistent with accepted market practice for the use of such Alternative Rate for instruments such as the Warrants or Certificates.

The Issuer will then provide a notice, in accordance with Condition 29 (*Notices*), to Securityholders to inform them of the occurrence of any of the events listed in Conditions 18.9(a) to 18.9(c) (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*) above, the Alternative Rate and any adjustment determinations which will apply to the Warrants or Certificates. The notice shall also confirm the effective date of the Alternative Rate and any adjustments.

Notwithstanding anything else in this Condition 18.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*), 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 18.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*)) (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 Warrants or Certificates, then the Issuer may, in its reasonable discretion, determine that the Warrants or Certificates shall be settled as of any later date. If the Issuer so determines that the Warrants or Certificates shall be settled, then the Issuer shall give not less than five Business Days' notice to the Securityholders to settle the Warrants or Certificates and upon settlement the Issuer will pay in respect of each Warrant or Certificate an amount equal to the Early Settlement Amount.

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

In the case where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Underlying 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 (including any adjustment spread) as well as the applicable Business Day Convention, Underlying Rate Determination Dates (or any other rate fixing dates) and related provisions and definitions of the Warrants or Certificates, in each case that are consistent with accepted market practice for the use of such replacement or modified Floating Rate for instruments such as the Warrants or Certificates. The Issuer will provide a notice, in accordance with Condition 29 (*Notices*), to Securityholders to inform them of any adjustment determinations which will apply to the Warrants or Certificates. The notice shall also confirm the effective date of any adjustments.

18.10 *Underlying CMS Reference Rate – Effect of Index Cessation Event*

This Condition 18.10 (*Underlying CMS Reference Rate – Effect of Index Cessation Event*) applies where (i) the Relevant Underlying Rates Benchmark is a CMS Underlying Rate and (ii) the applicable Pricing

Supplement specifies that the provisions of this Condition 18.10 (*Underlying CMS Reference Rate – Effect of Index Cessation Event*) are applicable.

- (a) *Index Cessation.* If, as of an Underlying Rate Determination Date or any other relevant day on which a CMS Underlying Rate is to be determined, an Index Cessation Effective Date with respect to the applicable tenor of the then-current CMS Reference Rate has occurred, then the CMS Reference Rate in respect of such Underlying Rate Determination Date or other relevant day (as applicable) and each subsequent Underlying Rate Determination Date or other relevant day (as applicable) shall be the sum of (i) the Benchmark Replacement; and (ii) any adjustment spread (which may be a positive or negative value or zero), in each case determined on that Underlying Rate Determination Date or other relevant day (as applicable) by the Determination Agent acting in good faith and in a commercially reasonable manner. Following the occurrence of an Index Cessation Effective Date in respect of one or more Index Cessation Events, the determination of the Benchmark Replacement and any adjustment spread will be a one-time process and will apply to each following Underlying Rate Determination Date or other relevant day (as applicable).
- (b) *Early Settlement.* If the implementation of any Benchmark Replacement or Benchmark Replacement Conforming Changes results in a calculation of the CMS Underlying Rate that is not consistent with market practice as determined by the Determination Agent, the Issuer may, in its reasonable discretion, determine that the Warrants or Certificates shall be settled as of any later date. If the Issuer so determines that the Warrants or Certificates shall be settled, then the Issuer shall give not less than five Business Days' notice to the Securityholders to settle the Warrants or Certificates and upon settlement the Issuer will pay in respect of each Warrant or Certificate an amount equal to:
 - (i) if "Early Settlement Amount (CMS Underlying Rate) – Fixed Settlement" is specified in the applicable Pricing Supplement, an amount per Warrant or Certificate (expressed as a percentage) as specified in the applicable Pricing Supplement;
 - (ii) if "Early Settlement Amount (CMS Underlying Rate) – Fixed Settlement Less Costs" is specified in the applicable Pricing Supplement, an amount per Warrant or Certificate (expressed as a percentage) as specified in the applicable Pricing Supplement less the reasonable cost to and/or the loss realised by, the Issuer and/or any Affiliate on unwinding any related hedging arrangements, in each case as calculated by the Determination Agent in its reasonable discretion;
 - (iii) if "Early Settlement Amount (CMS Underlying Rate) – Fair Market Value Less Costs" is specified in the applicable Pricing Supplement, an amount equal to the fair market value of such Warrant or Certificate, 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 settlement of the Warrant or Certificate), less the proportion attributable to that Warrant or Certificate 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, in each case as calculated by the Determination Agent in its reasonable discretion; or
 - (iv) if "Early Settlement Amount (CMS Underlying Rate) – Fair Market Value" is specified in the Pricing Supplement, the fair market value of such Warrant or Certificate, 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 settlement of the Warrant or Certificate), as calculated by the Determination Agent in its reasonable discretion.

The Issuer's obligation under the Warrants or Certificates shall be satisfied in full upon payment of such amount.

- (c) *Decisions and Determinations.* Any determination, decision, selection or election that may be made by the Issuer, the Determination Agent or their respective designees, pursuant to this Condition 18.10 (*Underlying CMS Reference Rate – Effect of Index Cessation Event*), including any determination with respect to a tenor, rate, spread 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 determination, decision, selection or election:

- (i) will be conclusive and binding absent manifest error;
- (ii) will be made in such person's sole discretion; and
- (iii) notwithstanding anything to the contrary in the documentation relating to the Warrants or Certificates, shall become effective without consent from the holders of the Warrants or Certificates or any other party.
- (d) For the purposes of this Condition 18.10 (*Underlying CMS Reference Rate – Effect of Index Cessation Event*), the following terms shall bear the following meanings:

"Benchmark Replacement" means the first alternative benchmark set forth in the order below that can be determined by the Determination Agent as of the Underlying Rate Determination Date or other relevant day on which a CMS Underlying Rate is to be determined, in each case next succeeding the relevant Index Cessation Effective Date (or, if the Index Cessation Effective Date occurs on the Underlying Rate Determination Date or other relevant day, that Underlying Rate Determination Date or other relevant day (as applicable)):

- (i) if an alternative reference rate, index or benchmark is specified in the Pricing Supplement for this purpose (an **"Alternative Pre-nominated Reference Rate"**), such Alternative Pre-nominated Reference Rate;
- (ii) the alternate rate of interest that has been selected or recommended by the relevant governmental body or agency with jurisdiction over the then-current CMS Underlying Rate or the administrator thereof as the replacement for the then-current CMS Underlying Rate for the applicable index maturity; or
- (iii) the alternate rate of interest that has been selected by the Determination Agent as the replacement for the then-current CMS Underlying Rate for the applicable index maturity giving due consideration to any industry-accepted rate of interest as a replacement for the then-current CMS Underlying Rate for floating rate notes denominated in the Index Currency at such time, including any alternate rate of interest recommended by the International Swaps and Derivatives Association, Inc. or any successor thereto.

In connection with the implementation of a Benchmark Replacement, the Determination Agent or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time.

"Benchmark Replacement Conforming Changes" means, with respect to any Benchmark Replacement, any changes (including changes to the definition of "Reference Period", the timing and frequency of determining rates and making payments of interest, and other administrative matters) that the Determination Agent or its designee determines may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Determination Agent or its designee determines that adoption of any portion of such market practice is not administratively feasible or if the Determination Agent or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Determination Agent or its designee determines is reasonably necessary).

"CMS Underlying Rate" means, initially, the CMS Underlying Rate specified in the applicable Pricing Supplement; provided that if an Index Cessation Effective Date has occurred with respect to such rate or the then-current CMS Underlying Rate, then "CMS Underlying Rate" means the applicable Benchmark Replacement. For the avoidance of doubt, such Benchmark Replacement will replace the then-current CMS Underlying Rate for all purposes relating to the Warrants or Certificates.

"Index Cessation Effective Date" means, in respect of the then-current CMS Underlying Rate and one or more Index Cessation Events, the first date on which the CMS Underlying Rate would ordinarily have been published or provided and is no longer published or provided. If the CMS Underlying Rate ceases to be provided on an Underlying Rate Determination Date or other relevant day, but it was provided at the time at which it is to be observed pursuant to these

Conditions, then the Index Cessation Effective Date will be the next day on which the rate would ordinarily have been published or provided.

"**Index Cessation Event**" means, in respect of the then-current CMS Underlying Rate:

- (i) a public statement or publication of information by or on behalf of the administrator of the CMS Underlying Rate announcing that it has ceased or will cease to provide the CMS Underlying Rate permanently or indefinitely; provided that, at the time of the statement or publication, there is no successor administrator or provider, as applicable, that will continue to provide the CMS Underlying Rate;
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the CMS Underlying Rate, the central bank for the currency of the CMS Underlying Rate, an insolvency official with jurisdiction over the administrator for the CMS Underlying Rate, a resolution authority with jurisdiction over the administrator for the CMS Underlying Rate or a court or an entity with similar insolvency or resolution authority over the administrator for the CMS Underlying Rate, which states that the administrator of the CMS Underlying Rate has ceased or will cease to provide the CMS Underlying Rate permanently or indefinitely; provided that, at the time of the statement or publication, there is no successor administrator or provider that will continue to provide the CMS Underlying Rate; or
- (iii) unless otherwise specified in the applicable Pricing Supplement, an Administrator/Benchmark Event (as defined in Condition 2 (*Interpretation*)) occurs with respect to the CMS Underlying Rate (with the CMS Underlying Rate being the Relevant Underlying Rates Benchmark for the purpose of the definition of "Administrator/Benchmark Event").

"**Index Currency**" means the currency in respect of which the relevant CMS Underlying Rate is calculated or expressed, as determined by the Determination Agent.

- (e) *Application to multiple CMS Underlying Rates*: If either:
 - (i) the CMS Underlying Rate is specified in the applicable Pricing Supplement to be "Spread CMS Rate"; or
 - (ii) the Warrants or Certificates otherwise reference more than one CMS Underlying Rate,

the foregoing provisions of this Condition 18.10 (*Underlying CMS Reference Rate – Effect of Index Cessation Event*) shall apply separately for each CMS Underlying Rate so referenced (including each of CMS Underlying Rate 1 and CMS Underlying Rate 2 in the case where the CMS Underlying Rate is a "Spread CMS Underlying Rate") and for the purpose of construing such provisions, each of CMS Underlying Rate 1 and CMS Underlying Rate 2 shall be the "**CMS Reference Rate**". However, if an Index Cessation Effective Date has occurred in respect of one or more CMS Underlying Rate(s) (the "Impacted CMS Underlying Rate(s)") but not all of the CMS Underlying Rate(s) referenced by the Warrants or Certificates (the "**Non-Impacted CMS Underlying Rate(s)**"), the Issuer or its designee may elect to treat each of the Non-Impacted CMS Underlying Rate(s) as if an Index Cessation Effective Date had occurred in respect of such Non-Impacted CMS Underlying Rate and apply the foregoing provisions accordingly.

18.11 **General Fallback Arrangements**

- (a) The following provisions of this Condition 18.11 (*General Fallback Arrangements*) shall apply where:
 - (i) the Relevant Underlying Rates Benchmark is EURIBOR, SONIA, €STR, SARON or TONA;
 - (ii) such Relevant Underlying Rates Benchmark has been permanently discontinued;
 - (iii) the applicable Pricing Supplement specifies that the provisions of Condition 18.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*) do not apply; and

unless otherwise specified in the applicable Pricing Supplement, where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Underlying Rate is to be determined, application of any ISDA Bespoke Fallbacks specified in the relevant Floating Rate Option (as defined in the ISDA Definitions) following the permanent discontinuation of the Relevant Underlying Rates Benchmark fails to provide a means of determining the relevant Floating Rate (as defined in the ISDA Definitions).

- (b) If this Condition 18.11 (*General Fallback Arrangements*) applies then notwithstanding the terms set forth elsewhere in these Conditions, the Determination Agent will use, as a substitute for such Relevant Underlying Rates Benchmark and for each future Underlying Rate Determination Date, the alternative reference rate or index 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, as well as the applicable Business Day Convention, Underlying Rate Determination Dates and related provisions and definitions of the Warrants or Certificates, in each case that are consistent with accepted market practice for the use of such Alternative Rate for instruments such as the Warrants or Certificates. 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 instruments such as the Warrants or Certificates, as well as the Business Day Convention and the Underlying Rate Determination Dates in respect of the Warrants or Certificates, that is consistent with accepted market practice.
- (c) In the case where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Underlying 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 (including any adjustment spread) as well as the applicable Business Day Convention, Underlying Rate Determination Dates (or any other rate fixing dates) and related provisions and definitions of the Warrants or Certificates, in each case that are consistent with accepted market practice for the use of such replacement or modified Floating Rate for instruments such as the Warrants or Certificates. The Issuer will provide a notice, in accordance with Condition 29 (*Notices*), to Securityholders to inform them of any adjustment determinations which will apply to the Warrants or Certificates. The notice shall also confirm the effective date of any adjustments.

18.12 ***Additional Disruption Events***

- (a) Following the occurrence of an Additional Disruption Event, the Issuer will, in its reasonable discretion, determine whether or not the relevant Warrants or Certificates shall continue or be terminated early.
- (b) If the Issuer determines that the relevant Warrants or Certificates shall continue, the Determination Agent may make such adjustment as the Determination Agent, in its reasonable discretion, considers appropriate, if any, to any variable relevant to the termination, settlement, or payment terms of the relevant Warrants or Certificates and/or any other adjustment which change or adjustment shall be effective on such date as the Determination Agent shall determine. The Fiscal Agent shall provide notice to the Securityholders of any such adjustment in accordance with Condition 29.9 (*Notices*), giving summary details of the adjustment, provided that any failure to give such notice shall not affect the validity of any such adjustment.
- (c) If the Issuer determines that the relevant Warrants or Certificates shall be terminated early, then the Issuer shall give not less than five Business Days' notice to settle the Warrants or Certificates and the Issuer's obligations under the Warrants or Certificates shall be satisfied in full upon payment of an amount in respect of each Note equal to the Early Settlement Amount as specified in the applicable Pricing Supplement.
- (d) The Issuer shall as soon as reasonably practicable under the circumstances notify the Fiscal Agent and the Determination Agent of the occurrence of an Additional Disruption Event.
- (e) For the purposes hereof:

"Additional Disruption Event" means, if specified as applicable in the applicable Pricing Supplement, with respect to any Series of Warrants or Certificates, a Change in Law, Hedging Disruption, Increased Cost of Hedging and any further event or events as may be specified in the applicable Pricing Supplement.

18.13 *Definitions applicable to Rate-Linked Securities*

Capitalised terms used but not otherwise defined in this Condition 18 (*Provisions relating to Rate-Linked Securities*) shall have the meanings given to them in Condition 2 (*Interpretation*).

"Averaging Date" means, in respect of an Underlying Rate and an Underlying Rate Determination Date, each date specified as such or otherwise determined as provided in the applicable Pricing Supplement, provided that if any such date is not an Underlying Rate Business Day, such date shall be the next following day that is an Underlying Rate Business Day;

"Benchmark" means 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 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;

"Change in Law" means that, on or after the Trade Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (x) it has become illegal to hold, acquire or dispose of Hedge Positions or (y) it will incur a materially increased cost in performing its obligations with respect to the Warrants or Certificates (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position);

"CMS Underlying Rate" means the rate determined in accordance with the Condition 18.3 (*CMS Underlying Rate Determination*);

"CMS Underlying Rate 1" means the rate specified as such in the applicable Pricing Supplement and the terms "Relevant Swap Rate", "Reference Currency", "Designated Maturity", "Relevant Screen Page", "Relevant Time" and "Underlying Rate Determination Date" and any other relevant term will each be specified in the applicable Pricing Supplement under the heading "CMS Underlying Rate 1";

"CMS Underlying Rate 2" means the rate specified as such in the applicable Pricing Supplement and the terms "Relevant Swap Rate", "Reference Currency", "Designated Maturity", "Relevant Screen Page", "Relevant Time" and "Underlying Rate Determination Date" and any other relevant term will each be specified in the applicable Pricing Supplement under the heading "CMS Underlying Rate 2";

"Day Count Fraction" means, in respect of the calculation of an amount for any period of time (the **"Calculation Period"**), such day count fraction as may be specified in these Conditions or the applicable Pricing Supplement and:

- (a) if **"1/1"** is so specified, means 1;
- (b) 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;
- (c) 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:

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

where:

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

"Y₂" is the year, expressed as a number, in which the day immediately following the last day 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 and D₁ is greater than 29, in which case D₂ will be 30;

- (d) 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:

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

where:

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

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

- (e) 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:

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

where:

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

"Y₂" is the year, expressed as a number, in which the day immediately following the last day 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 Expiration Date or (ii) such number would be 31, in which case D₂ will be 30;

- (f) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;
- (g) 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);
- (h) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;
- (i) if "**Actual/Actual**", "**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);
- (j) if "**Actual/Actual (Bond)**" is so specified, the actual number of days in the relevant period divided by the product of (i) the number of days in the Reference Period in which the relevant period falls and (ii) the number of Reference Periods in any period of one year; and
- (k) if "**Actual/Actual (ICMA)**" is so specified, a fraction equal to "number of days accrued/number of days in year", as such terms are used in Rule 251 of the statutes, by-laws and recommendations of the International Capital Markets Association (the "**ICMA Rule Book**"), calculated in accordance with Rule 251 of the ICMA Rule Book as applied to non-U.S. Dollar denominated straight and convertible bonds issued after 31 December 1998, as though the interest coupon on a bond were being calculated for a coupon period corresponding to the Calculation Period in respect of which payment is being made;

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;

"**Designated Maturity**" means (i) for the purposes of a determination of the CMS Underlying Reference Rate, a period of time specified as such in the applicable Pricing Supplement corresponding to such CMS Underlying Reference Rate, and (ii) for any other purposes, a period of time specified as such in the applicable Pricing Supplement;

"**Determination Agent Fallback**" has the meaning given in 18.3 (*CMS Underlying Rate Determination*);

"**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;

"**€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 Pricing Supplement (or if none are specified, the Second TARGET Settlement Day) prior to the Expiration Date or the termination date, as applicable;

"**Fallback Rate Determination**" means, in respect of a CMS Underlying Rate, any of the following as specified in the applicable Pricing Supplement as an alternative basis for determining the CMS Underlying Rate: (i) Fallback Screen Page, (ii) Mid-Market Quotations, and (iii) Determination Agent Fallback;

"**Fallback Screen Page**" has the meaning given in Condition 18.3 (*CMS Underlying Rate Determination*);

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

"**Fixed Leg Day Count Basis**" means the Day Count Fraction specified as such in the applicable Pricing Supplement;

"**Floating Leg Day Count Basis**" means the Day Count Fraction specified as such in the applicable Pricing Supplement;

"**Hedge Positions**" means any purchase, sale, entry into or maintenance of one or more (i) positions or contracts in securities, commodities, options, futures, derivatives or foreign exchange, (ii) stock loan transactions or (iii) other instruments or arrangements (howsoever described) by a party in order to hedge, individually or on a portfolio basis, the Warrants or Certificates;

"**Hedging Disruption**" means that the Issuer is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations under the Warrants or Certificates, or (B) realise, recover or remit the proceeds of any such transactions or asset(s);

"**Increased Cost of Hedging**" means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Warrants or Certificates or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s) provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging;

"**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;

"Mid-Market Quotations" means, in relation to the determination of any CMS Underlying Rate, the bid and offered rates for the Specified Fixed Leg, calculated on the Fixed Leg Day Count Basis, of a fixed-for-floating Reference Currency interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Reference Period or on any relevant day and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on the Floating Leg Day Count Basis, is equivalent to floating leg Floating Rate Option (as defined in the ISDA Definitions) with a designated maturity determined by the Determination Agent by reference to standard market practice and/or the ISDA Definitions;

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

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

"Reference Banks" has the meaning given in the applicable Pricing Supplement or, if none are specified, four major banks selected by the Determination Agent in the market that is most closely connected with the Underlying Rate. Where the applicable Pricing Supplement specifies "CMS Underlying Rate Determination" to be applicable, "Underlying Rate" shall be construed to include a CMS Underlying Rate. If more than one Underlying Rate is specified, "Underlying 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 Pricing Supplement;

"Reference Currency" means the currency specified as such in the applicable Pricing Supplement;

"Reference Period" means, in respect of an Underlying Rate Determination Date or an Averaging Date, the period specified as such in the applicable Pricing Supplement;

"Relevant Financial Centre" has the meaning given in the applicable Pricing Supplement;

"Relevant Screen Page" means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the applicable Pricing Supplement, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Underlying Rate;

"Relevant Time" has the meaning given in the applicable Pricing Supplement;

"Relevant Underlying Rates Benchmark" means, in respect of any Warrants or Certificates:

- (a) each Underlying Rate (or, if applicable, the index, benchmark or other price source that is referred to in the Underlying Rate);
- (b) each Floating Rate Option (as defined in the ISDA Definitions) or, if applicable, the index, benchmark or other price source that is referred to in the Floating Rate Option; or
- (c) any other index, benchmark or other price source specified as a "Relevant Underlying Rates Benchmark" in the applicable Pricing Supplement;

"SARON", in respect of any Zurich Banking Day, means the Swiss Average Rate Overnight rate administered by SIX Swiss Exchange 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 Pricing Supplement) 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 Pricing Supplement (or if none are specified, the second Zurich Banking Day) prior to the Maturity Date or the redemption date, as applicable;

"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 8:00 a.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 (1), 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 18.4(iii) (*Effect of Benchmark Transition Event*) will apply.

"SOFR Rate Cut-Off Date" means the date that the second U.S. Government Securities Business Day prior to the Expiration Date or the termination 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 9.00a.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 Pricing Supplement (or if none are specified, the second London Banking Day) prior to the Expiration Date or the termination date, as applicable;

"Specified Currency" has the meaning given in the applicable Pricing Supplement;

"Specified Fixed Leg" means any of the following as specified in the applicable Pricing Supplement: (a) the annual fixed leg; (b) the semi-annual fixed leg; (c) quarterly-annual fixed leg; or (d) the quarterly-quarterly fixed leg;

"Specified Period" has the meaning given in the applicable Pricing Supplement;

"Specified Swap Rate" means the swap rate specified as such in the applicable Pricing Supplement;

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

"TARGET Settlement Day" means any day on which T2 is open for the settlement of payments in euro;

"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 such authorised distributors, in each case as of approximately 10.00a.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 Pricing Supplement (or if none are specified, the second Tokyo Banking Day) prior to the Expiration Date or the termination date, as applicable;

"Underlying Rate" has the meaning given in the applicable Pricing Supplement;

"Underlying Rate Business Day" means, in respect of an Underlying Rate, a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in each Underlying Rate Jurisdiction in respect of such Underlying Rate;

"Underlying Rate Determination Date" has the meaning given in the applicable Pricing Supplement, 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 Underlying Rate Determination Date with respect to the final Reference 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 and provided further that if any such date is not an Underlying Rate Business Day, the relevant Underlying Rate Determination Date shall be the next succeeding Underlying Rate Business Day;

"Underlying Rate Jurisdiction" means, in respect of an Underlying Rate, the jurisdiction(s) specified in the applicable Pricing Supplement;

"Underlying Rate Participation Rate" means, in respect of any Underlying Rate (each a **"Relevant Underlying Rate"**) for a relevant day and/or a Reference Period, the amount or percentage rate specified as such in the applicable Pricing Supplement in respect of such Relevant Underlying Rate for such day and/or such Reference Period, or, if a Rate Table is set out in the applicable Pricing Supplement, each amount or percentage rate specified in the Rate Table in the column headed "Underlying Rate Participation Rate" in the row corresponding to such day provided that, if the applicable Pricing Supplement specifies Underlying Rate Participation Rate to be not applicable, it shall be deemed to be equal to one. Where the applicable Pricing Supplement specifies more than one Underlying Rate Participation Rate for different Relevant Underlying Rates, the Underlying Rate Participation Rate will be construed to apply to each Relevant Underlying Rate for each relevant day and/or each Reference Period;

"Underlying Rate Participation Rate 1" means the rate specified as such in the applicable Pricing Supplement;

"Underlying Rate Participation Rate 2" means the rate specified as such in the applicable Pricing Supplement;

"U.S. Dollars", "U.S.\$" and "\$" are to the lawful currency of the United States of America;

"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;

"Zurich Banking Day" or "ZBD" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in Zurich.

19. Provisions relating to Credit Linked Securities

In respect of any Securities (**"Credit Linked Securities"**) for which the Credit Linked Redemption Provisions are specified as applicable in the applicable Pricing Supplement, the Conditions shall be supplemented and modified by the terms and conditions set out in the applicable Pricing Supplement.

20. Provisions relating to Physical Settlement Securities

This Condition 20 (*Provisions relating to Physical Settlement Securities*) is applicable only in relation to Warrants or Certificates specified in the applicable Pricing Supplement as being Physical Settlement Securities.

20.1 ***Settlement Disruption***

- (a) The Determination Agent shall determine, acting in a commercially reasonable manner, whether or not at any time a Settlement Disruption Event has occurred and where it determines such an event has occurred and so has prevented delivery of Underlying Securities on the original day that but for such Settlement Disruption Event would have been the Physical Settlement Date, then the Issuer may determine, in its reasonable discretion, either (a) to pay an amount, as determined by the Determination Agent in its reasonable discretion, which shall seek to preserve for the Securityholder the economic equivalent of the delivery of the Underlying Securities to which the Securityholder would have been entitled under the relevant Warrant or Certificate but for the occurrence of such Delivery Disruption Event, in which event the entitlements of the respective Securityholders to receive such Underlying Securities shall cease and the Issuer's obligations under the Warrants or Certificates shall be satisfied in full upon payment of such amount; or (b) that the Physical Settlement Date will be postponed to the first succeeding day on which delivery of such Underlying Securities can take place through the relevant Clearing System unless a Settlement Disruption Event prevents settlement on each of the 10 relevant Clearing System Business Days immediately following the original date or during such other period specified in the applicable Pricing Supplement that, but for the Settlement Disruption Event, would have been the Physical Settlement Date (a "**Delayed Settlement Disruption Event**"). In the case of a Delayed Settlement Disruption Event, the Issuer may determine, in its reasonable discretion, (a) to pay an amount, as determined by the Determination Agent in its reasonable discretion, which shall seek to preserve for the Securityholder the economic equivalent of the delivery of such Underlying Securities, in which event the entitlements of the respective Securityholders to receive such Underlying Securities shall cease and the Issuer's obligations under the Warrants or Certificates shall be satisfied in full upon payment of such amount; (b) if the Underlying Securities are bonds or other debt securities, to use reasonable efforts to deliver such Underlying Securities promptly thereafter in a commercially reasonable manner outside the relevant Clearing System or exchange on a delivery versus payment basis; or (c) in all other cases: (i) if such Underlying Securities can be delivered in any other commercially reasonable manner, that the Physical Settlement Date will be postponed to the first day on which settlement of a sale of Underlying Securities executed on that 10th relevant Clearing System Business Day, or during such other period specified in the applicable Pricing Supplement, customarily would take place using such other commercially reasonable manner of delivery (which other manner of delivery will be deemed the relevant Clearing System for the purpose of delivery of the relevant Underlying Securities), or (ii) if such Underlying Securities cannot be delivered in any other commercially reasonable manner, that the Physical Settlement Date will be postponed until delivery can be effected through the relevant Clearing System or in any other commercially reasonable manner, as determined by the Determination Agent.
- (b) For the avoidance of doubt, where a Settlement Disruption Event affects some but not all of the Underlying Securities comprised in a Basket, the Physical Settlement Date for Underlying Securities not affected by the Settlement Disruption Event will be the first day on which settlement of a sale of such Underlying Securities executed on that Exercise Date customarily would take place through the relevant Clearing System. In the event that a Settlement Disruption Event will result in the delivery on a Physical Settlement Date of some but not all of the Underlying Securities comprised in a Basket, the Determination Agent shall determine in its reasonable discretion the appropriate pro rata portion of the Strike Price (if any) to be paid by the relevant party in respect of that partial settlement.
- (c) For the purposes hereof "**Settlement Disruption Event**" in relation to an Underlying Security means an event beyond the control of the Issuer as a result of which or following which the relevant Clearing System cannot clear the transfer or otherwise prevents the settlement of such Underlying Security.

20.2 ***Delivery Disruption***

- (a) If the Determination Agent determines, acting in a commercially reasonable manner, that a Delivery Disruption Event has occurred and the Determination Agent has notified the Issuer, the Principal Securities Agent and the relevant Securityholder(s) within one Clearing System Business Day of the relevant Exercise Date to that effect, then the Issuer may:
 - (i) determine, in its reasonable discretion, that the obligation to deliver the relevant Underlying Securities will be terminated and the Issuer will pay an amount which the Determination Agent, in its reasonable discretion, determines is an amount equal to the Early Settlement Amount; or

- (ii) deliver on the Physical Settlement Date such number of Underlying Securities (if any) as it can deliver on that date and pay an amount, as determined by the Determination Agent in its reasonable discretion, which shall seek to preserve for the Securityholder the economic equivalent of the delivery of the remainder of Underlying Securities (assuming satisfaction of each applicable condition precedent) to which the Securityholder would have been entitled under the relevant Warrant or Certificate after that date but for the occurrence of such Delivery Disruption Event, in which event the entitlements of the respective exercising Securityholders to receive Underlying Securities pursuant to such exercise shall cease and the Issuer's obligations under the Warrants or Certificates shall be satisfied in full upon delivery of such number of Underlying Securities and payment of such amount.
- (b) For the purposes hereof, "**Delivery Disruption Event**" means the failure by the Issuer or the Principal Securities Agent to deliver on the relevant Physical Settlement Date the requisite number of relevant Underlying Securities under the relevant Warrant or Certificate which is due to illiquidity in the market for such Underlying Securities.

21. Provisions relating to Autocallable Early Settlement Securities

In respect of any Series of Warrants or Certificates for which the Autocallable Early Settlement provisions are specified as applicable in the applicable Pricing Supplement, the Conditions shall be supplemented and modified by the terms and conditions set out in the applicable Pricing Supplement.

If "Autocall Override" is specified in the applicable Pricing Supplement, notwithstanding anything else in the Conditions, the Autocallable Early Settlement provisions set out therein shall prevail over the provisions of Condition 5.4 (*Cash Settlement Securities*), Condition 5.5 (*Physical Settlement Securities*), Condition 5.6 (*Optional Physical Settlement*) and 5.7 (*Optional Cash Settlement*) such that if the relevant Conditions to Autocallable Early Settlement specified in the applicable Pricing Supplement are met (a) the Securities will be settled at the Autocallable Early Settlement Amount per Security on the relevant Autocallable Early Settlement Date as provided therein and (b) the Cash Settlement Amount will not be paid on the Cash Settlement Payment Date and no settlement by delivery of the required amount of Underlying Securities or in any other manner pursuant to Condition 5.5 (*Physical Settlement Securities*) will occur (as applicable).

22. Inconvertibility Events

- (A) **If, in respect of any Series of Warrants or Certificates, the applicable Pricing Supplement specifies that "Inconvertibility Event Provisions A" are applicable, this sub-Condition A of this Condition 22 (Inconvertibility Events) shall apply in respect of such Warrants or Certificates.**

If, at any time during the term of such Series, the Determination Agent determines that an Inconvertibility Event has occurred, it will inform the Issuer of such event. Following the determination of an Inconvertibility Event, the Issuer may, at its reasonable discretion, elect any of the following (or to take no action):

- (a) If "Converted Payment" is specified in the applicable Pricing Supplement: to continue making any payments due under such Warrants or Certificates until the Cash Settlement Payment Date, in which case, any amount due under such Warrants or Certificates shall be converted from the Relevant Currency into the Inconvertibility Specified Currency at the Fallback FX Spot Rate determined by the Determination Agent in its reasonable discretion; or
- (b) If "Early Settlement" is specified in the applicable Pricing Supplement: to early terminate the Warrants or Certificates on a specified date notified by the Issuer to the holder (such date, the "**Inconvertibility Early Settlement Date**"), in which case the Warrants or Certificates shall early redeem at the Inconvertibility Early Settlement Amount on such Inconvertibility Early Settlement Date. The Issuer's obligations under the Warrants or Certificates shall be satisfied in full upon payment of such amount; or
- (c) If "Suspended Payment" is specified in the applicable Pricing Supplement: to suspend the payment until as many Business Days after the Inconvertibility Event has ceased as specified in the notice,

provided that the Issuer may, at any time from and including the Trade Date to and including the Cash Settlement Payment Date, subsequent to the despatch of a notice electing one of the selected options other than "Early Settlement", dispatch a second notice electing "Early Settlement", provided that such option was also specified as applicable in the applicable Pricing Supplement, in which case the Warrants or Certificates will be redeemed in accordance with the terms of "Early Settlement" above and the date specified in such notice will be the Inconvertibility Early Settlement Date.

The Issuer shall notify the holders of any such determination of an Inconvertibility Event and any action it elects to take in accordance with the foregoing, provided that failure to deliver such notice or the failure of the recipient to receive such notice will not affect the validity of the determination or the Issuer's election or its ability to make payments according to the option it selected.

For the purpose of this sub-Condition A of this Condition 22 (*Inconvertibility Events*):

"Fallback FX Spot Rate" has the meaning given in the applicable Pricing Supplement (which, in the case of Currency-Linked Securities, may be the rate determined by the application of any applicable Currency Disruption Fallback pursuant to Condition 11.5 (*Provisions relating to Currency-Linked Securities – Currency Disruption Fallbacks*)).

"Inconvertibility Early Settlement Amount" means any of:

- (i) an amount as specified in the applicable Pricing Supplement; or
- (ii) if "Early Settlement Amount (Inconvertibility)" is specified in the applicable Pricing Supplement, an amount equal to (i) the Early Settlement Amount, (ii) converted from the Relevant Currency into the Inconvertibility Specified Currency at the exchange rate (expressed as a number of the Relevant Currency per one unit of the Inconvertibility Specified Currency) determined by the Determination Agent in its reasonable discretion for settlement on or about the relevant payment date and (iii) less the reasonable cost to and/or the loss realised by, the Issuer and/or any Affiliate in respect of break funding costs for the Issuer term financing associated with such early settlement of the Warrants or Certificates, in each case as calculated by the Determination Agent in its reasonable discretion.

An **"Inconvertibility Event"** shall be deemed to have occurred if from (and including) the Trade Date to (and including) the Cash Settlement Payment Date, any event or circumstance occurs that generally makes it, in the reasonable discretion of the Determination Agent, impossible, unlawful or impracticable for the Issuer, the Determination Agent or any of its affiliates for any reason beyond its or their reasonable control:

- (i) to convert the Relevant Currency into the Inconvertibility Specified Currency or the Inconvertibility Specified Currency into the Relevant Currency (whether directly or through a cross exchange rate) through customary legal channels; or
- (ii) to determine the rate of conversion of the Inconvertibility Specified Currency into the Relevant Currency or the Relevant Currency into the Inconvertibility Specified Currency; or
- (iii) to transfer, or make a payment in, or delivery of, the Relevant Currency from or to, outside, or inside, of the Relevant Jurisdiction, in each case under (a), (b) or (c), in an amount up to the Aggregate Nominal Amount; or
- (iv) to determine a rate at which any Relevant Currency can be lawfully exchanged for U.S. Dollars; or
- (v) to convert any Relevant Currency into U.S. Dollars; or
- (vi) to exchange or repatriate any funds outside of any jurisdiction in which any Relevant Factor(s) or its or their components, is issued; or
- (vii) for the Issuer or any of its affiliates to hold, purchase, sell or otherwise deal in any Warrants or Certificates, or any other property in order for the Issuer or any of its affiliates to perform any related hedging arrangement, or for the purposes of the Issuer or the Issuer's obligations in respect of any Warrants or Certificates;

"Inconvertibility Specified Currency" means the currency specified in the Pricing Supplement and, if none is indicated, the Specified Currency;

"Relevant Currency" means the currency as specified in the Pricing Supplement, and, if none is specified, the currency in which any of the securities which comprise the Relevant Factor(s) is denominated, or the currency of the Relevant Factor, or any of the Relevant Factors, or the currency in which any of their underlying components is denominated, or any other currency or currencies as specified in the Pricing Supplement;

"Relevant Factor" means, in relation to the Warrants or Certificates, any of the Share, Index, ETF Interest, Commodity, Commodity Index, ETN, or Fund underlying such Warrants or Certificates (and **"Relevant Factors"** means all of them); and

"Relevant Jurisdiction" means the jurisdiction as specified in the Pricing Supplement.

(B) If, in respect of any Series of Warrants or Certificates, the applicable Pricing Supplement specifies that "Inconvertibility Event Provisions B" are applicable, this sub-Condition (B) of this Condition 22 (*Inconvertibility Events*) shall apply in respect of such Warrants or Certificates.

If, at any time during the term of such Series, the Determination Agent determines that an Inconvertibility Event has occurred, it will inform the Issuer of such event. Following the determination of an Inconvertibility Event, the Issuer shall suspend payment (and any valuation(s) in respect of any Relevant Underlying(s) required to be performed under the applicable Conditions in order to determine the relevant payment amount) to be made under the Warrants or Certificates until the day that is two Business Days (or such other number of Business Days notified by the Issuer to holders) after the Inconvertibility Event has ceased to exist, provided that, if "Converted Payment" is specified in the Inconvertibility Event Notice (as defined below), the Issuer shall continue making any payments due under such Warrants or Certificates until the Cash Settlement Payment Date, in which case, any amount due under such Warrants or Certificates shall be converted from the Relevant Currency into the Inconvertibility Specified Currency at the Fallback FX Spot Rate determined by the Determination Agent in its reasonable discretion.

Nothing in the foregoing paragraph shall prevent the Issuer from early terminating the Warrants or Certificates on the date specified in the Inconvertibility Event Notice (such date, the **"Inconvertibility Early Settlement Date"**), in which case the Warrants or Certificates shall early redeem at the Inconvertibility Early Settlement Amount specified in the Inconvertibility Event Notice on such Inconvertibility Early Settlement Date. The Issuer's obligations under the Warrants or Certificates shall be satisfied in full upon payment of such amount.

The Issuer shall notify the holders of any such determination of an Inconvertibility Event at any time following the occurrence of an Inconvertibility Event (such notice, the **"Inconvertibility Event Notice"**) provided that failure to deliver the Inconvertibility Event Notice or the failure of the recipient to receive the Inconvertibility Event Notice will not affect the validity of the determination.

For the purpose of this sub-Condition (B) of this Condition 22 (*Inconvertibility Events*):

"Fallback FX Spot Rate" has the meaning given in the Inconvertibility Event Notice.

"Inconvertibility Early Settlement Amount" means any of:

- (i) an amount as specified in the Inconvertibility Event Notice; or
- (ii) if "Early Settlement Amount (Inconvertibility)" is specified in the Inconvertibility Event Notice, an amount equal to (i) the Early Settlement Amount, (ii) converted from the Relevant Currency into the Inconvertibility Specified Currency at the exchange rate (expressed as a number of the Relevant Currency per one unit of the Inconvertibility Specified Currency) determined by the Determination Agent in its reasonable discretion for settlement on or about the relevant payment date and (iii) less the reasonable cost to and/or the loss realised by, the Issuer and/or any Affiliate in respect of break funding costs for the Issuer term financing associated with such early settlement of the Warrants or Certificates, in each case as calculated by the Determination Agent in its reasonable discretion.

An **"Inconvertibility Event"** shall be deemed to have occurred if from (and including) the Trade Date to (and including) the Cash Settlement Payment Date, any event or circumstance occurs that generally makes it, in the reasonable discretion of the Determination Agent, impossible, unlawful or impracticable for the Issuer, the Determination Agent or any of its affiliates for any reason beyond its or their reasonable control:

- (i) to convert the Relevant Currency into the Inconvertibility Specified Currency or the Inconvertibility Specified Currency into the Relevant Currency (whether directly or through a cross exchange rate) through customary legal channels; or
- (ii) to determine the rate of conversion of the Inconvertibility Specified Currency into the Relevant Currency or the Relevant Currency into the Inconvertibility Specified Currency; or
- (iii) to transfer, or make a payment in, or delivery of, the Relevant Currency from or to, outside, or inside, of the Relevant Jurisdiction, in each case under (i), (ii) or (iii), in an amount up to the Aggregate Nominal Amount; or
- (iv) to determine a rate at which any Relevant Currency can be lawfully exchanged for U.S. Dollars; or
- (v) to convert any Relevant Currency into U.S. Dollars; or
- (vi) to exchange or repatriate any funds outside of any jurisdiction in which any Relevant Factor(s) or its or their components, is issued; or for the Issuer or any of its affiliates to hold, purchase, sell or otherwise deal in any Warrants or Certificates, or any other property in order for the Issuer or any of its affiliates to perform any related hedging arrangement, or for the purposes of the Issuer or the Issuer's obligations in respect of any Warrants or Certificates;

"Inconvertibility Specified Currency" means the currency specified in the Inconvertibility Event Notice and, if none is indicated, the Specified Currency;

"Relevant Currency" means the currency as specified in the Inconvertibility Event Notice, and, if none is specified, the currency in which any of the securities which comprise the Relevant Factor(s) is denominated, or the currency of the Relevant Factor, or any of the Relevant Factors, or the currency in which any of their underlying components is denominated, or any other currency or currencies as specified in the Inconvertibility Event Notice;

"Relevant Factor" means, in relation to the Warrants or Certificates, any of the Share, Index, ETF Interest, Commodity, Commodity Index, ETN, or Fund underlying such Warrants or Certificates (and **"Relevant Factors"** means all of them); and

"Relevant Jurisdiction" means the jurisdiction as specified in the Inconvertibility Event Notice.

23. CNY Disruption Events

- (a) In the event that a CNY Disruption Event, as determined by the Determination Agent in its reasonable discretion, occurs on or prior to any date on which a payment is scheduled to be made under a CNY Security and such CNY Disruption Event is continuing on such date (any such CNY Security so affected, an **"Affected CNY Security"**), the following terms will apply:
 - (i) first, payments under the Affected CNY Security shall be postponed to two Hong Kong Business Days after the date on which the CNY Disruption Event ceases to exist, unless that CNY Disruption Event continues to exist for 14 consecutive calendar days from the original date that, but for the occurrence of the CNY Disruption Event, would have been the date for such payments. In that case, the provisions of sub-paragraph (ii) below will apply on the day immediately following the lapse of such 14 calendar day period; and
 - (ii) second, the relevant payment obligations under the Affected CNY Security shall be replaced by an obligation to pay an amount equal to the amount that would be due in CNY under the Affected CNY Security converted into an amount in USD as calculated by the Determination Agent in its reasonable discretion. All the payments hereunder shall be made in USD on the relevant Non-Deliverable Substitute Settlement Date. For the avoidance of doubt, this sub-

paragraph (ii) shall only apply to any payment which is scheduled to occur on a date that is affected by the CNY Disruption Event and shall not affect any payments falling due on any other dates.

- (b) Notwithstanding paragraph (a) above, the Issuer may early terminate the Warrants or Certificates on a specified date notified by the Issuer to the holders (such date, the "**CNY Disruption Early Settlement Date**"), in which case the Warrants or Certificates shall early redeem at the CNY Disruption Early Settlement Amount on such CNY Disruption Early Settlement Date. The Issuer's obligations under the Warrants or Certificates shall be satisfied in full upon payment of such amount.
- (c) For the purpose of this Condition 23 (*CNY Disruption Events*):

"CNY Disruption Early Settlement Amount" means any of:

- (i) an amount in USD as specified in the relevant notice to holders; or
- (ii) if "CNY Disruption Early Settlement Amount" is specified in the relevant notice to holders, an amount equal to (i) the amount that would be due in CNY under the Warrant or Certificate converted into an amount in USD as calculated by the Determination Agent in its reasonable discretion, less (ii) the reasonable cost to and/or the loss realised by, the Issuer and/or any Affiliate in respect of break funding costs for the Issuer term financing associated with such early settlement of the Warrants or Certificates, in each case as calculated by the Determination Agent in its reasonable discretion.

"CNY Disruption Event" means any of CNY Illiquidity, CNY Inconvertibility or CNY Non-Transferability.

"CNY Illiquidity" means, as determined by the Determination Agent in its reasonable discretion, the occurrence of any event that makes it impossible (where it had previously been possible) for the Issuer to obtain a firm quote of an offer price in respect of an amount in CNY equal to the then current aggregate nominal amount of the relevant Affected CNY Securities, any interest or any other amount to be paid under such Securities (the "**Relevant Disrupted Amount**"), during the term of such Securities, either in one transaction or a commercially reasonable number of transactions that, when taken together, is no less than such Relevant Disrupted Amount, in the general CNY exchange market in each Offshore CNY Center in order to perform its obligations under the Affected CNY Securities.

"CNY Inconvertibility" means, as determined by the Determination Agent in its reasonable discretion, the occurrence of any event that makes it impossible (where it had previously been possible) for the Issuer to convert an amount of CNY no less than the Relevant Disrupted Amount into or from USD in the general CNY exchange market in each Offshore CNY Center.

"CNY Non-Transferability" means, as determined by the Determination Agent in its reasonable discretion, the occurrence in each Offshore CNY Center of any event that makes it impossible (where it had previously been possible) for the Issuer to transfer CNY (A) between accounts inside the Offshore CNY Center, (B) from an account inside the Offshore CNY Center to an account outside such Offshore CNY Center and outside mainland China, or (C) from an account outside an Offshore CNY Center and outside mainland China to an account inside the Offshore CNY Center. For the purpose of CNY Non-Transferability and Hong Kong as an Offshore CNY Center only, a segregated Chinese Renminbi fiduciary cash account with the People's Bank of China and operated by Bank of China (Hong Kong) Limited shall be deemed to be an account inside Hong Kong.

"Hong Kong Business Day" means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which banking institutions are authorised or required by law or regulation to close in Hong Kong.

"Non-Deliverable Substitute Settlement Date" means, subject to adjustment in accordance with the provisions of Condition 23(a)(i) (*CNY Disruption Events*) and/or any Business Day Convention applicable to the terms of an Affected CNY Security, the day determined by the Determination Agent which shall be as soon as practicable following the date on which a payment was scheduled to be made in respect of such Affected CNY Security and in respect of which a CNY Disruption Event has occurred and is continuing, and in no event later than two (2) Hong Kong Business Days after the date on which

the amount payable in USD in respect of such Affected CNY Security is determined by the Determination Agent pursuant to Condition 23(a)(ii) (*CNY Disruption Events*).

"Offshore CNY Center" means Hong Kong, or such other CNY Center as specified in the applicable Pricing Supplement.

For the avoidance of doubt, references to "general CNY exchange market in each Offshore CNY Center" in the definitions of CNY Illiquidity and CNY Inconvertibility refers to purchase, sale, lending or borrowing of CNY for general purpose (including, but not limited to, funding), and therefore any purchase or sale of CNY where such CNY is required by relevant laws or regulations for settlement of any cross-border trade transaction with an entity in mainland China, or any purchase or sale of CNY for personal customers residing in each such Offshore CNY Center, would not be purchase or sale made in such general CNY exchange market.

24. Provisions relating to all Warrants and Certificates

24.1 *Performance Disruption*

- (a) If the Determination Agent determines, acting in a commercially reasonable manner, that Performance Disruption has occurred, then the Issuer may determine, in its reasonable discretion, that the relevant Warrants or Certificates shall be terminated on the date specified in a notice to the Securityholders and the Issuer will pay an amount which the Determination Agent, in its reasonable discretion, determines is an amount equal to the Early Settlement Amount.
- (b) For the purposes hereof, **"Performance Disruption"** means, in relation to any Warrant or Certificate, the occurrence or existence on any day of any event, circumstance or cause beyond the control of the Issuer that has had or reasonably could be expected to have a material adverse effect upon (i) its ability to perform its obligations under, or hedge its positions with respect to, the relevant Warrant or Certificate; (ii) the ability of any hedging counterparty of the Issuer to perform its obligations under any hedging transaction entered into by the Issuer to hedge all or any of its liabilities in respect of the Warrants or Certificates or any of them; or (iii) the availability of hedging transactions in the market.

24.2 *Effects of European Economic and Monetary Union*

- (a) Following the occurrence of an EMU Event, the Determination Agent may make such adjustment (and determine the effective date of such adjustment) as it, in its reasonable discretion, determines appropriate, if any, to the Strike Price (if any), the formula for the Cash Settlement Amount, the Settlement Price, the Settlement Rate, the Relevant Price, the Spot Rate, the number of Underlying Securities to which each Warrant or Certificate relates, the number of Underlying Securities comprised in a Basket, the amount, the number of or type of shares, bonds, other securities or other property which may be delivered in respect of such Warrants or Certificates and/or any other adjustment and, in any case, any other variable relevant to the exercise, settlement, payment or other terms of the relevant Warrants or Certificates which in the reasonable discretion of the Determination Agent have been or may be affected by such EMU Event.
- (b) Following the occurrence of an EMU Event, without prejudice to the generality of the foregoing, the Issuer shall be entitled to: (i) make such conversions between amounts denominated in the national currency units (the **"National Currency Units"**) of the member states of the European Union that have adopted the single currency in accordance with the EC Treaty and the euro, and the euro and the National Currency Units, in each case, in accordance with the conversion rates and rounding rules established by the Council of the European Union pursuant to the EC Treaty as it, in its reasonable discretion, considers appropriate; (ii) make all payments in respect of the Warrants or Certificates reasonably in euro as though references in the Warrants or Certificates to the relevant National Currency Units were to euro and (iii) make such adjustments as it, in its reasonable discretion considers necessary to the Strike Price (if any), the formula for the Cash Settlement Amount, Settlement Rate, Settlement Price, Relevant Price, Spot Rate and any other amount as it determines, in its reasonable discretion, to be appropriate.
- (c) None of the Issuer, the Principal Securities Agent or the Determination Agent will be liable to any Securityholder or other person for any commissions, costs, losses or expenses in relation to or resulting from any currency conversion or rounding effected in connection therewith.

- (d) For the purposes hereof, "**EMU Event**" means the occurrence of any of the following, as determined by the Determination Agent, acting in a commercially reasonable manner:
- (i) the withdrawal from legal tender of any currency that, before the introduction of the euro, was lawful currency in one of the member states;
 - (ii) the redenomination of any Share into euro;
 - (iii) any change in the currency of denomination of any Index;
 - (iv) any change in the currency in which some or all the securities or other property contained in any Index is denominated;
 - (v) the disappearance or replacement of a relevant rate option or other price source for the national currency of any member state, or the failure of the agreed sponsor (or successor sponsor) to publish or display a relevant rate, index, price, page or screen; or
 - (vi) the change by any organised market, exchange or clearance, payment or settlement system in the unit of account of its operating procedures to the euro.

24.3 ***Compliance with securities laws***

If any holder of any Regulation S/Rule 144A Security is determined not to be either (A) a QIB, or in the case of a Regulation S/Rule 144A Security issued by MSBV, a QIB/QP, or (B) a non-U.S. person (as defined in Regulation S), the Issuer shall have the right to (i) force such holder to sell its interest in such Security, or sell such interest on behalf of such holder, to (A) a QIB, or in the case of a Regulation S/Rule 144A Security issued by MSBV, a QIB/QP pursuant to Rule 144A or (B) in an offshore transaction in accordance with Regulation S to a non-U.S. person who, following such transaction, receives a beneficial interest in the relevant Regulation S/Rule 144A Global Security or (ii) terminate and cancel such Security. If any holder of any Regulation S Security is determined to be a U.S. person (as defined in Regulation S and the CEA), the Issuer shall have the right to force such holder to sell its interest in such Security, or sell such interest on behalf of such holder, to a person who is not a U.S. person (as defined in Regulation S) who, following such transaction, receives a beneficial interest in the relevant Regulation S Global Security or (ii) terminate and cancel such Security. In the case of any termination and cancellation of a Security as described above no amount shall be payable to the relevant Securityholder and the Issuer shall have no further obligations in respect of the Security.

25. **Securities Agents, Securities Registrar, Securities Transfer Agents and Determination Agent**

25.1 ***Appointment of Agents***

The Issuer reserves the right at any time to vary or terminate the appointment of any Securities Agent, Securities Registrar, Securities Transfer Agent or the Determination Agent and to appoint substitute or additional Securities Agents, a substitute Securities Registrar, a substitute or additional Securities Transfer Agent or a substitute or additional Determination Agent, **provided that** (a) so long as any Warrant or Certificate is outstanding, it will maintain a Principal Securities Agent, (b) so long as any Registered Security is outstanding, it will maintain a Securities Registrar and a Securities Transfer Agent and (c) so long as the Warrants or Certificates are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system, there will be a Securities Agent with a specified office in such place as may be required by the rules of such listing agent, stock exchange and/or quotation system. Notice of any termination of appointment and of any change in the specified office of a Securities Agent, Securities Registrar, Securities Transfer Agent or a Determination Agent and of any appointment of a Securities Agent, Securities Registrar, Securities Transfer Agent or a Determination Agent will be given to Securityholders in accordance with Condition 29 (*Notices*) and so long as there is any Tranche of Nordic Securities outstanding, there will at all times be a NCSD duly authorised as a central securities depository under the Finnish or, as appropriate, Swedish legislation and a Nordic Issuing and Paying Agent in respect of the relevant Tranche of Nordic Securities.

25.2 ***Role of Agents***

- (a) In acting under the Securities Agency Agreement, each Securities Agent, the Securities Registrar, each Securities Transfer Agent and each Determination Agent acts solely as agent of the Issuer and does not

assume any obligation or duty to, or any relationship of agency or trust for or with, the Securityholders. All calculation and determination functions required of the Determination Agent or the Principal Securities Agent under these Conditions may be delegated to any such person as the Determination Agent or the Principal Securities Agent, as the case may be, in its reasonable discretion, may decide. The Determination Agent shall act as an expert and not as an agent for the Issuer or the Securityholders. 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.

- (b) None of the Issuer, the Guarantor (if applicable), the Principal Securities Agent or the Determination Agent shall have any responsibility for any errors or omissions in the calculation and dissemination of any variables used in any calculation made pursuant to these Conditions or in the determination of any Cash Settlement Amount or of any entitlement to a delivery of any Underlying Securities arising from such errors or omissions.

25.3 **Notifications**

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the Warrants or Certificates by the Principal Securities Agent, the Securities Registrar, any Securities Transfer Agent, the Determination Agent or the Issuer shall (in the absence of manifest error or wilful misconduct) be binding on the Issuer and the Securityholders and (subject as aforesaid) no liability to the Securityholders (or any of them) shall attach to the Principal Securities Agent, the Securities Registrar, any Securities Transfer Agent, the Determination Agent or the Issuer in connection with the exercise or non-exercise by any of them of their powers, duties and discretions for such purposes.

26. **Taxes**

- 26.1 A Securityholder subscribing, purchasing or exercising a Warrant or Certificate shall pay all Taxes and securities transfer taxes and any other charges, if any payable in connection with the subscription, issue, purchase or exercise of such Warrant or Certificate and the payment of the Cash Settlement Amount and/or the delivery of any Underlying Securities as a result of such exercise. The Issuer shall have the right, but not the duty, to withhold or deduct from any amounts otherwise payable to a Securityholder such amount as is necessary for the payment of any such Taxes, duties or charges or for effecting reimbursement in accordance with Condition 26.2 (*Taxes*) below.
- 26.2 In any case where the Issuer is obliged to pay any such tax, duty or charge referred to in Condition 26.1 (*Taxes*) above, the relevant Securityholder shall promptly reimburse the Issuer therefor.
- 26.3 The Issuer shall not be liable for or otherwise be obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, issue, transfer or exercise of any Warrants or Certificates.
- 26.4 If "Implementation of Financial Transaction Tax" is specified in the applicable Pricing Supplement to be applicable to any Series of Warrants or Certificates, then upon the occurrence of an Implementation of Financial Transaction Tax, the Issuer may (i) in its reasonable discretion, with immediate effect amend the Conditions of the Warrants or Certificates 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 Warrants or Certificates, 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 Transaction Tax 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 Warrants or Certificates 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 Securityholders as soon as reasonably practicable. If an event or circumstance which would otherwise constitute a Change in Law or Increased Cost of Hedging (where applicable) also constitutes an Implementation of Financial Transaction Tax, it will be treated as an Implementation of Financial Transaction Tax.

27. Events of Default

27.1 If any of the following events (each, an "**Event of Default**") occurs and is continuing:

- (a) *Non-payment*: in the case of Morgan Stanley Securities, MSI plc Securities and MSESE Securities, the applicable Issuer or, in the case of MSBV Securities or MSFL Securities, either the applicable Issuer or the Guarantor fails to pay any amount due in respect of the Warrants or Certificates within thirty days of the due date for payment thereof; or
- (b) *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), and such order or effective resolution has remained in force and has not been rescinded, revoked or set aside for sixty days after the date on which such order is made or effective resolution is passed,

then Securityholders of not less than 25 per cent. in aggregate principal amount of the Securities may, by written notice addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Principal Securities Agent, declare the Securities to be immediately (or, in the case of Nordic Securities, on such later date on which the relevant Nordic Securities have been transferred to the account designated by the relevant Nordic Issuing and Paying Agent and blocked for further transfer by such Agent) terminated whereupon the Warrants or Certificates shall cease to be exercisable (or, in the case of any Warrants or Certificates which have been exercised, the entitlements of the respective exercising Securityholders to receive the payment of the Cash Settlement Amount pursuant to such exercise shall cease) as of such later date and the Issuer will pay an amount which the Determination Agent, in its reasonable discretion, determines is an amount equal to the Early Settlement Amount.

In the case of MSBV Securities and MSFL Securities, nothing herein contained shall be deemed to authorise any Securityholder to exercise any remedy against the applicable Issuer or the Guarantor solely as a result of, or because it is related directly or indirectly to, the insolvency of the Guarantor or the commencement of any proceedings relative to the Guarantor under Title 11 of the United States Code, or the appointment of a receiver for the Guarantor under Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 or the commencement of any other applicable federal or state bankruptcy, insolvency, resolution or other similar law, or solely as a result of, or because it is related directly or indirectly to, a receiver, assignee or trustee in bankruptcy or reorganization, liquidator, sequestrated or similar official having been appointed for or having taken possession of the Guarantor or its property, or solely as a result of, or because it is related directly or indirectly to, the institution of any other comparable judicial or regulatory proceedings relative to the Guarantor, or to the creditors or property of the Guarantor. Notwithstanding the foregoing, Securityholders are authorised to exercise any remedy against the applicable Issuer as a result of an Event of Default described in this Condition 27.1(b) (*Insolvency, etc.*).

27.2 ***Annulment of Acceleration and Waiver of Defaults.*** In some circumstances, if any or all Events of Default have been cured, waived or otherwise remedied, then the holders of a majority in aggregate nominal amount or number of Warrants or Certificates of such Series (voting as one class) may waive past defaults of the Warrants or Certificates. However, any continuing default in payment on those Securities may not be waived.

28. Illegality and Regulatory Event

28.1 The Issuer may terminate the Securities early (by payment of the amount specified in the applicable Pricing Supplement), if it has determined, in its reasonable discretion, that:

- (a) its performance thereunder, or, if applicable, the Guarantor's performance of its obligation under the Guarantee, shall have become or will be unlawful in whole or in part as a result of compliance in good faith by the Issuer, or, if applicable, the Guarantor, 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**") (an "**Illegality Event**"); or
- (b) in respect of Securities issued by MSBV only, a Regulatory Event has occurred.

28.2 Subject to the conditions set out in Condition 28 (*Illegality and Regulatory Event*) above, if the Issuer determines that the Securities shall be terminated early in accordance with this Condition 28 (*Illegality and Regulatory Event*), the Issuer shall give not less than five Business Days' notice to the Securityholders informing them that either an Illegality Event or, in respect of Securities issued by MSBV only, a Regulatory Event, as applicable, has occurred, as a result of which the Securities shall be terminated early on the date specified for termination in such notice. In such circumstances the Issuer will, if and to the extent permitted by applicable law, pay to each Securityholder in respect of each Security held by such Securityholder an amount determined by the Determination Agent, in its reasonable discretion, as representing either: (i) the fair market value of such Security immediately prior to such termination (ignoring such Illegality Event or Regulatory Event) less the cost to the Issuer (or its Affiliates) of, or the loss realised by the Issuer (or its Affiliates) on, unwinding any related underlying hedging arrangements, the amount of such cost or loss being as determined by the Determination Agent in its reasonable discretion, if "Early Settlement Amount (Illegality and Regulatory Event) - Fair Market Value Less Costs" is specified in the Pricing Supplement or (ii) the fair market value of such Security immediately prior to such termination (ignoring such Illegality Event or Regulatory Event), if "Early Settlement Amount (Illegality and Regulatory Event) - Fair Market Value" is specified in the Pricing Supplement. The Issuer's obligations under the Securities shall be satisfied in full upon payment in respect of each Security of the amount determined by the Determination Agent to be payable in accordance with the provisions above, based on the elections made in the applicable Pricing Supplement. Payment will be made to the relevant Clearing System in such manner as shall be notified to the Securityholders in accordance with Condition 29 (*Notices*).

28.3 The Issuer shall also, as soon as reasonably practicable under the circumstances, notify the Principal Securities Agent and the Determination Agent of the occurrence of an Illegality Event or, in respect of Securities issued by MSBV only, a Regulatory Event, as applicable.

29. Notices

29.1 *Registered Warrants and Registered Certificates*

Notices to holders of Registered Warrants and Registered Certificates 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. Notices to holders of Registered Warrants and Registered Certificates in global form shall be sent to them by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other Relevant Clearing System for communication by them to the holders of the Warrants and Certificates. In addition, subject as provided in Condition 38.3, Condition 38.4 and Condition 38.5 below (in each case as applicable), any such notice shall be published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Registered Warrants or Registered Certificates are for the time being listed or by which they have been admitted to trading including publication on the website of the relevant stock exchange or relevant authority if required by those rules.

29.2 *Nordic Securities*

All notices to holders of Finnish or Swedish Securities shall be valid if so published or mailed to their registered addresses appearing on the relevant NCSD Register. All notices to holders of Norwegian Securities shall be valid if mailed by the Norwegian CSD in accordance with the relevant NCSD Rules. All notices to holders of Danish Securities shall be valid if mailed by the Danish in accordance with the

relevant NCSD Rules. In addition, subject as provided in Condition 38.3, Condition 38.4 and Condition 38.5 below (in each case as applicable), any such notice shall be published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Nordic Securities are for the time being listed or by which they have been admitted to trading including publication on the website of the relevant stock exchange or relevant authority if required by those rules.

29.3 *Warrants and Certificates admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market*

In relation to Warrants and Certificates admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market, notices to Securityholders will be published in accordance with the rules of Euronext Dublin.

29.4 *Warrants and Certificates admitted to the Official List of the Luxembourg Stock Exchange and trading on the Euro MTF market*

In relation to Warrants and Certificates admitted to the Official List of the Luxembourg Stock Exchange and trading on the Luxembourg Stock Exchange's Euro MTF market, notices will be valid if published in a daily newspaper of general circulation in Luxembourg and/or on the website of the Luxembourg Stock Exchange (www.luxse.com). Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

29.5 *Warrants and Certificates listed and traded on SIX Swiss Exchange*

In relation to Warrants and Certificates admitted to listing and trading on the SIX Swiss Exchange, notices regarding, the Warrants and Certificates and the Issuer and the Guarantor (if any) will be valid if published on the website of the SIX Swiss Exchange (<https://www.ser-ag.com/en/resources/notifications-market-participants/official-notices.html#/>). Any such notice will be deemed to have been given on the date of the publication.

29.6 *Unlisted Warrants and Certificates*

Notices to Securityholders of non-listed Warrants and Certificates may be published, as specified in the applicable Pricing Supplement, in newspapers, on a website or otherwise.

29.7 If an adjustment is made, or any other action is taken, by the Determination Agent under any one or more of the following Conditions: 9.2(d), 9.3(a), 9.3(b), 9.4(a)(ii), 9.4(b)(ii), 9.5(b), 9.6(b), 9.7(c), 9.8(c), 10.7(d), 13.4(b), 14.8, 15.4(b), 15.5, the Determination Agent shall notify the Issuer and the Principal Securities Agent of such adjustment. The Principal Securities Agent shall, on behalf of and on instruction of the Issuer, provide notice (which notice shall, for the avoidance of doubt, be in the form provided to it by or on behalf of the Issuer) to the Securityholders of the relevant adjustment within 15 Business Days of receipt of such notification from the Determination Agent.

30. *Losses*

In no event shall the Issuer or the 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 Warrants, Certificates or assets not delivered when due. Securityholders are entitled to damages only and are not entitled to the remedy of specific performance in respect of a Warrant or Certificate.

31. *Prescription*

31.1 *Prescription in respect of Registered Warrants and Certificates*

Claims of payment or delivery in respect of Registered Warrants and Registered Certificates shall become void unless the relevant Individual Registered Securities are surrendered for payment or delivery within 10 years of the appropriate relevant due date for payment or delivery.

31.2 *Prescription in respect of Nordic Securities*

Claims for payment in respect of the Swedish Securities shall become void unless made within a period of 10 years after the appropriate relevant due date for payment or delivery. Claims for payment in respect of Finnish Securities shall become void unless made within a period of three years after the appropriate relevant due date for payment or delivery. Claims for principal in respect of Norwegian Securities shall become void unless made within a period of 10 years after the appropriate Relevant Date. Claims for interest in respect of the Norwegian Securities shall become void unless made within a period of three years after the appropriate Relevant Date. Claims for principal in respect of Danish Securities shall become void unless made within a period of 10 years after the appropriate Relevant Date. Claims for interest in respect of Danish Securities shall become void unless made within a period of three years after the appropriate Relevant Date.

32. *Replacement of Securities*

If any Security is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Securities Registrar during normal business hours (and, if the Securities 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 Securities Agent or a Securities Transfer Agent in any particular place, the Securities Agent or Securities Transfer 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 forms must be surrendered before replacements will be issued.

33. *Severance, Meetings of Securityholders and Modification of Conditions*

33.1 *Meetings of Securityholders*

The Securities Agency Agreement contains provisions for convening meetings of Securityholders to consider matters relating to the Securities, including the sanctioning by Extraordinary Resolution of a modification of any provision of these Conditions and the meaning of each of Securityholder and holder for such purposes. Such a meeting may be convened by the Issuer and shall be convened by it upon the request in writing of Securityholders holding not less than one tenth of the amount or number of the outstanding Warrants or Certificates. The quorum at any meeting convened to vote on an Extraordinary Resolution will be two or more Persons holding or representing one more than half of the aggregate amount or number, as applicable, of the outstanding Warrants or Certificates or, at any adjourned meeting, two or more Persons being or representing Securityholders whatever the amount or number of the Warrants or Certificates held or represented, provided, however, that in respect of Reserved Matters sanctioned by an Extraordinary Resolution passed at a meeting of Securityholders, two or more Persons holding or representing not less than three quarters or, at any adjourned meeting, one quarter of the aggregate amount or number, as applicable of the outstanding Warrants or Certificates form a quorum.

The Securities Agency Agreement provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Securities Agency Agreement by a majority consisting of not less than three quarters of the votes cast on such resolution, (ii) a resolution in writing signed by or on behalf of all holders of the Securities for the time being outstanding who are entitled to receive notice of a meeting in accordance with the Securities Agency Agreement or (iii) consent given by way of electronic consents through the Relevant Clearing System(s) (in a form satisfactory to the Registrar) by or on behalf of the holders of not less than three quarters in aggregate amount or number of the Notes for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Securityholders. An Extraordinary Resolution passed by the Securityholders will be binding on all the Securityholders, whether or not they are present at any meeting, and whether or not they voted on the resolution.

33.2 *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.

33.3 Modification

- (a) The Issuer may modify the Conditions of Warrants and Certificates, the Guarantee and the Deeds of Covenant without the consent of the Securityholders where, in the reasonable opinion of the Issuer:
- (i) the modification is to correct a manifest error or to effect a modification which is of a formal, minor or technical nature;
 - (ii) the amendment is to cure any ambiguity or is to correct or supplement any defective provisions;
 - (iii) the amendment is to correct an error or omission such that, in the absence of such correction, the relevant terms proposed to be corrected would not otherwise represent the intended terms on which the relevant Notes were sold and have since traded; or
 - (iv) the modification is not materially prejudicial to the interest of the Securityholders.
- (b) The parties to the Securities Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Securityholders, to any such modification unless it is of a type contemplated in Condition 33.3(a) above.

34. Further Issues

The Issuer is at liberty from time to time, without the consent of the Securityholders, create and issue further Warrants or Certificates of any particular Series so as to form a single series with the Warrants or Certificates of such Series, but upon such terms as to issue price and otherwise as the Issuer may determine in its reasonable discretion.

34.1 Purchase of Warrants and Certificates by Issuer or Affiliate

The Issuer or an Affiliate may at any time and from time to time purchase Warrants or Certificates at any price in the open market or otherwise. Such Warrants or Certificates may, at the option of the Issuer or, as the case may be, the relevant Affiliate, be held, resold, reissued or cancelled or otherwise dealt with. No Warrant or Certificate which has been exercised, or purchased and cancelled, may be re-issued.

35. Substitution

35.1 Substitution of Issuer with Morgan Stanley Group entities

Subject to the conditions set out in this Condition 35 (*Substitution*) but without the consent of Securityholders, the Issuer may, where the Issuer is:

- (a) Morgan Stanley, substitute a subsidiary of Morgan Stanley in place of Morgan Stanley as principal debtor under the Securities, provided that any Securities in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of Morgan Stanley as to the payment of all amounts payable in respect of such Securities when and as the same will become due and payable, whether upon exercise or otherwise, and provided further that under the terms of the guarantee, Securityholders will not be required to exercise their remedies against the substitute prior to proceeding directly against Morgan Stanley (as guarantor);
- (b) MSI plc, substitute Morgan Stanley or a subsidiary of Morgan Stanley in place of MSI plc as principal debtor under the Securities, provided that, unless Morgan Stanley is the substitute issuer, any Securities in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of MSI plc as to the payment of all amounts payable in respect of such Securities when and as the same will become due and payable, whether upon exercise or otherwise, and provided further that under the terms of the guarantee, Securityholders will not be required to exercise their remedies against the substitute prior to proceeding directly against MSI plc (as guarantor);
- (c) MSBV, substitute Morgan Stanley or a subsidiary of Morgan Stanley in place of MSBV as principal debtor under the Securities, provided that, unless Morgan Stanley is the substitute issuer, any Securities in respect of which such a substitution is effected will be fully,

unconditionally and irrevocably guaranteed pursuant to a guarantee of Morgan Stanley as to the payment of all amounts payable in respect of such Securities when and as the same will become due and payable, whether upon exercise or otherwise, and provided further that under the terms of the guarantee, Securityholders will not be required to exercise their remedies against the substitute prior to proceeding directly against Morgan Stanley (as guarantor);

- (d) MSFL, substitute Morgan Stanley or a subsidiary of Morgan Stanley in place of MSFL as principal debtor under the Securities, provided that, unless Morgan Stanley is the substitute issuer, any Securities in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of Morgan Stanley as to the payment of all amounts payable in respect of such Securities when and as the same will become due and payable, whether upon exercise or otherwise, and provided further that under the terms of the guarantee, Securityholders will not be required to exercise their remedies against the substitute prior to proceeding directly against Morgan Stanley (as guarantor);
- (e) MSESE, substitute Morgan Stanley or a subsidiary of Morgan Stanley in place of MSESE as principal debtor under the Securities, provided that, unless Morgan Stanley is the substitute issuer, any Securities in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of MSESE as to the payment of all amounts payable in respect of such Securities when and as the same will become due and payable, whether upon exercise or otherwise, and provided further that under the terms of the guarantee, Securityholders will not be required to exercise their remedies against the substitute prior to proceeding directly against MSESE (as guarantor).

35.2 ***Substitution of Issuer or Guarantor with non-Morgan Stanley Group entities***

Subject to the conditions set out in this Condition 35 (*Substitution*), including the rights of Securityholders under Condition 35.6 (*Right to Termination in respect of substitutions with non-Morgan Stanley Group entities*), but without the consent of Securityholders, the Issuer or the Guarantor (if applicable) may, in the event that the Issuer or the Guarantor (as the case may be) has determined that any of the following events has occurred in respect of the Issuer or the Guarantor (as the case may be): an insolvency, receivership, resolution or equivalent event under a relevant jurisdiction; a divestment mandated for regulatory reasons; any action being required to satisfy licensing requirements; or a change of control, substitute for itself any entity which is not a Morgan Stanley Group entity, provided that such entity has a long term credit rating from at least one rating agency of standard application on the international capital markets (including but not limited to S&P, Moody's and Fitch) which is at least as high as the Issuer or Guarantor (as the case may be) being substituted. Notwithstanding the foregoing, for any Series of Securities in respect of which Morgan Stanley is the Issuer, Morgan Stanley may not be substituted as Issuer with any entity which is not a Morgan Stanley Group entity within one year of the Issue Date of such Securities.

35.3 ***Conditions to substitution***

Substitution of the Issuer or Guarantor for another entity (the "**Substitute**") as provided in Condition 35.1 (*Substitution of Issuer with Morgan Stanley Group entities*) or 35.2 (*Substitution of Issuer or Guarantor with non-Morgan Stanley Group entities*) above (as applicable) are subject to the following conditions:

- (a) the Substitute becoming party to the Securities Agency Agreement with any appropriate consequential amendments, as if it had been an original party to it in place of the Issuer or the Guarantor (as the case may be);
- (b) the Substitute is validly existing under the laws under which it is established or incorporated, has capacity to assume all rights, obligations and liabilities under the Securities and Guarantee, as applicable, and has obtained all necessary corporate authorisations to assume all such rights, obligations and liabilities under the Securities or Guarantee (as applicable);
- (c) the Substitute has obtained all necessary governmental or regulatory approvals and consents for the performance by it of its obligations in connection with the Securities or Guarantee (as applicable) and that all such approvals and consents are in full force and effect;

- (d) in the case of substitution of the Issuer or Guarantor pursuant to Condition 35.2 (*Substitution of Issuer or Guarantor with non-Morgan Stanley Group entities*) above only:
- (i) the Substitute and the Issuer having obtained (a) legal opinions from independent legal advisors of recognised standing in the country of incorporation of the Substitute and in England that the obligations of the Substitute, in the case of a substitution of the Issuer, under the Securities and the relevant Deed of Covenant, or, in New York in the case of a substitution of the Guarantor under the Deed of Guarantee, are legal, valid and binding obligations of the Substitute and (b) in the case of the substitution of the Issuer which is MSBV or MSFL (or any substitute thereof), a legal opinion from an independent legal advisor in New York, that the Deed of Guarantee will apply to the Substitute mutatis mutandis as it applies to the Issuer prior to the substitution and will constitute legal, valid and binding obligations of the Guarantor, in respect of the Substitute (provided that no opinion as referred to in this paragraph (d) shall be required where the Substitute is the Guarantor with respect to MSBV Securities or MSFL Securities); and
- (ii) if the relevant Securities are rated at the relevant time, the Substitute has obtained, prior to the substitution date, a written confirmation from the relevant rating agencies that the substitution will not result in whole or in part in a withdrawal, downgrading, placement in creditwatch or negative outlook of the Securities;
- (e) all consents and approvals as required have been obtained and that the Substitute and the Securities comply with all applicable requirements of the Securities Act;
- (f) the Principal Securities Agent has confirmed to the Issuer or Guarantor (as the case may be) that it has completed its relevant "know your customer" requirements on the proposed Substitute;
- (g) such substitution being permitted by the rules of any stock exchange, if any, on which the Securities are listed and each such stock exchange confirming that, following the proposed substitution of the Substitute, the Securities will continue to be listed on such stock exchange;
- (h) no payment in respect of the Securities is overdue at the relevant time;
- (i) at the time of any such substitution, the Substitute is in a position to fulfil all payment obligations arising from or in connection with the Securities in freely convertible and transferable lawful money without the necessity of any taxes or duties to be withheld at source, and to transfer all amounts which are required therefor to the Principal Securities Agent without any restrictions;
- (j) if appropriate, the Substitute appointing a process agent as its agent in England to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Securities; and
- (k) in respect of Nordic Securities, the relevant NCSD has given its consent to the substitution.

35.4 Reference in the Conditions to the Issuer or the Guarantor (as the case may be)

In the event of a substitution pursuant to this Condition 35 (*Substitution*), any reference in the Conditions to the Issuer or the Guarantor (as the case may be) shall be construed as a reference to the entity substituted.

35.5 Notification to Securityholders

The Issuer or the Guarantor (as the case may be) shall as soon as reasonably practicable notify Securityholders of the substitution in accordance with Condition 29 (*Notices*).

35.6 Right to Termination in respect of substitutions with non-Morgan Stanley Group entities

- (a) With respect to the right of substitution referred to in Condition 35.2 (*Substitution of Issuer or Guarantor with non-Morgan Stanley Group entities*), the Issuer shall provide 60 calendar days' notice of any substitution under such Condition to Securityholders in accordance with Condition 29 (*Notices*). Securityholders who object to the substitution will have the right to require the Issuer to redeem their

Securities at a price determined in accordance with the provisions of this Condition 35.6 (*Right to Termination in respect of substitutions with non-Morgan Stanley Group entities*), by providing notice of their intention to exercise such right in the manner set out in this Condition 35.6 (*Right to Termination in respect of substitutions with non-Morgan Stanley Group entities*) (the "**Right to Termination**").

- (b) The termination of any Securities in respect of which the Right to Termination has been exercised by Securityholders shall take place one Business Day prior to the relevant substitution becoming effective (the "**Substitution Termination Date**"). The Issuer shall terminate any Securities in respect of which the Right to Termination has been exercised at a price equal to (i) in the case of Securities the terms of which provide for the repayment in full of principal at maturity, the Replacement Value of such Securities or (ii) in every other case, the fair market value of such Securities on the day on which the relevant Right to Termination Notice is deposited, in accordance with the provisions of this Condition 35.6 (*Right to Termination in respect of substitutions with non-Morgan Stanley Group entities*), as determined by the Determination Agent in its reasonable discretion.

For the purpose of this Condition 35.6 (*Right to Termination in respect of substitutions with non-Morgan Stanley Group entities*), "**Replacement Value**" means an amount determined by the Determination Agent, acting in good faith and in a commercially reasonable manner, as at the day on which the relevant Right to Termination Notice is deposited in accordance with the provisions of this Condition 35.6 (*Right to Termination in respect of substitutions with non-Morgan Stanley Group entities*) to be the amount that a Qualified Financial Institution would charge to assume all of the Issuer's payment and other obligations with respect to the Notes as if the relevant event described in Condition 35.2 (*Substitution of Issuer or Guarantor with non-Morgan Stanley Group entities*) and the substitution described in this Condition 35 (*Substitution*) had not occurred or to undertake obligations that would have the effect of preserving the economic equivalent of any payment by the Issuer to the Securityholder with respect to the Securities.

- (c) In order to exercise the option contained in this Condition 35.6 (*Right to Termination in respect of substitutions with non-Morgan Stanley Group entities*) the holder of a Security (other than a Nordic Security) must, not less than 10 Business Days before the date on which the substitution is due to take place (the "**Substitution Date**"), deposit such Security with the Registrar, and a duly completed Right to Termination Notice in the form obtainable from any Paying Agent. The Paying Agent with which a Security is so deposited shall deliver a duly completed Right to Termination Receipt to the depositing Securityholder. In respect of Nordic Securities, the Right to Termination Notice shall not take effect against the Issuer before the date on which the relevant Nordic Securities have been transferred to the account designated by the Nordic Issuing and Paying Agent and blocked for further transfer by the relevant Nordic Issuing and Paying Agent. No Security, once deposited with a duly completed Right to Termination Notice in accordance with this Condition 35.6 (*Right to Termination in respect of substitutions with non-Morgan Stanley Group entities*), may be withdrawn; provided, however, that if, prior to the relevant Substitution Termination Date, any such Security becomes immediately due and payable or, upon due presentation of any such Security on the relevant Substitution Termination Date, payment of the termination moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Securityholder at such address as may have been given by such Securityholder in the relevant Right to Termination Notice and shall hold such Security at its Specified Office for collection by the depositing Securityholder against surrender of the relevant Right to Termination Receipt. For so long as any outstanding Security is held by a Paying Agent in accordance with this Condition 35.6 (*Right to Termination in respect of substitutions with non-Morgan Stanley Group entities*), the depositor of such Security and not such Paying Agent shall be deemed to be the holder of such Security for all purposes.
- (d) In order to exercise the option contained in this Condition 35.6 (*Right to Termination in respect of substitutions with non-Morgan Stanley Group entities*) the holder of a Nordic Security must, not less than 10 Business Days before the relevant Substitution Date, deposit with the Euroclear Registrar a duly completed Right to Termination Notice in the form obtainable from the Euroclear Registrar. The Euroclear Registrar with which a Right to Termination Notice is so deposited shall deliver a duly completed Right to Termination Receipt to the depositing Securityholder. Once deposited a duly completed Right to Termination Notice may not be withdrawn; provided, however, that if, prior to the relevant Substitution Termination Date, the related Security becomes immediately due and payable or, upon the relevant Substitution Termination Date, payment of the termination moneys is improperly withheld or refused, the Euroclear Registrar shall mail notification thereof to the depositing Securityholder at such address as may have been given by such Securityholder in the relevant Right to

Termination Notice and the relevant depositing Securityholder and not the Euroclear Registrar shall be deemed to be the holder of such Security for all purposes in such case.

- (e) Notwithstanding the foregoing, in respect of any Series of Securities for which Morgan Stanley is the Issuer, Securityholders shall only have the right to submit a Right to Termination Notice from the date which is one calendar year after the Issue Date of such Securities.
- (f) Any payments made to Securityholders in accordance with this Condition 35.6 (*Right to Termination in respect of substitutions with non-Morgan Stanley Group entities*) shall be made in accordance with the provisions of Condition 6.8 (*Payment and delivery – Registered Securities*) or Condition 6.11 (*Exercise and Settlement of Nordic Securities*), as applicable.

35.7 Tax Consequences of substitution

If the Issuer substitutes an entity in place of the Issuer as principal debtor under the Securities, the tax consequences (including the withholding tax consequences) of holding the Securities may change. If withholding is required on the Securities the Issuer will not be required to pay any additional amounts.

36. Rights of the Issuer and Determination Agent are Cumulative

Each of the Issuer and the Determination Agent may have rights exercisable under different provisions of these Conditions arising from the occurrence of the same event. In such circumstances, the rights of the Issuer or the Determination Agent, as the case may be, shall be cumulative and the Issuer or the Determination Agent shall be entitled to exercise its rights under whichever provision (or provisions) of these Conditions that may apply following the occurrence of the relevant event, as it may select in its discretion. The exercise by the Issuer or the Determination Agent of a right under one provision shall not preclude the exercise by the Issuer or the Determination Agent of a right under another provision.

37. Rights of Third Parties

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

38. Representations and Acknowledgements by Securityholders

- 38.1 Each Securityholder shall be deemed to represent and acknowledge to the Issuer on acquiring any Warrants or Certificates that:

- (a) neither the Issuer nor any Affiliate or any of their agents is acting as a fiduciary for it or provides investment, tax, accounting, legal or other advice in respect of the Warrants or Certificates and that such Securityholder and its advisors are not relying on any communication (written or oral and including, without limitation, opinions of third party advisors) of the Issuer or any Affiliate as (i) legal, regulatory, tax, business, investment, financial, accounting or other advice, (ii) a recommendation to invest in any Warrants or Certificates or (iii) an assurance or guarantee as to the expected results of an investment in the Warrants or Certificates (it being understood that information and explanations related to the terms and conditions of the Warrants or Certificates shall not be considered to be any such advice, recommendation, assurance or guarantee and should be independently confirmed by the recipient and its advisors prior to making any such investment);
- (b) such Securityholder (i) has consulted with its own legal, regulatory, tax, business, investments, financial and accounting advisors to the extent that it has deemed necessary, and has made its own investment, hedging, and trading decisions based upon its own judgment and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the Issuer or any Affiliate or any of their agents and (ii) is acquiring Warrants or Certificates with a full understanding of the terms, conditions and risks thereof and it is capable of and willing to assume those risks; and
- (c) the Issuer and/or any Affiliates may have banking or other commercial relationships with issuers of any securities to which the Warrants or Certificates relate and may engage in proprietary trading in any securities, indices, futures contracts, commodities or other property to which the Warrants or Certificates relate or options, futures, derivatives or other instruments relating

thereto (including such trading as the Issuer and/or any Affiliate deem appropriate in their reasonable discretion to hedge the market risk on the Warrants or Certificates and other transactions between the Issuer and/or any Affiliates and any third parties), and that such trading (i) may affect the price or level thereof and consequently the amounts payable under the Warrants or Certificates and (ii) may be effected at any time, including on or near any Valuation or Averaging Date.

38.2 If "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, each Securityholder in respect of the relevant Series of Warrants or Certificates shall be deemed to represent, acknowledge and undertake to the relevant Issuer on acquiring any Warrant or Certificate (and such acknowledgements, representations and undertakings are deemed to be repeated on the Issue Date) that:

- (a) without prejudice to the generality of any applicable law, the Securityholder expressly consents to the disclosure by the Issuer or its Affiliates to the relevant authorities in the jurisdiction of the incorporation or organisation of the issuer of the Shares (a "**Relevant Jurisdiction**"), the jurisdiction in which the Exchange is located (the "**Local Jurisdiction**"), a jurisdiction in which the SEHK is located (a "**CCS Jurisdiction**") or any jurisdiction of tax residence of the issuer of the Shares (a "**Tax Residence Jurisdiction**"), information relating to the Warrants or Certificates, including the name of the Securityholder in order for the Issuer or any of its Affiliates to comply with laws and regulations of the Relevant Jurisdiction, the Local Jurisdiction, the CCS Jurisdiction or Tax Residence Jurisdiction that are applicable to the Issuer or its Affiliate in connection with their dealings in the underlying;
- (b) the Securityholder represents that, (A) in the case of an individual, either (x) it is not a person who is a citizen of or resident or domiciled in the PRC, or (y) it is a citizen of the PRC who is a resident of or is domiciled in a jurisdiction outside the PRC, or (B) in the case of an entity, either (x) it is not incorporated or registered under the laws of PRC or (y) it will purchase and hold the Program Securities pursuant to any program approved by, or approval of or registration with, any competent PRC regulator, or in such other manner as may be permitted in accordance with the laws and regulations of the PRC; and
- (c) the Securityholder will use funds lawfully owned by it and located outside PRC to purchase the Warrants or Certificates unless it will purchase the Warrants or Certificates pursuant to any program approved by, or approval of or registration with, any competent PRC regulator.

38.3 If "QFII" is specified next to the name of the Exchange in the applicable Pricing Supplement, each Securityholder in respect of the relevant Series of Warrants or Certificates shall be deemed to represent, acknowledge and undertake to the relevant Issuer on acquiring any Warrant or Certificate (and such acknowledgements, representations and undertakings are deemed to be repeated on the Issue Date) that:

- (a) Morgan Stanley & Co. International plc or its Affiliates may required to satisfy a Regulatory Request and each such Securityholder consents to any such disclosure;
- (b) the beneficial owner of the Warrants or Certificates is not (1) a PRC Citizen resident in the PRC (excluding Hong Kong, Macau and Taiwan), (2) a PRC Citizen resident outside the PRC who is not a permanent resident of another country or permanent resident of Hong Kong, Macau or Taiwan, unless otherwise permitted by the laws, administrative regulations and rules of the PRC, or (3) a Legal Person Registered in the PRC (as defined below) (except a Legal Person Registered in the PRC whose purchase of the Program Securities has been conducted pursuant to a program approved by, or approval of or registration with, any competent PRC regulator, or in such other manner as may be permitted in accordance with the laws and regulations of the PRC), (each a "**Domestic Investor**");
- (c) in the case where the beneficial owner of the Warrants or Certificates is a trustee for a trust, interests in the trust are not majority-owned by, and the management decision over the trust is not controlled by, one or more Domestic Investor(s). For the avoidance of doubt, in the case only where a trust's investments are being managed on a discretionary basis by an investment manager, such investment manager shall not be deemed to control such entity for the purposes of this representation by reason only of it being able to control the decision-making in relation to the entity's financial, investment and/or operating policies, provided that the foregoing

representation does not apply to trusts or companies organized as investment schemes for public offering;

- (d) to the best of its knowledge, all amounts paid or to be paid by the beneficial owner of the Warrants or Certificates under the Warrants or Certificates did not and will not involve moneys financed by or sourced from any Domestic Investor in contravention of the laws and regulations of the PRC; and
- (e) the beneficial owner of the Warrants or Certificates is investing in such Warrants or Certificates as principal and not as agent of any person or entity.

Where:

"Legal Person Registered in the PRC" means an entity incorporated or organized in the PRC (excluding Hong Kong, Macau and Taiwan).

"PRC" means, for the purpose of the Offering Circular, the People's Republic of China (excluding Hong Kong, Macau and Taiwan).

"PRC Citizen" means any person holding a resident identification card of the PRC (excluding Hong Kong, Macau and Taiwan).

"trust" includes a trust fund or any similar arrangement where the legal title to the trust assets are held by a trustee or legal representative but the beneficial interests in the trust assets are held by beneficiaries; and **"trustee"** shall be construed accordingly.

39. Acknowledgement of Bail-in

THIS CONDITION 39 ONLY APPLIES TO MSESE SECURITIES

39.1 Agreement and acknowledgement with respect to the exercise of the Bail-In Power in respect of MSESE Securities:

- (A) Notwithstanding any other term of these Conditions or any other agreements, arrangements, or understanding between the Issuer and the Securityholders, each Securityholder acknowledges and accepts that amounts due under Warrants issued by MSESE (such Warrants being **"MSESE Warrants"**) and amounts due under Certificates issued by MSESE (such Certificates being **"MSESE Certificates"**) may be subject to the exercise of the Bail-in Power by the Relevant Resolution Authority and acknowledges and accepts to be bound by any Bail-in Action and the effects thereof (including any variation, modification and/or amendment to the Conditions may be necessary to give effect to any such Bail-in Action), which may include, without limitation:
 - (1) reduction, in full or in part, of the amounts due under the MSESE Warrants and/or MSESE Certificates;
 - (2) the cancellation of the MSESE Warrants and/or MSESE Certificates;
 - (3) the amendment or alteration of the term of the MSESE Warrants and/or MSESE Certificates or amendment of any amounts payable on the MSESE Warrants and/or MSESE Certificates, or the date on which any such amounts become payable, including by suspending payment for a temporary period; and/or
 - (4) a conversion of all, or a portion of, the amounts due under the MSESE Warrants and/or MSESE Certificates into shares or other instruments of ownership, in which case each Noteholder acknowledges and accepts that any such shares or other instruments of ownership may be issued to or conferred upon it as a result of the Bail-in Action.
- (B) Each Securityholder acknowledges and accepts that this provision is exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understanding between the Issuer and the Securityholders relating to the subject matter

of this Condition 39 (*Acknowledgement of Bail-in*) and that no further notice shall be required in to order to give effect to the matters described herein.

- (C) The acknowledgements and acceptances contained in (A) and (B) above will not apply if:
- (1) the Relevant Resolution Authority determines that the liabilities arising under the MSESE Warrants and/or MSESE Certificates may be subject to the exercise of the Bail-in Power pursuant to the law of the third country governing such liabilities or a binding agreement concluded with such third country and in either case the Bail-in Regulations have been amended to reflect such determination; and/or
 - (2) the Bail-in Regulations have been repealed or amended in such a way as to remove the requirement for the acknowledgements and acceptances contained in (A) and (B) above.
- (D) For the purposes of this Condition 39 (*Acknowledgement of Bail-in*):
- (1) **"Bail-in Action"** means the exercise of any Bail-in Power by the Relevant Resolution Authority in respect of all amounts due under the MSESE Warrants and/or MSESE Certificates.
 - (2) **"Bail-in Power"** means any write-down or conversion power existing from time to time (including, without limitation, any power to amend or alter the maturity of eligible liabilities of an institution under resolution or amend the amount of interest payable under such eligible liabilities or the date on which interest becomes payable, including by suspending payment for a temporary period) under, and exercised in compliance with any laws, regulations, rules or requirements in effect in Germany (together, the **"Bail-in Regulations"**):
 - (a) relating to the transposition of the BRRD as amended from time to time, including but not limited to, the German Act on Recovery and Resolution of Institutions and Financial Groups (Recovery and Resolution Act) (*Gesetz zur Sanierung und Abwicklung von Instituten und Finanzgruppen (Sanierungs- und Abwicklungsgesetz – SAG)*) as amended from time to time (**"SAG"**), and the instruments, rules and standards created thereunder,
 - (b) constituting or relating to the SRM Regulation as amended from time to time, and
 - (c) any other laws, regulations, rules or requirements arising under German law, and the instruments, rules, and standards created thereunder,

in each case, pursuant to which the obligations of a regulated entity (or other affiliate of a regulated entity) can be reduced (including to zero), cancelled, modified or converted into shares, other securities, or other obligations of such regulated entity or any other person.

A reference to a **"regulated entity"** is, with respect to the SAG, to any German CRR-credit institution, CRR-investment firm (as such terms are defined in Section 1 SAG) and related group companies and, with respect to the SRM Regulation, to any entity referred to in Article 2 of the SRM Regulation.

- (3) **"BRRD"** means Directive 2014/59/EU of the European Parliament and of the Council of 15 July 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms.
- (4) **"Relevant Resolution Authority"** means any resolution authority authorized to exercise a Bail-in Power pursuant to the Bail-in Regulations from time to time.

"SRM Regulation" means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure

for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010.

40. Governing Law and Jurisdiction

40.1 *Governing Law*

The Warrants and Certificates and any non-contractual obligations arising out of or in connection with them shall be governed by and construed in accordance with English law.

40.2 *Jurisdiction*

Each of Morgan Stanley, MSI plc, MSBV, MSFL and MSESE agrees for the benefit of the Securityholders 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 Warrants and Certificates (respectively, "**Proceedings**" and "**Disputes**") and, for such purposes, irrevocably submits to the jurisdiction of such courts.

40.3 *Appropriate Forum*

Each of Morgan Stanley, MSI plc, MSBV, MSFL and MSESE irrevocably waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and agrees not to claim that any such court is not a convenient or appropriate forum.

40.4 *Process Agent*

Each of Morgan Stanley, MSI plc, MSBV, MSFL and MSESE agrees that the process by which any Proceedings in England are begun may be served on it by being delivered to (i) in the case of Morgan Stanley, MSBV, MSFL and MSESE, Morgan Stanley & Co. International plc, 25 Cabot Square, Canary Wharf, London E14 4QA or, if different, its registered office for the time being and (ii) in the case of MSFL, Morgan Stanley (UK) Limited, 25 Cabot Square, Canary Wharf, London E14 4QA or, if different, its registered office for the time being or (iii) at any address of the Issuer in Great Britain at which process may be served on it in accordance with Part 34 of the UK Companies Act 2006. If such Person is not or ceases to be effectively appointed to accept service of process on behalf of any Issuer, such Issuer shall, on the written demand of any Securityholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Principal Securities Agent, appoint another Person in England to accept service of process on its behalf and, failing such appointment within 15 days, any Securityholder shall be entitled to appoint such a Person by written notice addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Principal Securities Agent. Nothing in this paragraph shall affect the right of any Securityholder to serve process in any other manner permitted by law.

**ANNEX TO THE TERMS AND CONDITIONS OF THE WARRANTS AND CERTIFICATES:
SUPPLEMENTARY PROVISIONS FOR BELGIAN SECURITIES**

If "Supplementary Provisions for Belgian Securities" is specified as applicable in the applicable Pricing Supplement, the terms and conditions set out in this section "Supplementary Provisions for Belgian Securities" (the "**Belgian Supplemental Conditions (Securities)**") shall apply. In the event of any inconsistency between these Belgian Supplemental Conditions (Securities) and the Terms and Conditions of the Warrants and Certificates, these Belgian Supplemental Conditions (Securities) shall prevail for the purposes of the Warrants and Certificates. Capitalised terms not defined herein shall have the meanings given to them in the Terms and Conditions of the Warrants and Certificates, unless specified otherwise.

1. Amendments in respect of early settlement amounts

- 1.1 Following the occurrence of an Early Settlement Event which is a Force Majeure Event, any provisions within the relevant Conditions relating to the amount to be paid by the Issuer on such early termination shall be deemed to be deleted and replaced with the following:

"Upon termination, the Issuer shall, if and to the extent permitted by applicable law and regulation, pay in respect of each Security an amount equal to the fair market value of such Security 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 settlement of the Security), as calculated by the Determination Agent in its reasonable discretion."

- 1.2 Following the occurrence of an Early Settlement Event which is not a Force Majeure Event:

- (A) if Minimum Settlement Amount is specified as not applicable in the Pricing Supplement, any provisions within the relevant Conditions relating to the amount to be paid by the Issuer on such early settlement shall be deemed to be deleted and replaced with the following:

"Upon termination, the Issuer shall pay in respect of each Security an amount equal to the sum of (i) the fair market value of such Security 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 termination of the Security) as calculated by the Determination Agent in its reasonable discretion, and (ii) the Issuer Costs Reimbursement Amount of such Security."; or

- (B) if Minimum Settlement Amount is specified as applicable in the Pricing Supplement, any provisions within the relevant Conditions relating to the notice that must be provided by the Issuer to the Securityholders in respect of such event, the timing of any early settlement, and the amount to be paid by the Issuer on such early settlement shall be deemed to be deleted and replaced with the following:

"The Issuer shall give notice (the "**Put Monetisation Notice**") as soon as reasonably practicable to the Securityholders stating that the Securities shall be settled on the Expiration Date and that the Issuer will pay in respect of each Security an amount equal to the Early Settlement Amount (Monetisation) on the Expiration Date, unless the Securityholder exercises its option to settle some or all of the Securities on the Early Settlement Date (Put) at the relevant Early Settlement Amount (Put) by delivering an Early Settlement (Put) Option Notice, provided that such Early Settlement (Put) Option Notice is delivered by the Early Settlement (Put) Option Cut-Off Date. The Put Monetisation Notice shall state (i) brief details of the Early Settlement Event, (ii) the value of the Early Settlement Amount (Monetisation) and the Early Settlement Amount (Put) and (iii) a description of the procedure for a Securityholder to exercise its option (including the form of Early Settlement (Put) Option Notice), the Early Settlement (Put) Option Cut-Off Date and the manner in which payment will be made.

If the Issuer has given a Put Monetisation Notice, the holder of a Security may exercise its option to receive payment of the Early Settlement Amount (Put) on the Early Settlement Date (Put) in respect of some or all of the Securities.

In order to exercise its option, the holder of a Security must before the relevant Early Settlement (Put) Option Cut-Off Date deposit such Security with a Paying Agent, and a duly completed Early Settlement (Put) Option Notice. The Paying Agent with which a Security is so deposited shall deliver a duly

completed Early Settlement (Put) Option Receipt to the depositing Securityholder. No Security, once deposited with a duly completed Early Settlement (Put) Option Notice, may be withdrawn; **provided, however, that** if, prior to the relevant Early Settlement Date (Put), any such Security becomes immediately due and payable or, upon due presentation of any such Security on the relevant Early Settlement Date (Put), payment of the settlement moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Securityholder at such address as may have been given by such Securityholder in the relevant Early Settlement (Put) Option Notice and shall hold such Security at its Specified Office for collection by the depositing Securityholder against surrender of the relevant Early Settlement (Put) Option Receipt.

In relation to any Security in respect of which the Securityholder does not deliver an Early Settlement (Put) Option Notice to the Paying Agent, as applicable, by the Early Settlement (Put) Option Cut-Off Date, the Issuer shall on the Expiration Date pay the Early Settlement Amount (Monetisation) to the Securityholder. In relation to any Security in respect of which the Securityholder does deliver an Early Settlement (Put) Option Notice to the Paying Agent by the Early Settlement (Put) Option Cut-Off Date, the Issuer shall on the Early Settlement Date (Put) pay the Early Settlement Amount (Put) to the Securityholder.

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

The Securityholders will not be charged any costs by or on behalf of the Issuer solely in respect of the early termination of the Securities."

1.3 The following definitions shall apply to this paragraph 1:

"**Early Settlement Amount (Monetisation)**" means, in respect of each Security, the amount determined by the Determination Agent in its reasonable discretion in accordance with the following formula:

$$\text{Minimum Settlement Amount} + (\text{Derivative Value} + \text{ICRA}) \times (1 + r)^n$$

where:

"**Derivative Component**" means, in respect of a Security, the option component or embedded derivative(s) in respect of the Security which provides exposure to the Relevant Underlying, the terms of which are fixed on the Trade Date of the Securities (as determined by the Determination Agent) in order to enable the Issuer to issue such Security at the relevant price and on the relevant terms;

"**Derivative Value**" means, in respect of a Security, the greater of zero and the value (if any) of the Derivative Component in respect of such Security (for the avoidance of doubt, taking into account any accrued unpaid interest), as calculated by the Determination Agent on the date the Issuer gives the Put Monetisation Notice by reference to such factor(s) as it determines appropriate at the relevant time and which may include the following, without limitation:

- (i) any relevant quotations or other relevant market data in the relevant market(s) which may include relevant rates, prices, yields, yield curves, volatilities, spreads, correlations and any options or other derivative pricing model; and
- (ii) information of the type described in (i) above from internal sources of the Issuer or any of its affiliates if that information is of a type used by the Issuer in its regular course of business for the valuation of similar derivatives;

"**ICRA**" means the Issuer Costs Reimbursement Amount;

"**Minimum Settlement Amount**" means, in respect of each Security, the amount equal to the minimum level of the Cash Settlement Amount of such Security payable on the Expiration Date;

"**n**" means the remaining term of the Securities expressed in years (or fractions thereof), calculated from (but excluding) the date the Issuer gives the Put Monetisation Notice to (and including) the Expiration Date, as determined by the Determination Agent in its reasonable discretion; and

"**r**" means the annualised interest rate that the Issuer (or, in the case of any Securities guaranteed by the Guarantor, the Guarantor) offers on the date that the Issuer gives the Put Monetisation Notice for a debt security with an expiration date that is the Expiration Date of the Securities, taking into account the credit risk of the Issuer (and, if applicable, the Guarantor), as determined by the Determination Agent in its reasonable discretion;

"**Early Settlement Amount (Put)**" means, in respect of each Security, an amount equal to the sum of (i) the fair market value of such Security, 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 settlement of the Security), as calculated by the Determination Agent in its reasonable discretion and (ii) the Issuer Costs Reimbursement Amount of such Security;

"**Early Settlement Date (Put)**" means the date specified as such in Put Monetisation Notice;

"**Early Settlement Event**" means, in respect of a Series of Securities, the occurrence of an event permitting the Issuer to terminate the Securities in accordance with Condition 9.2(d) (*Termination for Index Adjustment Event*), Condition 9.2(f)(ii) (*Additional Disruption Events*), Condition 9.4(a)(iii) (*Merger Event or Tender Offer*), Condition 9.4(b)(iv) (*Nationalisation, Insolvency and Delisting*), Condition 9.5(c) (*Extraordinary ETF Events*), Condition 9.6(c) (*Additional Disruption Events*), Condition 9.7(c) (*Partial Lookthrough Depositary Receipt Provisions*), Condition 9.8(c) (*Full Lookthrough Depositary Receipt Provisions*), Condition 10.4(c) (*Administrator/Benchmark Events*), Condition 10.6(d) (*Commodity Index Disruption Events*), Condition 10.7(d) (*Termination for Commodity Index Adjustment Event*), Condition 10.8(c) (*Additional Disruption Events*), Condition 11.6(a)(iii) (*Administrator/Benchmark Events*), Condition 11.8(c) (*Additional Disruption Events*), Condition 12.2(e) (*Cessation of Publication*), Condition 12.6(c) (*Additional Disruption Events*), Condition 13.4(b) (*Termination*), Condition 13.6(c) (*Additional Disruption Events*), Condition 14.3 (*Determination Agent Unable to Perform Actions*), Condition 14.8 (*Property Index Adjustment Event*), Condition 14.10 (*Additional Disruption Events*), Condition 15.4(b)(i) (*Fund Events*), Condition 16.1(c) (*Conversion*), Condition 16.3(c) (*Additional Disruption Events*), Condition 18.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*), Condition 18.10 (*Underlying CMS Reference Rate – Effect of Index Cessation Event*), Condition 18.12(c) (*Additional Disruption Events*), Condition 20.2(a)(i) (*Delivery Disruption*), Condition 22(A)(b) (*Inconvertibility Events*), Condition 22(B) (*Inconvertibility Events*), Condition 23(b) (*CNY Disruption Events*), Condition 24.1(a) (*Performance Disruption*) and Condition 28 (*Illegality and Regulatory Event*);

"**Early Settlement (Put) Option Cut-Off Date**" means the date specified as such in the Put Monetisation Notice;

"**Early Settlement (Put) Option Notice**" means a notice which must be delivered to a Paying Agent by any Securityholder wanting to exercise a right to settle a Security at the option of the Securityholder;

"**Early Settlement (Put) Option Receipt**" means: a receipt issued by a Paying Agent to a depositing Securityholder upon deposit of a Security with such Paying Agent to a depositing Securityholder upon deposit of an Early Settlement (Put) Option Notice, by any Securityholder wanting to exercise a right to settle a Security at the option of the Securityholder;

"**Force Majeure Event**" means any event or circumstance which definitively prevents the performance of the Issuer's (or the Determination Agent's) obligations under the Securities and for which the Issuer (or the Determination Agent) is not accountable including, without limitation, any unavailability of communications system, failure of or interruptions in power supply or network computer systems, sabotage, fire, flood, explosion, acts of God, civil commotion, riots, insurrection, war or illegality;

"**Issuer Costs Reimbursement Amount**" means, in respect of each Security, an amount equal to the product of:

- (i) the total costs of the Issuer (including, without limitation, structuring costs) paid by the original Securityholder as part of the Issue Price of the Security, as determined by the Determination Agent in its reasonable discretion; and
- (ii) the quotient of:

- (a) the number of calendar days falling in the period commencing on, but excluding, the date on which the Issuer gives the relevant notice to be given by the Issuer pursuant to paragraphs 1.2(A) or 1.2(B) (*Following the occurrence of an Early Settlement Event which is not a Force Majeure Event:*) and ending on, and including the Expiration Date of the Securities; and
- (b) the number of calendar days falling in the period commencing on, but excluding, the Issue Date of the Securities and ending on, and including, the Expiration Date of the Securities.

2. Amendments in respect of "Additional Disruption Events"

- 2.1 The definition of "Additional Disruption Event" set out in Condition 9.6 (*Additional Disruption Events*) shall be deemed to be deleted and replaced with the following:

"Additional Disruption Event" means with respect to any Series of Warrants or Certificates (i) if specified as an Additional Disruption Event in the relevant Pricing Supplement, a Change in Law, (ii) if "(China Connect)" is specified next to the name of the Exchange in the applicable Pricing Supplement, each of China Connect Service Termination and China Connect Share Disqualification (in each case, unless otherwise specified in the applicable Pricing Supplement), (iii) if "(China Connect – ChiNext Shares)" and/or "(China Connect – STAR Shares)" is specified next to the name of the Exchange in the applicable Pricing Supplement, each of China Connect Service Termination, China Connect Share Disqualification and ChiNext and STAR Event (in each case, unless otherwise specified in the applicable Pricing Supplement) and (iv) if "QFII" is specified next to the name of the Exchange in the applicable Pricing Supplement, each of Change in QFII Status and Regulatory Request ADE (in each case, unless otherwise specified in the applicable Pricing Supplement).

- 2.2 The definitions of Condition 10.8 (*Additional Disruption Events*), Condition 11.8 (*Additional Disruption Events*), Condition 12.6 (*Additional Disruption Events*), Condition 13.6 (*Additional Disruption Events*), Condition 14.10 (*Additional Disruption Events*), Condition 16.3 (*Additional Disruption Events*) and 18.12 (*Additional Disruption Events*) shall each be deemed to be deleted and replaced by the following:

"Additional Disruption Event" means, with respect to a Series of Warrants or Certificates, if specified as an Additional Disruption Event in the relevant Pricing Supplement, a Change in Law."

- 2.3 The definition of "Disruption Event" for the purposes of Condition 15.6 (*Definitions applicable to Fund-Linked Securities*) shall be deemed to be deleted and replaced by the following:

"Disruption Event" means any of the following events as determined by the Determination Agent:

- (i) in respect of any Fund Interest, the failure of (i) a Scheduled Fund Valuation Date to be a Fund Valuation Date or any continued postponement or suspension of such Fund Valuation Date; and/or (ii) there to be a Fund Reporting Date and/or Reported Net Asset Value relating to the relevant Fund Valuation Date;
- (ii) in respect of any Fund Interest (i) there is a failure by the Fund to pay the full amount (whether expressed as a percentage or otherwise) of the Redemption Proceeds in the Fund Interest Currency with respect to the relevant amount of such Fund Interest scheduled to have been paid on or by such day according to the Fund Documents (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of such Fund Interests) or (ii) a Hypothetical Investor which had submitted a valid redemption notice in respect of such Fund Interest (in the case of a Single Fund Security) or each Fund Interest comprised in the Basket of Funds (in the case of a Fund Basket Security) on the last date permitted pursuant to the relevant Fund Documents would, in the reasonable opinion of the Determination Agent, not have received in full the Redemption Proceeds in respect of such redemption(s) on or before the date which is three Business Days prior to a related scheduled date for payment under the Warrants or Certificates; and/or
- (iii) any closure other than for ordinary public holidays and/or any restriction or suspension in trading of foreign exchange markets or money markets in a relevant Fund Interest Currency or Specified Currency that, in the opinion of the Determination Agent, would have a material effect on the ability market participants to effect transactions in such markets,

provided that if any event would otherwise be both a Disruption Event and Fund Event, such event shall be treated solely as a Fund Event."

3. Amendments in respect of "Change in QFII Status"

- 3.1 The definition of "Change in QFII Status" set out in Condition 9.10 (*Definitions applicable to Equity and Proprietary Index-Linked Securities*) shall be deemed to be deleted and replaced by the following:

"**Change in QFII Status**" means that, on or after the Trade Date, due to any change in Morgan Stanley & Co. International plc's status or investment scope as a Qualified Foreign Institutional Investor ("**QFII**") under PRC law, the Issuer determines, in its sole and absolute discretion that (i) it has or will become illegal to hold, acquire or dispose of any relevant Share, Underlying Share or Component comprised in a relevant Index which is a share (as applicable) or of any financial instrument or contract providing exposure to any such Share, Underlying Share or Component (as applicable) or (ii) it becomes unlawful for it to perform its obligations with respect to the Warrants or Certificates.

4. Amendments in respect of "Change in Law"

- 4.1 The definitions of "Change in Law" set out in Condition 9.10 (*Definitions applicable to Equity and Proprietary Index-Linked Securities*), Condition 10.9 (*Definitions applicable to Commodity-Linked Securities*), Condition 11.9 (*Definitions applicable to Currency-Linked Securities*), Condition 12.7 (*Definitions Applicable to Inflation-Linked Securities*), Condition 13.7 (*Definitions applicable to Futures Contract Securities and Futures Contract Basket Securities*), Condition 14.11 (*Definitions Applicable to Property-Linked Securities*), Condition 16.4 (*In relation to Bond-Linked Securities*) and Condition 18.13 (*Definitions applicable to Rate-Linked Securities*), the following expressions have the meanings set out below) shall each be deemed to be amended by: (i) adding the words "excluding with respect to the Issuer's or any of its Affiliates' hedging arrangements with respect to the Warrants or Certificates" at the end of sub-paragraph (x) thereof; and (ii) deleting the words "(y) it will incur a materially increased cost in performing its obligations with respect to the Warrants or Certificates (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position)" and replacing them with the words "(y) it will significantly alter the economics of the relevant Warrants or Certificates that existed on the relevant Trade Date".

5. Amendments to the definition of Implementation of Financial Transaction Tax Event in Condition 2.1 (*Definitions*)

The definition of "Implementation of Financial Transaction Tax Event" in Condition 2 (*Interpretation*) shall be deemed to be deleted and replaced by the following:

"**Implementation of Financial Transaction Tax Event**" means that, on or after the Trade Date of any Warrants or Certificates, 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 enter into, modify or unwind the Warrants or Certificates or any part thereof, or perform its obligations under such Warrants or Certificates, including for the avoidance of doubt any obligation or exercise of any right to deliver Shares or any other asset, **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."

6. Amendments to the definition of Regulatory Event in Condition 2 (*Interpretation*)

The definition of "Regulatory Event" in Condition 2 (*Interpretation*) shall be deemed to be deleted and replaced by the following:

"**Regulatory Event**" means that, at any time on or after the Trade Date, as a result of:

- (i) an implementation or adoption of, or change in, any applicable law, regulation, interpretation, action or response of a regulatory authority;

- (ii) the promulgation of, or any interpretation by any court, tribunal, government or regulatory authority with competent jurisdiction (a "Relevant Authority") of, any relevant law or regulation (including any action taken by a taxing authority); or
- (iii) the public or private statement or action by, or response of, any Relevant Authority or any official or representative of any Relevant Authority acting in an official capacity,

there is a reasonable likelihood of it becoming:

- (A) unlawful or impossible, for the Issuer and/or the Guarantor to maintain the Securities and/or to maintain other instruments issued under the Program and/or to perform its obligations under the Securities; and/or
- (B) necessary for the Issuer and/or the Guarantor to obtain a licence, authorisation or other approval for the continuation or maintenance of the business relating to or supporting the Securities."

7. Amendments to the definition of "Successor Share/ETF Interest" in Condition 9.4(a) (*Merger Event or Tender Offer*)

The definition of "Successor Share/ETF Interest" in Condition 9.4(a) (*Merger Event or Tender Offer*) shall be deemed to be deleted and replaced by the following:

"**Successor Share/ETF Interest**" means, in respect of an Affected Share/ETF Interest, (1) if specified in the applicable Pricing Supplement, any Eligible Share or Eligible ETF Interest, as applicable; (2) if no Eligible Share or Eligible ETF Interest, as applicable, is specified, the successor Share or ETF Interest, as applicable, as determined by the Determination Agent, using commercially reasonable efforts, taking into account any factors which the Determination Agent determines to be relevant, including (but not limited to) the existence of any other Share or ETF Interest, as applicable, that is linked to or is a constituent of the same underlying index or asset as the Affected Share/ETF Interest, liquidity of the proposed successor Share or ETF Interest, as applicable, the prevailing market conditions at the time the Determination Agent makes its determination and the circumstances of the relevant Extraordinary Event; or (3) if the Determination Agent determines that it is unable to determine a suitable successor Share or ETF Interest, as applicable, the Determination Agent may determine that, where the Affected Share/ETF Interest is linked to the relevant underlying index (the "**Related Underlying Index**"), such Related Underlying Index (to the extent relevant) shall be the Successor Share/ETF Interest and the provisions applicable to Single Index Securities or Index Basket Securities will apply to the relevant Warrants or Certificates with such adjustments as the Determination Agent determines to be appropriate."

8. Amendments to the definition of Extraordinary ETF Event in Condition 9.5 (*Extraordinary ETF Events*)

Sub-paragraph (viii) in the definition of "Extraordinary ETF Event" in Condition 9.5(e) (*Extraordinary ETF Events*) shall be deemed to be deleted and replaced by the following:

- "(viii) (A) any relevant activities of or in relation to the ETF or any ETF Service Provider are or become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any present or future law, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, in any applicable jurisdiction (including, but not limited to, any cancellation, suspension or revocation of the registration or approval of the ETF by any governmental, legal or regulatory entity with authority over the ETF), (B) a relevant authorisation or licence is revoked, lapses or is under review by a competent authority in respect of the ETF or the ETF Service Provider or new conditions are imposed, or existing conditions varied, with respect to any such authorisation or licence, (C) the ETF is required by a competent authority to redeem any ETF Interests and/or (D) any change in the legal, tax, accounting or regulatory treatment of the ETF or any ETF Service Provider that is reasonably likely to have an adverse impact on the value of the ETF Interests or other activities or undertakings of the ETF or on the rights or remedies of any investor therein; or"

9. Amendments to Condition 9.5 (*Extraordinary ETF Events*)

The final paragraph of Condition 9.5 (*Extraordinary ETF Events*) shall be deemed to be deleted and replaced by the following:

"For these purposes, "**Successor ETF Interest**" means, in respect of an Affected ETF Interest, (1) if specified in the applicable Pricing Supplement, any Eligible ETF Interest; (2) if no Eligible ETF Interest is specified, the successor ETF Interest as determined by the Determination Agent, using commercially reasonable efforts, taking into account any factors which the Determination Agent determines to be relevant, including (but not limited to) the existence of other ETFs that are linked to the same underlying index or asset as the Affected ETF Interest, liquidity of the proposed successor ETF Interest, the prevailing market conditions at the time the Determination Agent makes its determination; or (3) if the Determination Agent determines that it is unable to determine a suitable successor ETF Interest, the Determination Agent may determine that the relevant Warrants or Certificates, where the Affected ETF Interest will be linked to the relevant underlying index (the "**Related Underlying Index**") and such Related Underlying Index shall be the Successor ETF Interest and the provisions applicable to Single Index Securities or Index Basket Securities will apply to the relevant Warrants or Certificates with such adjustments as the Determination Agent determines to be appropriate."

10. Amendments to the definition of Illiquidity Event in sub-paragraph (h) of Condition 13.3 (*Futures Contract Adjustment Events*)

The definition of Illiquidity Event in sub-paragraph (h) of Condition 13.3 (*Futures Contract Adjustment Events*) shall be deemed to be deleted in its entirety and references in the Conditions to "Illiquidity Event" shall not be applicable.

11. Adjustments to the Securities to account for the occurrence of a Fund Event pursuant to Condition 15.4 (*Fund Events*)

For the purposes of any adjustments that the Issuer may make pursuant to Condition 15.4 (*Fund Events*) to account for the occurrence of a Fund Event, notwithstanding any term to the contrary, including the penultimate paragraph of Condition 15.4(b)(iii), the Issuer shall not be permitted to take into account the value it may obtain for the transfer of any hedging arrangements in relation to the Warrants or Certificates. The Issuer, may, however, take into account for the purposes of such adjustments the value a third party on arms' length terms would be willing to pay for the relevant Affected Fund Interest (or the portion of a hypothetical derivative contract in so far as it relates to the relevant Affected Fund Interest and does not take into account the creditworthiness of any party thereto).

12. Amendments to Condition 15.6 (*Definitions applicable to Fund-Linked Securities*)

12.1 The definition of "Fund Events" shall be deemed to be amended by:

12.2 deleting sub-paragraph (c) of paragraph (d) (*Fund Adviser Event*), paragraphs (n) (*Hedging Disruption*) and (q) (*Value Limitation*);

12.3 deleting sub-paragraph (i) (*Regulatory Event*) and replacing it with the following:

"(i) **Regulatory Event:** (A) in respect of any Fund Interest, (1) any change in the legal, tax, accounting, or regulatory treatments of the relevant Fund or its Fund Adviser that is reasonably likely to have an adverse impact on the value of such Fund Interest or on any investor therein (as determined by the Determination Agent) or (2) the related Fund or any of its Fund Service Providers becoming subject to any investigation, proceeding arbitration, litigation or official action by any relevant governmental, legal or regulatory authority involving the alleged violation of, or non-compliance with, applicable law or regulation in relation to any activities relating to or resulting from the operation of: (i) such Fund, or (ii) another fund where (in the opinion of the Determination Agent) such circumstances in respect of such other fund may have an adverse effect on the relevant Fund, (B) any event which would have the effect of changing the amount or cost of regulatory capital that would have to be maintained by the Issuer and/or any Affiliate in relation to the Warrants or Certificates as a result of a change in law or regulation or as a result of any requirement under applicable law, regulation or other rule or requirement from time to time applicable to the Issuer and/or any Affiliate that requires any information-provision or other transparency requirements in respect of a Fund Interest, whether to keep

constant the cost of regulatory capital that would have to be maintained by any such person in relation to the Warrants or Certificates or otherwise comply therewith, and the relevant Fund Service Provider fails to provide sufficient information in respect of a Fund Interest for any such person to satisfy such relevant obligations or (C) in respect of any Fund Interest and the related Fund (i) the withdrawal, cancellation, suspension or revocation of any registration, licence or approval of such Fund Interest or the related Fund by any governmental, legal or regulatory entity with authority over such Fund Interest or Fund; (ii) the withdrawal, suspension, cancellation or modification of any licence, consent, permit, authorisation or clearance required for the Fund or any one or more of its significant Fund Service Providers to carry out their activities as they are or should be carried out in compliance with applicable law or regulation; and/or (iii) the failure of such Fund Interest and/or the related Fund to comply with any applicable requirements from time to time applied by any relevant listing authority, stock exchange, quotation system and/or regulator that allow it to be used to determine amounts due under the Warrants or Certificates (or, in the case of (C)(i), (ii) or (iii), any official announcement indicating that any such circumstances may occur);

12.4 deleting sub-paragraph (j) (*Reporting Disruption*) and replacing it with the following:

"(j) **Reporting Disruption:** in respect of any Fund Interest, (A) the occurrence of any event affecting such Fund Interest that, in the determination of the Determination Agent, would make it impossible for the Determination Agent to determine the value of such Fund Interest and the Determination Agent does not expect such event to cease in the foreseeable future; (B) any failure of the related Fund to deliver, or cause to be delivered, or recipients in general to receive (1) information that such Fund has agreed to deliver, or cause to be delivered to the Determination Agent and/or the Issuer and/or any of the Issuer's Affiliates, as applicable, or (2) information that has been previously delivered to the Determination Agent and/or the Issuer and/or any of the Issuer's Affiliates, as applicable, in accordance with such Fund's, or its authorised representative's, normal practice and that the Determination Agent deems necessary for it or the Issuer, as applicable, to monitor such Fund's compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to such Fund Interest; (C) the related Fund ceases, for any reason whatsoever (either directly or through any Fund Service Provider acting on its behalf for this purpose) to provide, publish or make available its net asset value on any Fund Reporting Date; or (D) a Fund Service Provider informs the Determination Agent and/or the Issuer and/or any of the Issuer's Affiliates that any Reported Net Asset Value of such Fund Interest should not be relied on (whether by reason of it being only a provisional or estimated net asset value or for any other reason) and/or, in the opinion of the Determination Agent, any Reported Net Asset Value is inaccurate (which, for the avoidance of doubt, includes without limitation circumstances where any net asset value reported by a Fund Service Provider to the Issuer and/or any of the Issuer's Affiliates and/or investors in Fund Interest generally differs from any net asset value published on any one or more publishing service), in each case which the Determination Agent considers to be material to the Warrants or Certificates;"

12.5 deleting sub-paragraph (s) (*Fund Accounting Event*) and replacing it with the following:

"(s) **Fund Accounting Event:** in respect of a Fund Interest and the related Fund, any (i) change in the currency in which the Fund Interest's accounts are denominated; or (ii) material adverse change in the accounting treatment of the Fund which does or could affect a Hypothetical Investor and/or any of the Issuer's Affiliates (provided that such event significantly alters the economics of the Warrants or Certificates existing on the Trade Date as determined by the Determination Agent) and/or any actual or potential requirement to consolidate its accounts with any such entity;" and

12.6 deleting sub-paragraph (t) (*Fees or Charges Event*) and replacing it with the following:

"(t) **Fees or Charges Event:** in respect of a Fund (i) any material charge of a transaction fee for subscription or redemption of Fund Interests and/or (ii) any imposition of any taxes or similar charges for subscription or redemption of Fund Interests (whether by the Fund or a Fund Adviser in respect of holders of Fund Interests generally other than any charge or fee in existence on the Trade Date), including the increase to the existing level of, or introduction of any new, fees, commissions or other expenses payable to any person, which in each case significantly alters

the economics of the Warrants or Certificates existing on the Trade Date as determined by the Determination Agent."

13. Amendments to the definition of Inconvertibility Event in Condition 22(A) (*Inconvertibility Events*) and Condition 22(B) (*Inconvertibility Events*)

The definition of Inconvertibility Event in Condition 22(A) (*Inconvertibility Events*) and Condition 22(B) (*Inconvertibility Events*) shall be deemed to be deleted and replaced with the following:

"An **"Inconvertibility Event"** shall be deemed to have occurred if from (and including) the Trade Date to (and including) the Cash Settlement Payment Date, any event or circumstance occurs that generally makes it, in the reasonable discretion of the Determination Agent, impossible or unlawful for the Issuer, the Determination Agent or any of its Affiliates for any reason beyond their reasonable control:

- (i) to convert the Relevant Currency into the Inconvertibility Specified Currency or the Inconvertibility Specified Currency into the Relevant Currency (whether directly or through a cross exchange rate) through customary legal channels; or
- (ii) to determine the rate of conversion of the Inconvertibility Specified Currency into the Relevant Currency or the Relevant Currency into the Inconvertibility Specified Currency; or
- (iii) to transfer, or make a payment in, or delivery of, the Relevant Currency from or to, outside, or inside, of the Relevant Jurisdiction, in each case under (i), (ii) or (iii), in an amount up to the Aggregate Nominal Amount; or
- (iv) to determine a rate at which any Relevant Currency can be lawfully exchanged for U.S. Dollars; or
- (v) to convert any Relevant Currency into U.S. Dollars; or
- (vi) to exchange or repatriate any funds outside of any jurisdiction in which any of the Relevant Factor(s), or its or their components, is issued; or
- (vii) for the Issuer or any of its Affiliates to hold, purchase, sell or otherwise deal in any Warrants or Certificates, or any other property for the purposes of the Issuer or the Issuer's obligations in respect of any Warrants or Certificates;"

14. Amendments to the definition of Performance Disruption in Condition 24.1 (*Performance Disruption*)

The definition of Performance Disruption in sub-paragraph (b) of Condition 24.1 (*Performance Disruption*) shall be deemed to be deleted in its entirety and replaced with the following:

For the purposes hereof, **"Performance Disruption"** means, in relation to any Warrant or Certificate, the occurrence or existence on any day of any event, circumstance or cause beyond the control of the Issuer that has had or reasonably could be expected to have a material adverse effect upon its ability to perform its obligations under the relevant Warrant or Certificate.

15. Amendments to Condition 25 (*Securities Agents, Securities Registrar, Securities Transfer Agents and Determination Agent*).

15.1 The final sentence of Condition 25.2(a) (Role of Agents) shall be deleted.

15.2 The following new Condition 25.4 shall be added:

"25.4 Calculations and Determinations:

The Determination Agent will make the calculations and determinations as described in this Condition 25.4 (*Calculations and Determinations*) in such a manner as the Determination Agent determines is appropriate acting in good faith and in a commercially reasonable manner (having regard in each case to the criteria stipulated in the Conditions).

Notwithstanding that certain calculations, determinations and adjustments in this Condition 25.4 (*Calculations and Determinations*) may be expressed to be on a certain date, the Determination Agent may make such calculations, determinations and adjustments in respect of that date on a date after that date determined by it in its reasonable discretion provided that shall not apply to the calculation of the Final Redemption Amount or Early Redemption Amount.

Pursuant to this Condition 25.4 (*Calculations and Determinations*) the Determination Agent has a number of discretions. These are necessary since in certain circumstances it is not reasonably practicable or otherwise not appropriate for certain valuations to be carried out in relation to relevant reference assets and in these circumstances the Determination Agent also may exercise certain discretions.

Where the Conditions provide that the Issuer or the Determination Agent may make determinations, modifications or adjustments in or at its discretion (or any similar wording) that relate to the essential characteristics (interpreted as set out below) of the Warrants or Certificates, the Issuer or the Determination Agent will make such determinations, modifications or adjustments acting in good faith and in a commercially reasonable manner and in such a manner that such determinations, modifications or adjustments do not create a significant imbalance (interpreted as set out below) between the rights and obligations of the Issuer compared to the Securityholders to the detriment of the Securityholders.

Notwithstanding anything else in the Conditions (but excluding any modification of the Conditions pursuant to Condition 33 (*Severance, Meetings of Securityholders and Modification of Conditions*)), the Issuer or the Determination Agent, as the case may be, may only modify or adjust the terms of the Warrants or Certificates in accordance with the Conditions (other than modifications or adjustments that do not relate to essential characteristics of the Notes) or terminate the Warrants or Certificates prior to their Expiration Date in accordance with the Conditions, where such modification, adjustment or redemption is effected in compliance with the applicable provisions of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit economique*) dated 28 February 2013 (as amended and/or supplemented from time to time, the "CEL"), especially those pertaining to unfair contract terms.

The Issuer and the Determination Agent will comply with the provisions of the CEL applicable to the Warrants or Certificates especially those pertaining to unfair contract terms, in the application of the Conditions of the Warrants or Certificates. In such case, and notwithstanding anything to the contrary in the Conditions but without prejudice to the penultimate paragraph of this Condition 25.4 (*Calculations and Determinations*) below, any provisions of the Conditions which are deemed unfair in whole or in part pursuant to the CEL shall not apply to the extent deemed unfair.

The Securityholders may not be charged any costs for the modification or adjustment of the Conditions and for the early settlement of the Warrants or Certificates before their Expiration Date.

For the purposes of these Belgian Supplemental Condition (Securities) and, where applicable, the Conditions, the questions (a) whether a determination, modification or adjustment referred to in this Condition 25.4 (*Calculations and Determinations*) relates to the essential characteristics of the Warrants or Certificates, (b) whether the manner of making a determination, modification or adjustment creates a significant imbalance between the rights and obligations of the Issuer compared to the Securityholders to the detriment of the Securityholders, (c) whether a modification, adjustment or redemption referred to in this Condition 25.4 (*Calculations and Determinations*) is effected in compliance with the provisions of the CEL, especially those pertaining to unfair terms, (d) whether any provisions of the Conditions are deemed unfair in whole or in part and whether the Issuer or the Determination Agent has complied with provisions of the CEL especially those pertaining to unfair contract terms, in the application of the Conditions of the Warrants or Certificates will be made in accordance with applicable Belgian law, in particular the CEL. Save as provided in the preceding sentence all other provisions of these Belgian Supplemental Condition (Securities) and the Conditions and any non-contractual obligations arising out of or in relation to them shall be governed by and construed in accordance with English law. If any part(s) of the Conditions or of any determination, modification or adjustment referred to in this Condition 25.4

(*Calculations and Determinations*) are found to be (i) inapplicable, (ii) prohibited, (iii) unfair or (iv) otherwise non-compliant with Belgian law, including the CEL, in any applicable judicial proceeding for reasons referred to in this Condition 25.4 (*Calculations and Determinations*) (each an "**Invalid Provision**"), then each part of such Invalid Provision which is found to be (i) inapplicable, (ii) prohibited, (iii) unfair or (iv) otherwise non-compliant with Belgian law shall be deemed to be removed and all remaining part(s) of the provisions of the Conditions or the relevant determination, modification or adjustment following such removal shall remain operative and binding on the Issuer and the Securityholders.

To the extent permitted by applicable law, all calculations made by the Issuer or the Determination Agent under the Conditions shall, in the absence of manifest error, be final, conclusive and binding on Securityholders. Neither the Issuer nor the Determination Agent assumes any obligation or relationship of agency or trust or of a fiduciary nature for or with any Securityholder."

16. Amendments to Condition 35 (*Substitution*)

16.1 Condition 35.1(b) (*Substitution of Issuer with Morgan Stanley Group entities*) shall be deemed to be deleted and replaced by the following:

"(b) MSI plc, substitute Morgan Stanley or a subsidiary of Morgan Stanley in place of MSI plc as principal debtor under the Securities, provided that, unless MSI plc is subject to a legal restructuring (including, without limitation, a voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceedings affecting MSI plc), any Securities in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of MSI plc as to the payment of all amounts payable in respect of such Securities when and as the same will become due and payable, whether upon exercise or otherwise, and provided further that under the terms of the guarantee, Securityholders will not be required to exercise their remedies against the substitute prior to proceeding directly against MSI plc (as guarantor);"

16.2 Condition 35.1(c) (*Substitution of Issuer with Morgan Stanley Group entities*) shall be deemed to be deleted and replaced by the following:

"(c) MSBV, substitute Morgan Stanley or a subsidiary of Morgan Stanley in place of MSBV as principal debtor under the Securities, provided that, unless MSBV is subject to a legal restructuring (including, without limitation, a voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceedings affecting MSBV), any Securities in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of MSBV as to the payment of all amounts payable in respect of such Securities when and as the same will become due and payable, whether upon exercise or otherwise, and provided further that under the terms of the guarantee, Securityholders will not be required to exercise their remedies against the substitute prior to proceeding directly against MSBV (as guarantor); or"

16.3 Condition 35.1(d) (*Substitution of Issuer with Morgan Stanley Group entities*) shall be deemed to be deleted and replaced by the following:

"(d) MSFL, substitute Morgan Stanley or a subsidiary of Morgan Stanley in place of MSFL as principal debtor under the Securities, provided that, unless MSFL is subject to a legal restructuring (including, without limitation, a voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceedings affecting MSFL), any Securities in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of MSFL as to the payment of all amounts payable in respect of such Securities when and as the same will become due and payable, whether upon exercise or otherwise, and provided further that under the terms of the guarantee, Securityholders will not be required to exercise their remedies against the substitute prior to proceeding directly against MSFL (as guarantor)."

16.4 Condition 35.1(e) (*Substitution of Issuer with Morgan Stanley Group entities*) shall be deemed to be deleted and replaced by the following:

- "(e) MSESE, substitute Morgan Stanley or a subsidiary of Morgan Stanley in place of MSESE as principal debtor under the Securities, provided that, unless MSESE is subject to a legal restructuring (including, without limitation, a voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceedings affecting MSESE), any Securities in respect of which such a substitution is effected will be fully, unconditionally and irrevocably guaranteed pursuant to a guarantee of MSESE as to the payment of all amounts payable in respect of such Securities when and as the same will become due and payable, whether upon exercise or otherwise, and provided further that under the terms of the guarantee, Noteholders will not be required to exercise their remedies against the substitute prior to proceeding directly against MSESE (as guarantor)."
- 16.5 Condition 35.2 (*Substitution of Issuer or Guarantor with non-Morgan Stanley Group entities*) and Condition 35.6 (*Right to Termination in respect of substitutions with non-Morgan Stanley Group entities*) shall be deemed to be deleted.
- 16.6 Condition 35.3 (*Conditions to substitution*) shall be deemed to be deleted and replaced by the following:
- "35.3 *Conditions to substitution*
- Substitution of an Issuer or Guarantor for another entity (the "**Substitute**") as provided in Condition 35.1 (*Substitution of Issuer with Morgan Stanley Group entities*) above (as applicable) are subject to the following conditions:
- (a) the Substitute becoming party to the Securities Agency Agreement with any appropriate consequential amendments, as if it had been an original party to it in place of the relevant Issuer or the Guarantor (as the case may be);
 - (b) the Substitute is validly existing under the laws under which it is established or incorporated, has capacity to assume all rights, obligations and liabilities under the Securities and Guarantee, as applicable, and has obtained all necessary corporate authorisations to assume all such rights, obligations and liabilities under the Securities or Guarantee (as applicable);
 - (c) the Substitute has obtained all necessary governmental or regulatory approvals and consents for the performance by it of its obligations in connection with the Securities or Guarantee (as applicable) and that all such approvals and consents are in full force and effect;
 - (d) all consents and approvals as required have been obtained and that the Substitute and the Securities comply with all applicable requirements of the Securities Act;
 - (e) the Principal Securities Agent has confirmed to the relevant Issuer or Guarantor (as the case may be) that it has completed its relevant "know your customer" requirements on the proposed Substitute;
 - (f) such substitution being permitted by the rules of any stock exchange on which the Securities are listed and each such stock exchange confirming that, following the proposed substitution of the Substitute, the Securities will continue to be listed on such stock exchange;
 - (g) no payment in respect of the Securities is overdue at the relevant time;
 - (h) at the time of any such substitution, the Substitute is in a position to fulfil all payment obligations arising from or in connection with the Securities in freely convertible and transferable lawful money without the necessity of any taxes or duties to be withheld at source, and to transfer all amounts which are required therefor to the Principal Securities Agent without any restrictions;
 - (i) if appropriate, the Substitute appointing a process agent as its agent in England to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Securities;

- (j) in respect of Securities which benefit from the Guarantee, such Securities shall continue to benefit from the Guarantee following substitution of the Issuer and/or the Guarantor (as the case may be), pursuant to this Condition 35 (*Substitution*);
- (k) the Substitute having a long term credit rating from at least one rating agency of standard application on the international capital markets (including but not limited to S&P, Moody's and Fitch) which is at least as high as the long term credit rating of the relevant Issuer or Guarantor (as the case may be) being substituted immediately prior to the occurrence of the relevant substitution;
- (l) the Substitute providing an indemnity in favour of the Securityholders in relation to any additional tax or duties or losses suffered by Securityholders due to a different tax or regulatory regime of the Substitute from that of the Issuer and in any case which arise and become payable solely as a result of the substitution of the Issuer for the Substitute; and
- (m) on the date of each substitution there being no Event of Default in existence and no event having occurred which remains in existence on such date which, in the absence of the relevant grace period, would otherwise constitute an Event of Default in relation to the Securities."

16.7 The second sentence of Condition 35.7 (*Tax Consequences of substitution*) shall be deemed to be deleted (it being understood that if the substitution causes a withholding to be required on the Notes this will be addressed by the indemnity referred to in Condition 35.3(l)).

17. Amendments to the definition of Administrator/Benchmark Event in Condition 2 (*Interpretation*)

The words "or any related hedging arrangements" shall be deemed to be deleted from each of paragraph (a) and paragraph (b) of the definition of "Administrator/Benchmark Event" set out in Condition 2 (*Interpretation*).

PRO FORMA PRICING SUPPLEMENT FOR WARRANTS AND CERTIFICATES

Pricing Supplement dated [●]

[Morgan Stanley / Morgan Stanley & Co. International plc / Morgan Stanley B.V. / Morgan Stanley Finance LLC / Morgan Stanley Europe SE] as Issuer

Legal Entity Identifier (LEI): [IGJSJL3JD5P30I6NJZ34]¹⁶⁰ / [4PQUHN3JPFGFNF3BB653]¹⁶¹ / [KG1FTTDCK4KNVM3OHB52]¹⁶² / [5493003FCPSE9RKT4B56]¹⁶³ / [54930056FHWP7GIWYY08]¹⁶⁴

Issue of [Aggregate Nominal Amount Tranche] [Title of Warrants/Certificates] (the "[Warrants/Certificates]" or the "Securities")

[Guaranteed by Morgan Stanley]

under the

Regulation S / 144A Program for the Issuance of Notes, Series A and B, Warrants and Certificates (the "Program")

The Offering Circular referred to below (as completed by this Pricing Supplement) has been prepared on the basis that any offer of the Securities in any Member State of the European Economic Area (each, a "**Relevant State**") will be made pursuant to an exemption under Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**") from the requirement to publish a prospectus for offers of the Securities.

Accordingly any person making or intending to make an offer in that Relevant State of the Securities may only do so in circumstances in which no obligation arises for the Issuer or any Distribution Agent to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor any Distribution Agent has authorised, nor do they authorise, the making of any offer of Securities in any other circumstances.

Warning: Neither this Pricing Supplement nor the Offering Circular referred to below constitutes a "prospectus" for the purposes of the Prospectus Regulation, and the Pricing Supplement and the Offering Circular have been prepared on the basis that no prospectus shall be required under the Prospectus Regulation in relation to any Securities be offered and sold under hereby.

Any person making or intending to make an offer of Securities in the United Kingdom may only do so pursuant to an exception from the public offer prohibition contained in the Public Offers and Admissions to Trading Regulations 2024 and in circumstances in which no obligation arises for the Issuer or any Distribution Agent to publish or supplement a prospectus pursuant to the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook. Neither the Issuer nor any Distribution Agent has authorised, nor do they authorise, the making of any offer of Securities in any other circumstances.

THE [WARRANTS/CERTIFICATES] ARE NOT DEPOSITS OR SAVINGS ACCOUNTS AND ARE NOT INSURED BY THE U.S. FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY OR INSTRUMENTALITY OR DEPOSIT PROTECTION SCHEME ANYWHERE, NOR ARE THEY OBLIGATIONS OF, OR GUARANTEED BY, A BANK.

[(Insert for all notes publicly offered in Switzerland or admitted to trading in Switzerland:)] SSPA product type: [SSPA product type]

[Public offering in Switzerland or Admission to trading in Switzerland: This Pricing Supplement will be or has been registered with SIX Exchange Regulation in its capacity as Swiss Prospectus Office pursuant to FinSA prior to the public offering of the [Warrants/Certificates] in Switzerland or the admission to trading of the [Warrants/Certificates] on SIX Swiss Exchange.]]

¹⁶⁰ Insert if Morgan Stanley is the Issuer.

¹⁶¹ Insert if Morgan Stanley & Co. International plc is the Issuer.

¹⁶² Insert if Morgan Stanley B.V. is the Issuer.

¹⁶³ Insert if Morgan Stanley Finance LLC is the Issuer.

¹⁶⁴ Insert if Morgan Stanley Europe SE is the Issuer.

A key information document in accordance with Regulation (EU) No 1286/2014 (the "**PRIIPs KID**") or a key information document in accordance with FinSA (the "**FinSA KID**") has been prepared in relation to the [Warrants/Certificates].

The PRIIPs KID can be obtained in electronic form on [*specify website*] or upon request and free of charge from the [Issuer/Guarantor/Distribution Agent]. The FinSA KID can be obtained upon request and free of charge from the [Issuer/Guarantor/Distribution Agent].

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS:

THE [WARRANTS/CERTIFICATES] 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 (THE "EEA"). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF:

- (A) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU, AS AMENDED ("MIFID II");
- (B) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97, AS AMENDED, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR
- (C) NOT A QUALIFIED INVESTOR AS DEFINED IN REGULATION (EU) 2017/1129, AS AMENDED.

CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014, AS AMENDED (THE "PRIIPS REGULATION") FOR OFFERING OR SELLING THE [WARRANTS/CERTIFICATES] OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN OR WILL BE PREPARED AND THEREFORE OFFERING OR SELLING THE [WARRANTS/CERTIFICATES] OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.]¹⁶⁵

[PROHIBITION OF SALES TO UK RETAIL INVESTORS:

THE [WARRANTS/CERTIFICATES] ARE NOT INTENDED TO BE OFFERED, SOLD, DISTRIBUTED OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD, DISTRIBUTED 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 EITHER ONE (OR BOTH) OF THE FOLLOWING:

- (A) NOT A PROFESSIONAL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF THE LAWS OF THE UNITED KINGDOM; OR
- (B) NOT A QUALIFIED INVESTOR AS DEFINED IN PARAGRAPH 15 OF SCHEDULE 1 TO THE PUBLIC OFFERS AND ADMISSIONS TO TRADING REGULATIONS 2024.

CONSEQUENTLY, NO DISCLOSURE DOCUMENT REQUIRED BY THE FCA PRODUCT DISCLOSURE SOURCEBOOK ("DISC") FOR OFFERING, SELLING OR DISTRIBUTING THE [WARRANTS/CERTIFICATES] OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE UK HAS BEEN OR WILL BE PREPARED AND THEREFORE OFFERING, SELLING OR DISTRIBUTING THE [WARRANTS/CERTIFICATES] OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE UK MAY BE UNLAWFUL UNDER DISC AND THE CONSUMER COMPOSITE INVESTMENTS (DESIGNATED ACTIVITIES) REGULATIONS 2024.]¹⁶⁶

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

¹⁶⁵ Insert if "Prohibition of Sales to EEA Retail Investors" is specified as Applicable in Part B of the Pricing Supplement.
¹⁶⁶ Insert if "Prohibition of Sales to UK Retail Investors" is specified as Applicable in Part B of the Pricing Supplement.

SOLELY FOR THE PURPOSES OF THE MANUFACTURER'S PRODUCT APPROVAL PROCESS, THE TARGET MARKET ASSESSMENT IN RESPECT OF THE [WARRANTS/CERTIFICATES] HAS LED TO THE CONCLUSION THAT:

- (A) THE TARGET MARKET FOR THE [WARRANTS/CERTIFICATES] IS ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ONLY, EACH AS DEFINED IN [MIFID II]/[DIRECTIVE 2014/65/EU (AS AMENDED, "MIFID II")]; AND
- (B) ALL CHANNELS FOR DISTRIBUTION OF THE [WARRANTS/CERTIFICATES] TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE.

ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE [WARRANTS/CERTIFICATES] (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 [WARRANTS/CERTIFICATES] (BY EITHER ADOPTING OR REFINING THE MANUFACTURER'S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.] /

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

SOLELY FOR THE PURPOSES OF THE MANUFACTURER'S PRODUCT APPROVAL PROCESS, THE TARGET MARKET ASSESSMENT IN RESPECT OF THE [WARRANTS/CERTIFICATES] HAS LED TO THE CONCLUSION THAT:

- (A) THE TARGET MARKET FOR THE [WARRANTS/CERTIFICATES] IS ELIGIBLE COUNTERPARTIES, PROFESSIONAL CLIENTS AND RETAIL CLIENTS, EACH AS DEFINED IN [MIFID II]/[DIRECTIVE 2014/65/EU (AS AMENDED, "MIFID II")]; [AND]

[EITHER:]

- (B) ALL CHANNELS FOR DISTRIBUTION OF THE [WARRANTS/CERTIFICATES] ARE APPROPRIATE [, INCLUDING INVESTMENT ADVICE, PORTFOLIO MANAGEMENT, NON-ADVISED SALES AND PURE EXECUTION SERVICES]]

[OR]

- (B) [ALL CHANNELS FOR DISTRIBUTION TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE; AND
- (C) THE FOLLOWING CHANNELS FOR DISTRIBUTION OF THE [WARRANTS/CERTIFICATES] TO RETAIL CLIENTS ARE APPROPRIATE - INVESTMENT ADVICE[./ AND] PORTFOLIO MANAGEMENT[./ AND][NON-ADVISED SALES][AND PURE EXECUTION SERVICES]], SUBJECT TO THE DISTRIBUTOR'S SUITABILITY AND APPROPRIATENESS OBLIGATIONS UNDER MIFID II, AS APPLICABLE]].

ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE [WARRANTS/CERTIFICATES] (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 [WARRANTS/CERTIFICATES] (BY EITHER ADOPTING OR REFINING THE MANUFACTURER'S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS [, SUBJECT TO THE DISTRIBUTOR'S SUITABILITY AND APPROPRIATENESS OBLIGATIONS UNDER MIFID II, AS APPLICABLE].]

[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 [WARRANTS/CERTIFICATES] HAS LED TO THE CONCLUSION THAT:

- (A) THE TARGET MARKET FOR THE [WARRANTS/CERTIFICATES] 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 THE LAWS OF THE UNITED KINGDOM ("UK MIFIR"); AND
- (B) ALL CHANNELS FOR DISTRIBUTION OF THE [WARRANTS/CERTIFICATES] TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE.

ANY [PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE [WARRANTS/CERTIFICATES] (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 [WARRANTS/CERTIFICATES] (BY EITHER ADOPTING OR REFINING THE MANUFACTURERS' TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.] /

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

SOLELY FOR THE PURPOSES OF THE MANUFACTURER'S PRODUCT APPROVAL PROCESS, THE TARGET MARKET ASSESSMENT IN RESPECT OF THE [WARRANTS/CERTIFICATES] HAS LED TO THE CONCLUSION THAT:

- (A) THE TARGET MARKET FOR THE [WARRANTS/CERTIFICATES] IS RETAIL CLIENTS (FOR THESE PURPOSES, A RETAIL CLIENT MEANS A PERSON WHO IS NOT A PROFESSIONAL CLIENT AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF THE LAWS OF THE UNITED KINGDOM ("UK MIFIR") ("PROFESSIONAL CLIENT")), AND ELIGIBLE COUNTERPARTIES, AS DEFINED IN THE FCA HANDBOOK CONDUCT OF BUSINESS SOURCEBOOK ("COBS"), AND PROFESSIONAL CLIENTS; [AND]

[EITHER]

- (B) [ALL CHANNELS FOR DISTRIBUTION OF THE [WARRANTS/CERTIFICATES] ARE APPROPRIATE[, INCLUDING INVESTMENT ADVICE, PORTFOLIO MANAGEMENT, NON-ADVISED SALES AND PURE EXECUTION SERVICES]]

[OR]

- (B) [ALL CHANNELS FOR DISTRIBUTION TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE; AND
- (C) THE FOLLOWING CHANNELS FOR DISTRIBUTION OF THE [WARRANTS/CERTIFICATES] TO RETAIL CLIENTS ARE APPROPRIATE - INVESTMENT ADVICE[./ AND] PORTFOLIO MANAGEMENT[./ AND][NON-ADVISED SALES][AND PURE EXECUTION SERVICES][, SUBJECT TO THE DISTRIBUTOR'S SUITABILITY AND APPROPRIATENESS OBLIGATIONS UNDER COBS, AS APPLICABLE].

ANY [PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE [WARRANTS/CERTIFICATES] (A "DISTRIBUTOR")]/[DISTRIBUTOR] SHOULD TAKE INTO CONSIDERATION THE MANUFACTURER'S 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 [WARRANTS/CERTIFICATES] (BY EITHER ADOPTING OR REFINING THE MANUFACTURER'S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS[, SUBJECT TO THE DISTRIBUTOR'S SUITABILITY AND APPROPRIATENESS OBLIGATIONS UNDER COBS, AS APPLICABLE].]

[Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the SFA) – In connection with the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), the Issuer has determined the classification of the [Warrants/Certificates] as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]¹⁶⁷

[(Insert for all Warrants/Certificates publicly offered in Switzerland or admitted to trading in Switzerland)] [The Offering Circular has been approved in Switzerland by SIX Exchange Regulation in its capacity as Swiss Prospectus Office and this Pricing Supplement has been registered with SIX Exchange Regulation in its capacity as Swiss Prospectus Office in accordance with FinSA. The Offering Circular is available on <https://sp.morganstanley.com/eu/prospectus/> or may be requested as a hard copy on request of the investor at the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA. The [Warrants/Certificates] may be offered, sold or advertised, directly or indirectly, in Switzerland to retail clients (*Privatkundinnen und -kunden*) within the meaning of FinSA ("**Retail Clients**") in accordance with FinSA.]

[SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES: THE SECURITIES DO NOT CONSTITUTE COLLECTIVE INVESTMENT SCHEMES WITHIN THE MEANING OF THE SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES ("CISA"). ACCORDINGLY, HOLDERS OF THE NOTES DO NOT BENEFIT FROM PROTECTION UNDER THE CISA OR SUPERVISION BY THE SWISS FINANCIAL MARKET SUPERVISORY AUTHORITY FINMA. INVESTORS BEAR THE CREDIT RISK OF THE ISSUER.]

***(Insert for Securities admitted to trading on SIX Swiss Exchange or publicly offered in Switzerland)* [FOR SIX SWISS EXCHANGE REGULATION PURPOSES THIS PRICING SUPPLEMENT, TOGETHER WITH THE OFFERING CIRCULAR COMPRISE THE PROSPECTUS IN ACCORDANCE WITH FINSA.]**

¹⁶⁷

Legend to be included on front of the Pricing Supplement if the Issuer has re-classified the [Warrants/Certificates] as "prescribed capital markets products " and "Excluded Investment Products " pursuant to Section 309B of the SFA prior to the launch of the offer and the [Warrants/Certificates] are to be offered in Singapore to persons other than Accredited Investors and Institutional Investors. Relevant Dealer(s)/Distribution Agent(s) to consider whether it / they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.

PART A – CONTRACTUAL TERMS

THE [WARRANTS/CERTIFICATES] DESCRIBED HEREIN [AND ANY GUARANTEE IN RESPECT THEREOF,] AND THE SECURITIES TO BE DELIVERED ON EXERCISE OR REDEMPTION OF THE [WARRANTS/CERTIFICATES] (IF ANY), 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 OR OTHER JURISDICTION OF THE UNITED STATES. [THE ISSUER IS NOT REGISTERED AND WILL NOT REGISTER] [NEITHER THE ISSUER NOR THE GUARANTOR IS REGISTERED, OR WILL REGISTER,] UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED. TRADING IN THE [WARRANTS/CERTIFICATES] HAS NOT BEEN APPROVED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION UNDER THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED.

[If Securities are offered under Regulation S only, insert:

THE [WARRANTS/CERTIFICATES] DESCRIBED HEREIN, ANY INTEREST THEREIN[, ANY GUARANTEE IN RESPECT THEREOF] AND THE SECURITIES TO BE DELIVERED ON REDEMPTION OF THE [WARRANTS/CERTIFICATES] (IF ANY) MAY NOT BE OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED 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). HEDGING TRANSACTIONS INVOLVING ANY "EQUITY SECURITIES" OF "DOMESTIC ISSUERS" (AS SUCH TERMS ARE DEFINED IN THE SECURITIES ACT AND REGULATIONS THEREUNDER) MAY ONLY BE CONDUCTED IN ACCORDANCE WITH THE SECURITIES ACT. SEE "SUBSCRIPTION AND SALE" AND "TRANSFER RESTRICTIONS" IN THE ACCOMPANYING OFFERING CIRCULAR DATED 25 JUNE 2026. IN PURCHASING THE [WARRANTS/CERTIFICATES], A PURCHASER WILL BE DEEMED TO REPRESENT AND WARRANT THAT IT IS NOT (I) LOCATED IN THE UNITED STATES, (II) A U.S. PERSON[, (III) SUBJECT TO U.S. FEDERAL INCOME TAX ON A NET BASIS (A "**U.S. TAXPAYER**")]¹⁶⁸, OR (IV) PURCHASING ON BEHALF OF, OR FOR THE ACCOUNT OR BENEFIT OF, ANY PERSON LOCATED WITHIN THE UNITED STATES[, /OR] U.S. PERSON [OR U.S. TAXPAYER.]]

[If Securities are offered under both Rule 144A and Regulation S, insert:

INTERESTS IN THIS [WARRANT/CERTIFICATE] MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**") TO A PERSON WHO TAKES DELIVERY IN THE FORM OF AN INTEREST IN A REGULATION S/RULE 144A GLOBAL SECURITY THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER ("**QIB**") WITHIN THE MEANING OF RULE 144A (AND IN THE CASE OF A REGULATION S/RULE 144A GLOBAL SECURITY ISSUED BY MSBV, SUCH QIB IS ALSO A QUALIFIED PURCHASER ("**QIB/QP**") AS DEFINED IN SECTION 2(A)(51) OF THE INVESTMENT COMPANY ACT AND THE RULES THEREUNDER), PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QIBS (EACH OF WHICH IS ALSO A QP, IN THE CASE OF A REGULATION S/RULE 144A GLOBAL SECURITY ISSUED BY MSBV), WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT SUCH OFFER, SALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, AND IN A NOMINAL AMOUNT OR PURCHASE PRICE FOR EACH ACCOUNT OF NOT LESS THAN U.S.\$100,000 OR (2) TO A PERSON THAT IS NOT A U.S. PERSON (WITHIN THE MEANING OF REGULATION S) WHO TAKES DELIVERY IN THE FORM OF AN INTEREST IN A REGULATION S GLOBAL SECURITY IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S, AND, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION.

SEE "SUBSCRIPTION AND SALE" AND "TRANSFER RESTRICTIONS" IN THE OFFERING CIRCULAR. IN PURCHASING THE [WARRANTS/CERTIFICATES], PURCHASERS WILL BE DEEMED TO REPRESENT AND WARRANT, AMONG OTHERS, THAT (A)(I) THEY ARE NEITHER LOCATED IN THE UNITED STATES NOR A U.S. PERSON AND (II) THAT THEY ARE NOT PURCHASING FOR, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON OR (B)(I) THEY ARE A QIB, OR IN THE CASE OF [WARRANTS/CERTIFICATES] BEING PURCHASED FROM MSBV, THEY ARE A QIB/QP, (II) ARE

¹⁶⁸ Insert for actively managed securities.

ACTING FOR THEIR OWN ACCOUNT OR FOR ONE OR MORE ACCOUNTS, EACH OF WHICH IS A QIB, OR IN THE CASE OF [WARRANTS/CERTIFICATES] ISSUED BY MSBV, EACH OF WHICH IS A QIB/QP, (III) WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS APPLICABLE TO THE SECURITIES TO ANY SUBSEQUENT TRANSFEREE (WHICH TRANSFEREE SHALL BE DEEMED TO MAKE THE SAME REPRESENTATIONS HEREIN), (IV) THEY WILL, ALONG WITH EACH ACCOUNT FOR WHICH THEY ARE PURCHASING, HOLD AND TRANSFER BENEFICIAL INTERESTS IN THE [WARRANTS/CERTIFICATES] IN AN AGGREGATE PRINCIPAL AMOUNT THAT IS NOT LESS THAN THE MINIMUM DENOMINATION OF THE [WARRANTS/CERTIFICATES] AND (V) ARE AWARE, AND EACH BENEFICIAL OWNER OF THE [WARRANTS/CERTIFICATES] HAS BEEN ADVISED, THAT THE SALE OF THE [WARRANTS/CERTIFICATES] TO IT IS BEING MADE IN RELIANCE ON RULE 144A.

As used herein, "U.S. person" means (i) an individual who is a citizen or resident of the United States; (ii) a corporation, partnership or other entity treated as a corporation or partnership for United States federal income tax purposes, created or organised in or under the laws of the United States, any State thereof or the District of Columbia, or which has its principal place of business in the United States; (iii) any estate or trust which is subject to United States federal income taxation regardless of the source of its income; (iv) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and if one or more United States trustees have the authority to control all substantial decisions of the trust (or any trust which elected to be treated as a United States person prior to 20 August 1996); (v) a pension plan for the employees, officers or principals of a corporation, partnership or other entity described in (ii) above; or (vi) any other "U.S. person" as such term may be defined in Regulation S under the Securities Act or in the Final Exemptive Order Regarding Compliance with Certain Swap Regulations, as amended from time to time, promulgated by the U.S. Commodity Futures Trading Commission under the Commodity Exchange Act.] [THE [WARRANTS/CERTIFICATES] ARE NOT RATED.]¹⁶⁹

This document constitutes the Pricing Supplement relating to the issue of the [Warrants/Certificates] described herein. This Pricing Supplement must be read in conjunction with the Offering Circular dated 25 June 2026 and the supplement(s) (if any) to the Offering Circular published and approved on or before the date of this Pricing Supplement and any supplement to the Offering Circular which may have been published and approved before the Issue Date (as defined below) (the "**Supplement(s)**") (provided that to the extent any such Supplement (i) is published and approved after the date of this Pricing Supplement and (ii) provides for any change to the Conditions such changes shall have no effect with respect to the Conditions of the [Warrants/Certificates] to which this Pricing Supplement relate, unless otherwise stated in such Supplement) (together, the "**Offering Circular**"). Full information on the Issuer [, the Guarantor] and the offer of the [Warrants/Certificates] is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. Copies of the Offering Circular and any Supplement are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA. The Offering Circular has also been published on the website of Euronext Dublin (www.live.euronext.com).

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions of the [Warrants/Certificates] set forth in the offering circular dated [●] [and the supplement[s] to the offering circular dated [●] which are incorporated by reference in the Offering Circular.]¹⁷⁰

(If the [Warrants]/[Certificates] reference a Proprietary Index then cross reference should be made to bespoke risk factors contained in the relevant Index Rules and consideration should be given as to whether with any additional disclosure or risk factors are required to be included (or cross-referred to) in the pricing supplement.)

Information Concerning Investment Risk

[]

[A Non-U.S. holder will be subject to U.S. withholding tax unless the beneficial owner of the [Warrant/Certificate] (or a financial institution holding the [Warrants/Certificates] on behalf of the beneficial owner) furnishes the appropriate Form W-8, on which the beneficial owner certifies under penalties of perjury that it is not a U.S. person. If withholding or deduction of taxes is required by law (regardless of whether a holder furnished an appropriate form), payments on the [Warrants/Certificates] will be made net of applicable withholding taxes, and

¹⁶⁹ Delete if the Securities are rated.

¹⁷⁰ Only include this language where it is a fungible issue and the original Tranche was issued under a base prospectus or offering circular with a different date.

Morgan Stanley Finance LLC will not be required to pay any additional amounts to Non-U.S. holders with respect to any taxes withheld.¹⁷¹

[A Non-U.S. holder will be subject to U.S. withholding tax unless the beneficial owner of the [Warrant/Certificate] (or a financial institution holding the [Warrant/Certificate] on behalf of the beneficial owner) furnishes the appropriate Form W-8 BEN, on which the beneficial owner certifies under penalties of perjury that it is not a U.S. person and that it is eligible for treaty benefits under an "other income" provision of a US income tax treaty. If withholding or deduction of taxes is required by law (regardless of whether a holder furnished an appropriate form), payments on the [Warrants/Certificates] will be made net of applicable withholding taxes, and Morgan Stanley Finance LLC will not be required to pay any additional amounts to Non-U.S. holders with respect to any taxes withheld.]¹⁷²

[Potential investors should be aware that the [Warrant/Certificate] creates an option exercisable by the Securityholder and that in the absence of such exercise, there is no obligation upon the Issuer to indemnify such Securityholder.]

(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 Pricing Supplement.)

(When completing any pricing supplement, or adding any information, consideration should be given as to whether (i) such terms constitute a "significant change" or "significant new matter" for the purposes of the rules of the Global Exchange Market of Euronext Dublin and consequently trigger the need for a supplementary listing particulars; or (ii) whether such terms trigger any other disclosure obligations pursuant to the rules of the Luxembourg Stock Exchange).

GENERAL

1.	(i)	[Issuer:]	[Morgan Stanley/Morgan Stanley & Co. International plc/Morgan Stanley B.V./Morgan Stanley Finance LLC/Morgan Stanley Europe SE]

(NB. Morgan Stanley can only be an Issuer in respect of Certificates)

	(ii)	[[Guarantor:]]	[Morgan Stanley]]

2.	(i)	[Series Number:]	[]
	(ii)	[[Tranche Number:]]	[]]

(If fungible with an existing Series, details of that Series, including the date on which the Securities become fungible)

3.	(i)	Aggregate Number/Nominal Amount of Securities in the Series:	[]
	(ii)	Aggregate Number/ Nominal Amount of Securities in the Tranche:	[]

4.	Settlement Currency:	[]
5.	Trade Date	[]
6.	Issue Date:	[]
7.	Issue Price:	[] per [Warrant/Certificate]

¹⁷¹ Insert if Morgan Stanley Finance LLC is the Issuer.

¹⁷² Insert if Morgan Stanley or Morgan Stanley Finance LLC is the Issuer and the Warrants/Certificates are classified as Other Income Securities.

8. Form of Securities: [Registered Securities:
[Global Registered Security registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg, exchangeable for Individual Registered Securities [on the expiry of [] days' notice period¹⁷³ / at any time / in the limited circumstances described in the Global Registered Security]]
[Individual Registered Securities]]
[Nordic Securities¹⁷⁴
[Swedish Warrants/ Swedish Certificates]
[Finnish Warrants/Finnish Certificates]
[Norwegian Warrants/Norwegian Certificates]
[Danish Warrants/Danish Certificates]]
9. Security Style: [American/European/Bermudan] Style Securities
(Condition 5)
(i) [Exercise Period:] [[]/(As defined in Condition 2)]
(ii) [Potential Exercise Dates:] [Each day from and including the Commencement Date to and including the Latest Exercise Time on the Expiration Date]
(iii) [Commencement Date:] []
10. (i) Supplementary Provisions for Belgian Securities: [Applicable]/[Not Applicable]
(ii) Minimum Settlement Amount: [Applicable]/[Not Applicable] (*specify as Applicable if the entitlements of the respective exercising Securityholders to receive the Underlying Securities or payment of the Cash Settlement Amount is subject to a minimum settlement amount or is the Nominal Amount of the Security*)
11. Equity and Proprietary Index-Linked Settlement Provisions: [Applicable/Not Applicable]
(Condition 9)
(A) Hybrid Equity Basket Securities: (*if applicable, insert the following and delete any repeated paragraphs in paragraphs 11(B), or 11(D) below, as applicable*)
The Securities are linked to each of the Underlyings set out below:
[●]/[See paragraph 11(B)(i)]
[●]/[See paragraph 11(C)(i)]

¹⁷³ In respect of Morgan Stanley Securities, notice should be 30 days.
¹⁷⁴ Only MSBV, MSI plc and MSEE may issue Nordic Securities.

- [●]/[See paragraph 11(D)(i)]
- (if not applicable, delete sub-paragraph 11(A))
- (i) Scheduled Trading Days and Disrupted Days: [Common Scheduled Trading Days and Common Disrupted Days: Applicable]
- [Individual Scheduled Trading Days and Individual Disrupted Days: Applicable]
- [Common Scheduled Trading Days and Individual Disrupted Days: Applicable]
- (select one as appropriate and delete other two)
- (ii) Exchange(s): [] / [(China Connect [- [ChiNext Shares][STAR Shares]])] / [QFII]
- (iii) Related Exchange(s): [●]/[All Exchanges]/[None specified]
- (iv) Determination Agent responsible for calculating the Cash Settlement Amount: []
- (v) Provisions for determining Cash Settlement Amount: []
- (vi) Whether redemption of the Securities will be by (a) Cash Settlement or (b) Physical Settlement or (c) in certain circumstances depending on the closing price of the Basket Components, Cash Settlement or Physical Delivery at the option of the Issuer: [Cash Settlement/Physical Settlement]
- [In the event of [] (describe triggers linked to the closing price of the Basket Components), Cash Settlement or Physical Settlement at the option of the Issuer]
- (vii) Weighting for each Basket Component comprising the Basket: []/[Not Applicable]
- (viii) Valuation Date(s): []
- (ix) Averaging Dates: [Applicable/Not Applicable]
- (x) Averaging Date Disruption: [Omission/Postponement/Modified Postponement]
- (xi) Observation Date(s): []
- (xii) Observation Period(s): []
- (xiii) Determination Date(s): []
- (xiv) Determination Time(s): []
- (xv) Delivery provisions for Shares (including details of who is to make such delivery): []
- (only where Physical Settlement is applicable)
- (xvi) Physical Settlement: [Applicable/Not Applicable]
- (xvii) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day

		Convention/ Preceding Business Day Convention/No Adjustment/ other (<i>give details</i>)
(xviii)	Additional Business Centre(s):	[]
(xix)	Other special terms and conditions:	[] / [In making any determination of adjustment to the terms of the [Warrants]/[Certificates] to account for the economic effect on the [Warrants]/[Certificates] of the relevant Market Disruption Event, Potential Adjustment Event, Extraordinary Event, Additional Disruption Event or otherwise, the Determination Agent shall take into account any requirement, adjustment and/or limitation that may be imposed by the China Connect Service or any action or inaction by any one or more of the Exchange, SEHK, CSDCC and HKSCC in relation to such event in respect of Shares held through the China Connect Service.] (<i>include this language if China Connect Service provisions are specified</i>)
(B)	[Single Share Securities]/[Share Basket Securities]/[Shares comprising the Hybrid Equity Basket Securities]: ¹⁷⁵	(<i>if Not Applicable, delete sub-paragraph (B)</i>)
(i)	Whether the Securities relate to a single share or a basket of shares (each, a " Share ") and the identity of the relevant issuer(s) and class of the Share (each a " Share Issuer ")	[Single Share Securities]/[Share Basket Securities]
		(a) Share/Shares: [●] (ISIN: [●]);
		(b) Share Issuer(s): [●]
		(<i>insert (c) and (d) below for ADRs/GDRs</i>)
		(c) [Underlying Share/Shares: (ISIN: [●]);
		(d) Underlying Share Issuer(s): [●]]
(ii)	Partial Lookthrough Depositary Receipt Provisions:	[Applicable/Not Applicable]
(iii)	Full Lookthrough Depositary Receipt Provisions:	[Applicable/Not Applicable]
		(<i>if Single Share Securities, delete sub-paragraph below</i>)
(iv)	Scheduled Trading Days and Disrupted Days:	[Common Scheduled Trading Days and Common Disrupted Days: Applicable]
		[Individual Scheduled Trading Days and Individual Disrupted Days: Applicable]
		[Common Scheduled Trading Days and Individual Disrupted Days: Applicable]
		(<i>select one as appropriate and delete other two</i>)
(v)	Exchange(s):	[] / [(China Connect [– [ChiNext Shares][STAR Shares]])] / [QFII]

¹⁷⁵

Where the Warrant or Certificate is to be admitted to the Luxembourg Stock Exchange's Euro MTF market and to the Official List of the Luxembourg Stock Exchange and Physical Settlement is applicable, a description of the Relevant Factor in accordance with Appendix VIII of the Luxembourg Stock Exchange's Rules & Regulations is to be inserted.

- (vi) Related Exchange(s): ☒/[All Exchanges]/[None specified]
- (vii) Determination Agent responsible for calculating the Cash Settlement Amount: ☐
- (viii) Provisions for determining Cash Settlement Amount: ☐
- (ix) Whether redemption of the Securities will be by (a) Cash Settlement or (b) Physical Settlement or (c) in certain circumstances depending on the closing price of the Shares, Cash Settlement or Physical Delivery at the option of the Issuer: ☐ [Cash Settlement/Physical Settlement]
[In the event of ☐ (*describe triggers linked to the closing price of the Shares*), Cash Settlement or Physical Settlement at the option of the Issuer]
- (x) Provisions for determining Final Redemption Amount where calculation by reference to one or more Shares is impossible or impracticable or otherwise disrupted: ☐
- (xi) Weighting for each Share comprising the Basket of Shares: ☐/[Not Applicable]
- (xii) Valuation Date(s): ☐
- (xiii) Averaging Dates: ☐ [Applicable/Not Applicable]
- (xiv) Averaging Date Disruption: ☐ [Omission/Postponement/Modified Postponement]
- (xv) Observation Date(s): ☐
- (xvi) Observation Period(s): ☐
- (xvii) Determination Date(s): ☐
- (xviii) Determination Time(s): ☐
- (xix) Delivery provisions for Shares (including details of who is to make such delivery): ☐ (*only where Physical Settlement is applicable*)
- (xx) Physical Settlement: ☐ [Applicable/Not Applicable]
- (xxi) Eligible Share: ☐
(*specify or delete if not applicable*)
- (xxii) Additional Disruption Events: Change in Law, Hedging Disruption, Loss of Stock Borrow [and] Increased Cost of Hedging[, China Connect Service Termination[,] [[and] China Connect Share Disqualification[,] [and ChiNext and STAR Event][,]] [Change in QFII Status and Regulatory Request ADE] shall apply (*specify if any are not applicable, or any further Additional Disruption Events*)

- [For the avoidance of doubt, the Issuer and/or its affiliates are not obliged to hedge by utilising the Qualified Foreign Institutional Investor (QFII) or Renminbi Qualified Foreign Institutional Investor (RQFII) schemes.] *(include this language if China Connect Service Termination and China Connect Share Disqualification are specified as Additional Disruption Events)*
- (xxiii) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/No Adjustment/ other *(give details)*]
- (xxiv) Additional Business Centre(s): []
- (xxv) Other special terms and conditions: [] / [In making any determination of adjustment to the terms of the [Warrants]/[Certificates] to account for the economic effect on the [Warrants]/[Certificates] of the relevant Market Disruption Event, Potential Adjustment Event, Extraordinary Event, Additional Disruption Event or otherwise, the Determination Agent shall take into account any requirement, adjustment and/or limitation that may be imposed by the China Connect Service or any action or inaction by any one or more of the Exchange, SEHK, CSDCC and HKSCC in relation to such event in respect of Shares held through the China Connect Service.] *(include this language if China Connect Service provisions are specified)*
- (C) [Single Index Securities]/[Index Basket Securities]/[Indices comprising the Hybrid Equity Basket Securities]: *(if not applicable, delete sub-paragraph (C))*
- (i) Whether the Securities relate to a single index or a basket of indices (each, an "**Index**") and the identity of the sponsor of an Index (each an "**Index Sponsor**") [Single Index Securities]/[Index Basket Securities]
[], *(Bloomberg® code: [])* sponsored by []
(specify as applicable)
(if Single Index Securities, delete sub-paragraph below)
- (ii) Scheduled Trading Days and Disrupted Days: [Common Scheduled Trading Days and Common Disrupted Days: Applicable]
[Individual Scheduled Trading Days and Individual Disrupted Days: Applicable]
[Common Scheduled Trading Days and Individual Disrupted Days: Applicable]
(select one as appropriate and delete other two)
(If Single Index Securities only, include sub-paragraph below)
- (iii) Proprietary Index: The Index [is] / [is not] a Proprietary Index

- (iv) Exchange(s): [●] / [(China Connect [– [ChiNext Shares] [STAR Shares]])] / [QFII] (*specify Exchange or MultiExchange Index, in relation to each Index*)
- (v) Related Exchange(s): []/[All Exchanges]/[None specified]
- (vi) Valuation Date(s): []
- (vii) Averaging Dates: [Applicable/Not Applicable]
- (viii) Averaging Date Disruption: [Omission/Postponement/Modified Postponement]
- (ix) Observation Date(s): []
- (x) Observation Period: []
- (xi) Determination Date(s): []
- (xii) Determination Time(s): []
- (xiii) Determination Agent responsible for calculating the Cash Settlement Amount: []
- (xiv) Provisions for determining Cash Settlement Amount: []
- (xv) Provisions for determining Cash Settlement Amount where calculation by reference to Index is impossible or impracticable or otherwise disrupted: []
- (xvi) Weighting for each Index: [[] (*insert details*)/Not Applicable]
- (xvii) Additional Disruption Events: Change in Law, Hedging Disruption, Loss of Stock Borrow [and] Increased Cost of Hedging[, China Connect Service Termination[, [and] China Connect Share Disqualification[, [and] ChiNext and STAR Event][,]] [Change in QFII Status and Regulatory Request ADE] shall apply (*specify if any are not applicable, or any further Additional Disruption Events*)
- [For the avoidance of doubt, the Issuer and/or its affiliates are not obliged to hedge by utilising the Qualified Foreign Institutional Investor (QFII) or Renminbi Qualified Foreign Institutional Investor (RQFII) schemes.] (*include this language if China Connect Service Termination and China Connect Share Disqualification are specified as Additional Disruption Events*)
- (xviii) Proprietary Index Additional Market Disruption Event: [Not Applicable / (*specify*)]
- (xix) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ other (*give details*)]
- (xx) Additional Business Centre(s): []

- (xxi) Other special terms and conditions: [] / [In making any determination of adjustment to the terms of the [Warrants]/[Certificates] to account for the economic effect on the [Warrants]/[Certificates] of the relevant Market Disruption Event, Potential Adjustment Event, Extraordinary Event, Additional Disruption Event or otherwise, the Determination Agent shall take into account any requirement, adjustment and/or limitation that may be imposed by the China Connect Service or any action or inaction by any one or more of the Exchange, SEHK, CSDCC and HKSCC in relation to such event in respect of Shares held through the China Connect Service.] *(include this language if China Connect Service provisions are specified)*
- (xxii) Benchmark Trigger Provisions: [Applicable][Not Applicable]
- (xxiii) Alternative Pre-nominated Index: [None][Specify] *(specify in respect of each Relevant Equity Index Benchmark)*
- (D) [Single ETF Securities]/[ETF Basket Securities]/[ETF Interests comprising the Hybrid Equity Basket Securities]:¹⁷⁶ *(if Not Applicable, delete sub-paragraph (D))*
- (i) Whether the Securities relate to a single ETF Interest or a basket of ETF Interests (each, an "**ETF Interest**") relating to an ETF (each an "**ETF**"): [Single ETF Securities]/[ETF Basket Securities] *(Specify ETF(s) and ETF Interest(s))*
[ISIN: []]
(if Single ETF Securities, delete sub-paragraph below)
- (ii) Scheduled Trading Days and Disrupted Days: [Common Scheduled Trading Days and Common Disrupted Days: Applicable]
[Individual Scheduled Trading Days and Individual Disrupted Days: Applicable]
[Common Scheduled Trading Days and Individual Disrupted Days: Applicable]
(select one as appropriate and delete other two)
- (iii) Exchange(s): []
- (iv) Related Exchange(s): []/[All Exchanges]/[None specified]
- (v) Determination Agent responsible for calculating the Cash Settlement Amount: []
- (vi) Provisions for determining Cash Settlement Amount: []
- (vii) Whether redemption of the Securities will be by (a) Cash Settlement or (b) Physical [Cash Settlement/Physical Settlement]

¹⁷⁶

Where the Warrant or Certificate is to be admitted to the Luxembourg Stock Exchange's Euro MTF market and to the Official List of the Luxembourg Stock Exchange and Physical Settlement is applicable, a description of the Relevant Factor in accordance with Appendix VIII of the Luxembourg Stock Exchange's Rules & Regulations is to be inserted.

	Settlement or (c) in certain circumstances depending on the closing price of the ETF Interests or Basket of ETF Interests, Cash Settlement or Physical Delivery at the option of the Issuer:	[In the event of <i>(describe triggers linked to the closing price of the ETF Interests/ Basket of ETF Interests)</i> , Cash Settlement or Physical Settlement at the option of the Issuer]
(viii)	Weighting for each ETF Interest comprising the basket:	☐ <i>(Insert details)/Not Applicable</i>
(ix)	Valuation Date(s):	☐
(x)	Averaging Dates:	[Applicable/Not Applicable]
(xi)	Averaging Date Disruption:	[Omission/Postponement/Modified Postponement]
(xii)	Observation Date(s):	☐
(xiii)	Observation Period:	☐
(xiv)	Determination Date(s):	☐
(xv)	Determination Time(s):	☐
(xvi)	Delivery provisions; for ETF Interests (including details of who is to make such delivery):	☐ <i>(only where Physical Settlement is Applicable)</i>
(xvii)	Physical Settlement:	[Applicable / Not Applicable]
(xviii)	Eligible ETF Interest:	☐ <i>(specify or delete if not applicable)</i>
(xix)	Additional Extraordinary ETF Event(s):	☐ <i>(specify if applicable)</i>
(xx)	Additional Disruption Events:	Change in Law, Hedging Disruption, Loss of Stock Borrow, Increased Regulatory Capital and Increased Cost of Hedging shall apply <i>(specify if any are not applicable, or any further Additional Disruption Events)</i>
(xxi)	Business Day Convention:	☐
(xxii)	Additional Business Centre(s):	☐
(xxiii)	Other special terms and conditions:	☐ <i>(specify if applicable)</i>
12.	Commodity-Linked Settlement Provisions	[Applicable/Not Applicable]
	(Condition 10)	<i>(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Commodity/ies or Commodity Index/Indices:	☐ <i>(if applicable, specify whether Non Metal, Base Metal or Precious Metal)</i>

- (ii) Commodity Reference Price: ☐
(specify Commodity Reference Price)
- (iii) Weighting: ☐
- (iv) Exchange: ☐
(specify for each Commodity)
- (v) Determination Agent responsible for calculating the Cash Settlement Amount: ☐
- (vi) Provisions for determining Cash Settlement Amount: ☐
- (vii) Observation Date(s): ☐
- (viii) Observation Period: ☐
- (ix) Provisions for determining Cash Settlement Amount where calculation by reference to Price Source and/or other variable is impossible or impracticable or otherwise disrupted: ☐
- (x) Price Source: ☐
(specify for each Commodity)
- (xi) Specified Price: ☐
[[high]][low][average of high and low][closing price][opening price][bid] [asked] [average of high and low prices][settlement price][official settlement price][official price][morning fixing][afternoon fixing][spot price][Other *(specify)*]]
(if appropriate, specify time as of which the price will be determined)
- (xii) Delivery Date: ☐
(specify whether price based on spot market, First Nearby Month, Second Nearby Month, etc.)
- (xiii) [Pricing Date: ☐
- (xiv) Common Pricing: ☐ [Applicable] [Not Applicable]
(include only if Basket of Commodities)
- (xv) Commodity Disruption Events: ☐ [Price Source Disruption] [- Price Materiality Percentage: ☐]
☐ [Trading Disruption]
☐ [Disappearance of Commodity Reference Price]
☐ [Material Change in Formula]
☐ [Material Change in Content]

				[Tax Disruption]
				[Not Applicable]
				<i>(specify any applicable additional Commodity Disruption Events)</i>
(xvi)	(A)	Commodity Disruption Fallback:		[Determination Agent Determination as defined in Condition 10.3 /Other <i>(specify)</i>]
	(B)	Commodity Disruption Fallback for Administrator/Benchmark Event (Condition 10.4):		[Determination Agent Determination as defined in Condition 10.3/Other <i>(specify)</i>]
(xvii)		Physical Hedging Fallback:		[Applicable] [Not Applicable]
(xviii)		Business Day Convention:		[]
(xix)		Additional Disruption Events:		[Change in Law, Hedging Disruption, Increased Cost of Hedging shall apply]
				<i>(specify if any are <u>not</u> applicable, or any further Additional Disruption Events)</i>
(xx)		Other special terms and conditions:		[]
(xxi)		Benchmark Trigger Provisions:		[Applicable][Not Applicable]
(xxii)		Alternative Pre-nominated Index:		[None][Specify] <i>(specify in respect of each Relevant Commodity Benchmark)</i>
(xxiii)		Other Relevant Commodity Benchmark:		[None][Specify] <i>(specify in respect of each Relevant Commodity Benchmark)</i>
13.		Currency-Linked Settlement Provisions		[Applicable/Not Applicable]
		(Condition 11)		<i>(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)		Base Currency:		[]
(ii)		Reference Currency:		[]
(iii)		Event Currency:		[Reference Currency][Specify other]
(iv)		Specified Amount:		[]
(v)		Specified Time:		[]
(vi)		Settlement Rate:		[]
(vii)		Reference Source:		[]
(viii)		Determination Agent responsible for calculating the Cash Settlement Amount:		[]
(ix)		Provisions for determining Cash Settlement Amount:		[]
(x)		Valuation Date:		[]

- (xi) [Observation Date/ Period:] ☐
- (xii) Provisions for determining Cash Settlement Amount where calculation by reference to Index and/or other variable is impossible or impracticable or otherwise disrupted: ☐
- (xiii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/No Adjustment/Other *(give details)*]
- (xiv) Additional Business Centre(s): ☐
- (xv) EM Unscheduled Holiday: [Applicable/Not Applicable] *(If not applicable, delete the remaining provisions of this paragraph. If applicable, note that the provisions of Condition 11.4(a)(ii)(B) (Currency Disruption Fallbacks – Additional Price Source Disruption) shall not apply through the election of "Additional Price Source Disruption" in paragraph (xvi) below if so elected)*
- Maximum Days of Unscheduled Holiday Postponement: ☐
- (xvi) Currency Disruption Events: [Price Source Disruption]
- [Additional Price Source Disruption] *(If not applicable, delete the remaining sub-paragraph of this paragraph)*
- [Price Materiality Event:] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- Price Materiality Percentage: ☐
- Primary Rate: ☐
- Secondary Rate: ☐
- (If applicable, specify other applicable day(s) for the purposes of Condition 11.4(b)(ii))*
- [Dual Exchange Rate]
- (If applicable, specify other applicable day(s) for the purposes of Condition 11.4(b)(ii))*
- [General Inconvertibility]
- (If applicable, specify other applicable day(s) for the purposes of Condition 11.4(b)(ii))*
- [General Non-Transferability]
- (If applicable, specify other applicable day(s) for the purposes of Condition 11.4(b)(ii))*
- [Illiquidity]

Minimum Amount: [Specified Amount][Specify other]

Illiquidity Valuation Date: [Not Applicable][Specify]

(If applicable, specify other applicable day(s) for the purposes of Condition 11.4(b)(ii))

[Governmental Authority Default]

(If applicable, specify other applicable day(s) for the purposes of Condition 11.4(b)(ii))

[Nationalization]

(If applicable, specify other applicable day(s) for the purposes of Condition 11.4(b)(ii))

[Material Change in Circumstance]

(If applicable, specify other applicable day(s) for the purposes of Condition 11.4(b)(ii))

[Other (specify)]

(If applicable, specify other applicable day(s) for the purposes of Condition 11.4(b)(ii))

(xvii) (A) Currency Disruption [The following Currency Disruption Fallbacks apply in the following order:]

[Determination Agent Determination of Settlement Rate];

[Fallback Reference Price];

[Currency Reference Dealers]

[Specified Rate:

(Specify one of:)

Reference Currency bid exchange rate;

Reference Currency offer exchange rate;

Average of Reference Currency bid and offer exchange rates;

Base Currency bid exchange rate;

Base Currency offer exchange rate;

Average of Base Currency bid and offer exchange rates;

Official fixing rate;]

[Other (specify)]

[EM Valuation Postponement

Maximum Days of EM Valuation
Postponement: []

[EM Valuation Fallback Postponement

Maximum Days of EM Valuation Fallback
Postponement: []

[Cumulative Events

Maximum Days of Cumulative
Postponement: []

[Other (*specify*)]

(where applicable, specify which Currency Disruption Fallback applies to which Currency Disruption Event, and if more than one Currency Disruption Fallback may apply to a Currency Disruption Event, the order in which such Currency Disruption Fallbacks will apply)

(xvii) (B) Currency Disruption for Administrator/Benchmark Event (Condition 11.6): [Determination Agent Determination of Settlement Rate];

[Fallback Reference Price];

[Currency Reference Dealers]

[Specified Rate:

(Specify one of:)

Reference Currency bid exchange rate;

Reference Currency offer exchange rate;

Average of Reference Currency bid and offer exchange rates;

Base Currency bid exchange rate;

Base Currency offer exchange rate;

Average of Base Currency bid and offer exchange rates;

Official fixing rate;]

[Other (*specify*)]

[EM Valuation Postponement

Maximum Days of EM Valuation
Postponement: []

[EM Valuation Fallback Postponement

Maximum Days of EM Valuation Fallback
Postponement: []

		[Cumulative Events
		Maximum Days of Cumulative Postponement: []
		[Other (<i>specify</i>)]
		<i>(where applicable, specify which Currency Disruption Fallback applies to which Currency Disruption Event, and if more than one Currency Disruption Fallback may apply to a Currency Disruption Event, the order in which such Currency Disruption Fallbacks will apply)</i>
(xviii)	Additional Disruption Events:	Change in Law: [Applicable/Not Applicable]
		Hedging Disruption: [Applicable/Not Applicable]
		Increased Cost of Hedging: [Applicable/Not Applicable]
		<i>(Other further Additional Disruption Events.)</i> []
(xix)	Other special terms and conditions:	[]
(xx)	Other Relevant FX Benchmark:	[None][<i>Specify</i>] (<i>specify in respect of each Relevant FX Benchmark</i>)
(xxi)	Additional Currency Financial Centre (paragraph (a) of the definition of Currency Business Day):	[Not Applicable]/[<i>Specify</i>] (<i>specify any additional currency centres required for the purposes of paragraph (a) of the definition of "Currency Business Day" for Valuation Date purposes</i>)
(xxii)	Additional Currency Financial Centre (paragraph (b) of the definition of Currency Business Day):	[Not Applicable]/[<i>Specify</i>] (<i>specify any additional currency centres required for the purposes of paragraph (b) of the definition of "Currency Business Day"</i>)
14.	Inflation-Linked Settlement Provisions (Condition 12)	[Applicable/Not Applicable] (<i>If Not Applicable, delete the remaining sub-paragraphs of this paragraph</i>)
(i)	Index/Indices:	[] sponsored by [●] <i>(specify Index/Indices/Index Sponsors (including place of publication))</i>
(ii)	Determination Agent responsible for calculating the Cash Settlement Amount:	[]
(iii)	Provisions for determining Cash Settlement Amount:	[]
(iv)	Provisions for determining Cash Settlement Amount where calculation by reference to Index and/or other variable is impossible or impracticable or otherwise disrupted:	[]
(v)	Related Bond:	[]/Fallback Bond

- (vi) Fallback Bond: [Applicable/Not Applicable]
- (vii) Index Sponsor: []
- (viii) Additional Disruption Events: Change in Law: [Applicable/Not Applicable]
Hedging Disruption: [Applicable/Not Applicable]
Increased Cost of Hedging: [Applicable/Not Applicable]
(specify any further Additional Disruption Events)
- (ix) Other special terms and conditions: []
15. Futures Contract-Linked Settlement Provisions [Applicable/Not Applicable]
(if Applicable, insert relevant provisions)
- (Condition 13)
- (i) Futures Contract(s): [Specify name of futures contract] [having an Expiry Date scheduled to fall [on] [immediately before] [immediately after] [●] [specify date]]

(In respect of each Scheduled Reference Date and Scheduled Averaging Date, where the final settlement price is being referenced, the Scheduled Reference Date or Scheduled Averaging Date (as applicable) should be expressed as "The Expiry Date")

(if Single Futures Contract Securities, delete subparagraph below)
- (ii) Scheduled Trading Days and Disrupted Days: [Common Scheduled Trading Days and Common Disrupted Days: Applicable]

[Individual Scheduled Trading Days and Individual Disrupted Days: Applicable]

[Common Scheduled Trading Days and Individual Disrupted Days: Applicable]

(select one as appropriate and delete other two)
- (iii) Futures Contract Underlier(s): [●] [None specified]
- (iv) Exchange: [●]
- (v) Benchmark Trigger Provisions: [Applicable] [Not Applicable]
- (vi) Alternative Pre-nominated Futures Contract[s]: [●] [None][Specify] (specify in respect of each Relevant Futures Contract Benchmark)
- (vii) Determination Agent responsible for calculating the Interest Amount and the Cash Settlement Amount: [●]
- (viii) Provisions for determining Cash Settlement Amount: [●]

(ix)	Provisions for determining Cash Settlement Amount where calculation by reference to Futures Contract and/or other variable is impossible or impracticable or otherwise disrupted:	[●]
(x)	Specified Number of Scheduled Trading Days:	[●] [As per Condition 13.7]
(xi)	Specified Number of Common Scheduled Trading Days:	[●] [As per Condition 13.7]
(xii)	Futures Contract Adjustment Events:	[Price Source Disruption] [Trading Restriction] [Disappearance of Futures Contract or Settlement Price] [Material Change in Formula] [Material Change in Content] [Tax Disruption] [Change of Exchange] [Illiquidity Event]
(xiii)	Adjustments for Futures Contract Adjustment Events:	<i>(Specify criteria for replacement of futures contract contemplated by Condition 13.4, if any)</i>
(xiv)	Additional Disruption Events:	[Change in Law] [Hedging Disruption] [Increased Cost of Hedging] [Increased Regulatory Capital]
(xv)	Correction Cut-Off Time:	[●]
(xvi)	Weighting for each Futures Contract comprising the Basket of Futures Contracts:	[Insert details] [N/A]
(xvii)	Averaging Date(s):	[●]
(xviii)	Averaging Date Disruption:	[Omission/Postponement/Modified Postponement]
(xix)	Observation Date(s):	[●]
(xx)	Valuation Date(s):	[●]
(xxi)	Determination Date(s):	[●]
(xxii)	Determination Time:	[●]
16.	Property-Linked Settlement Provisions (Condition 14)	[Applicable/Not Applicable] <i>(if Applicable, insert relevant provisions)</i>
(i)	Benchmark Trigger Provisions:	[Applicable][Not Applicable]
(ii)	Alternative Pre-nominated Index:	[None][Specify] <i>(specify in respect of each Relevant Property Index Benchmark)</i>
17.	Fund-Linked Settlement Provisions (Condition 15)	[Applicable/Not Applicable] <i>(if Applicable, insert relevant information specified below, if Not Applicable, delete sub-paragraphs below)</i>
(i)	Fund:	[] ¹⁷⁷

¹⁷⁷

In order for Warrants or Certificates to be listed on Euronext Dublin: (i) there must be a publicly available price source for the Fund and (ii) the Fund must be either (a) a UCITS or (b) an investment fund authorised by the CBI or other competent authority of an EU member state.

- (specify)
- (ii) Fund Interest: ☐ (ISIN: ☐)
- (specify)
- (iii) Basket of Funds: ☐
- (specify or delete if not applicable, include any relevant weightings of each Fund)
- (if Basket of Funds is Not Applicable, delete sub-paragraph below)
- (iv) Fund Business Days and Disrupted Days: ☐ [Common Fund Business Days and Common Disrupted Days: Applicable]
- ☐ [Individual Fund Business Days and Individual Disrupted Days: Applicable]
- ☐ [Common Fund Business Days and Individual Disrupted Days: Applicable]
- (select one as appropriate and delete other two)
- (v) Market of Listing for Fund: ☐/[Not Applicable]
- (vi) Determination Agent responsible for calculating the Cash Settlement Amount: ☐
- (vii) Provisions for determining Cash Settlement Amount: ☐
- (viii) Cut-off Period: ☐
- (Condition 15.1) (specify or delete if not applicable or if fallback is applicable)
- (ix) Final Cut-off Date: ☐ [specify]/[Not Applicable] (if "Supplementary Provisions for Belgian Securities" is specified as Applicable, specify Not Applicable (because payment of the relevant early settlement amount may not extend beyond the Expiration Date in these circumstances))
- (Condition 15.1)
- (x) Valuation Date(s): ☐
- (Condition 15.1) (specify or delete if not applicable or if fallback is applicable)
- (xi) Averaging Date: ☐
- (Condition 15.1) (specify or delete if not applicable or if fallback is applicable)
- (xii) Observation Date(s): ☐
- (Condition 15.1) (specify or delete if not applicable or if fallback is applicable)
- (xiii) Determination Date(s): ☐

- (Condition 15.1) *(specify or delete if not applicable or if fallback is applicable)*
- (xiv) Scheduled Fund Valuation Date(s): ☐
(specify or delete if not applicable or if fallback is applicable)
- (xv) Scheduled Redemption Valuation Date: ☐
(specify or delete if not applicable or if fallback is applicable)
- (xvi) Redemption Notice Date: ☐
(specify or delete if not applicable or if fallback is applicable)
- (xvii) Reference Price: [Reported Net Asset Value][Redemption Proceeds]
(specify in respect of a Fund Interest)
- (xviii) Non-Applicable Fund Event(s): [Not Applicable]☐
(Condition 15.4) *(specify if any Fund Events are not applicable)*
- (xix) Additional Fund Event(s): [Not Applicable]☐
(specify)
- (xx) Fund Event Unscheduled Termination: [Applicable][Not Applicable]
- (xxi) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ Other *(give details)*]
- (xxii) Additional Business Centre(s): ☐
- (xxiii) Other terms: ☐
(insert any other relevant terms)
18. Bond-Linked Settlement Provisions [Applicable/Not Applicable]
(Condition 16) *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Provisions for determining Cash Settlement Amount: ☐
- (ii) Underlying Securities: [Description:☐
ISIN:☐
Maturity:☐
Underlying Security Issuer: ☐
Price: [Ask/Mid/Bid/[]]]
- (iii) Exchange(s): ☐[]/Not Applicable¹⁷⁸
- (iv) Scheduled Trading Day: ☐

¹⁷⁸

In order for the Securities to be listed on Euronext Dublin the Relevant Underlying must be traded on a regulated, regularly operating, recognised open market.

- (v) Valuation Date: ☐
- (vi) Valuation Time: ☐
- (vii) Spot Price: ☐ / [As set out in Condition 16]
- (viii) Price Source: ☐/[Not Applicable]
- (ix) Additional Disruption Events: Change in Law, Hedging Disruption, Increased Cost of Hedging and Price Source Disruption shall apply. *(specify if any are not applicable, or any further Additional Disruption Events)*
- (x) Other special terms and conditions: ☐
19. ETN-Linked Settlement Provisions [Applicable/Not Applicable]
(Condition 17) ☐
(if applicable, insert relevant provisions)
- (i) Exchange(s): ☐
20. Rate-Linked Settlement Provisions [Applicable/Not Applicable]
(Condition 18) *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Underlying Rate: ☐
- (ii) Underlying Rate Jurisdiction: ☐
- (iii) Underlying Rate Determination Date: ☐
- (iv) Averaging Dates: ☐
- (v) Reference Period: ☐
- (vi) Business Day Convention: ☐
- (vii) Manner in which the Cash Settlement Amount is to be determined by reference to the Underlying Rate: [Screen Rate Determination/ISDA Determination/CMS Underlying Rate Determination/other *(give details)*]
- (viii) Determination Agent responsible for calculating the Cash Settlement Amount: ☐
- (ix) Screen Rate Determination: [Applicable/Not Applicable]
- (a) Underlying Rate: ☐
- (b) Underlying Rate Determination Date(s): ☐
- (c) Relevant Screen Page: ☐
- (d) Relevant Time: ☐
- (e) Reference Banks: ☐

- (f) Relevant Financial Centre: ☐
- (x) ISDA Determination: ☐ [Applicable/Not Applicable]
- (a) Floating Rate Option: ☐
- (b) Designated Maturity: ☐/[Not Applicable] *(Only applicable where the Floating Rate Option is not an overnight rate)*
- (c) Fixing Day: ☐
- (d) Fixing Time ☐
- (e) Reset Date: ☐
- (f) Overnight Floating Rate Option: ☐ [Applicable/Not Applicable]
- (g) Index Floating Rate Option: ☐ [Applicable/Not Applicable]
- (h) Overnight Rate Compounding Method: ☐ [Not Applicable] *(Specify as Not Applicable if Averaging applies and delete the remaining sub-paragraphs of this paragraph)*
- (1) OIS Compounding: ☐ [Applicable]
 Daily Capped Rate and/or Daily Floored Rate: ☐ [Applicable]/[Not Applicable]]
 [Daily Capped Rate: ☐]
 [Daily Floored Rate: ☐
 /
 [Not Applicable]
- (2) Compounding with Lookback: ☐ [Applicable]
 Lookback: ☐ Applicable Business Days
 Daily Capped Rate and/or Daily Floored Rate: ☐ [Applicable]/[Not Applicable]]
 [Daily Capped Rate: ☐
 [Daily Floored Rate: ☐
 /
 [Not Applicable]
- (3) Compounding with Observation Shift: ☐ [Applicable]
 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: []]
- /
- [Not Applicable]
- (4) Compounding with Lockout: [Applicable]
- 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: []]
- /
- [Not Applicable]
- (5) [ISDA Definitions]: [Applicable, as per the Floating Rate Matrix (as defined in the ISDA Definitions)]
- (i) Overnight Rate Averaging Method: [Not Applicable] (*Specify as Not Applicable if Compounding applies and delete remaining sub-paragraphs of this paragraph*)
- (1) Overnight Averaging: [Applicable]
- Daily Capped Rate and/or Daily Floored Rate:
[Applicable]/[Not Applicable]
- [Daily Capped Rate: []]
- [Daily Floored Rate: []]
- /
- [Not Applicable]
- (2) Averaging Lookback: [Applicable]
- [Lookback: [] Applicable Business Days]
- Daily Capped Rate and/or Daily Floored Rate:
[Applicable]/[Not Applicable]
- [Daily Capped Rate: []]
- [Daily Floored Rate: []]
- /
- [Not Applicable]

- (3) Averaging with [Applicable
Observation
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: []]
- /
- [Not Applicable]
- (4) Averaging with [Applicable
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: []]
- /
- [Not Applicable]
- (5) [ISDA [Applicable, as per the Floating Rate Matrix (as
Definitions]: defined in the ISDA Definitions)]
- (j) Index Method: [Applicable/Not Applicable] *(If Not Applicable delete
 the remaining sub-paragraphs of this paragraph)*
- (1) Standard Index [Applicable/Not Applicable]
Method:
- (2) Compound Index [Applicable/Not Applicable]
Method:
- (3) Compound Index [Applicable
Method with
Observation Set-in-Advance: [Applicable]/[Not Applicable]
Period Shift: Observation Period Shift: [] Observation Period Shift
 Business Days
- [Observation Period Shift Additional Business Days:
 []/[Not Applicable]]
- /

- [Not Applicable]
- (k) Payment Delay: [Applicable, with the specified number of days being [●] Business Days]/[Not Applicable]
- (l) 2021 ISDA Definitions Linear Interpolation: [Applicable]/[Not Applicable]
- (m) Unscheduled Holidays: [Applicable]/[Not Applicable]
- (n) Period End Date/Termination Date adjustment for Unscheduled Holiday: [Applicable]/[Not Applicable]
- (o) Non-Representative: [Applicable]/[Not Applicable]
- (p) Successor Benchmark: [●]
Successor Benchmark Effective Date: [●]
- (q) [TEC10 Adjustment: [Applicable]/[Not Applicable]]
(Only include where the TEC10 is the underlying)
- (xi) Margin(s): [+/-][] per cent. per annum
- (xii) [Underlying Rate Participation Rate: [●]/[As specified in the Rate Table below]]
- (xiii) [Rate Table:]
- | Rate Table | |
|-----------------------------|------------------------------------|
| Reference Period | Underlying Rate Participation Rate |
| [●]
(repeat as required) | [●]
(repeat as required) |
- (xiv) Day Count Fraction: []
- (xv) CMS Underlying Rate Determination: [Applicable]/[Not Applicable]
(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) CMS Underlying Rate: [Single CMS Underlying Rate] [Spread CMS Underlying Rate]
[CMS Underlying Rate [1]] (If CMS Underlying Rate is "Spread CMS Underlying Rate", insert this column and heading "CMS Underlying Reference Rate 1") [CMS Underlying Rate [2]] (If CMS Underlying Rate is "Spread CMS Underlying Rate", insert this column and heading "CMS Underlying Reference Rate 2")
- (b) Specified Swap Rate: [the swap rate/annual swap rate/semi-annual swap rate/quarterly swap rate/quarterly-annual] [the swap rate/annual swap rate/semi-annual swap rate/quarterly swap rate/quarterly-annual]

		swap rate/quarterly- quarterly swap rate]	swap rate/quarterly- quarterly swap rate]
(c)	Reference Currency:	[●]	[●]
(d)	Designated Maturity:	[●][month[s]/year[s]]	[●][month[s]/year[s]]
(e)	Relevant Screen Page:	[●]	[●]
(f)	Relevant Time:	[●]	[●]
(g)	Underlying Rate Determination Date(s):	[The Underlying Rate Determination Date(s) [is/are]: [●]/[the first day of each Reference Period]/[the second TARGET Settlement Day prior to the start of each Reference Period]]/[Daily Rate Determination is applicable]	[The Underlying Rate Determination Date(s) [is/are]: [●]/[the first day of each Reference Period]/[the second TARGET Settlement Day prior to the start of each Reference Period]]/[Daily Rate Determination is applicable]
(h)	Fallback Rate Determination:	[Determination Agent Fallback: Applicable – to be applied first/second/third]/[Not Applicable]	[Determination Agent Fallback: Applicable – to be applied first/second/third]/[Not Applicable]
		Fallback Screen Page: Applicable – to be applied first/second/third/[Not Applicable]	Fallback Screen Page: Applicable – to be applied first/second/third/[Not Applicable]
		Mid-Market Quotations: Applicable – to be applied first/second/third/[Not Applicable]	Mid-Market Quotations: Applicable – to be applied first/second/third/[Not Applicable]
		[Reference Banks: [●]]	[Reference Banks: [●]]
(i)	Specified Fixed Leg (for determination of Mid- Market Quotations if specified to be applicable):	[annual fixed leg/semi- annual fixed leg/quarterly-annual fixed leg/quarterly- quarterly fixed leg]	[annual fixed leg/semi- annual fixed leg/quarterly-annual fixed leg/quarterly- quarterly fixed leg]

(j)	Fixed Leg Day Count Basis:	[Actual/Actual [ICMA)]/[Actual/Actual] /[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/ [Actual/360]/[30/360]/ [30/360 (ICMA)]/ [30/360 (ISDA)]/ [360/360]/[Bond Basis]/[30E/360]/ [Eurobond Basis]/[30E/360 (ISDA)]/[1/1]	[Actual/Actual [ICMA)]/[Actual/Actual] /[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/ [Actual/360]/[30/360]/ [30/360 (ICMA)]/ [30/360 (ISDA)]/ [360/360]/[Bond Basis]/[30E/360]/ [Eurobond Basis]/[30E/360 (ISDA)]/[1/1]	
(k)	Floating Leg Day Count Basis:	[Actual/Actual (ICMA)]/[Actual/Actual] /[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/ [Actual/360]/[30/360]/ [30/360 (ICMA)]/ [30/360 (ISDA)]/ [360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1]	[Actual/Actual (ICMA)]/[Actual/Actual] /[Actual/Actual (ISDA)]/[Actual/365 (Fixed)]/[Actual/365L]/ [Actual/360]/[30/360]/ [30/360 (ICMA)]/ [30/360 (ISDA)]/ [360/360]/[Bond Basis]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]/[1/1]	
(l)	Floating Leg Rate Option:	●	●	
(m)	Margin [1]: (If CMS Underlying Rate is "Spread CMS Underlying Rate", insert "Margin 1")	●/[As specified in the Rate Table below]		
(n)	Margin 2:	●/[As specified in the Rate Table below] (Specify "Margin 2" if CMS Underlying Rate is "Spread CMS Underlying Rate", otherwise delete this paragraph)		
(o)	[Underlying Rate Participation Rate [1]: (If CMS Underlying Rate is "Spread CMS Underlying Rate", insert "Underlying Rate Participation Rate 1")	●/[As specified in the Rate Table below]		
(p)	Underlying Rate Participation Rate 2:	●/[As specified in the Rate Table below] (Specify "Underlying Rate Participation Rate 2" if CMS Underlying Rate is "Spread CMS Underlying Rate", otherwise delete this paragraph)		
(q)	[Rate Table:]	<table><tr><td></td></tr></table>		

Reference Period	[Underlying Rate Participation Rate [1]]	[Underlying Rate Participation Rate 2]
[●] (repeat as required)	[●] (repeat as required)	[●] (repeat as required)

- (xvi) Condition 18.4 (*Provisions specific to SOFR as Underlying Rate*): [Applicable]/[Not Applicable]
- (1) SOFR Compound with Lookback: [Applicable]
Lookback Days: ☐ U.S. Government Securities Business Days
/ [Not Applicable]
- (2) SOFR Compound with Observation Period Shift: [Applicable]
Observation Shift Days: ☐ U.S. Government Securities Business Days
/ [Not Applicable]
- (3) SOFR Compound with Payment Delay: [Applicable]/[Not Applicable]
- (4) SOFR Index Average: [Applicable]
SOFR Index_{Start}: ☐ U.S. Government Securities Business Days preceding the first day of the relevant Reference Period;
SOFR Index_{End}: ☐ U.S. Government Securities Business Days preceding the last day of the relevant Reference Period;
Observation Shift Days: ☐ U.S. Government Securities Business Days
/ [Not Applicable]
- (xvii) Condition 18.5 (*Provisions specific to SONIA as Underlying Rate*): [Applicable]/[Not Applicable] (*if Not Applicable delete the remaining sub-paragraphs of this paragraph*)
- (1) SONIA Compound with Lookback: [Applicable]
Lookback Days: ☐ London Banking Days/
[Not Applicable]

- (2) SONIA Compound Observation Period Shift: [Applicable]
Observation Shift Days: ☐ London Banking Days]/
[Not Applicable]
- (3) SONIA Compound with Payment Delay: [Applicable]/[Not Applicable]
[SONIA Rate Cut-Off Date: ☐ London Banking Days]
- (4) SONIA Index Average: [Applicable]
Relevant Number: ☐
Observation Shift Days: ☐ London Banking Days]
/
[Not Applicable]
- (xviii) Condition 18.6 (*Provisions specific to €STR as Underlying Rate*): [Applicable]/[Not Applicable]
- (1) €STR Compound with Lookback: [Applicable]
Lookback Days: ☐ TARGET Settlement Days]
/
[Not Applicable]
- (2) €STR Compound with Observation Period Shift: [Applicable]
Observation Shift Days: ☐ TARGET Settlement Days]
/
[Not Applicable]
- (3) €STR Compound with Payment Delay: [Applicable]/[Not Applicable]
[€STR Rate Cut-Off Date: ☐ TARGET Settlement Days]
- (4) €STR Index Average: [Applicable]
Relevant Number: ☐
Observation Shift Days: ☐ TARGET Settlement Days]
/
[Not Applicable]
- (xix) Condition 18.7 (*Provisions specific to SARON as Underlying Rate*): [Applicable]/[Not Applicable]
- (1) SARON Compound with Lookback: [Applicable]
Lookback Days: ☐ Zurich Banking Days]

- /
- [Not Applicable]
- (2) SARON Compound with Observation Period Shift: [Applicable
Observation Shift Days: Zurich Banking Days]
- /
- [Not Applicable]
- (3) SARON Compound with Payment Delay: [Applicable]/[Not Applicable]
[SARON Rate Cut-Off Date: ☐ Zurich Banking Days]
- (4) SAION Index Average: [Applicable
Relevant Number: ☐
Observation Shift Days: Zurich Banking Days]
- /
- [Not Applicable]
- (xx) Condition 18.8 (*Provisions specific to TONA as Underlying Rate*): [Applicable]/[Not Applicable]
- (1) TONA Compound with Lookback: [Applicable
Lookback Days: ☐ Tokyo Banking Days]
- /
- [Not Applicable]
- (2) TONA Compound with Observation Period Shift: [Applicable
Observation Shift Days: Tokyo Banking Days]
- /
- [Not Applicable]
- (3) TONA Compound with Payment Delay: [Applicable]/[Not Applicable]
[TONA Rate Cut-Off Date: ☐ Tokyo Banking Days]
- (4) TONA Index Average: [Applicable
Relevant Number: ☐
Observation Shift Days: Tokyo Banking Days]
- /
- [Not Applicable]
- (xxi) Condition 18.9 (*Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use*): [Applicable][Not Applicable] (*if Not Applicable delete the remaining sub-paragraphs of this paragraph*)

(1)	Other Underlying Benchmark:	Relevant Rates	<i>[specify]</i> [Not Applicable] (<i>specify any applicable Relevant Underlying Rates Benchmark Rate which is not an Underlying Rate. Otherwise delete line</i>)
(2)	Alternative Pre-nominated Reference Rate:		<i>[specify]</i> [Not Applicable] (<i>specify in respect of each Relevant Underlying Rates Benchmark</i>)
(3)	Administrator/Benchmark Event applicable for Condition 18.9:		[Applicable as per the Conditions] [Not Applicable]
(4)	If ISDA Determination applies, ISDA Bespoke Fallbacks to apply in priority to other fallbacks in Condition 18.9 (<i>Relevant Underlying Rates Benchmark Discontinuance or Prohibition on Use</i>):		[Yes][No]
- (xxii) Additional Disruption Events:
- [Change in Law, Hedging Disruption, Increased Cost of Hedging shall apply]
- (specify if any are not applicable, or any further Additional Disruption Events)*
- (xxiii) Additional provisions for determining Interest Amount:
- []/[Not Applicable]
- (xxiv) Condition 18.10 (*Underlying CMS Reference Rate – Effect of Index Cessation Event*):
- [Applicable][Not Applicable]
- (xxv) Alternative Pre-nominated Reference Rate:
- [None][Specify] (*specify in respect of each Relevant Underlying Rates Benchmark*) /
- [●] (If required, *specify alternative provisions*)
21. Credit Linked Settlement Provisions
- (Condition 19)
- [Applicable/Not Applicable]
- []
- (if applicable, insert relevant provisions)*

EXERCISE

22. Expiration Date:
- []
23. Latest Exercise Time:
- [] [(local time in the place of the Specified Office of the [Securities Agent/Securities Registrar])]
24. Minimum Exercise Number:
- (Condition 6.10)
- []/Not Applicable]
25. Permitted Multiple:
- (Condition 6.10)
- []/Not Applicable]

26. Deemed Exercise: ☐/Applicable/Not Applicable¹⁷⁹
(Condition 6.7)

PROVISIONS RELATING TO SETTLEMENT

- 27(a). Call Option ☐Applicable/Not Applicable]
(Condition 7) *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Settlement Date(s): ☐
- (ii) Optional Settlement Amount(s) of each Security and method, if any, of calculation of such amount(s): ☐
- (iii) Maximum Call Notice Number of Day(s): ☐ [calendar day[s]] / [Business Day[s]]
- (iv) Minimum Call Notice Number of Day(s): ☐ [5] [Business Day[s]] / [calendar day[s]]¹⁸⁰
- (v) Non-discretionary Call Option: ☐Applicable/Not Applicable]
- 27(b). Model-based Redemption ☐Applicable/Not Applicable]
(Condition 7.3) *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Model-based Redemption Date(s) (Call) ☐
- (ii) Model-based Redemption Amount(s) (Call) ☐
- (iii) Model-based Redemption Notice Date(s) (Call) ☐
- (iv) Model-based Redemption Determination Cut-off Date(s) (Call) ☐
28. Autocallable Early Settlement ☐Applicable/Not Applicable]
(Condition 21)
- (i) Autocallable Early Settlement Observation Date(s): ☐
- (ii) Autocallable Early Settlement Amount(s) of each Security and method and calculation of such amount(s): ☐
- (iii) Autocallable Early Settlement Date: ☐
- (iv) Autocall Override: ☐Applicable/Not Applicable]

¹⁷⁹

Optional.

¹⁸⁰

Euroclear/Clearstream require a minimum of 5 Business Days' notice to exercise a call option.

29. Settlement Basis: The Securities are [Physical/Cash] Settlement Securities.
(Condition 5)
30. Physical Settlement Securities: [Applicable/Not Applicable]
(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Physical Settlement Date: [As defined in Condition 2]/[]
- (ii) Strike Price Payment Date: []
31. Cash Settlement Securities: [Applicable/Not Applicable]
32. Strike Price: []
33. Settlement Price: []/[Not Applicable]
34. Valuation Time: []
35. Valuation Date: []
- [In the event an Exercise Notice is sent by the holder of the Securities, the Business Day immediately following the date on which such Exercise Notice is effectively given]
- []/[In the event an Exercise Notice is sent by the holder of the Securities, the Exercise Date]
36. Averaging Dates: []
[Averaging Date Disruption: [Omission/Postponement/Modified Postponement]]
37. Observation Date(s): []
38. Strike Date: []
39. Cash Settlement Payment Date: []
40. Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment/ Other *(give details)*]
41. Additional Business Centre(s): []
42. Other terms: []
(insert any other relevant terms)

GENERAL PROVISIONS APPLICABLE TO THE SECURITIES

43. Record Date: [The Record Date is [one¹⁸¹] [Business Day/day/Clearing System Business Day] before the relevant due date for payment/As per Condition 6.11 *(Exercise and Settlement of Nordic Securities)*¹⁸²/Not Applicable]

¹⁸¹ This reflects the ICSMA standard of the clearing systems.
¹⁸² Include for Nordic Securities.

44. Determination Agent: Morgan Stanley & Co. International plc/[] (*insert other Morgan Stanley Group entity*)
45. Clearing System [As defined in the Conditions]
- [Euroclear and Clearstream, Luxembourg]
- [The Securities are Swedish Securities]
- [The Securities are Finnish Securities]
- [Nordic Securities, specify relevant and Nordic Issuing and Paying Agent]
- Finnish Securities: Finnish CSD: Euroclear Finland Oy, Itämerenkatu 25, FI-00180 Helsinki, Finland (Postal address: Box 1110, FI-00101 Helsinki, Finland)
- Swedish Securities: Swedish CSD: Euroclear Sweden AB, Klarabergsviadukten 63, Box 191, SE 101 23, Stockholm, Sweden
- Norwegian Securities: Norwegian CSD: Euronext Securities Oslo, Tollbugata 2, 0152 Oslo, Norway (Postal address: P.O. Box 1174, Sentrum, 0107 Oslo, Norway)
- Danish Securities: Danish CSD: VP Securities A/S, trading as Euronext Securities Copenhagen, Nicolai Eigtveds Gade 8, DK-1402 Copenhagen, Denmark
- [Nordic Issuing and Paying Agent: [] (*give name and address*)]
46. Minimum Transfer Amount: []
47. (A) Inconvertibility Event Provisions A: [Applicable/Not Applicable]
- (Condition 22) *(If Not Applicable, delete the remaining subparagraphs of this paragraph. Note that if paragraph 47.(B) below is specified as Applicable, then this line item 47.(A) must be specified as Not Applicable)*
- (i) Consequences of the occurrence of an Inconvertibility Event: [Converted Payment]/ [Early Settlement]/[Suspended Payment]
- (ii) Inconvertibility Early Settlement Amount¹⁸³: [Not Applicable] *[OR]*
- [specify amount]*
- [Early Settlement Amount (Inconvertibility) applies. For this purpose the Early Settlement Amount shall be:
- [[Fixed Redemption. The Specified Rate is []/[100] % and the Calculation Amount is []]]

¹⁸³

Note: If "Supplementary Provisions for Belgian Securities" is specified to apply, this amount will be determined in accordance with the Supplementary Provisions for Belgian Securities Annex to the Terms and Conditions for Warrants and Certificates

		[Qualified Financial Institution Determination, provided that the words "Event of Default" in the definition thereof shall be deemed to be replaced with the words "Inconvertibility Event"]
		[Fair Market Value]
		[Fair Market Value Less Costs]]
		[As per the Annex to the Terms and Conditions of the Warrants and Certificates: Supplementary Provisions for Belgian Securities]
	(iii) Relevant Currency/ies:	[]
	(iv) Relevant Jurisdiction:	[]
	(v) Inconvertibility Specified Currency(y)/(ies):	[]
	(vi) Settlement Rate Option:	[Currency Reference Dealers]/[Not Applicable]
	(vii) Fallback FX Spot Rate:	[]
(B)	Inconvertibility Event Provisions B:	[Applicable/Not Applicable]
	(Condition 22)	<i>(If applicable, following the occurrence of an Inconvertibility Event, the Issuer will specify in the Inconvertibility Event Notice (a) if Converted Payment is to apply instead of the default position of payment suspension, (b) the Relevant Currency, (c) the Relevant Jurisdiction, (d) the Inconvertibility Specified Currency and (e) where Converted Payment is specified to apply, the Fallback FX Spot Rate)</i>
48.	Illegality and Regulatory Event:	
	(Condition 28)	
	Early Settlement Amount (Illegality and Regulatory Event) ¹⁸⁴ :	[Early Settlement Amount (Illegality and Regulatory Event) – Fair Market Value Less Costs]/[Early Settlement Amount (Illegality and Regulatory Event) – Fair Market Value]/[As per the Annex to the Terms and Conditions of the Warrants and Certificates: Supplementary Provisions for Belgian Securities]
49.	Early Settlement Amount payable upon an event described in Condition 9.2(d)/9.4(a)(iii)/9.4(b)(iii)/9.5(c)/9.6(c)/9.7(c)/9.8(c)/10.4(c)/10.6(d)/10.7(d)/10.8(c)/11.6(a)(ii)/11.8(c)/12.2(e)/12.7(c)/13.3/13.8/13.9(c)/14.5(d)/15.4(b)(i)/16.1(c)/16.3(c)/18.9/18.10/22 ¹⁸⁵ :	[Fair Market Value]/[Fair Market Value Less Costs.]/[As per the Annex to the Terms and Conditions of the Warrants and Certificates: Supplementary Provisions for Belgian Securities]/[In respect of a Conversion pursuant to Condition 16, [as set out in Condition 16]/[]].
50.	CNY Center:	[]/[Not Applicable]
51.	Implementation of Financial Transaction Tax:	[Applicable/Not Applicable]

¹⁸⁴ Note: If "Supplementary Provisions for Belgian Securities" is specified to apply, this amount will be determined in accordance with the Supplementary Provisions for Belgian Securities Annex to the Terms and Conditions for Warrants and Certificates

¹⁸⁵ Note: If "Supplementary Provisions for Belgian Securities" is specified to apply, this amount will be determined in accordance with the Supplementary Provisions for Belgian Securities Annex to the Terms and Conditions for Warrants and Certificates

52. Early Settlement Amount upon Event of Default: [Fair Market Value]
[Fair Market Value Less Costs]
[Fixed Redemption. The Specified Rate is [●]/[100]% and the Calculation Amount is [●]]
[Qualified Financial Institution Determination]
53. Other special terms and conditions: []

DISTRIBUTION

54. (i) If syndicated, names and addresses of Managers and underwriting commitments (and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.) [Not Applicable/[]]
(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis.)
- (ii) [Date of [Subscription] Agreement: []]
- (iii) Stabilising Manager(s) (if any): [Not Applicable/[] (give name)]
55. If non-syndicated, name and address of Dealer/Distribution Agent: [Not Applicable/[] (give name and address)]
56. U.S. Selling Restrictions: [Regulation S]/[Regulation S / 144A]¹⁸⁶
57. Singapore Sales to Institutional Investors and Accredited Investors only: [Applicable] / [Not Applicable]
58. Additional selling restrictions: [Not Applicable/[] (give details)]

UNITED STATES TAXATION

This discussion is limited to the U.S. federal tax issues addressed below. Additional issues may exist that are not addressed in this discussion and that could affect the federal tax treatment of an investment in the [Warrants/Certificates]. Holders should seek their own advice based upon their particular circumstances from an independent tax advisor.

Any Holder should review carefully the section entitled "*United States Federal Taxation*" in the Offering Circular.

[PURPOSE OF PRICING SUPPLEMENT

This Pricing Supplement comprises the pricing supplement required to [issue]/[list and have admitted to trading on (specify relevant market) the issue of] the Securities described herein pursuant to the Regulation S / 144A Program for the Issuance of Notes, Series A and B, Warrants and Certificates.]

POTENTIAL SECTION 871(M) TRANSACTION

Please see paragraph 5 of Part B – Other Information to this Pricing Supplement for additional information regarding withholding under Section 871(m) of the Code.

RESPONSIBILITY

The Issuer [and the Guarantor] accept[s] responsibility for the information contained in this Pricing Supplement. [(Relevant third party information) has been extracted from [] (specify source)]. [Each of the] [The] Issuer [and

¹⁸⁶ MSBV, MSFL and MSIP may offer and sell Regulation S Securities or Regulation S/Rule 144A Securities. Morgan Stanley, MSFII and MSEE may only offer and sell Regulation S Securities.

the Guarantor] 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 Securities to be admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market with effect from [].]

[Application [has been made/is expected to be made] by the Issuer (or on its behalf) for the Securities to be admitted to trading on [the Luxembourg Stock Exchange's Euro MTF market] and to be admitted to the Official List of the Luxembourg Stock Exchange 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 on [the International Securities Market of the London Stock Exchange] with effect from [].]

[Application [has been made/is expected to be made] by the Issuer (or on its behalf) to the SIX Swiss Exchange for the Securities to be listed on the SIX Swiss Exchange with effect from [].]

[No assurances can be given that such application for listing and/or admission to trading will be granted (or, if granted, will be granted by [] [the Issue Date]).] [The Issuer has no duty to maintain the listing (if any) of the Securities on the relevant stock exchange(s) over their entire lifetime.]

[Not Applicable.]

[Where documenting a fungible issue, indicate that original Securities are already admitted to trading.]

[Last day of Trading:

[])]

2. RATINGS

Ratings:

[The Securities to be issued have been rated:

[S & P: []]

[Moody's: []]

[Fitch: []]

[[Other]: []]

(The above disclosure should reflect the rating allocated to Securities of the type being issued under the Program generally or, where the issue has been specifically rated, that rating.)

[The Securities have not been rated.]]

3. [PERFORMANCE OF EQUITY/INDEX/COMMODITY/CURRENCY/FUND/FUTURES CONTRACT/FORMULA/OTHER VARIABLE, AND OTHER INFORMATION CONCERNING THE UNDERLYING

[]

(Include details of where past and future performance and volatility of the relevant index/equity/currency/fund/formula/other variable 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. Where the underlying is a commodity please specify the market where the commodity regularly trades, where the relevant prices are published and how often such publication is made available. Where the underlying is neither an index nor a commodity, include equivalent information.])

*[To be inserted if an Index is a decrement Index: The [Insert name of the relevant Index/Indices] ([the][each a] "**Decrement Index**") [is][are each] a 'decrement' index. This means [each] such Decrement Index represents the performance of a strategy tracking a given total return index from which a pre-determined amount (a "**synthetic dividend**") is deducted periodically. [In respect of [Insert name of relevant Index/Indices].] [T] [t]he synthetic dividend is expressed as [a fixed percentage ([●]%)][an index point ([●] index points)] (specify per decrement index) Depending on the level of dividends paid by the relevant companies, a decrement index may perform differently in comparison to other market indices that include dividend adjustments due to the different methodologies adopted.*

A "price return" index is calculated on the basis that dividends paid on the components are not reinvested. A standard "total return" index is calculated on the basis that dividends paid on the components are reinvested, thereby increasing the value of the index compared to the price return version. Due to the fixed amount of synthetic dividend being subtracted from [the][each] Decrement Index, such Decrement Index will underperform an otherwise equivalent total return index where dividends are invested. In case the synthetic dividend is larger than the realised level of dividends paid by the relevant companies, the decrement index will underperform an otherwise equivalent price return index.

[Insert this additional language in respect of a Decrement Index which tracks the performance of a single component security: As [Insert name of the relevant Index/Indices] (insert relevant decrement index/indices) tracks the performance of a single component security, [each] such Decrement Index (after deduction of the pre-determined synthetic dividend) will underperform a direct investment in such component security (i.e. because such direct investment would benefit from dividends paid by the component security without any deduction of the synthetic dividend).]

The Issuer [intends to provide post-issuance information (specify what information will be reported and where it can be obtained)] [does not intend to provide post-issuance information with regard to the underlying].]

4. OPERATIONAL INFORMATION

ISIN: []

Common Code: []

SEDOL: []

CFI: []/[See]/[], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN]/[Not Applicable]]

(Where known, both the CFI and FISN codes should be specified together with the reference to the website

			<i>of ANNA as the codes are dynamic and subject to change)</i>
FISN:			[[/[[See]/[[, as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN]/[Not Applicable]
Any clearing system(s) other than Euroclear Bank S.A./N.V., Clearstream Banking société anonyme and the relevant identification number(s):			[Not Applicable/[(give name(s) and number(s))]
Delivery:			Delivery [against/free of] payment
Names and addresses of initial Securities Agent(s)/Securities Transfer Agent(s):			[]
Names and addresses of additional Securities Agent(s) and/or Securities Transfer Agent(s) (if any):			[]
5.	POTENTIAL TRANSACTION	SECTION 871(m)	[Not Applicable] / [The Issuer has determined that the [Warrants/Certificates] should not be subject to withholding under Section 871(m) of the Code[, and hereby instructs its agents and withholding agents that no withholding is required, unless such agent or withholding agent knows or has reason to know otherwise].] / [The Issuer has determined that the [Warrants/Certificates] should not be subject to withholding under Section 871(m) of the Code because the Relevant Underlying is a "qualified index" under the applicable U.S. Treasury Regulations[, and hereby instructs its agents and withholding agents that no withholding is required, unless such agent or withholding agent knows or has reason to know otherwise].] / [The [Warrants/Certificates] are U.S. equity linked [Warrants/Certificates] subject to withholding under Section 871(m) of the Code.] [For further information please [call [●]] / [visit our website at [●]] / [write to [●]].]
6.	PROHIBITION OF SALES TO EEA RETAIL INVESTORS		[Applicable]/[Not Applicable] <i>(If the offer of the [Warrants/Certificates] do not constitute "packaged" products, "Not Applicable" should be specified. If the offer of the [Warrants/Certificates] may constitute "packaged" products and no "key information document" will be prepared, "Applicable" should be specified)</i>
7.	PROHIBITION OF SALES TO UK RETAIL INVESTORS		[Applicable]/[Not Applicable] <i>(If the offer of the [Warrants/Certificates] do not constitute "packaged" products, "Not Applicable" should be specified. If the offer of the [Warrants/Certificates] may constitute "packaged" products and no "key information document" will be prepared, "Applicable" should be specified)</i>

8. **[SWISS OFFER RESTRICTIONS:** [The [Warrants/Certificates] may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the FinSA and no application has or will be made to admit the [Warrants/Certificates] to trading on SIX Swiss Exchange or any other trading venue in Switzerland, and neither this Pricing Supplement nor any other offering or marketing material related to the [Warrants/Certificates] constitutes a prospectus pursuant to the FinSA. Neither this Pricing Supplement nor any other offering or marketing material relating to the [Warrants/Certificates] may be publicly distributed or otherwise made publicly available in Switzerland. The [Warrants/Certificates] may only be offered in Switzerland pursuant to and in accordance with an exemption from the prospectus requirement listed in Article 36 para. 1 FinSA or where such offer does not qualify as an offer to the public in Switzerland and in compliance with all other applicable laws and regulations.] *(Delete if not offered in Switzerland)*
9. **PROHIBITION TO OFFER TO RETAIL INVESTORS IN SWITZERLAND:** [Applicable]/[Not Applicable]
10. **PROHIBITION OF SALES TO CONSUMERS IN BELGIUM:** [Applicable]/[Not Applicable]

**[SUMMARY
Information on the Notes**

Title of Notes	[Title of the Notes]	SSPA Product type	[SSPA Product Type] [SSPA Product Code] (as defined in the SSPA Swiss Derivative Map)
Valoren	[Valoren]	ISIN	[ISIN]
Issuer	[●]	Issue Price	[issue price] [[●] per cent.] [of par]
Aggregate [Nominal Amount]/[Number] of the Notes	[up to] [●]	Denomination	[●]
Issue Date	[●]	Maturity Date	[●] [(subject to adjustment in accordance with the Business Day Convention)]
[Relevant Underlying(s)]	[Specify underlying(s)]		
Capital Protection	[Capital protected] / [not applicable]	Central Depository	[SIX SIS AG] [Euroclear] [Clearstream, Luxembourg] [Other]

[Coupon]	[Coupon Rate] [Interest Payment Dates]	Specified Currency	[●]
[Other important features such as Strike Price, if any]	[●]		

Information on the Public Offering and Admission to Trading

Public Offering	The Notes [are][are not] publicly offered in Switzerland
Listing	[The Securities are not listed or admitted to trading in Switzerland.] / [SIX Swiss Exchange AG] [First trading date: [[●] (anticipated)]]
Relevant Clearing System	[Euroclear] [Clearstream, Luxembourg] [Other]
Selling Restrictions	[See [Offering Circular]]

Any investment decision regarding the Notes must not only be based on the information provided in this Summary.

The Issuer may only be held liable for the content of this Summary if it is misleading, inaccurate or inconsistent when read together with the other parts of the Pricing Supplement and the Offering Circular.]

FORM OF WARRANTS AND CERTIFICATES

Morgan Stanley may issue Certificates, and MSI plc, MSBV, MSFL and MSESE may issue Warrants and Certificates, in registered form ("**Registered Warrants**" and "**Registered Certificates**", together, the "**Registered Securities**"). Registered Warrants and Registered Certificates may be in either individual certificate form or in global registered form. In addition, MSBV, MSI plc and MSESE may issue Warrants and Certificates designated as "**Finnish Warrants**" or "**Finnish Certificates**" or "**Swedish Warrants**" or "**Swedish Certificates**" and MSBV and MSI plc may issue Warrants and Certificates designated as "**Norwegian Warrants**" or "**Norwegian Certificates**" or "**Danish Warrants**" or "**Danish Certificates**" in each case in dematerialised and uncertificated book-entry form with a Nordic central securities depository ("**Nordic Securities**").

Registered Securities

Registered Securities will be in global registered form ("**Global Registered Securities**") or individual registered form ("**Individual Registered Securities**"), in each case as specified in the applicable Pricing Supplement. Each Global Registered Security will be registered in the name of a common depository (or its nominee) for the Relevant Clearing System and will be deposited on or about the issue date with the common depository and will be exchangeable for Individual Registered Securities in accordance with its terms.

If the applicable Pricing Supplement specifies the form of Warrants or Certificates as being "**Individual Registered Securities**", then the Registered Securities will at all times be in the form of Individual Registered Securities issued to each Securityholder in respect of their respective holdings.

If the applicable Pricing Supplement specifies the form of Warrants or Certificates as being "**Global Registered Securities exchangeable for Individual Registered Securities**", then the Registered Securities will initially be in the form of a Global Registered Security which will be exchangeable in whole, but not in part, for Individual Registered Securities:

- (a) on the expiry of such period of notice as may be specified in the applicable Pricing Supplement; or
- (b) at any time, if so specified in the applicable Pricing Supplement; or
- (c) if the applicable Pricing Supplement specifies "in the limited circumstances described in the Global Registered Security", then (i) if the 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 (ii) an Event of Default occurs with respect to any Warrant or Certificate in accordance with the Terms and Conditions of the Warrants and Certificates.

Whenever a Global Registered Security is to be exchanged for Individual Registered Securities, the Issuer shall procure that Individual Registered Securities will be issued in an aggregate nominal amount or number of Registered Securities equal to the nominal amount or number of Registered Securities represented by the Global Registered Security within five business days of the delivery, by or on behalf of the holder of the Global Registered Security to the Securities Registrar of such information as is required to complete and deliver such Individual Registered Securities (including, without limitation, the names and addresses of the persons in whose names the Individual Registered Securities are to be registered and the quantity of each such person's holding) against the surrender of the Global Registered Security at the specified office of the Securities Registrar such Individual Registered Securities will be issued within five business days of the delivery to the Registrar of the information and any required certification described in the preceding paragraph against the surrender of the relevant Global Registered Security at the Specified Office of the Registrar.

Such exchange will be effected in accordance with the provisions of the Securities Agency Agreement and the regulations concerning the transfer and registration of Registered Securities scheduled thereto and, in particular, shall be effected without charge to any holder, but against such indemnity as the Securities 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 Securities

The terms and conditions applicable to any Individual Registered Security will be endorsed on that Individual Registered Security and will consist of the terms and conditions set out under "*Terms and Conditions of the Warrants and Certificates*" above and the provisions of the applicable Pricing Supplement which supplement, modify and/or replace those terms and conditions.

The terms and conditions applicable to any Global Registered Security will differ from those terms and conditions which would apply to the Registered Security were it in individual form to the extent described under "*Summary of Provisions relating to the Warrants and Certificates while in Global Form*" below.

Nordic Warrants and Certificates

Warrants and Certificates issued by MSBV, MSI plc or MSESE and designated as "Finnish Warrants", "Finnish Certificates" or "Swedish Warrants" or "Swedish Certificates" in the applicable Pricing Supplement and Warrants and Certificates issued by MSBV or MSI plc and designated as "Norwegian Warrants" or "Norwegian Certificates" or "Danish Warrants" or "Danish Certificates" in the applicable Pricing Supplement will be issued in uncertificated and dematerialised book-entry form in accordance with the Finnish or, as appropriate, Norwegian or, as appropriate, Danish or, as appropriate, Swedish legislation and all other applicable local laws, regulations and operating procedures applicable to and/or issued by the Finnish or, as appropriate, Swedish central securities depository from time to time (the "**NCSD Rules**") designated as registrar for the Nordic Warrants and Certificates in the applicable Pricing Supplement (the "**NCSD**"). No physical global or definitive Warrants or Certificates will be issued in respect of Nordic Warrants and Certificates. Payments of principal, interest (if any) or any other amounts on any Nordic Warrant or Certificate will be made through the NCSD in accordance with the NCSD Rules. For the avoidance of doubt, with respect to Norwegian Warrants and Norwegian Certificates, the registration and transfer of the Norwegian Warrants or the Norwegian Certificates, as applicable, in the Norwegian CSD for the registration of financial instruments shall be governed by, and shall be construed in accordance with, Norwegian law.

SUMMARY OF PROVISIONS RELATING TO THE WARRANTS AND CERTIFICATES WHILE IN GLOBAL FORM

Clearing System Accountholders

In relation to any Registered Warrants and Registered Certificates (together, the "**Registered Securities**") (or any Tranche thereof) represented by a Global Registered Security and subject as provided in the Securities Agency Agreement, references in the *"Terms and Conditions of the Warrants and Certificates"* to "**Securityholder**" are references to the person in whose name such Global Registered Security is for the time being registered which, for so long as the Global Registered Security is held by or on behalf of a depositary or common depositary for the Relevant Clearing System, will be that depositary or common depositary.

Each of the persons shown in the records of the Relevant Clearing System as being entitled to an interest in a Global Registered Security (each an "**Accountholder**") must look solely to the 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 Registered Security and in relation to all other rights arising under such Global Registered Security, including any right to exchange any exchangeable Warrants or Certificates or any right to require the Issuer to repurchase such Warrants or Certificates. The respective rules and procedures of the 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 Registered Security and the timing requirements for meeting any deadlines for the exercise of those rights. For so long as the relevant Warrants or Certificates are represented by a Global Registered Security, Accountholders shall have no claim directly against the Issuer in respect of payments due under the Warrants or Certificates and such obligations of the Issuer will be discharged by payment to the holder of the Global Registered Security, as the case may be, in respect of each amount so paid.

So long as the Relevant Clearing System or its nominee is the holder of a Global Registered Security, the Relevant Clearing System or such nominee, as the case may be, will be considered the sole owner of the Securities represented by such Global Registered Security for all purposes under the Securities Agency Agreement and such Warrants or Certificates, except to the extent that in accordance with the Relevant Clearing System's published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

Exchange of Global Registered Securities

Whenever a Global Registered Security is to be exchanged for Individual Registered Securities, the Issuer shall procure that the relevant quantity of Individual Registered Securities will be issued within five business days of the delivery, by or on behalf of the holder of the Global Registered Security to the Registrar of such information as is required to complete and deliver such Individual Registered Securities (including, without limitation, the names and addresses of the persons in whose names the Individual Registered Securities are to be registered and the quantity of each such person's holding) against the surrender of the Global Registered Security at the specified office of the Securities Registrar. Such exchange will be effected in accordance with the provisions of the Securities Agency Agreement and the regulations concerning the transfer and registration of Registered Securities scheduled thereto and, in particular, shall be effected without charge to any holder, but against such indemnity as the Securities 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.

If:

- (a) Individual Registered Securities have not been delivered by 5.00 p.m. (London time) on the thirtieth day after they are due to be issued and delivered in accordance with the terms of the Global Registered Security; or
- (b) any of the Warrants and Certificates represented by a Global Registered Security (or any part of it) has become due and payable in accordance with the Terms and Conditions of the Warrants and Certificates, payment or delivery (as applicable) in full has not been made to the holder of the Global Registered Security in accordance with the terms of the Global Registered Security on the due date for payment or delivery (as applicable),

then 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above), each person shown in the records of the Relevant Clearing System as being entitled to interest in the Warrants or the Certificates (each an "**Accountholder**"), shall acquire rights under

the Deeds of Covenant to enforce against the Issuer, the Issuer's obligations to the Securityholder in respect of the Warrants and Certificates represented by the Global Registered Security, including the obligation of the Issuer to make all payments and deliveries when due at any time in respect of such Warrants or Certificates as if such Warrants or Certificates had been duly presented and (where required by the Conditions) surrendered on the due date in accordance with the Conditions. Each Accountholder shall acquire such right without prejudice to any other rights which the Securityholder may have under the Global Registered Security and the Deeds of Covenant. Notwithstanding the rights that each Accountholder may acquire under the Deeds of Covenant, payment to the Securityholder in respect of any Warrants or Certificates represented by the Global Registered Security shall constitute a discharge of the Issuer's obligations to the extent of any such payment or delivery and nothing in the Deed of Covenant shall oblige the Issuer to make any payment or delivery under the Warrants or Certificates to or to the order of any person other than the Securityholder.

Conditions Applicable to Global Registered Securities

Each Global Registered Security will contain provisions which modify the terms and conditions set out in "*Terms and Conditions of the Warrants and Certificates*" as they apply to the Global Registered Security. The following is a summary of certain of those provisions:

Transfers of interests in the Warrants and Certificates: Any transfers of the interest of an Accountholder in any Warrants or Certificates that are represented by a Global Registered Security must be effected through the relevant Accountholder's account with Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system (each a "**Clearing System**" or "**Relevant Clearing System**") and in accordance with the rules of the relevant Clearing System.

Exercise procedures: Subject to Condition

Condition 5.9 (*Warrants and Certificates void on expiry*) of the "*Terms and Conditions of the Warrants and Certificates*" and to prior termination of the Warrants and Certificates as provided in the Conditions, Warrants and Certificates may be exercised by an Accountholder (at his own expense) at such time and on such day(s) as provided in Condition 5.1 (*American Style Securities*), 5.2 (*European Style Securities*) or 5.3 (*Bermudan Style Securities*) of the "*Terms and Conditions of the Warrants and Certificates*" by delivery of a duly completed and signed Exercise Notice to (i) the Relevant Clearing System and (ii) the relevant Securities Agent or Securities Registrar, with a copy to the Determination Agent. Any such exercise shall be subject to the rules and procedures of the relevant Clearing System and any Exercise Notice will be irrevocable and may not be withdrawn by the Accountholder. The holder of the Global Registered Security (upon the exercise of the Warrant or Certificate in full) must, within the period specified therein for the deposit of the relevant Warrant or Certificate, deposit such Global Registered Security with the Securities Registrar.

Subject to Condition 5.9 (*Warrants and Certificates void on expiry*) of the "*Terms and Conditions of the Warrants and Certificates*", any Exercise Notice delivered after the Latest Exercise Time on any day shall: (a) in the case of Bermudan Style Securities and European Style Securities, be void and (b) in the case of American Style Securities, be deemed to have been delivered on the next following day on which such Securities are exercisable (unless no such day occurs on or prior to the Expiration Date, in which case that Exercise Notice shall be void).

Exercise dates and times: Exercise of Warrants and Certificates represented by a Global Registered Security may only be effected on a day on which the relevant Clearing System is open for business in addition to any other relevant day as provided in the Conditions. Such Registered Security must be exercised as provided in the "*Terms and Conditions of the Warrants and Certificate*" (as modified as set out below) by 10 a.m. in the place where the Relevant Clearing System through which the relevant Registered Securities are exercised (unless otherwise specified in the applicable Pricing Supplement).

Form of Exercise Notice: Each Exercise Notice shall be in the form (for the time being current) available from each Securities Agent or the Securities Registrar and must:

- (a) specify the name, address, telephone, facsimile and telex details of the Accountholder in respect of the Registered Securities being exercised;
- (b) specify the number of Registered Securities of the relevant Series being exercised by the Accountholder (which must not be less than the Minimum Exercise Number);
- (c) specify the number of the Accountholder's account at the relevant Clearing System to be debited with the Registered Securities being exercised and irrevocably instruct, or, as the case may be, confirm that

the Accountholder has irrevocably instructed, the relevant Clearing System to debit the Accountholder's account with the Registered Securities being exercised and credit the same to the account of the Principal Securities Agent (for the account of the Issuer);

- (d) where applicable, specify the number of the Accountholder's account at the relevant Clearing System to be credited with the Cash Settlement Amount or the relevant Underlying Securities (as applicable) for the Registered Securities being exercised;
- (e) include an irrevocable undertaking to pay any applicable Taxes due by reason of exercise of and an authority to the Issuer and the relevant Clearing System to deduct an amount in respect thereof from any Cash Settlement Amount due to such Accountholder or otherwise (on, or at any time after, the Cash Settlement Payment Date) and to debit a specified account of the Accountholder at the relevant Clearing System with an amount or amounts in respect thereof;
- (f) in the case of Full Physical Settlement Securities, include an irrevocable instruction to the relevant Clearing System to debit the specified account of the Accountholder with an amount equal to the aggregate Strike Price in respect of the Registered Securities being exercised (and in the case of Bond-Linked Securities, any accrued interest, as specified in Condition 5.5(a) (*Full Physical Settlement Securities*)) on the Strike Price Payment Date and to credit such amount to the account of the Principal Securities Agent (for the account of the relevant Issuer); and
- (g) authorise the production of such certification in any applicable administrative or legal proceedings.

Verification of Accountholder: To exercise any Registered Securities, the relevant Accountholder must duly complete an Exercise Notice. The relevant Clearing System shall, in accordance with its normal operating procedures, verify that each person exercising Registered Securities is the Accountholder thereof according to the records of such Clearing System and that such Accountholder has an account at the relevant Clearing System which contains Registered Securities in an amount being exercised and funds equal to any applicable Taxes in respect of the Registered Securities being exercised.

If, in the determination of the relevant Clearing System, the relevant Securities Agent or the Securities Registrar:

- (a) the Exercise Notice is not complete or not in proper form;
- (b) the person submitting an Exercise Notice is not validly entitled to exercise the relevant Registered Securities or not validly entitled to deliver such Exercise Notice; or
- (c) sufficient Registered Securities and sufficient funds equal to any applicable Taxes are not available in the specified account(s) with the relevant Clearing System on the Exercise Date,

that Exercise Notice will be treated as void and a new duly completed Exercise Notice must be submitted if exercise of the Accountholder's Registered Securities is still desired.

Any determination by the relevant Clearing System, the relevant Securities Agent or the Securities Registrar as to any of the matters set out above shall, in the absence of manifest error, be conclusive and binding upon the Issuer, the Accountholder and the beneficial owner of the Registered Securities exercised.

Notification to the relevant Securities Agent or the Securities Registrar: Subject to the verification set out above, the relevant Clearing System will:

- (a) confirm to the Securities Registrar (copied to the Issuer and the Determination Agent) the number of Registered Securities being exercised and the number of the account to be credited with the Cash Settlement Amount; and
- (b) promptly notify the common depositary of receipt of the Exercise Notice and the number of the Registered Securities to be exercised.

Upon exercise of less than all of the Registered Securities represented by the Global Registered Security, the Securities Registrar will note such exercise in the Register relating to such Global Registered Security and the aggregate nominal amount or number of Registered Securities so exercised as represented by the Global Registered Security shall be cancelled *pro tanto*.

Debit of Accountholder's Account: The relevant Clearing System will on or before the Cash Settlement Payment Date debit the relevant account of the Accountholder and credit the relevant account of the Principal Securities Agent (in favour of the Issuer) with: (i) the Registered Securities being exercised, (ii) any applicable Taxes (if any) in respect of the Registered Securities being exercised and (iii) any other amounts as may be specified in the applicable Pricing Supplement.

If any of the items set out in the paragraph above are not so credited to the relevant account of the Principal Securities Agent (in favour of the Issuer), then the Issuer shall be under no obligation to make any payment of any nature to the relevant Accountholder in respect of the Registered Securities being exercised, and the Exercise Notice delivered in respect of such Registered Securities shall thereafter be void for all purposes.

Effect of Exercise Notice: Delivery of an Exercise Notice shall constitute an irrevocable election and undertaking by the Accountholder to exercise the Registered Securities specified therein, provided that the person exercising and delivering such Exercise Notice is the person then appearing in the records of the relevant Clearing System as the holder of the relevant Registered Securities. If the person exercising and delivering the Exercise Notice is not the person so appearing, such Exercise Notice shall for all purposes become void and shall be deemed not to have been so delivered.

After the delivery of an Exercise Notice (other than an Exercise Notice which shall become void) by an Accountholder, such Accountholder shall not be permitted to transfer either legal or beneficial ownership of the Registered Securities exercised thereby. Notwithstanding this, if any Accountholder does so transfer or attempt to transfer such Registered Securities, the Accountholder will be liable to the Issuer for any losses, costs and expenses suffered or incurred by the Issuer including those suffered or incurred as a consequence of it having terminated any related hedging operations in reliance on the relevant Exercise Notice and subsequently: (i) entering into replacement hedging operations in respect of such Securities; or (ii) paying any amount on the subsequent exercise of such Registered Securities without having entered into any replacement hedging operations.

Payments: All payments in respect of a Global Registered Security which, in accordance with the "*Terms and Conditions of the Warrants and Certificates*", require presentation and/or surrender of an Individual Registered Security will be made against presentation and (in the case of payment in full) and/or surrender of the Global Registered Security at the Specified Office of the Principal Securities Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Warrants and Certificates. On each occasion on which a payment is made in respect of a Global Registered Security, the Issuer shall procure that the same is entered pro rata in the records of the Relevant Clearing System. Any payments shall be made in accordance with the rules and procedures of the relevant Clearing System and the Issuer. the Securities Agents, the Securities Registrar and the Securities Transfer Agent, shall not be liable, under any circumstance, for any acts or defaults of any Clearing System in the performance of the Clearing System's duties in relation to the Warrants and the Certificates.

Payment Record Date: Each payment in respect of a Global Registered Security will be made to the person shown as the holder in the Register 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 "**Clearing System Business Day**" means a day on which each relevant Clearing System for which the Global Registered Security is being held is open for business.

Notices: Notwithstanding Condition 29 (*Notices*) of the "*Terms and Conditions of the Warrants and Certificates*", while all the Registered Securities are represented by a Global Registered Security and the Global Registered Security is deposited with a Clearing System, notices to Accountholders may be given by delivery of the relevant notice to the Relevant Clearing System and, in any case, such notices shall be deemed to have been given to the Accountholders in accordance with Condition 29 (*Notices*) of the "*Terms and Conditions of the Warrants and Certificates*", as applicable, on the date of delivery to the Relevant Clearing System.

BENEFIT PLAN INVESTORS

The Program Securities may not be acquired or held by, or acquired 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**"), or any individual retirement account or plan subject to section 4975 of the Code 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 Registered Notes and Global Registered Securities 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 NOTE 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, 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.

DESCRIPTION OF MORGAN STANLEY FINANCE II LTD

2. INFORMATION ABOUT MORGAN STANLEY FINANCE II LTD

History and Development

Morgan Stanley Finance II Ltd ("MSFII") was originally formed as a limited liability company registered with the Jersey Financial Services Commission (with registered number 35857) on 24 September 1986 for an unlimited duration under the name of Morgan Stanley (Jersey) Limited. On 12 November 2020, Morgan Stanley (Jersey) Limited changed its name to Morgan Stanley Finance II Ltd. For U.S. federal income tax purposes, MSFII is disregarded as an entity separate from Morgan Stanley. Therefore, unless otherwise indicated in an applicable Pricing Supplement, a Note issued by MSFII will be treated as if it were a Note issued by Morgan Stanley for U.S. federal income tax purposes.

Registered Office

MSFII's registered address and principal place of business is at 47 Esplanade, St Helier, Jersey JE1 0BD, Channel Islands. Its phone number is +44 (0)1534 835 600.

Legal and commercial name

MSFII's legal and commercial name is Morgan Stanley Finance II Ltd.

Legal Entity Identifier (LEI)

MSFII's LEI is 9JTFSIOT3N7GCDN62R31.

Legislation

MSFII was formed under, and subject to, the laws of Jersey.

3. OVERVIEW OF ACTIVITIES

Principal Activities

MSFII's principal activity is the issuance of securities.

Principal Markets

MSFII primarily conducts its business from Jersey.

ORGANIZATIONAL STRUCTURE

MSFII has no subsidiaries. It is a directly owned subsidiary of Morgan Stanley.

4. MANAGEMENT OF MSFII

The current directors of MSFII, their offices, if any, within MSFII, and their principal outside activity, if any, are listed below.

Name	Title	Principal Outside Activity
Ana Kekovska	Director	Director, Corporate Services
Jonathan Liu	Director	Executive Director of Morgan Stanley
Stephanie Marriott	Director	Director, Corporate Services

Affiliates of the Directors of MSFII provide ongoing administrative services to MSFII at commercial rates.

The business address of Ana Kekovska and Stephanie Marriott of MSFII is 47 Esplanade, St Helier, Jersey JE1 0BD.

The business address of Jonathan Liu of MSFII is Level 46, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong.

The secretary of MSFII is Gen II Corporate Services (Jersey) Limited. Gen II Corporate Services (Jersey) Limited is registered to act as a company secretary pursuant to the Financial Services (Jersey) Law 1998.

Gen II Corporate Services (Jersey) Limited (in such capacity, the "**Corporate Administrator**") provides administration services to the Issuer pursuant to a corporate administration agreement dated 1 March 2021 made between the Issuer and the Corporate Administrator.

The directors receive no remuneration from MSFII for their services. The directors do not hold any direct or indirect beneficial or economic interest in any of the shares of MSFII.

The Directors of MSFII may engage in other activities and have other directorships. The Directors of MSFII are directors of affiliates of MSFII and Morgan Stanley which are also administered by the Corporate Administrator. As a matter of Jersey law, each director is under a duty to act honestly and in good faith with a view to the best interest of MSFII, regardless of any other directorship he or she may hold.

None of the Directors of MSFII has any actual or potential conflict between their duties to MSFII and their private interests or other duties listed above.

5. **BOARD PRACTICE**

MSFII is not required to have an audit committee separate from that of its parent.

MSFII considers itself to be in compliance with all Jersey laws relating to corporate governance that are applicable to it.

6. **MAJOR SHAREHOLDERS**

MSFII is fully and directly owned by Morgan Stanley.

7. **LEGAL PROCEEDINGS**

There are no governmental, legal or arbitration proceedings involving MSFII (including any such proceedings which are pending or threatened of which MSFII is aware) during the 12-month period before the date of this Offering Circular which may have, or have had in the recent past, a significant effect on the financial position or profitability of MSFII.

8. **ADDITIONAL INFORMATION**

Auditors

Deloitte LLP of 1 New Street Square, London, EC4A 3HQ have audited the financial statements of MSFII for the years ended 31 December 2024 and 31 December 2025 respectively.

Trend Information

MSFII intends to continue issuing securities. There has been no material adverse change in the prospects of MSFII since 31 December 2025, the date of the latest published annual audited accounts of MSFII.

Significant Change

There has been no significant change in the financial or trading position of MSFII since 31 December 2025, the date of the latest published annual audited accounts of MSFII.

Capitalisation

MSFII is a no par value company and may issue an unlimited number of shares with no par value designated as Ordinary Shares, an unlimited number of shares with no par value designated as Nominal Shares and an unlimited number of shares of no par value designated as Unclassified Shares available

for issue as separate classes of Preferences Shares. MSFII has issued 10,000 Ordinary Shares, all of which are fully paid and are held by Morgan Stanley.

The following table sets forth the capitalisation of MSFII at the date hereof:

GBP

Shareholders' funds:

Share capital	10,000

MSFII has no other outstanding indebtedness as at the date hereof.

Memorandum of Association

The Issuer does not have a specific purpose or objects clause in its memorandum of association.

The Memorandum of Association was last amended on 28 August 2008.

9. SELECTED FINANCIAL INFORMATION OF MORGAN STANLEY FINANCE II LTD

The net profit for the year ended 2025 was USD 755,000 and the net profit for the year ended 2024 was USD 682,000.

The total assets of MSFII increased from USD 648,637,000 at 31 December 2024 to USD 976,730,000 at 31 December 2025 with total liabilities being USD 636,687,000 at 31 December 2024 and USD 964,025,000 at 31 December 2025.

The financial information in respect of MSFII has been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

DESCRIPTION OF MORGAN STANLEY EUROPE SE

1. INFORMATION ABOUT MORGAN STANLEY EUROPE SE

History and Development of Morgan Stanley Europe SE

Legal name, place of registration and registration number, and date of incorporation

MSESE was incorporated as a European stock corporation under German Law (European Company (Societas Europaea)) on 26 May 2017 and established its business operations as a securities trading bank pursuant to Section 1 (3d) Sentence 5 KWG on 1 March 2019. MSESE is registered in the Commercial Register B of the Local Court in Frankfurt am Main under number HRB 109880.

Registered Office

MSESE's registered office is at Grosse Gallusstrasse 18, 60312 Frankfurt am Main.

Legal and commercial name

MSESE's legal and commercial name is Morgan Stanley Europe SE.

Webpage

MSESE's webpage is <https://www.morganstanley.com/about-us-ir>. The information contained on Morgan Stanley's website shall not form part of this Offering Circular, unless such information has been expressly incorporated herein.

Legal Entity Identifier (LEI)

MSESE's LEI is 54930056FHWP7GIWYY08.

Credit Ratings

MSESE has been assigned the following credit ratings:

	Short-Term Debt	Long-Term Debt	Ratings Outlook
Moody's	P-1	Aa3	Stable
S&P	A-1	A+	Stable
Fitch	F1+	AA	Stable

Recent Events

No recent event particular to MSESE has occurred which is to a material extent relevant to the evaluation of its solvency.

2. OVERVIEW OF ACTIVITIES

MSESE is a CRR Credit Institution operating as Morgan Stanley Group's primary regulated investment services hub and main booking entity for the Morgan Stanley Group's Institutional Securities Group business in the European Economic Area ("EEA"). It operates branches in Amsterdam, Copenhagen, Madrid, Milan, Paris, Stockholm, and Warsaw.

MSESE provides services to corporations, governments and financial institutions including sales and trading; financial and market making activities in equity and fixed income securities and related products, including foreign exchange and commodities; capital raising; financial advisory services, including advice on mergers and acquisitions; restructuring; and investment activities. The scale of activities of MSESE will continue to evolve depending on client demands.

MSESE is authorised by the European Central Bank ("ECB") and under direct prudential supervision of the ECB, the German Federal Financial Supervisory Authority (Bundesanstalt für

Finanzdienstleistungsaufsicht ("**BaFin**") and Deutsche Bundesbank in the context of the Single Supervisory Mechanism and under supervision of the BaFin for other aspects.

3. ORGANIZATIONAL STRUCTURE

Morgan Stanley Bank, N.A. is the sole shareholder of MSESE.

4. MANAGEMENT OF MSESE

Management Board of MSESE

The following members belong to MSESE's Management Board:

Name	Title
André Munkelt	Chair of the Management Board
Sophia Herrmann	Member of the Management Board
Michele Jones	Member of the Management Board
Philipp Lingnau	Member of the Management Board
Kate Mozzicarelli	Member of the Management Board
Dorothee Fuhrmann	Member of the Management Board

Supervisory Board of MSESE

The following members belong to MSESE's Supervisory Board:

Name	Title
Frank Mattern	Chair of the Supervisory Board
Christopher Beatty	Deputy Chair of the Supervisory Board
David Cannon	Member of the Supervisory Board
Anna Khazen	Member of the Supervisory Board
Massimiliano Ruggieri	Member of the Supervisory Board
John Ryan	Member of the Supervisory Board
Paula Smith	Member of the Supervisory Board

MSESE has neither granted any loans to the members of the Management Board and the Supervisory Board nor has it entered into liability relationships with them.

There are no potential conflicts of interests between any duties to MSESE of its members of the Management Board and the Supervisory Board and their private interests and/or other duties.

The business address of the members of the Management Board and the Supervisory Board of MSESE is Grosse Gallusstrasse 18, 60312 Frankfurt am Main, Germany.

5. BOARD PRACTICES

Business decisions for MSESE are made by a six-person Management Board. The Management Board is overseen by an eight-person Supervisory Board, currently consisting of six members. Meetings of the Management Board are generally held bi-weekly, but at least once a month. The Supervisory Board meets at least twice per calendar half-year. The Supervisory Board has established an audit committee, a risk committee, a nomination committee and a remuneration committee, which advise and assist the Supervisory Board on its tasks.

6. MAJOR SHAREHOLDERS

MSESE's parent company is Morgan Stanley Bank N.A.

MSESE's ultimate parent undertaking and controlling entity is Morgan Stanley.

7. LEGAL PROCEEDINGS

Save as disclosed in:

- (a) the paragraphs under the heading "*Contingencies*" under the heading "*14. Commitments, Guarantees and Contingencies*" in "*Notes to Consolidated Financial Statements*" at pages 125 to 128; and the section titled "*Legal Proceedings*" at page 154 of Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2025;
- (b) the section titled "*Legal Proceedings*" under the heading "*Description of Morgan Stanley Europe SE*" at page 74 of the Registration Document (as supplemented from time to time);
- (c) MSESE's financial statements and management report for the year ended 31 December 2024; and
- (d) the paragraphs under the heading "*Contingencies*" under the heading "*Commitments, Guarantees and Contingencies*" in "*Notes to Consolidated Financial Statements (Unaudited)*" at pages 64 to 66 and the section titled "*Legal Proceedings*" at page 77 of Morgan Stanley's Quarterly Report on Form 10-Q for the quarterly period ended 31 March 2026,

there are no, nor have there been, any governmental, legal or arbitration proceedings involving MSESE (including any such proceedings which are pending or threatened of which MSESE is aware) during the 12-month period before the date of this Offering Circular which may have, or have had in the recent past, a significant effect on the financial position or profitability of MSESE.

8. ADDITIONAL INFORMATION

Auditors

Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, located at Europa-Allee 91, 60486 Frankfurt am Main, Germany, a registered member of Wirtschaftsprüferkammer have audited the financial statements of MSESE for the years ended 31 December 2024 and 31 December 2025.

Trend Information

There has been no material adverse change in the prospects of MSESE since 31 December 2025, the date of the last published annual audited accounts of MSESE.

Significant Change

There has been no significant change in the financial performance or position of MSESE since 31 December 2025, the date of the last published annual audited accounts of MSESE.

Capital Structure

Morgan Stanley Bank N.A. is the sole shareholder of MSESE. The subscribed capital amounts to €3,901,000,000 and is entirely comprised of 3,901,000,000 no-par-value registered shares of €1 each.

Articles of Association

The date of MSESE's Articles of Association is 20 January 2026.

DESCRIPTION OF SIENNA FINANCE UK LIMITED AND THE SIENNA FINANCE UK LIMITED PREFERENCE SHARES

Preference Share-Linked Notes may be issued under the Program, where the Preference Shares are preference shares issued by Sienna Finance UK Limited ("**Sienna UK**"). Set out below is a description of Sienna UK. References in this section to the "**Preference Shares**" shall be a reference to preference shares issued by Sienna UK which are specified as being the "Preference Shares" in the applicable Pricing Supplement relating to the relevant Preference Share-Linked Notes.

Sienna Finance UK Limited

Sienna UK is a private company limited by shares and was incorporated under the Companies Act 2006 on 18 February 2010 (with registered number 07162508). Sienna UK is governed by the laws of England and Wales and has its registered office at 10th Floor, 5 Churchill Place, London E14 5HU United Kingdom.

The sole business activity of Sienna UK is to issue redeemable preference shares. Accordingly, Sienna UK does not have any trading assets and does not generate any significant net income.

A copy of Sienna UK's constitutional documents, its non-audited, non-consolidated annual financial statements, when published, and the Terms of the Preference Shares (as defined below) are available (free of charge) from the registered office of Sienna UK.

The Preference Shares

Sienna UK will from time to time issue tranches of 100 redeemable preference shares with a par value of £0.01 each. The preference shares will be issued fully paid to CSC Corporate Services (London) Limited and at a premium of £0.99, for total consideration of £1.00 each.

Sienna UK may issue redeemable preference shares of any kind (the "**Preference Shares**"), including but not limited to preference shares linked to a specified index or basket of indices, share or basket of shares, currency or basket of currencies, fund unit or share or basket of fund units or shares or to such other underlying instruments, bases of reference or factors (the "**Preference Share Underlying**") and on such terms as may be determined by Sienna UK and specified in the applicable Specific Terms and Conditions of the relevant series of preference shares (the "**Terms of the Preference Shares**").

The Terms of the Preference Shares also provide that Sienna UK may redeem the Preference Shares early if:

- (a) the calculation agent in respect of the Preference Shares (the "**Preference Shares Calculation Agent**") determines that for reasons beyond Sienna UK's control, the performance of its obligations under the Preference Shares has become illegal or impractical in whole or in part for any reason; or
- (b) any event occurs in respect of which the provisions of the Terms of the Preference Shares relating to any adjustment, delay, modification, cancellation or determination in relation to the Preference Share Underlying, the valuation procedure for the Preference Share Underlying or the Preference Shares provide that the Preference Shares may be redeemed or cancelled; or
- (c) a change in applicable law or regulation occurs that in the determination of the Preference Share Calculation Agent results, or will result, by reason of the Preference Shares being outstanding, in Sienna UK being required to be regulated by any additional regulatory authority, or being subject to any additional legal requirement or regulation or tax considered by Sienna UK to be onerous to it; or
- (d) Sienna UK is notified that the Notes have become subject to early redemption.

The performance of the Preference Shares depends on the performance of the Preference Share Underlying to which the Preference Shares are linked. In determining the value of the Preference Shares, the Determination Agent shall employ the calculation procedure and methodology set out in the applicable Terms of the Preference Shares.

UNITED STATES FEDERAL TAXATION

This discussion is limited to the U.S. federal tax issues addressed below. Additional issues may exist that are not addressed in this discussion and that could affect the U.S. federal tax treatment of the transaction or the holders. Investors should seek their own advice based upon their particular circumstances from an independent tax advisor.

Due to the absence of statutory, judicial or administrative authorities that directly address the treatment of instruments that are similar to the Program Securities, no assurance can be given that the Internal Revenue Service (the "IRS") or a court will agree with the treatment described herein. Accordingly, prospective investors should consult their tax advisors regarding all aspects of the U.S. federal tax consequences of an investment in the Program Securities (including possible alternative treatments). Moreover, prospective investors should consult their tax advisors regarding the tax consequences to them in the event that, for U.S. federal income tax purposes, a Program Security is deemed to be terminated and reissued (e.g., as a result of a substitution of an Issuer) or partly disposed of (e.g., if the IRS successfully asserts that an investor is the owner of any property underlying certain actively-managed indices).

This summary does not address the U.S. federal income tax consequences of every type of Program Security that may be issued under the Program. The applicable Issue Terms may include an additional or alternative discussion regarding the U.S. federal income tax consequences with respect to any particular Program Security.

United States Federal Taxation of Program Securities Offered to Non-U.S. Holders

The following are certain of the U.S. federal income and estate tax consequences of ownership and disposition of certain Program Securities offered to Non-U.S. Holders (as defined below). This summary is based on the Internal Revenue Code of 1986, as amended (the "**Code**"), administrative pronouncements, judicial decisions and final, temporary and proposed Treasury regulations, all as of the date hereof, changes to any of which subsequent to the date of this Offering Circular may affect the tax consequences described herein. As used herein, the term "Non-U.S. Holder" means a person that for U.S. federal income tax purposes is a beneficial owner of a Program Security and is:

- an individual who is classified as a nonresident alien;
- a foreign corporation; or
- a foreign estate or trust.

The term "Non-U.S. Holder" does not include any of the following persons:

- an individual present in the United States for 183 days or more in the taxable year of disposition;
- certain former citizens or residents of the United States;
- a person for whom income or gain in respect of the Program Securities is effectively connected with the conduct of a trade or business in the United States; or
- a person who has a "tax home" (as defined in section 911(d)(3) of the Code) or an office or other fixed place of business in the United States.

Special rules may also apply to corporations (or the shareholders thereof) that for U.S. federal income tax purposes are treated as personal holding companies, controlled foreign corporations, or passive foreign investment companies.

Such holders are urged to consult their own tax advisors regarding the U.S. federal income tax consequences of the ownership and disposition of a Program Security.

If an entity that is classified as a partnership holds a Program Security, the tax treatment of a partner generally will depend upon the status of the partner and the activities of the partnership. Partners of partnerships holding Program Securities should consult their tax advisors regarding the U.S. federal income tax consequences of owning and disposing of a Program Security.

This discussion does not address the consequences of the ownership or disposition of any Relevant Underlying received upon settlement of any Program Security, nor does it address the consequences of the ownership or disposition of any Program Security in the event such Program Security is physically settled.

Notes

Notes Treated as Indebtedness

The following discussion under "—Notes Treated as Indebtedness" applies to Notes treated as indebtedness of the relevant Issuer for U.S. federal income tax purposes. The Issuers intend to treat Notes as indebtedness for U.S. federal income tax purposes if the principal amount payable in cash at maturity or upon early settlement (i) equals or exceeds the issue price (i.e., the first price at which a substantial amount of the Notes of the relevant series is sold to the public) or (ii) is not less than 90% of the issue price. The applicable Pricing Supplement may indicate an Issuer's treatment of Notes not described in the preceding sentence. There can be no assurance that the IRS or a court will agree with the relevant Issuer's intended treatment. In the case of a Note issued by Morgan Stanley, MSFL or MSFII, interest will be U.S.-source income. Except as otherwise discussed below in "—Section 897 of the Code," "—Dividend Equivalent Amounts," "—FATCA" and "—Backup Withholding and Information Reporting," or otherwise indicated in an applicable Pricing Supplement, a Non-U.S. Holder generally will not be subject to U.S. federal income or withholding tax on payments of principal, or interest (including original issue discount, if any) on a Note treated as indebtedness, or on proceeds from the sale or other disposition of a Note, **provided that**, in the case of a Note issued by Morgan Stanley, MSFL or MSFII, for U.S. federal income tax purposes:

- the Non-U.S. Holder does not own (directly or by attribution) ten per cent. or more of the total combined voting power of all classes of stock of Morgan Stanley entitled to vote;
- the Non-U.S. Holder is not a bank holding the Notes in the context of an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business;
- the Non-U.S. Holder is not a controlled foreign corporation related, directly or indirectly, to Morgan Stanley through stock ownership;
- the Non-U.S. Holder (and any holder through which the Notes are held) has complied with all U.S. tax identification and certification requirements;
- in the case of Exchangeable Notes (or any Note that provides for payments determined by reference to the value of property held by the Issuer or a person related to the Issuer), the Exchangeable Note is exchangeable only into (or the Note makes payments by reference to) securities that are actively traded, a basket of securities that are actively traded or an index or indices of securities that are actively traded; and
- in the case of an Exchangeable Note, the Relevant Underlying is not Morgan Stanley or any person related thereto.

The certification requirements referred to in the preceding paragraph will be fulfilled if the beneficial owner of the Notes (or a financial institution holding a Note on behalf of the beneficial owner) furnishes an IRS Form W-8BEN or W-8BEN-E (or with respect to certain holders, other appropriate forms), on which, among other things, the beneficial owner certifies under penalties of perjury that it is not a United States person, as defined in the Code.

If the IRS successfully challenges the treatment of the Notes as indebtedness, coupon payments on Notes issued by Morgan Stanley, MSFL or MSFII will be subject to U.S. federal income withholding tax at a rate of 30 per cent., unless the relevant Non-U.S. Holder can establish an exemption (for example, under an applicable Qualifying Treaty as described in "—Other Income Coupons" below). Unless provided otherwise in an applicable Pricing Supplement, no additional amounts will be payable with respect to any such withholding.

Certain Linked Notes not Treated as Indebtedness

The U.S. federal income tax consequences to a Non-U.S. Holder of the ownership and disposition of Notes that have principal or interest determined by reference to commodity prices, securities of entities not affiliated with the relevant Issuer, baskets of securities or indices, exchange traded funds or other funds, currencies or the credit of entities not affiliated with the relevant Issuer, and that are not treated as indebtedness of the Issuer for U.S.

federal income tax purposes, may vary depending upon the exact terms of the Notes and related factors. However, the Issuers intend to treat Notes that pay coupons periodically at an unconditional fixed rate and provide for a payment at maturity or early settlement (other than the stated coupon) that is determined by reference to the performance of a Relevant Underlying and thus may be lower than, but cannot exceed, their issue price, as a unit consisting of (i) a put right written by a Non-U.S. Holder to the Issuer that, upon the occurrence of certain events, requires such Non-U.S. Holder to pay to the Issuer an amount equal to the deposit (as described in sub-paragraph (ii)), in exchange for a cash amount based on the value of the Relevant Underlying, and (ii) a deposit with the Issuer of a fixed amount of cash to secure such Non-U.S. Holder's obligation under the put right. Based on this treatment, a portion of the periodic payments on the Notes will be treated as interest on the deposit, and the remainder will be attributable to the premium on the put right. Except as otherwise discussed below in "—Section 897 of the Code", "—Dividend Equivalent Amounts", "—FATCA" and "—Backup Withholding and Information Reporting," or otherwise indicated in an applicable Pricing Supplement, the Issuers do not expect payments on Notes that are treated by the Issuer as a put right and a deposit, as described above, to be subject to any U.S. federal withholding tax, provided that, if the Notes are treated in whole or in part as indebtedness (including the deposit described above) issued by Morgan Stanley, MSFL or MSFII for U.S. federal income tax purposes, the conditions (including the certification requirements) described above under "—Notes Treated as Indebtedness" are met. Notwithstanding the Issuers' intended treatment of the Notes described in the preceding two sentences, the IRS or a court could disagree with such treatment, in which event such Notes may be subject to rules that differ from the general rules described above.

Other Income Coupons

The following discussion under "—Other Income Coupons" applies to Notes issued by Morgan Stanley, MSFL or MSFII that pay periodic coupons and are not described above in "—Notes Treated as Indebtedness" or in "—Certain Linked Notes not Treated as Indebtedness". The U.S. federal tax treatment of such Notes is unclear due to the absence of statutory, judicial or administrative authorities that directly address such Notes or similar securities, and no ruling is being requested from the IRS with respect to such Notes. Significant aspects of the U.S. federal income tax consequences of an investment in such Notes are uncertain, and no assurance can be given that the IRS or a court will agree with the tax treatment described herein. Accordingly, investors should consult their tax advisors regarding the U.S. federal income tax consequences of an investment in such Notes (including possible alternative treatments thereof).

A Non-U.S. Holder should expect that a withholding agent will treat any coupon payments made by or on behalf of Morgan Stanley, MSFL or MSFII as U.S.-source income subject to U.S. federal withholding tax at a rate of 30 per cent., unless the Non-U.S. Holder establishes an exemption under the "other income" provision of a Qualifying Treaty (as defined below) or, to the extent that any portion of a coupon payment is treated as interest for U.S. federal income tax purposes, an exemption under the "portfolio interest exemption" rules as described below.

An income tax treaty between a non-U.S. jurisdiction and the United States is a "**Qualifying Treaty**" if it provides for a 0 per cent. rate of tax on "other income" earned by a resident of the non-U.S. jurisdiction from sources within the United States. For example, under current law, the United States' tax treaties with Japan, Germany and the United Kingdom are Qualifying Treaties. Accordingly, if the Non-U.S. Holder is a resident of a non-U.S. jurisdiction that qualifies for benefits under such a Qualifying Treaty, the Non-U.S. Holder should generally be eligible for an exemption under the "other income" provision referred to above if such Non-U.S. Holder complies with the certification requirement described below. However, because most income tax treaties contain complex eligibility rules and limitations, a Non-U.S. Holder should consult its tax advisors about its eligibility for this exemption.

To demonstrate its eligibility for the "other income" exemption to the Issuer or an applicable withholding agent, a Non-U.S. Holder generally will be required to provide a properly completed appropriate IRS Form W-8BEN or W-8BEN-E certifying that it is not a U.S. person and that it is eligible for the benefits of a Qualifying Treaty (or, if the Non-U.S. Holder holds its Notes through certain qualified intermediaries, it may be permitted to provide alternative documentation in lieu of the appropriate IRS Form W-8BEN or W-8BEN-E to establish that it is not a U.S. person and that it is eligible for the benefits of a Qualifying Treaty). A Non-U.S. Holder providing a properly completed appropriate IRS Form W-8BEN or W-8BEN-E as discussed in this paragraph may provide its foreign taxpayer identifying number issued by its country of residence in lieu of its U.S. taxpayer identifying number.

Notwithstanding the discussion above, because the U.S. federal income tax treatment of the Notes is unclear, any coupon payments on such Notes could alternatively be treated in whole or part as payments of interest. Nonetheless, even if the coupon payments are treated in whole or in part as interest and thus not eligible for the "other income" exemption described above, under current law and administrative practice a Non-U.S. Holder

generally will qualify for the "portfolio interest exemption" with respect to the coupon payments, provided that the conditions for the exemption set forth in "—Notes Treated as Indebtedness" above (including the certification requirement) are met. Non-U.S. Holders should consult their tax advisors regarding their eligibility for any applicable exemption from withholding in light of their particular circumstances.

Future Withholding

It is possible that any future law, Treasury regulations or other guidance could materially and adversely affect the withholding tax consequences of ownership and disposition of the Notes, possibly with retroactive effect. In the event of a change of law or any formal or informal guidance by the IRS, the U.S. Treasury Department or Congress, the Issuer or a withholding agent may decide to withhold on a portion or the entire amount of payments made with respect to the Notes to Non-U.S. Holders and, unless provided otherwise in an applicable Pricing Supplement, no additional amounts will be payable with respect to any such withholding. Prospective investors should consult their tax advisors regarding all aspects of the U.S. federal income tax consequences of an investment in the Notes.

Warrants and Certificates

Except as otherwise discussed in "—Section 897 of the Code", "—Dividend Equivalent Amounts", "—FATCA" and "—Backup Withholding and Information Reporting," or otherwise indicated in an applicable Pricing Supplement, a Non-U.S. Holder generally will not be subject to United States federal income or withholding tax on payments on a Warrant or Certificate, or on proceeds from the sale or other disposition of a Warrant or Certificate.

The U.S. federal income tax consequences to a Non-U.S. Holder of the ownership and disposition of Warrants and Certificates may vary depending upon the exact terms of the Warrants and Certificates and related factors. Warrants and Certificates may be subject to rules that differ from the general rules discussed above. In these instances, an applicable Pricing Supplement will disclose such special rules.

Section 897 of the Code

The Issuers will not attempt to determine whether any issuer of any shares (including shares referenced by an index or basket) to which a Program Security relates (such shares hereafter referred to as "**Underlying Shares**") is treated as a "U.S. real property holding corporation" ("**USRPHC**") within the meaning of section 897 of the Code. If any issuer of Underlying Shares were so treated, certain adverse U.S. federal income tax consequences might apply upon the sale, exchange or other disposition of a Program Security (including potential U.S. withholding tax, notwithstanding the discussions above). Holders should refer to information filed with the Securities and Exchange Commission or other governmental authorities by the issuers of the Underlying Shares and consult their tax advisors regarding the possible consequences to such holders if any such issuer is or becomes a USRPHC.

Dividend Equivalent Amounts

Section 871(m) of the Code and Treasury regulations promulgated thereunder ("**Section 871(m)**") impose a withholding tax of 30 per cent. (or lower treaty rate applicable to dividends) on certain "dividend equivalents" paid or deemed paid to Non-U.S. Holders with respect to certain financial instruments linked to U.S. equities or indices that include U.S. equities. Subject to the discussion below concerning Program Securities issued before 1 January 2027, a Program Security linked to U.S. equities or indices that include U.S. equities (a "**U.S. equity linked Program Security**") will generally be subject to the Section 871(m) withholding regime if at issuance it (i) has a "delta" of 0.80 or higher with respect to the underlying U.S. equity or (ii) substantially replicates the economic performance of the underlying U.S. equity, as determined by a "substantial equivalence" test that, among other factors, takes into account the initial number of shares of the underlying U.S. equity needed to hedge the transaction fully. The tests described above are set forth in the Treasury regulations, and the applicable test will depend on the terms of the relevant U.S. equity linked Program Security. Under these rules, withholding may apply even where the relevant U.S. equity linked Program Security does not provide for any payment that is explicitly linked to a dividend. The Treasury regulations provide for certain exceptions to the withholding requirements, in particular for instruments linked to certain broad-based indices (a "**qualified index**") that meet standards set forth in the Treasury regulations, as well as certain securities that track a qualified index.

Pursuant to an IRS notice, Section 871(m) will not apply to Program Securities issued before 1 January 2027 that do not have a "delta" of one with respect to any U.S. equity. If the terms of a U.S. equity linked Program Security

are significantly modified (including in the event that the Issuer substitutes another entity in place of the Issuer as principal debtor under the Program Security) and if such modification or substitution results in a deemed exchange of the Program Security for U.S. federal income tax purposes, the U.S. equity linked Program Security will generally be treated as reissued for this purpose at the time of the significant modification. Under Treasury regulations, certain "benchmark" rate replacements will not give rise to deemed exchanges for U.S. federal income tax purposes, provided that certain conditions set forth in the Treasury regulations are met.

The calculations of "delta" are generally made at the "**calculation date**," which is the earlier of (i) the time of pricing of the Program Security, i.e., when all material terms have been agreed on, and (ii) the issuance of the Program Security. However, if the time of pricing is more than 14 calendar days before the issuance of the Program Security, the calculation date is the date of the issuance of the Program Security. In those circumstances, information regarding the Issuer's final determinations for purposes of Section 871(m) may be available only after the issuance of the Program Security. As a result, a Non-U.S. Holder should acquire such a Program Security only if it is willing to accept the risk that the Program Security is treated as subject to withholding.

The amount of a "dividend equivalent" is equal to, for a "simple" contract, the product of (a) the per-share dividend amount, (b) the number of shares of the underlying U.S. equity referenced in the U.S. equity linked Program Security and (c) the delta, and, for a "complex" contract, the product of (a) the per-share dividend amount and (b) the initial hedge.

The dividend equivalent amount will be determined on the earlier of (a) the record date of the dividend and (b) the day prior to the ex-dividend date. The dividend equivalent amount will include the amount of any actual or, under certain circumstances, estimated dividend. If a Program Security is subject to withholding in respect of dividend equivalents, withholding will, depending on the applicable withholding agent's circumstances, generally be required either (i) on the underlying dividend payment date or (ii) when cash payments are made on the relevant U.S. equity linked Program Security or upon the date of maturity, lapse or other disposition thereof by the Non-U.S. Holder.

Unless provided otherwise in an applicable Pricing Supplement, if withholding under Section 871(m) is required with respect to any Program Securities held through a Relevant Clearing System or other intermediary, the Issuer may withhold U.S. federal income tax with respect to dividend equivalents a rate of 30% without regard to any reduced treaty rate, because the Issuer may not be able to associate the dividend equivalent payments with a valid tax certificate (such as an IRS Form W-8) that establishes eligibility for treaty benefits. If a beneficial owner of such Program Securities is entitled to a reduced rate of tax under an applicable income tax treaty, this will result in over-withholding. In that case, it is possible that the beneficial owner may be able to claim a refund for any excess amounts withheld by filing a U.S. tax return. However, the holder and beneficial owner may not be able to receive the necessary information to make a refund claim. Investors should consult their tax advisors regarding the consequences of any withholding (including over-withholding) under Section 871(m).

The relevant Issuer will determine whether a U.S. equity linked Program Security is subject to withholding under Section 871(m). If the Issuer has determined, as specified in the Pricing Supplement, that a U.S. equity linked Program Security should not be subject to withholding under Section 871(m), the Issuer will be deemed to instruct its agents and withholding agents that no such withholding is required, unless such agent or withholding agent knows or has reason to know otherwise. If withholding is required, the relevant Issuer will not be required to pay any additional amounts with respect to the amounts so withheld.

An Issuer's determination is not binding on the IRS, and the IRS may disagree with this determination. Section 871(m) is complex and its application may depend on the Non-U.S. Holder's particular circumstances. For example, the application of Section 871(m) may be affected if a Non-U.S. Holder enters into another transaction in connection with the acquisition of a U.S. equity linked Program Security. Accordingly, Non-U.S. Holders should consult their tax advisors regarding the potential application of Section 871(m) to the Program Securities in their particular circumstances.

FATCA

U.S. tax rules commonly referred to as "FATCA" generally impose a withholding tax of 30 per cent. on payments to certain non-U.S. entities (including financial intermediaries) with respect to certain financial instruments, unless various U.S. information reporting and due diligence requirements have been satisfied. An intergovernmental agreement between the United States and the non-U.S. entity's jurisdiction may modify these requirements. FATCA generally applies to certain financial instruments that are treated as paying U.S.-source interest or dividends or other U.S.-source "fixed or determinable annual or periodical" income ("**FDAP income**").

Withholding (if applicable) applies to any payment of amounts treated as U.S.-source interest or dividend equivalents (as discussed above under "—Dividend Equivalent Amounts") on the Program Securities. The FATCA rules impose withholding also on any payment of gross proceeds of the disposition (including upon retirement) of Program Securities treated as providing for U.S.-source interest or dividends. However, under proposed Treasury regulations (the preamble to which specifies that taxpayers are permitted to rely on them pending finalization), no withholding will apply to payments of gross proceeds (other than amounts treated as interest or other FDAP income). Although, under current law, payments of non-U.S. source income are not subject to withholding under FATCA, there is no assurance that future Treasury regulations will not impose such withholding with respect to certain "foreign passthru payments" (a term not yet defined in the Treasury regulations). The application of FATCA to Warrants and Certificates will be addressed in the applicable Pricing Supplement, where warranted. If withholding under current or future law applies to the Program Securities, the relevant Issuer will not be required to pay any additional amounts with respect to amounts withheld under FATCA. Non-U.S. Holders should consult their tax advisors regarding the potential application of FATCA to the Program Securities.

Backup Withholding and Information Reporting

Information returns may be filed with the IRS in connection with payments on the Program Securities as well as in connection with the proceeds from a sale, exchange or other disposition. A Non-U.S. Holder may be subject to backup withholding in respect of amounts paid to the Non-U.S. Holder, unless such Non-U.S. Holder complies with applicable certification procedures to establish that it is not a United States person for U.S. federal income tax purposes or otherwise establishes an exemption. Compliance with the certification procedures described above under "—Notes Treated as Indebtedness" will satisfy the certification requirements necessary to avoid backup withholding. The amount of any backup withholding from a payment to a Non-U.S. Holder will be allowed as a credit against the Non-U.S. Holder's U.S. federal income tax liability and may entitle the Non-U.S. Holder to a refund, provided that the required information is timely furnished to the IRS.

Estate Tax

Individual Non-U.S. Holders and entities the property of which is potentially includible in such an individual's gross estate for U.S. federal estate tax purposes (for example, a trust funded by such an individual and with respect to which the individual has retained certain interests or powers), should note that, absent an applicable treaty exemption, a Program Security that is treated as indebtedness for U.S. federal estate tax purposes will be treated as U.S. situs property subject to U.S. federal estate tax if payments on the Program Security, if received by the decedent at the time of death, would have been subject to U.S. federal withholding tax (even if the IRS Form W-8BEN or W-8BEN-E certification requirement described above were satisfied and not taking into account an elimination of such U.S. federal withholding tax due to the application of an income tax treaty or withholding under FATCA).

Absent an applicable treaty benefit, a Program Security that is not treated as indebtedness for U.S. federal estate tax purposes may be treated as U.S. situs property subject to U.S. federal estate tax. Non-U.S. Holders should consult their own tax advisors regarding the U.S. federal estate tax consequences of an investment in the Program Securities and the availability of benefits provided by an applicable estate tax treaty, if any.

United States Federal Taxation of Program Securities Offered Under Rule 144A to U.S. Holders

The following describes certain U.S. federal income tax consequences of the ownership and disposition of certain Program Securities offered pursuant to Rule 144A to U.S. Holders (as defined below).

This summary is based on the Code, administrative pronouncements, judicial decisions and final, temporary and proposed Treasury regulations, all as of the date hereof, changes to any of which subsequent to the date of this Offering Circular may affect the tax consequences described herein. The rules governing the U.S. federal income taxation of the Regulation S/Rule 144A Securities are complex and depend on a taxpayer's particular circumstances. Accordingly, this summary is not a comprehensive description of all of the tax considerations that may be relevant to any particular investor in a Regulation S/Rule 144A Security.

Moreover, this summary deals only with holders that purchase Regulation S/Rule 144A Securities at their initial offering at the applicable issue price and in whose hands the Regulation S/Rule 144A Securities are, and the stock or other property underlying the Regulation S/Rule 144A Security would be, capital assets for U.S. federal income tax purposes. In addition, this discussion assumes that the Warrants are treated as options for U.S. federal income tax purposes, and that when issued they are not significantly "in-the-money." This discussion further assumes that

there will be no substitution of another entity in place of the Issuer as principal obligor in respect of the Regulation S/Rule 144A Securities. Any such substitution may result in a deemed taxable exchange for U.S. Holders, depending on the facts at the time of the substitution. Furthermore, this discussion assumes that no non-U.S. tax will be imposed with respect to the Regulation S/Rule 144A Securities. Holders should consult their tax advisors regarding the U.S. federal income tax consequences if any non-U.S. tax is imposed with respect to the Regulation S/Rule 144A Securities. Moreover, this discussion does not address the consequences of the ownership or disposition of any Relevant Underlying received upon settlement of any Regulation S/Rule 144A Security, nor does it address the consequences of the ownership or disposition of any Regulation S/Rule 144A Security in the event such Regulation S/Rule 144A Security is physically settled.

The Issuers will not attempt to determine whether any issuer of the Relevant Underlying may be a passive foreign investment company ("PFIC") within the meaning of Section 1297 of the Code. If any issuer of the Relevant Underlying (including a component of a Relevant Underlying that is a basket or index) were so treated, certain adverse U.S. federal income tax consequences could apply to a U.S. Holder upon the sale, exchange or retirement of a Regulation S/Rule 144A Security. U.S. Holders should consult their tax advisors regarding the tax consequences if any such issuer of the Relevant Underlying is a PFIC.

This summary also does not discuss the U.S. federal income tax treatment of an investor that is subject to special rules, such as:

- a dealer or trader in securities that uses a mark-to-market method of tax accounting;
- a financial institution;
- an insurance company;
- a tax-exempt organization;
- an entity that is treated for U.S. federal income tax purposes as a partnership or other pass-through entity;
- an investor that purchases a Regulation S/Rule 144A Security and holds any other position (whether long or short, direct or indirect) in any asset underlying such Regulation S/Rule 144A Security;
- an investor that enters into a Regulation S/Rule 144A Security as part of a hedge, "straddle" or integrated transaction;
- an investor whose functional currency for U.S. federal income tax purposes is not the U.S. dollar;
- an investor that holds the Regulation S/Rule 144A Securities in connection with a trade or business outside the United States;
- an investor that is required to conform the timing of its income inclusions to its financial statements under the special tax accounting rules set forth in Section 451(b) of the Code; or
- a regulated investment company or a real estate investment trust.

Further, this summary does not address any minimum tax consequences, the Medicare tax on investment income or the tax implications for U.S. expatriates and former long-term residents of the United States.

If an entity that is classified as a partnership holds a Regulation S/Rule 144A Security, the tax treatment of a partner generally will depend upon the status of the partner and the activities of the partnership. Partners of partnerships holding Program Securities should consult their tax advisors regarding the U.S. federal income tax consequences of owning and disposing of a Regulation S/Rule 144A Security.

This summary does not address the U.S. federal income tax consequences of every type of Regulation S/Rule 144A Security which may be issued under the Program and is subject to any additional discussion regarding U.S. federal taxation contained in the applicable Issue Terms. Accordingly, U.S. Holders should also consult the applicable Issue Terms for any additional discussion of U.S. federal taxation with respect to the specific Regulation S/Rule 144A Securities offered thereunder.

For purposes of this discussion, a "**U.S. Holder**" means a person that for U.S. federal income tax purposes is a beneficial owner of a Regulation S/Rule 144A Security and:

- (i) a citizen or individual resident of the United States, as defined in Section 7701(b) of the Code;
- (ii) a corporation, including any entity treated as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States, any State thereof or the District of Columbia; or
- (iii) an estate or trust, the income of which is subject to U.S. federal income tax without regard to its source.

Program Securities not Treated as Indebtedness

This discussion pertains only to Program Securities (i) that pay a single payment at maturity or upon early settlement based on the performance of the Relevant Underlying (and thus may be more or less than the Notes' issue price) without any coupons and (ii) where the Relevant Underlying is a single stock or a stock index that is not actively managed.

Warrants

Premium. Premium paid by a U.S. Holder for a Warrant will generally be treated as a non-deductible capital expenditure. As described in the following two sections, the amount of such premium will be taken into account upon the exercise, sale, transfer, cash settlement, or lapse of the Warrant.

Sale, Transfer, Cash Settlement, or Lapse of Warrants. A U.S. Holder of a Warrant will generally recognize capital gain or loss upon the sale, transfer, cash settlement or lapse of the Warrant in an amount equal to the difference between (i) the amount realized by the investor from such sale, transfer, settlement, or lapse, if any, and (ii) the amount of the premium that the investor paid for the Warrant. Such capital gain or loss will be long-term capital gain or loss if the Warrant was held for more than one year. Certain exceptions to such treatment are noted below, and, if appropriate, may be addressed in the applicable Issue Terms.

Mark-to-Market Rules. Under Section 1256 of the Code, special mark-to-market and character rules may apply in the case of certain options that are listed on a "qualified board or exchange" for purposes of Section 1256. Section 1256 includes exemptions for certain listed options (e.g., options that are linked to a single stock or certain narrow-based indices). U.S. Holders should consult their tax advisors regarding the possible application of these rules to Warrants.

Certificates and Notes

Classification of the Certificates and Notes

Although there is uncertainty regarding the U.S. federal income tax consequences of an investment in the Certificates or Notes due to the lack of governing authority, except as noted in the applicable Issue Terms, Certificates or Notes that are Regulation S/Rule 144A Securities and are not described in "—Exchangeable Notes Treated as Debt Instruments" below are intended to be treated as "open transactions" for U.S. federal income tax purposes. No ruling is being requested from the IRS with respect to the Certificates or Notes, and the treatment of the Certificates and Notes described below is not binding on the IRS or a court. Therefore, significant aspects of the U.S. federal income tax consequences of an investment in the Certificates or Notes are uncertain. The following consequences apply to a Certificate or Note if its treatment as an open transaction is respected.

Treatment Prior to Settlement or Disposition. Subject to the discussions below under "Possible Alternative Tax Treatments," a U.S. Holder should not be required to recognize taxable income during the term of a Regulation S/Rule 144A Security prior to its settlement or disposition.

Cash Settlement, Sale, or Other Disposition of the Certificates or Notes. Upon the cash settlement, sale or other disposition of a Certificate or Note, a U.S. Holder will recognize taxable gain or loss equal to the difference between the amount realized (generally, the amount of cash received) and the U.S. Holder's tax basis in the Certificate or Note. In general, a U.S. Holder's tax basis in a Certificate or Note will equal the amount the U.S. Holder paid to acquire the Certificate or Note. Subject to the discussion above regarding the PFIC rules and the discussion below under "—Constructive Ownership," any such gain or loss generally will be long-term capital gain or loss if the Certificates or Notes were held for more than one year at the time of settlement, sale or other disposition, and short-term capital gain or loss otherwise.

Constructive Ownership. Some or all of the net long-term capital gain arising from certain "constructive ownership" transactions may be characterised as ordinary income, in which case an interest charge would be imposed on any such ordinary income. These rules may apply to the Certificates or Notes if the underlying

property directly or indirectly includes shares of issuers treated as PFICs or of certain pass-through entities (such as partnerships, real estate investment trusts and regulated investment companies (including most ETFs)). U.S. Holders should consult their tax advisors regarding the possible application of these rules to any Regulation S/Rule 144A Security.

Foreign Currency Rules. Payments of premium, exercise price, sale proceeds, and cash settlement amounts in respect of Regulation S/Rule 144A Securities that are denominated in a currency other than the U.S. dollar will be subject to special U.S. tax rules regarding foreign currency transactions. U.S. Holders should consult their tax advisors concerning the application of these rules in their particular circumstances.

Possible Alternative Tax Treatments

Due to the absence of authorities that directly address the proper tax treatment of the Regulation S/Rule 144A Securities, the IRS could seek to treat the Regulation S/Rule 144A Securities under alternative characterisations, some of which are briefly described below.

Contingent Payment Debt Instruments. The IRS could seek to treat Certificates or Notes as debt for U.S. federal income tax purposes. If any Certificates or Notes with a term of more than one year (after taking into account the last possible date that the Certificates or Notes could be outstanding under their terms) were treated as debt, such Certificates or Notes would potentially be treated as contingent payment debt instruments and the tax consequences to a U.S. Holder would be determined under Treasury regulations governing such instruments (the "**Contingent Payment Regulations**"). The Contingent Payment Regulations are complex, but very generally would require a U.S. Holder to accrue original issue discount on the Certificates or Notes every year at a "comparable yield" for the issuer of the instrument, determined at the time of issuance. In addition, the Contingent Payment Regulations require that a projected payment schedule, which results in such a "comparable yield," be determined by the Issuer, and that adjustments to income accruals be made to account for differences between the actual and projected amounts of the contingent payments on the contingent payment debt instruments. To the extent that the actual contingent payments for a taxable year exceed the projected amounts of such payments for that year, the U.S. Holder of a contingent payment debt instrument will recognize ordinary interest income for that taxable year in excess of the cash the U.S. Holder receives and such excess would increase the U.S. Holder's tax basis in the debt instrument. In addition, any gain realized on the settlement, sale, redemption or other disposition would be treated as ordinary income. Any loss realized on such settlement, sale, redemption or other disposition will be treated as an ordinary loss to the extent that the U.S. Holder's original issue discount inclusions with respect to the obligation exceed prior reversals of such inclusions required by the adjustment mechanism described above. Any loss realized in excess of such amount generally will be treated as a capital loss. This treatment is further described below under "—Exchangeable Notes Treated as Debt Instruments".

Interest in the Underlying Property. Depending on the terms of particular Certificates or Notes, a U.S. Holder could be treated as owning the property underlying those Certificates or Notes for U.S. federal income tax purposes. In that event, certain adverse U.S. federal income tax consequences might apply. For example, in the case of securities linked to an index, the U.S. Holder might be required to recognize appropriate amounts of capital gain on the disposition of any shares included in the underlying index each time that the index is rebalanced. In addition, the U.S. Holder might be subject to tax on dividends on shares included in the index in an amount equal to the gross dividends paid by companies whose shares are included in the index. Furthermore, any current expenses (including any withholding taxes) in respect of shares included in the index would be treated as if incurred directly by the U.S. Holder, and the deductibility of such expenses (or creditability of such withholding taxes) could be subject to limitations. Moreover, adverse consequences would apply if any of the index components is stock of a PFIC.

Future Regulations or Other Guidance. The U.S. Treasury Department and the IRS have requested comments on various issues regarding the U.S. federal income tax treatment of "prepaid forward contracts" and similar financial instruments and have indicated that such transactions may be the subject of future regulations or other guidance. Furthermore, members of Congress have proposed legislative changes to the tax treatment of derivative contracts. Any legislation, Treasury regulations or other guidance promulgated after consideration of these issues could materially and adversely affect the tax consequences of an investment in the Regulation S/Rule 144A Securities, possibly with retroactive effect. U.S. Holders are urged to consult their tax advisors concerning the significance, and the potential impact, of the considerations above. The Issuers intend to treat the Regulation S/Rule 144A Securities for U.S. federal income tax purposes in accordance with the treatment described in this Offering Circular or the applicable Issue Terms unless and until such time as the U.S. Treasury Department and IRS determine that some alternative treatment is more appropriate.

Exchangeable Notes Treated as Debt Instruments

The following discussion applies to cash-settled Exchangeable Notes issued by MSFL that are purchased by a U.S. Holder in the initial offering at their issue price (*i.e.*, the first price at which a substantial amount of the Exchangeable Notes of the relevant series is sold to the public), are held by the U.S. Holder as capital assets for U.S. federal income tax purposes, and pay principal amount in cash at maturity or upon early settlement in an amount that is not less than 90% of the issue price. The applicable Pricing Supplement will indicate an Issuer's treatment of Notes not described in the preceding sentence.

Unless specified otherwise in an applicable Pricing Supplement, MSFL intends to treat the Exchangeable Notes as indebtedness for U.S. federal income tax purposes. There can be no assurance that the IRS or a court will agree with MSFL's intended treatment, in which case the U.S. federal income tax consequences of owning the Exchangeable Notes will be materially different from those described below. U.S. Holders should consult their tax advisers regarding the treatment of the Exchangeable Notes for U.S. federal income tax purposes and any alternative characterization. The remainder of this discussion assumes that MSFL's treatment of the Exchangeable Notes as debt instruments for U.S. federal income tax purposes will be respected.

Exchangeable Notes Treated as Short-term Notes

The following discussion applies to Exchangeable Notes with a term of one year or less (from but excluding the issue date to and including the last possible date that the Exchangeable Notes could be outstanding pursuant to their terms) ("short-term notes").

The treatment of Exchangeable Notes with scheduled payments that may be postponed under certain circumstances is not entirely clear. As a result, the IRS or a court may not respect MSFL's treatment of a particular issuance of Exchangeable Notes as short-term notes, or conversely may determine that an issuance of Exchangeable Notes should have been treated as short-term notes. In either case, the consequences of ownership and disposition of the affected Exchangeable Notes could be significantly different from those resulting from MSFL's intended treatment.

Generally, a short-term note is treated as issued at a discount equal to the sum of all payments required to be made on the short-term note minus its issue price. A U.S. Holder who uses a cash method of accounting for U.S. federal income tax purposes (a "cash-method holder") generally will not be required to recognize income with respect to a short-term note prior to maturity, other than with respect to the receipt of interest payments, if any, or pursuant to a taxable disposition of the short-term note. A U.S. Holder who uses an accrual method of accounting for U.S. federal income tax purposes (an "accrual-method holder"), or a cash-method holder who elects to accrue income on the short-term note currently, will be subject to rules that generally require accrual of discount on short-term notes over the term of the short-term notes, which would be calculated on a straight-line basis unless the U.S. Holder elects a constant-yield method of accrual based on daily compounding. Because the amount payable on an Exchangeable Note at maturity is subject to contingency, it is not clear whether or how any accrual should be determined prior to the time at which the relevant payment is calculated. U.S. Holders should consult their tax advisers regarding the amount and timing of any accruals on short-term notes.

Upon a taxable disposition of a short-term note, a U.S. Holder will generally recognize gain or loss equal to the difference between the amount realized on the taxable disposition and the U.S. Holder's tax basis in the short-term note. A U.S. Holder's tax basis in the short-term note should equal its cost, increased, if the U.S. Holder accrues income on the short-term note currently, by any previously accrued but unpaid discount. The amount of any resulting loss generally will be treated as a short-term capital loss, the deductibility of which is subject to limitations. Additionally, if a U.S. Holder recognizes a loss above certain thresholds, the U.S. Holder may be required to file a disclosure statement with the IRS with respect to "reportable transactions." U.S. Holders should consult their tax advisers regarding this reporting obligation. The excess of the amount received at maturity over a U.S. Holder's tax basis in the short-term note generally should be treated as ordinary income. Any gain recognized by a U.S. Holder on the taxable disposition of a short-term note prior to maturity should generally be ordinary income to the extent of accrued and unpaid discount on the short-term note, which is calculated on a straight-line basis unless the U.S. Holder elects to calculate such accrual on a constant-yield basis. However, if a U.S. Holder sells a short-term note prior to the time the amount payable at maturity has been fixed, it is not clear whether any gain the U.S. Holder recognizes in respect of such contingent payment should be treated as ordinary income, short-term capital gain, or a combination of ordinary income and short-term capital gain. U.S. Holders should consult their tax advisers regarding the treatment of a taxable disposition of short-term notes providing for contingent payments.

If a U.S. Holder is a cash-method taxpayer, unless the U.S. Holder makes an election to accrue income currently on a short-term note, the U.S. Holder will generally be required to defer deductions for interest paid on indebtedness incurred to purchase or carry the short-term note in an amount not exceeding the accrued discount that the U.S. Holder has not included in income. As discussed above, it is unclear whether or how accrual of discount should be determined prior to the time at which the amount payable at maturity is calculated.

If a U.S. Holder makes the election to accrue income on a short-term note currently, that election will apply to all short-term debt instruments acquired by the U.S. Holder on or after the first day of the first taxable year to which that election applies. U.S. Holders should consult their tax advisors regarding these rules.

Payments with respect to short-term notes that are denominated in a currency other than the U.S. dollar will be subject to special U.S. tax rules. For example, if a short-term note is denominated in a foreign currency, gain or loss recognized on a disposition of the short-term note (that is not already treated as ordinary income under the rules described above) may be treated as ordinary income or loss to the extent attributable to fluctuations in currency exchange rates. The rules applicable to foreign currency debt instruments are complex and their application may depend on a U.S. Holder's particular situation. For example, various elections are available under these rules, and whether a U.S. Holder should make any of these elections may depend on the U.S. Holder's circumstances. U.S. Holders should consult their tax advisors regarding the U.S. federal income tax consequences of the ownership and disposition of a short-term note that is denominated in foreign currency, including the exchange rates at which amounts accrued or received with respect to the short-term notes should be translated to U.S. dollars.

Exchangeable Notes Treated as Foreign Currency Contingent Payment Debt Instruments

The following discussion applies to Exchangeable Notes the payments on which are denominated in, or determined by reference to, foreign currency. Unless provided otherwise in an applicable Pricing Supplement, MSFL intends to treat such Notes as foreign currency contingent payment debt instruments for U.S. federal income tax purposes ("foreign currency CPDIs") subject to special rules under Treasury regulations that govern the tax treatment of such debt securities (the "foreign currency contingent debt regulations").

Pursuant to the foreign currency contingent debt regulations, a U.S. Holder will be required to accrue interest income on the foreign currency CPDIs on a constant yield basis, based on a comparable yield, as described below, regardless of the U.S. Holder's method of tax accounting. All determinations and computations required under the foreign currency contingent debt regulations (including our determination of the "comparable yield" and "projected payment schedule" for the foreign currency CPDIs) will be made in the denomination currency of the foreign currency CPDIs. The foreign currency contingent payment debt regulations provide that the denomination currency of foreign currency CPDIs that have principal or interest payments denominated in, or determined by reference to, more than one currency is the currency with the greatest value determined by comparing the value of the noncontingent and projected payments denominated in, or determined by reference to, each currency on the issue date, discounted to present value and, if necessary, translated into U.S. dollars at the spot rate on the issue date.

The foreign currency contingent debt regulations provide that a U.S. Holder must accrue into income original issue discount ("OID") for U.S. federal income tax purposes for each accrual period prior to and including the maturity date of a foreign currency CPDI. The amount of OID that a U.S. Holder must accrue for each accrual period is determined in the denomination currency by applying the "noncontingent bond method" to the foreign currency CPDI in the denomination currency and equals the product of:

- the adjusted issue price (as defined below) of the foreign currency CPDI in the denomination currency as of the beginning of the accrual period;
- the comparable yield (as defined below) of the foreign currency CPDI, adjusted for the length of the accrual period; and
- a fraction, the numerator of which is the number of days during the accrual period that the U.S. Holder held the foreign currency CPDI and the denominator of which is the number of days in the accrual period.

The "adjusted issue price" of a foreign currency CPDI is its issue price, increased by any interest income previously accrued, determined without regard to any adjustments to interest accruals described below, and decreased by the projected amount of any payments previously made pursuant to the projected payment schedule described below (without regard to the actual amount paid), each determined in the denomination currency.

The term "comparable yield" as used in the foreign currency contingent debt regulations is determined in the denomination currency and is equal to the greater of (i) the annual yield MSFL would pay, as of the issue date, on a fixed-rate, nonconvertible debt instrument in the denomination currency with no contingent payments, but with terms and conditions otherwise comparable to those of the foreign currency CPDIs, and (ii) a rate of interest that is analogous to the applicable federal rate that would be used if the U.S. dollar were the denomination currency.

The foreign currency contingent debt regulations require that MSFL provide, solely for U.S. federal income tax purposes, a schedule of the projected amounts of payments in the denomination currency (the "projected payment schedule") on a foreign currency CPDI. This schedule must produce a yield to maturity that equals the comparable yield. MSFL will determine the comparable yield and related projected payment schedule for each issuance of foreign currency CPDIs and will provide them, or information on how to obtain them, in the applicable Pricing Supplement. Although it is not clear how the comparable yield should be determined for foreign currency CPDIs that may be redeemed before maturity, MSFL intends to determine the comparable yield for such foreign currency CPDIs based on the stated maturity date.

For U.S. federal income tax purposes, a U.S. Holder is required under the foreign currency contingent debt regulations to use the comparable yield and the projected payment schedule established by MSFL in determining interest accruals and adjustments thereto in respect of a foreign currency CPDI, unless such U.S. Holder timely discloses and justifies the use of a different comparable yield and projected payment schedule to the IRS.

The comparable yield and the projected payment schedule will not be provided for any purpose other than to determine a U.S. Holder's interest accruals and adjustments thereto in respect of the foreign currency CPDIs for U.S. federal income tax purposes. The comparable yield and the projected payment schedule will not constitute a projection or representation by MSFL regarding the actual amounts that will be paid on the foreign currency CPDIs.

Translation of Amounts Determined Under Noncontingent Bond Method. The accruals of interest computed with respect to a foreign currency CPDI in the denomination currency (adjusted by certain net positive or negative adjustments as described below) must be translated into U.S. dollars. The U.S. dollar value of the accrued income will be determined by translating the income at an average rate of exchange for the accrual period or, with respect to an accrual period that spans two taxable years, at an average rate for the partial period within the taxable year. A U.S. Holder may elect to translate interest income for an interest accrual period into U.S. dollars at the spot rate on the last day of the interest accrual period (or, in the case of a partial accrual period, the spot rate on the last day of the taxable year). If a U.S. Holder makes this election, the U.S. Holder must apply it consistently to all debt instruments from year to year and cannot change the election without the consent of the IRS.

Adjustments to Interest Accruals. If, during any taxable year, a U.S. Holder receives actual payments with respect to a foreign currency CPDI that, in the aggregate, exceed the total amount of projected payments for that taxable year, as determined in the denomination currency, the U.S. Holder will incur a "net positive adjustment" under the foreign currency contingent debt regulations equal to the amount of such excess. The U.S. Holder will treat a net positive adjustment as additional interest income in that taxable year, translated into U.S. dollars at the spot rate on the last day of the taxable year in which the adjustment is taken into account or, if earlier, the date of a sale, exchange or retirement of the foreign currency CPDI.

If a U.S. Holder receives in a taxable year actual payments with respect to a foreign currency CPDI that, in the aggregate, are less than the amount of projected payments for that taxable year, as determined in the denomination currency, the U.S. Holder will incur a "net negative adjustment" under the foreign currency contingent debt regulations equal to the amount of such deficit. This net negative adjustment:

- (i) will first reduce the U.S. Holder's interest income on the foreign currency CPDI that otherwise would accrue in the denomination currency for that taxable year;
- (ii) to the extent of any excess after applying (i), will give rise to an ordinary loss to the extent of the U.S. Holder's accrued but unpaid interest on the foreign currency CPDI in prior taxable years (translated into U.S. dollars at the spot rate used to translate interest in the relevant prior taxable year); and
- (iii) to the extent of any excess after applying (i) and (ii), will be treated as a net negative adjustment carryforward that will be applied to reduce interest accruals in subsequent years and the amount realized in the year of a taxable disposition of the foreign currency CPDI (in the denomination currency).

With respect to non-corporate U.S. Holder's, a net negative adjustment is not treated as a miscellaneous itemized deduction (which for non-corporate U.S. Holder's would be non-deductible).

Taxable Disposition. Upon a taxable disposition of a foreign currency CPDI, a U.S. Holder generally will recognize taxable income or loss equal to the difference between the amount received and the U.S. Holder's tax basis in the CPDI. As discussed above, to the extent that a U.S. Holder has any net negative adjustment carryforward, the U.S. Holder may use such net negative adjustment to reduce the amount realized in the denomination currency upon a taxable disposition of the foreign currency CPDI.

A U.S. Holder's tax basis in a foreign currency CPDI generally will be equal to the U.S. dollar cost as of the day the U.S. Holder purchased the foreign currency CPDI, increased by the U.S. dollar value of the U.S. Holder's total interest accruals with respect to the foreign currency CPDI (determined without regard to any adjustments to interest accruals as described above), translated as described above, and decreased by the amount of any projected payments that previously have been scheduled to be made in respect of the foreign currency CPDI (translated into U.S. dollars).

The amount realized by a U.S. Holder upon a taxable disposition of a foreign currency CPDI is generally equal to the U.S. dollar value of cash received by the U.S. Holder, reduced by the amount of any net negative adjustment carryforward (translated into U.S. dollars). Any gain, other than foreign currency gain (as discussed below), will be treated as ordinary interest income. Any loss, other than foreign currency loss (as discussed below), will be treated as an ordinary loss to the extent of the excess of the U.S. Holder's total interest accruals over the total net negative adjustments previously taken into account as ordinary losses in respect of the foreign currency CPDI, and thereafter as a capital loss (which will be long-term capital loss if the foreign currency CPDI has been held for more than one year). The deductibility of capital losses is subject to limitations. If a U.S. Holder recognizes an ordinary loss upon a taxable disposition of a foreign currency CPDI and such loss is above certain thresholds, the U.S. Holder may be required to file a disclosure statement with the IRS with respect to "reportable transactions." U.S. Holders should consult their tax advisors regarding this reporting obligation.

For purposes of determining the amount realized at maturity of a foreign currency CPDI, a U.S. Holder will be deemed to receive the projected amount of any contingent payment due on that date, reduced by the amount of any net negative adjustment carryforward. The projected amount is translated into U.S. dollars by translating the portion attributable to principal into U.S. dollars at the spot rate on the issue date and translating the portion attributable to accrued interest into U.S. dollars at the rates at which such amounts of interest were translated when accrued. To the extent that the actual amount a U.S. Holder receives at the maturity of a foreign currency CPDI is greater or less than the projected amount, the U.S. Holder will incur a net positive adjustment or a net negative adjustment, which will be treated as described above under "—Adjustments to Interest Accruals." To the extent that there is any net negative adjustment carryforward as described above under "—Adjustments to Interest Accruals," it will reduce the amount realized on the foreign currency CPDI (translated into U.S. dollars at the spot rate on the issue date of the foreign currency CPDI).

Foreign Currency Gain or Loss. A U.S. Holder may recognize foreign currency gain or loss with respect to a foreign currency CPDI when the U.S. Holder receives payments on a foreign currency CPDI. The amount of foreign currency gain or loss attributable to payments of interest previously accrued on the foreign currency CPDI is determined by translating the amount of interest received into U.S. dollars at the spot rate on the date of receipt and subtracting from such amount the amount determined by translating the interest received into U.S. dollars at the rate at which such interest was accrued as described above. The amount of foreign currency gain or loss attributable to payments of principal is determined by translating the amount of principal received into U.S. dollars at the spot rate on the date of receipt and subtracting from such amount the amount determined by translating the principal received into U.S. dollars at the spot rate on the date the foreign currency CPDI was issued or, if later, acquired. For purposes of determining the amount of foreign currency gain or loss, the amount received (i) shall first be attributed to any net positive adjustment on the foreign currency CPDI that has not previously been taken into account and (ii) then attributed to accrued but unpaid interest remaining after reduction by any net negative adjustment and (iii) shall, to the extent of any remaining amount, be attributed to the principal.

Upon a taxable disposition of a foreign currency CPDI, a U.S. Holder would also recognize foreign currency gain or loss. Payments received upon such taxable disposition shall first be applied against the principal of the foreign currency CPDI and then against accrued but unpaid interest (and treated, in each case, as described in the preceding paragraph).

The total amount of foreign currency gain or loss on a foreign currency CPDI is equal to the sum of the foreign currency gains or losses on principal and interest, calculated as described above. Any such foreign currency gain

or loss will be treated as ordinary income or loss. U.S. Holders should consult their tax advisors regarding these rules. If a U.S. Holder recognizes an ordinary loss upon a sale or other disposition of a foreign currency CPDI and such loss is above certain thresholds, the U.S. Holder may be required to file a disclosure statement with the IRS with respect to “reportable transactions.” U.S. Holders should consult their tax advisors regarding this reporting obligation.

Special Rules for Contingent Payments that Fix Early. Special rules will apply if one or more contingent payments on a foreign currency CPDI become fixed (for example, upon the occurrence of an Extraordinary Event). If one or more (but not all) contingent payments on a foreign currency CPDI (determined in the denomination currency) become fixed more than six months prior to the date each such payment is due, a U.S. Holder will be required to make a positive or negative adjustment, as appropriate, equal to the difference between the present value of the amounts that are fixed and the present value of the projected amounts of the contingent payments as provided in the projected payment schedule (determined in the denomination currency), using the comparable yield as the discount rate in each case. If all remaining scheduled contingent payments on a foreign currency CPDI become fixed substantially contemporaneously, a U.S. Holder will be required to make adjustments to account for the difference between the amounts treated as fixed and the projected payments in a reasonable manner over the remaining term of the foreign currency CPDI. For purposes of the preceding sentence, a payment (including an amount payable at maturity) will be treated as fixed if (and when) all remaining contingencies with respect to it are remote or incidental within the meaning of the applicable Treasury regulations. A U.S. Holder’s tax basis in the foreign currency CPDI and the character of any gain or loss on the sale of the foreign currency CPDI will also be affected. Furthermore, if all the payments on a foreign currency CPDI become fixed prior to the original issue date, the foreign currency CPDI might be treated as a debt instrument that is not a foreign currency contingent payment debt instrument for U.S. federal income tax purposes. U.S. Holders should consult their tax advisors concerning the application of these special rules.

Foreign Currency CPDIs Purchased for Amounts Different from their Adjusted Issue Price. If a U.S. Holder purchases a foreign currency CPDI for an amount that is different from its adjusted issue price, the U.S. Holder will be required to account for this difference, generally by allocating it reasonably among projected payments on the foreign currency CPDI or daily portions of interest that the U.S. Holder is required to accrue with respect to the foreign currency CPDI and treating these allocations as adjustments to the U.S. Holder’s income when the payment is made or the interest accrues. U.S. Holders should consult their tax advisors regarding these rules.

USD Exchangeable Notes Treated as Contingent Payment Debt Instruments

The following discussion applies to Exchangeable Notes denominated in U.S. dollars. Unless provided otherwise in an applicable Pricing Supplement, MSFL intends to treat such Notes as contingent payment debt instruments for U.S. federal income tax purposes (“CPDIs”) that will be subject to special rules that govern the tax treatment of CPDIs under applicable Treasury regulations (the “contingent debt regulations”).

Pursuant to the contingent debt regulations, a U.S. Holder will be required to accrue interest income on the CPDIs on a constant yield basis, based on a comparable yield, as described below, regardless of the U.S. Holder’s method of tax accounting. Accordingly, depending on the terms of the CPDIs, a U.S. Holder may be required to include interest in income each year in excess of any stated interest payments actually received in that year.

The contingent debt regulations provide that a U.S. Holder must accrue into income for U.S. federal income tax purposes for each accrual period prior to and including the maturity date of a CPDI an amount that equals the product of:

- the adjusted issue price (as defined below) of the CPDI as of the beginning of the accrual period;
- the comparable yield (as defined below) of the CPDI, adjusted for the length of the accrual period; and
- a fraction, the numerator of which is the number of days during the accrual period that the U.S. Holder held the CPDI and the denominator of which is the number of days in the accrual period.

The “adjusted issue price” of a CPDI is its issue price, increased by any interest income previously accrued, determined without regard to any adjustments to interest accruals described below, and decreased by the projected amount of any payments previously made pursuant to the projected payment schedule described below (without regard to the actual amount paid).

The term “comparable yield” as used in the contingent debt regulations is the greater of (i) the annual yield MSFL would pay, as of the issue date, on a fixed-rate, nonconvertible debt instrument with no contingent payments, but with terms and conditions otherwise comparable to those of the CPDIs, and (ii) the applicable federal rate.

The contingent debt regulations require that MSFL provides solely for U.S. federal income tax purposes, a schedule of the projected amounts of payments (the “projected payment schedule”) on a CPDI. This schedule must produce a yield to maturity that equals the comparable yield. MSFL will determine the comparable yield and related projected payment schedule for each issuance of CPDIs and will provide them, or information on how to obtain them, in the applicable Pricing Supplement. Although it is not clear how the comparable yield should be determined for CPDIs that may be redeemed before maturity, MSFL intends to determine the comparable yield for such CPDIs based on the stated maturity date.

For U.S. federal income tax purposes, a U.S. Holder is required under the contingent debt regulations to use the comparable yield and the projected payment schedule established by MSFL in determining interest accruals and adjustments thereto in respect of a CPDI, unless the U.S. Holder timely discloses and justifies the use of a different comparable yield and projected payment schedule to the IRS.

The comparable yield and the projected payment schedule will not be provided for any purpose other than to determine a U.S. Holder’s interest accruals and adjustments thereto in respect of the CPDIs for U.S. federal income tax purposes. The comparable yield and the projected payment schedule will not constitute a projection or representation by MSFL regarding the actual amounts that will be paid on the CPDIs.

Adjustments to Interest Accruals. If, during any taxable year, a U.S. Holder receives actual payments with respect to a CPDI that, in the aggregate, exceed the total amount of projected payments for that taxable year, the U.S. Holder will incur a “net positive adjustment” under the contingent debt regulations equal to the amount of such excess. The U.S. Holder will treat a net positive adjustment as additional interest income in that taxable year.

If a U.S. Holder receives in a taxable year actual payments with respect to a CPDI that, in the aggregate, are less than the amount of projected payments for that taxable year, the U.S. Holder will incur a “net negative adjustment” under the contingent debt regulations equal to the amount of such deficit. This net negative adjustment:

- (i) will first reduce the U.S. Holder’s interest income on the CPDI for that taxable year;
- (ii) to the extent of any excess after applying (i), will give rise to an ordinary loss to the extent of the U.S. Holder’s accrued but unpaid interest on the CPDI in prior taxable years, reduced to the extent such interest was offset by prior net negative adjustments; and
- (iii) to the extent of any excess after applying (i) and (ii), will be treated as a net negative adjustment carryforward that will be applied to reduce interest accruals in subsequent years and the amount realized in the year of a taxable disposition of the CPDI (in the denomination currency).

With respect to non-corporate U.S. Holders, a net negative adjustment is not treated as a miscellaneous itemized deduction (which for non-corporate U.S. Holders would be non-deductible).

Taxable Disposition. Upon a taxable disposition of a CPDI, a U.S. Holder generally will recognize taxable income or loss equal to the difference between the amount received and the U.S. Holder’s tax basis in the CPDI. As discussed above, to the extent that a U.S. Holder has any net negative adjustment carryforward, the U.S. Holder may use such net negative adjustment to reduce the amount realized upon a taxable disposition of the CPDI.

For purposes of determining the amount realized on the scheduled retirement of a CPDI, a U.S. Holder will be treated as receiving the projected amount of any contingent payment due at maturity. As previously discussed, to the extent that actual payments with respect to the CPDIs during the year of the scheduled retirement are greater or less than the projected payments for such year, a U.S. Holder will incur a net positive or negative adjustment, resulting in additional ordinary income or loss, as the case may be.

A U.S. Holder’s tax basis in a CPDI generally will be equal to the U.S. Holder’s original purchase price for the CPDI, increased by the U.S. Holder’s total interest accruals (determined without regard to any adjustments to interest accruals as described above) and decreased by the amount of any projected payments that previously have been scheduled to be made in respect of the CPDI (without regard to the actual amount paid).

Gain recognized by a U.S. Holder upon a taxable disposition of a CPDI generally will be treated as ordinary interest income. Any loss will be ordinary loss to the extent of the excess of the U.S. Holder’s total interest

accruals over the total net negative adjustments previously taken into account as ordinary losses in respect of the CPDI, and thereafter as capital loss (which will be long-term capital loss if the CPDI has been held for more than one year). The deductibility of capital losses is subject to limitations. If a U.S. Holder recognizes an ordinary loss upon a taxable disposition of a CPDI and such loss is above certain thresholds, the U.S. Holder may be required to file a disclosure statement with the IRS with respect to “reportable transactions.” U.S. Holders should consult their tax advisors regarding this reporting obligation.

Special Rules for Contingent Payments that Fix Early. Special rules will apply if one or more contingent payments on a CPDI become fixed (for example, upon the occurrence of an Extraordinary Event). If one or more (but not all) contingent payments on a CPDI become fixed more than six months prior to the date each such payment is due, a U.S. Holder will be required to make a positive or negative adjustment, as appropriate, equal to the difference between the present value of the amounts that are fixed and the present value of the projected amounts of the contingent payments as provided in the projected payment schedule, using the comparable yield as the discount rate in each case. If all remaining scheduled contingent payments on a CPDI become fixed substantially contemporaneously, a U.S. Holder will be required to make adjustments to account for the difference between the amounts treated as fixed and the projected payments in a reasonable manner over the remaining term of the CPDI. For purposes of the preceding sentence, a payment (including an amount payable at maturity) will be treated as fixed if (and when) all remaining contingencies with respect to it are remote or incidental within the meaning of the applicable Treasury regulations. A U.S. Holder’s tax basis in the CPDI and the character of any gain or loss on the sale of the CPDI will also be affected. Furthermore, if all the payments on a CPDI become fixed prior to the original issue date, the CPDI might be treated as a debt instrument that is not a contingent payment debt instrument for U.S. federal income tax purposes. U.S. Holder’s should consult their tax advisors concerning the application of these special rules.

CPDIs Purchased for Amounts Different from their Adjusted Issue Price. If a U.S. Holder purchases a CPDI for an amount that is different from its adjusted issue price, the U.S. Holder will be required to account for this difference, generally by allocating it reasonably among projected payments on the CPDI or daily portions of interest that the U.S. Holder is required to accrue with respect to the CPDI and treating these allocations as adjustments to the U.S. Holder’s income when the payment is made or the interest accrues. U.S. Holders should consult their tax advisors regarding these rules.

Backup Withholding and Information Reporting

Information returns may be filed with the IRS in connection with payments on the Regulation S/Rule 144A Securities as well as in connection with the proceeds from a sale, exchange or other disposition. Backup withholding may apply in respect of these payments unless the U.S. Holder provides proof of an applicable exemption or a correct taxpayer identification number and otherwise complies with applicable requirements of the backup withholding rules. The amounts withheld under the backup withholding rules are not an additional tax and may be refunded or credited against the U.S. Holder’s U.S. federal income tax liability, provided that the required information is timely furnished to the IRS. If backup withholding is required, none of the Issuers, Guarantor or any other person will be required to pay any additional amounts with respect to amounts so withheld.

Belgian Supplemental Conditions

If “Supplementary Provisions for Belgian Notes” or “Supplementary Provisions for Belgian Securities” is specified as applicable in the applicable Pricing Supplement and if an Early Redemption Event or Early Settlement Event (as applicable) occurs and an Early Settlement Amount (Monetisation) is paid on the Maturity Date or the Expiration Date (as applicable), the Securities will likely be treated as debt instruments for U.S. federal income tax purposes after the Early Redemption Date (Put). In that case, subject to the discussions in “—*FATCA*” and “—*Backup Withholding and Information Reporting*” above, a Non-U.S. Holder should not be subject to U.S. withholding tax on payments on the Maturity Date or the Expiration Date (as applicable) provided that, in the case of Securities issued by Morgan Stanley, MSFL or MSFII, the conditions described in “—*Notes Treated as Indebtedness*” above are met or the Non-U.S. Holder establishes any other exemption from U.S. withholding including under an applicable tax treaty.

Other Program Securities

Under current U.S. federal income tax law, the U.S. federal income tax treatment of program securities not described above is uncertain and will depend on the terms of the relevant program securities. U.S. Holders should review the applicable supplement and consult their tax advisors.

UNITED KINGDOM TAXATION

The following disclosure applies only in respect of Program Securities issued by Morgan Stanley, MSI plc, MSBV, MSFL, MSFII or MSESE and not in respect of Program Securities issued by an Additional Issuer or any substitute issuer, and references in this section on United Kingdom taxation to "Notes", "Certificates" and "Warrants" and references to "Noteholders," "Certificateholders" and "Warrantholders" should be construed accordingly.

The following is a summary of the United Kingdom withholding taxation treatment at the date hereof in relation to payments in respect of the Program Securities and is not intended to be exhaustive. The comments do not deal with other United Kingdom tax aspects of acquiring, holding, disposing of, exercising or abandoning Program Securities. Transactions involving Program Securities, including the issue and subscription of Program Securities, any purchase or disposal, redemption, exercise or settlement of Program Securities, 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 Program Securities). The tax consequences may depend, amongst other things, on the status of the potential investor and the terms and conditions of a particular Program Security as specified in the Pricing Supplement. It is based on current United Kingdom law and published practice of HM Revenue and Customs ("**HMRC**"), which may be subject to change, sometimes with retrospective effect. The comments relate only to the position of persons who are absolute beneficial owners of the Program Securities. Prospective Securityholders and Noteholders should be aware that the particular terms of issue of any series of Program Securities as specified in the applicable Pricing Supplement may affect the tax treatment of that and other series of Program Securities. This summary assumes that there will be no substitution of any Issuer and do not address the consequences of any such substitution or further issue (notwithstanding that such substitution may be permitted by the terms and conditions of the Program Securities).

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 Securityholders and Noteholders who are in any doubt as to their tax position should consult their professional advisors about tax implications of purchasing and holding a Program Security, any transaction involving a Program Security, and any transaction involved in the exercise and settlement of a Program Security.

Securityholders and 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 Program Securities. In particular, Securityholders and Noteholders should be aware that they may be liable to taxation under the laws of other jurisdictions (particularly in any jurisdiction where a Noteholder is resident or otherwise subject to taxation) in relation to payments in respect of the Program Securities even if such payments may be made without withholding or deduction for or on account of taxation under the laws of the United Kingdom.

1. UK Withholding Taxes on the Program Securities

General

United Kingdom withholding taxes can apply to a number of different types of payments. Those which could be relevant to securities such as the Program Securities include: interest, annual payments and manufactured payments. As a general matter, an Issuer that is not resident in the United Kingdom may make payments under the Program Securities without any deduction of or withholding on account United Kingdom income tax if the payments do not have a United Kingdom source and they are not made by the Issuer in the course of a trade carried on in the United Kingdom through a branch or agency

Notes - UK Withholding Tax on Interest Payments by the Issuers

Interest on Notes issued for a term of less than one year (and which are not issued with the intention, or under arrangements the effect of which is to render the Notes capable of forming part of a borrowing with a total term of one year or more) may be paid by the relevant 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 intention or effect of which is to render the Notes capable of forming part of a borrowing with a total term of one year or more) may be paid by the relevant Issuer without withholding or deduction for or on account of United Kingdom

income tax except in circumstances where such interest has a United Kingdom source. The location of the source of a payment is a complex matter. It is necessary to have regard to case law and HMRC practice which indicates that, in determining the source of interest all relevant factors must be taken into account. HMRC has indicated that the most important factors in determining the source of a payment are the place where the Issuer does business; the place where its assets are located, the substantive origin of the funds out of which the interest is paid; the competent jurisdiction for legal action; the proper law of the contract; the place where any guarantor does business and location of any security for the debt. However, HMRC has also indicated that, depending on the circumstances, there may be other relevant factors and this list is not exhaustive.

Interest which has a United Kingdom source ("**UK interest**") may be paid by the relevant Issuer without withholding or deduction for or on account of United Kingdom income tax if the Notes in respect of which the UK interest is paid constitute "quoted Eurobonds". Notes which carry a right to interest 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 UK or European Economic Area-regulated recognised stock exchange within the meaning of sections 987 and 1005 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 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 admitted to trading and officially listed in a country outside the United Kingdom in which there is a recognised stock exchange in accordance with provisions corresponding to those generally applicable in European Economic Area States.

As Euronext Dublin and the Luxembourg Stock Exchange are recognised stock exchanges the Notes will, accordingly, constitute "quoted Eurobonds" provided they are and continue to be "listed on" (within the definition in the previous paragraph) those exchanges. The Notes will satisfy this requirement if they are and continue to be officially listed in Ireland or Luxembourg in accordance with provisions corresponding to those generally applicable in European Economic Area States and are admitted to trading on the Global Exchange Market of Euronext Dublin or the Euro MTF market of the Luxembourg Stock Exchange as applicable.

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. From April 2027, provisions in the Finance Act 2026 provide that the rate of withholding will be equal to a new savings basic rate of income tax of 22%.

Program Securities – annual payments

If a periodic payment on a Program Security were not "interest", and not repayment of principal, then such payment could constitute an "annual payment". Whether or not any periodic payment were to constitute an "annual payment" for these purposes will depend upon, amongst other things, the terms and conditions of the Program Securities and the basis upon which it is calculated. However, if in relation to a Program Security the Issuer is only required to make a single payment to its holders following redemption or exercise, and there are no amounts due by way of interest or other periodic payment on that Program Security, payments should not generally constitute "annual payments".

Payments on a Program Security which constitute "annual payments" that do not have a United Kingdom source may be made without deduction or withholding on account of United Kingdom income tax.

An amount must generally be withheld from "annual payments" on Program Securities that have a United Kingdom source on account of United Kingdom income tax at the basic rate (currently 20%), 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.

Manufactured Payments

Payments on the Program Securities should not constitute "manufactured payments" subject to any deduction of or withholding on account of United Kingdom income tax unless:

- (i) the Program Securities will or may settle by way of physical delivery;
- (ii) the assets which will or may be delivered are shares issued by a "company UK REIT" or the "principal company" of a "group UK REIT" (all bearing the same meaning as in section 918 of the Income Tax Act 2007) or securities (other than shares) issued by the United Kingdom government, a local or other public authority in the United Kingdom or any other United Kingdom resident body; and
- (iii) the payments are representative of dividends on those shares, or interest paid on those securities (as the case may be).

Payments on a Program Security which do constitute "manufactured payments" may in any event be made without deduction of or withholding on account of United Kingdom income tax unless the Issuer is resident in the United Kingdom or makes those payments in the course of a trade carried on in the United Kingdom through a branch or agency.

If such a "manufactured payment" were paid by an Issuer in the course of a trade carried on in the United Kingdom through a branch or agency or by an Issuer that is resident in the United Kingdom, then the Issuer may be required to make a deduction of or withholding on account of United Kingdom income tax from such payment on account of United Kingdom income tax at the basic rate, 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. From April 2027, provisions in the Finance Act 2026 provide that the rate of withholding will be equal to a new property basic rate of income tax of 22%.

2. *Payments under Deed of Covenant*

Any payments made under the Deed of Covenant by the relevant Issuer may not qualify for any of the exemptions from UK withholding tax described above.

3. *Payments by Guarantor*

The United Kingdom withholding tax treatment of payments by the Guarantor under the terms of the Guarantee in respect of payments under the Program Securities is uncertain. If the Guarantor makes any payments and such payments have a United Kingdom source, such payments may be subject to United Kingdom withholding tax at the applicable rate subject to such relief as may be available under the provisions of any applicable double taxation treaty or to any other exemption which may apply. Whether such payments made by the Guarantor have a United Kingdom source is a complex matter and is likely to be determined by reference to similar factors to those set out in paragraph 1 above. Such payments by the Guarantor may not be eligible for the exemptions described in paragraph 1 above.

4. *Other Rules relating to United Kingdom Withholding Tax*

Where Program Securities 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 that would be subject to United Kingdom withholding tax and reporting requirements as outlined above.

Where interest has been paid under deduction of United Kingdom income tax, Securityholders and 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.

The references to "interest" above mean "interest" as understood in 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 Program Securities or any related documentation.

NETHERLANDS TAXATION

The following disclosure applies only in respect of Program Securities issued by MSBV and not in respect of Program Securities issued by Morgan Stanley, MSI plc, MSFL or an Additional Issuer or any substitute issuer. References in this section on Netherlands taxation to "Program Securities" refer only to Program Securities issued by MSBV and references to holders of Program Securities should be construed accordingly.

The following summary of certain Dutch taxation matters is based on the laws and practice in force as of the date of this Offering Circular and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of Program Securities, and does not purport to deal with the tax consequences applicable to all categories of investors, some of which may be subject to special rules.

For the purpose of this summary, the term "**entity**" means a corporation as well as any other person that is taxable as a corporation for Dutch corporate tax purposes.

Where this summary refers to a holder of a Program Security, an individual holding a Program Security or an entity holding a Program Security, such reference is restricted to an individual or entity holding legal title to as well as an economic interest in such Program Security.

Where the summary refers to "**The Netherlands**" or "**Dutch**" it refers only to the European part of the Kingdom of the Netherlands.

This summary does not address the tax consequences of any holder of Program Securities who is a resident of any non-European part of the Kingdom of the Netherlands.

This summary does also not address the Netherlands tax consequences for a holder of Program Securities that is an entity considered to be affiliated (*gelieerd*) to MSBV within the meaning of the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*). Generally, a holder of Program Securities is regarded as 'affiliated' for these purposes if, whether individually or as part of a qualifying unity (*kwalificerende eenheid*): (i) the holder of Program Securities (or a direct or indirect participant in such holder of Program Securities) holds a qualifying interest in MSBV, (ii) MSBV holds a qualifying interest in the holder of Program Securities (or a direct or indirect participant in such holder of Program Securities), or (iii) a third party holds a qualifying interest in both MSBV and the holder of Program Securities (or a direct or indirect participant in such holder of Program Securities). A qualifying interest is an interest that allows the holder, or the qualifying unity of which it forms part, to exercise influence over the other party's decisions in such a way that it is able to determine the activities of the other party. A party is in any case considered to hold a qualifying interest in another party if it, (directly or indirectly,) holds more than 50% of the voting rights in such other party. A qualifying unity is defined as entities that have been established and/or are acting jointly with the primary purpose, or one of the primary purposes, to avoid the imposition of tax on one or more of such entities, for example where the controlling interest (to be) held is divided into various non-controlling interests with the primary purpose, or one of the primary purposes, to avoid the aforementioned tax.

This summary does not address the Netherlands tax consequences for a holder of Program Securities in respect of the Dutch Minimum Taxation Act 2024 (*Wet minimumbelasting 2024*) (which is the Dutch implementation of Council Directive (EU) 2022/2523 of 14 December 2022 on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the EU).

Investors should consult their professional advisors on the tax consequences of their acquiring, holding and disposing of Program Securities.

Withholding Tax

All payments under the Program Securities may be made free of withholding or deduction of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein, **provided that** (i) the Program Securities have a maturity – legally or de facto - of not more than 50 years, and (ii) the Program Securities will not represent, be linked to (the performance of) or be convertible (in part or in whole) into, (rights to purchase) (a) shares, (b) profit certificates (*winstbewijzen*), and/or (c) debt instruments having a maturity – legally or de facto – of more than 50 years, issued by MSBV, the Guarantor or any other entity related to MSBV and/or the Guarantor.

Taxes on Income and Capital Gains

A holder of Program Securities will not be subject to any Netherlands taxes on income or capital gains in respect of Program Securities, including such tax on any payment under the Program Securities or in respect of any gain realised on the disposal, deemed disposal or exchange of Program Securities, **provided that**:

- (a) such holder is neither a resident nor deemed to be a resident of the Netherlands; and
- (b) such income or gain is not attributable to an enterprise or part thereof which is either effectively managed in The Netherlands or carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in The Netherlands; and
- (c) the holder is not entitled to a share in profits of an enterprise that is effectively managed in the Netherlands, and to which enterprise the income or capital gain is attributable, other than by way of securities; and
- (d) if such holder is an individual, neither such holder nor any of his spouse, his partner, a person deemed to be his partner, or other persons sharing such person's house or household, or certain other of such persons' relatives (including foster children), whether directly and/or indirectly as (deemed) settlor, grantor or similar originator (the "**Settlor**") or upon the death of the Settlor, his/her beneficiaries (the "**Beneficiaries**") in proportion to their entitlement to the estate of the Settlor of a trust, foundation or similar arrangement (the "**Trust**") (a) has indirectly the disposition of the proceeds of Program Securities in the Netherlands, nor (b) has a substantial interest in MSBV, the Guarantor and/or any other entity that legally or de facto, directly or indirectly, has control of the proceeds of Program Securities in the Netherlands. For purposes of this paragraph (d), a substantial interest is generally not present if a holder does not hold, alone or together with his spouse, his partner, a person deemed to be his partner, or other persons sharing such person's house or household, or certain other of such person's relatives (including foster children), or a Trust of which he or any of the aforementioned persons is a Settlor or a Beneficiary, whether directly or indirectly, (a) the ownership of, certain other rights, such as usufruct, over, or rights to acquire shares (whether or not already issued) representing five per cent. or more of the total issued and outstanding capital (or of the issued and outstanding capital of any class of shares) of a company, (b) the ownership of, or certain other rights, such as usufruct, over profit sharing certificates (*winstbewijzen*), or membership rights in a co-operative association, entitling the holder to five per cent. or more of the annual profits or of the liquidation distributions of a company or co-operative association, or (c) membership rights representing five per cent. or more of the voting rights in a co-operative association's general meeting; and
- (e) if such holder is a company, such holder does not have a substantial interest in MSBV or if such holder does have such a substantial interest, it is not held with the avoidance of Netherlands income tax as (one of) the main purpose(s) or there is not an artificial arrangement or series of arrangements. For the purpose of this paragraph (e), a substantial interest is generally not present if a holder does not hold, whether directly or indirectly, (a) the ownership of, certain other rights, such as usufruct, over, or rights to acquire shares (whether or not already issued) representing five per cent. or more of the total issued and outstanding capital (or of the issued and outstanding capital of any class of shares) of MSBV, or (b) the ownership of, or certain other rights, such as usufruct, over profit sharing certificates (*winstbewijzen*), entitling the holder to five per cent. or more of the annual profits or of the liquidation distributions of MSBV; and
- (f) if such holder is an individual, such income or capital gains do not form "benefits from miscellaneous activities in the Netherlands" (*resultaat uit overige werkzaamheden in Nederland*), which would for instance be the case if the activities in the Netherlands with respect to the Program Securities exceed "normal active asset management" (*normaal, actief vermogensbeheer*) or if income and gains are derived from the holding, whether directly or indirectly, of (a combination of) shares, debt claims or other rights (together, a "**lucrative interest**") that the holder thereof has acquired under such circumstances that such income and gains are intended to be remuneration for work or services performed by such holder (or a related person) in the Netherlands, whether within or outside an employment relation, where such lucrative interest provides the holder thereof, economically speaking, with certain benefits that have a relation to the relevant work or services.

A holder of Program Securities will not be subject to taxation in the Netherlands by reason only of the execution, delivery and/or enforcement of the documents relating to an issue of Program Securities or the performance by MSBV of its obligations thereunder or under the Program Securities.

Gift, Estate and Inheritance Taxes

No gift, estate or inheritance taxes will arise in the Netherlands with respect to an acquisition or deemed acquisition of Program Securities by way of a gift by, or on the death of, a holder of Program Securities who is neither resident nor deemed to be resident in the Netherlands, unless in the case of a gift of Program Securities by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in the Netherlands.

For purposes of Netherlands gift and inheritance tax, a gift that is made under a condition precedent is deemed to be made at the moment such condition precedent is satisfied. If the condition precedent is fulfilled after the death of the donor, the gift is deemed to be made upon the death of the donor.

For purposes of Netherlands gift and inheritance tax, an individual who holds the Netherlands nationality will be deemed to be resident in the Netherlands if he has been resident in the Netherlands at any time during the ten years preceding the date of the gift or his death.

For purposes of Netherlands gift tax, an individual not holding the Netherlands nationality will be deemed to be resident in the Netherlands if he has been resident in the Netherlands at any time during the twelve months preceding the date of the gift.

For gift and inheritance tax purposes, (i) a gift by a third party such as a trustee, foundation or similar entity or arrangement, will be construed as a gift by the Settlor, and (ii) upon the death of the Settlor, as a rule, his/her Beneficiaries, will be deemed to have inherited directly from the Settlor. Subsequently, the Beneficiaries will be deemed the settlor, grantor or similar originator of the Trust for the purposes of the Netherlands gift and inheritance tax in case of subsequent gifts or inheritances.

Turnover Tax

No Netherlands turnover tax will arise in respect of any payment in consideration for the issue of Program Securities, with respect to any payment by MSBV of principal, interest or premium (if any) on the Program Securities.

Other Taxes and Duties

No Netherlands capital tax, registration tax, customs duty, transfer tax, stamp duty or any other similar documentary tax or duty, other than court fees, will be payable in the Netherlands in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including the enforcement of any foreign judgment in the Courts of the Netherlands) of the documents relating to the issue of Program Securities or the performance by MSBV of its obligations thereunder or under the Program Securities.

AUSTRIAN TAXATION

This section on taxation contains a brief summary of the Issuer's understanding with regard to certain important principles which may be of significance in connection with the purchase, holding or sale of the Program Securities in the Republic of Austria. This summary does not purport to exhaustively describe all possible tax aspects and does not deal with specific situations which may be of relevance for certain potential investors. The following comments are rather of a general nature and included herein solely for information purposes. These comments are not intended to be, nor should they be construed to be, legal or tax advice. This summary furthermore only refers to investors which are subject to unlimited (corporate) income tax liability in Austria. It is based on the currently valid tax legislation, case law and regulations of the tax authorities, as well as their respective interpretation, all of which may be amended from time to time. Such amendments may possibly also be effected with retroactive effect and may negatively impact on the tax consequences described. Potential purchasers should be aware that the tax authorities generally have a critical attitude towards structured financial products that may result in a beneficial tax treatment. It is recommended that potential purchasers of the Program Securities consult with their legal and tax advisors as to the tax consequences of the purchase, holding or sale of the Program Securities. Tax risks resulting from the Program Securities (in particular from a potential qualification as a foreign investment fund within the meaning of sec. 188 of the Austrian Investment Funds Act (Investmentfondsgesetz)) shall in any case be borne by the purchaser. For the purposes of the following it is assumed that the Program Securities qualify as bonds (Forderungswertpapiere) thereby securitising the investor's debt claim and are legally and factually publicly offered to an indefinite number of persons. In addition, the following information is based on the assumption that the Issuer neither has its seat nor its place of management in Austria.

The Issuer assumes no responsibility with respect to taxes withheld at source.

General remarks

Individuals having a permanent domicile (*Wohnsitz*) and/or their habitual abode (*gewöhnlicher Aufenthalt*), both as defined in sec. 26 of the Austrian Federal Fiscal Procedures Act (*Bundesabgabenordnung*), in Austria are subject to income tax (*Einkommensteuer*) in Austria on their worldwide income (unlimited income tax liability; *unbeschränkte Einkommensteuerpflicht*). Individuals having neither a permanent domicile nor their habitual abode in Austria are subject to income tax only on income from certain Austrian sources (limited income tax liability; *beschränkte Einkommensteuerpflicht*).

Corporations having their place of effective management (*Ort der Geschäftsleitung*) and/or their legal seat (*Sitz*), both as defined in sec. 27 of the Austrian Federal Fiscal Procedures Act, in Austria are subject to corporate income tax (*Körperschaftsteuer*) in Austria on their worldwide income (unlimited corporate income tax liability; *unbeschränkte Körperschaftsteuerpflicht*). Corporations having neither their place of effective management nor their legal seat in Austria are subject to corporate income tax only on income from certain Austrian sources (limited corporate income tax liability; *beschränkte Körperschaftsteuerpflicht*).

Both in case of unlimited and limited (corporate) income tax liability Austria's right to tax may be restricted by double taxation treaties.

Income taxation of the Program Securities

Pursuant to sec. 27(1) of the Austrian Income Tax Act, the term investment income (**Einkünfte aus Kapitalvermögen**) comprises:

- income from the letting of capital (*Einkünfte aus der Überlassung von Kapital*) pursuant to sec. 27(2) of the Austrian Income Tax Act, including dividends and interest;
- income from realised increases in value (*Einkünfte aus realisierten Wertsteigerungen*) pursuant to sec. 27(3) of the Austrian Income Tax Act, including gains from the sale, alienation, redemption and other realisation of assets that lead to income from the letting of capital, including income from zero coupon bonds and also accrued interest (*Stückzinsen*)
- income from derivatives (*Einkünfte aus Derivat*) pursuant to sec. 27(4) of the Austrian Income Tax Act, including cash settlements, option premiums received and income from the sale, the settlement or other realisation event of forward contracts like options, futures and swaps and other derivatives such as index certificates; and

- income from cryptocurrencies (*Einkünfte aus Kryptowährungen*) pursuant to sec. 27(4a) of the Austrian Income Tax Act that includes current income (*laufende Einkünfte*) as well as income from realised increases in value (*Einkünfte aus realisierten Wertsteigerungen*) from cryptocurrencies pursuant to sec. 27b of the Austrian Income Tax Act.

According to the interpretation of the Austrian Ministry of Finance, sec. 27(4) of the Austrian Income Tax Act comprises all kinds of certificates, including for example index certificates, alpha certificates or so-called sport certificates (Income Tax Act Guidelines 2000, *Einkommensteuerrichtlinien 2000*. "EStR 2000", para. 6173). The underlying may be shares, indices, commodities, currencies, bonds, metals, etc. In case of certificates, income from derivatives results from the difference between the acquisition costs and the sales prices or redemption value or settlement amount (all of the latter depending on the development in value of the underlying). Indexed bonds (*indexierte Anleihen*) or bonds with index-linked yield (*Anleihen mit indexorientierter Verzinsung*) are not deemed to be derivatives for purposes of sec. 27(4) of the Austrian Income Tax Act. Interest resulting from these bonds is treated as income from the letting of capital pursuant to sec. 27(2) of the Austrian Income Tax Act; the sale or redemption of these bonds is deemed to lead to income from increases in value pursuant to sec. 27(3) of the Austrian Income Tax Act (EStR 2000, para. 6195 et seq.).

In case the Issuer may choose whether to redeem a bond either by handing out cash or by way of transferring (own or third party) shares (so-called cash or share bonds), interest paid on these bonds is deemed to be income from the letting of capital pursuant to sec. 27(2) of the Austrian Income Tax Act. The exercise of the option by the Issuer is not deemed to be an exchange of bonds for stock and does therefore not result in a sale of the bond with a subsequent acquisition of the shares (EStR 2000, para. 6183 et seq.). Income from the sale or redemption of cash or share bonds constitutes income from realised increases in value pursuant to sec. 27(3) of the Austrian Income Tax Act.

Income from securitised or non-securitised options/warrants (*Optionen, Optionsscheine*) is treated as income from derivatives. This includes income from cash settlements, option premiums, the sale of the derivative or any other event resulting in a settlement or set-off of positions. The mere exercise of options or the delivery of the underlying does generally not trigger a taxable event under sec. 27(4) of the Austrian Income Tax Act but may result in increased acquisition costs, reduced sale proceeds or reduced interest. Any underlying received is deemed to be acquired upon the option's exercise (for a consideration) (EStR 2000, para. 6174 et seq.). In this case a realisation event that may – depending on the respective underlying – lead to the taxation of hidden reserves does commonly not take place before the subsequent sale of the underlying.

The withdrawal of the Program Securities from a bank deposit (*Depotentnahme*) would generally be considered as a sale. In case certain notification requirements are met, no taxation is triggered. Furthermore, circumstances leading to a restriction of Austria's taxation right regarding the Program Securities vis-à-vis other countries, e.g. a relocation from Austria (*Wegzug*) are in general deemed to constitute a sale (cf. sec. 27(6)(1) of the Austrian Income Tax Act). In case of relocation of an individual to a Member State of the European Union or Member States of the European Economic Area, a deferral of taxation may be available.

Individuals holding the Program Securities as non-business assets

Individuals subject to unlimited income tax liability in Austria holding the Program Securities as a non-business asset (*Privatvermögen*) are subject to income tax on all resulting investment income pursuant to sec. 27(1) of the Austrian Income Tax Act.

The mere exercise of options or the delivery of the underlying in case of derivatives in the sense of sec. 27(4) of the Austrian Income Tax Act does generally not (yet) trigger taxation pursuant to sec. 27(4) of the Austrian Income Tax Act, but may result in increased acquisition costs, reduced capital gains, or reduced interest of the underlying (for the option holder).

In case of investment income with an Austrian nexus (*inländische Einkünfte aus Kapitalvermögen*), basically meaning income paid by an Austrian paying agent (*auszahlende Stelle*) or an Austrian custodian agent (*depotführende Stelle*), the income is subject to a withholding tax of 27.5%; no additional income tax is levied over and above the amount of tax withheld (final taxation pursuant to sec. 97(1) of the Austrian Income Tax Act). Pursuant to the interpretation of the Austrian Ministry of Finance, the special tax rate of 27.5% only applies to income from derivatives pursuant to sec. 27(4) of the Austrian Income Tax Act, if the derivatives are securitised and are offered in a public placement or if the Austrian custodian or paying agent voluntarily withholds 27.5% tax pursuant to sec. 27a(2)(7) of the Austrian Income Tax Act (EStR 2000, para. 6225a). In case of investment

income without an Austrian nexus, the income must be included in the annual income tax return of the individual holding the Program Securities and is subject to a flat income tax rate of 27.5%. In both cases upon application the option exists to tax all income subject to income tax at the flat rate of 27.5% at the regular personal progressive income tax rate, which may be lower than the flat rate of 27.5%, depending on the individual circumstances (option to regular taxation pursuant to sec. 27a(5) of the Austrian Income Tax Act). Whether the exercise of such option is beneficial for the individual holding the Program Securities must be clarified with the personal tax adviser.

Expenses and costs which are directly connected to income from the Program Securities subject to the special income tax rate of 27.5% are not deductible (sec. 20(2)(2) of the Austrian Income Tax Act). The acquisition costs of the Program Securities shall not include ancillary acquisition costs (sec. 27a(4)(2) of the Austrian Income Tax Act).

Sec. 27(8) of the Austrian Income Tax Act, inter alia, provides for the following restrictions on the set-off of losses: negative income from realised increases in value and from derivatives (inter alia, if being in the form of securities) may be neither set off vis-à-vis interest and other claims against credit institutions which are subject to income tax at the flat rate of 25% nor against certain income pursuant to sec. 27(5)(7) of the Austrian Income Tax Act. Income subject to income tax at the flat rate of 25% or 27.5% may not be set-off against investment income subject to the progressive income tax rate; negative investment income not already set-off against positive investment income may not be set-off against other types of income. Restrictions concerning the set-off of losses of investment income equally apply in case of an exercise of the option to regular taxation.

Individuals holding the Program Securities as business assets

Individuals subject to unlimited income tax liability in Austria holding the Program Securities as a business asset (*Betriebsvermögen*) are subject to income tax on all resulting investment income pursuant to sec. 27(1) of the Austrian Income Tax Act.

In case of investment income with an Austrian nexus the income is subject to a withholding tax of 27.5%. While this withholding tax has the effect of final taxation for income from the letting of capital, income from realised increases in value and income from derivatives if in the form of securities must be included in the annual income tax return of the individual holding the Program Securities (nevertheless the flat income tax rate of 27.5% applies). Reference is made to the Austrian Ministry of Finance's view as regards the application of the special tax rate of 27.5% for income from derivatives in the sense of sec. 27(4) of the Austrian Income Tax Act (EStR 2000, para. 789). In case of investment income without an Austrian nexus, the income must always be included in the annual income tax return of the individual holding the Program Securities (the flat income tax rate of 27.5% applies). In both cases upon application the option exists to tax all income subject to income tax at the flat rate of 27.5% at the regular personal progressive income tax rate, which may be lower than the flat rate of 27.5%, depending on the individual circumstances (option to regular taxation pursuant to sec. 27a(5) of the Austrian Income Tax Act). Whether the exercise of such option is beneficial for the individual holding the Program Securities must be clarified with the personal tax adviser.

Expenses and costs which are directly connected to income from the Program Securities which is subject to the special income tax rate of 27.5% are not deductible (sec. 20(2)(2) of the Austrian Income Tax Act). The acquisition costs of Program Securities held as business assets may also include ancillary costs incurred upon the acquisition (sec. 27a(4)(2) of the Austrian Income Tax Act).

Pursuant to sec. 6(2)(c) of the Austrian Income Tax Act, depreciations to the lower fair market value and losses from the sale, redemption and other realisation of financial assets, derivatives and cryptocurrencies in the sense of sec. 27(3) to (4a) of the Austrian Income Tax Act, which are subject to special tax rates of 25% or 27.5%, are primarily to be set off against income from realised increases in value of such financial assets, derivatives and cryptocurrencies and with appreciations in value of such assets within the same business unit (*Wirtschaftsgüter desselben Betriebes*); only 55% of the remaining negative difference may be set off against other types of income (and carried forward).

Corporations and Private Foundations

Corporations subject to unlimited corporate income tax liability in Austria are subject to corporate income tax on income in the sense of sec. 27(1) of the Austrian Income Tax Act from the Program Securities at a rate of 23%.

In case of income in the sense of sec. 27(1) of the Austrian Income Tax Act with an Austrian nexus the income is generally subject to a withholding tax of 27.5%, which may be reduced to 23% in case a corporation is the beneficial recipient of such income. Such withholding tax can be credited against the corporate income tax liability. However, no withholding tax is levied pursuant to sec. 94(5) and (12) of the Austrian Income Tax Act if certain conditions are met. Losses from the sale of the Program Securities can be set off against other income (and carried forward under general conditions).

Expenses and costs which are directly connected to income from the Program Securities are generally tax deductible. The acquisition costs of Program Securities may also include ancillary costs incurred upon the acquisition.

Private foundations (*Privatstiftungen*) pursuant to the Austrian Private Foundations Act (*Privatstiftungsgesetz*) fulfilling the prerequisites contained in sec. 13(3) of the Austrian Corporate Income Tax Act and holding the Program Securities as a non-business asset are subject to interim taxation at a rate of 23% for calendar years 2024 and 2025 and 27.5% for calendar years from 2026 onwards on interest income, income from realised increases in value, income from derivatives (inter alia, if the latter are in the form of securities; or in case of non-securitised derivatives if the custodian or paying agent voluntarily withholds the tax at source pursuant to sec. 27a(2)(7) of the Austrian Income Tax Act) (sec. 13(3)(1) in connection with sec. 22(2) of the Austrian Corporate Income Tax Act). Interim tax does not fall due insofar as distributions subject to withholding tax are made to beneficiaries in the same tax period. In case of investment income with an Austrian nexus (as described above) the income is generally subject to a withholding tax of 27.5%, which may be reduced to 23% in case a corporation is the beneficial recipient of such income. Such withholding tax can be credited against the tax falling due. Under the conditions set forth in sec. 94(12) of the Austrian Income Tax Act, no withholding tax is levied.

Set off of losses by an Austrian custodian agent

Pursuant to sec. 93(6) of the Austrian Income Tax Act, the Austrian custodian agent is obliged to automatically set-off negative investment income against positive investment income, taking into account all of a taxpayer's bank deposits with the same custodian agent. If negative and at the same time or later in the same calendar year positive income is earned, then the negative income is to be set-off against the positive income. If positive and later in the same calendar year negative income is earned, then withholding tax on the positive income is to be credited, with such tax credit being limited to 27.5% of the negative income. In certain cases, the set-off is not permissible. The custodian agent has to issue a tax certificate (*Steuerreporting*) to the recipient of investment income upon request, which includes, inter alia, the amount of positive and negative investment income, the amount of negative income which has been set-off with positive income, as well as the losses available for offsetting within the tax assessment (sec. 96(5) Austrian Income Tax Act).

Risk of qualification as units in a non-Austrian investment fund

Further, subject to certain conditions, the Program Securities may be re-qualified as units of a foreign investment fund in the meaning of sec 188 of the Austrian Investment Funds Act. The term "foreign investment fund" comprises (i) undertakings for collective investment in transferable securities ("UCITS") the state of origin of which is not Austria, (ii) alternative investment funds ("AIF") pursuant to the Austrian Act on Alternative Investment Fund Managers (*Alternative Investmentfonds Manager-Gesetz*, "AIFMG") the state of origin of which is not Austria (except real estate AIFs), and (iii) undertakings subject to a foreign jurisdiction, irrespective of the legal form they are organized in, the assets of which are invested according to the principle of risk-spreading on the basis either of a statute, of the undertaking's articles or of customary exercise, if one of the following conditions is fulfilled: (a) the undertaking is factually, directly or indirectly, not subject to a corporate income tax in its state of residence that is comparable to Austrian corporate income tax; (b) the profits of the undertaking are in its state of residence subject to corporate income tax that is comparable to Austrian corporate income tax, at a rate of less than 13%; or (c) the undertaking is subject to a comprehensive personal or material tax exemption in its state of residence. In order to assess whether the undertaking invests according to the principle of risk-spreading, an economic approach applies (substance over form). The Austrian tax authorities consider it as an indication that no foreign investment fund is given if the lack of an investment strategy precludes the qualification of an investment structure as an AIF because the competent regulatory authority qualifies the strategy as an entrepreneurial strategy. According to the view of the Austrian tax authorities, an investment fund is in particular assumed if the issuer has an obligation to the investor how to invest the funds received or if it can influence the value of the underlying assets.

Uncertainties exist as to the precondition under which a foreign issuer must qualify as an AIF manager; regarding the definition of an AIF, the guidelines issued by the Austrian Financial Market Authority are applicable.

Prospective investors are, therefore, advised to consult their tax advisors to obtain further information about the interpretation of the law and the application of the law by the tax authorities in this regard.

In case of a qualification as a foreign investment fund, the tax consequences would substantially differ from those described above, since a special (modified) tax transparency regime would in such case be applied for Austrian tax purposes. Pursuant to such principle, generally both distributions as well as at least a certain part of the retained income could be subject to Austrian (corporate) income tax.

Non-Austrian resident Individuals and corporations

Individuals and corporations subject to limited (corporate) income tax liability in Austria are taxable on income from the Program Securities if they have a permanent establishment in Austria and the Program Securities are attributable to such permanent establishment (sec. 98(1)(3) of the Austrian Income Tax Act, sec. 21(1)(1) of the Austrian Corporate Income Tax Act). In addition, individuals subject to limited income tax liability in Austria are also taxable on interest in the sense of sec. 27(2)(2) of the Austrian Income Tax Act and accrued interest (including from zero coupon bonds) in the sense of sec. 27(6)(5) of the Austrian Income Tax Act from the Program if the (accrued) interest has an Austrian nexus and if withholding tax is levied on such (accrued) interest. This does not apply to individuals being resident in a state with which automatic exchange of information exists. Interest with an Austrian nexus is interest from a debtor, which has its place of management or its legal seat in Austria or is an Austrian branch of a non-Austrian credit institution; accrued interest with an Austrian nexus is accrued interest from securities issued by an Austrian issuer (sec. 98(1)(5)(b) of the Austrian Income Tax Act). Relief from Austrian income tax might be available under applicable double tax treaties.

Austrian inheritance and gift tax

Austria does not levy an inheritance and gift tax anymore.

However, it should be noted that certain gratuitous transfers of assets to (Austrian or foreign) private law foundations and comparable legal estates (*privatrechtliche Stiftungen und damit vergleichbare Vermögensmassen*) are subject to foundation transfer tax (*Stiftungseingangssteuer*) pursuant to the Austrian Foundation Transfer Tax Act (*Stiftungseingangssteuergesetz*). Such tax is triggered if the transferor and/or the transferee at the time of transfer have a domicile, their habitual abode, their legal seat or their place of effective management in Austria. Certain exemptions apply in case of a transfer mortis causa of financial assets within the meaning of sec. 27(3) and (4) of the Austrian Income Tax Act (except for participations in Austrian and non-Austrian corporations) if income from such financial assets is subject to income tax at the flat tax rate of 25% or 27.5%. The tax basis is the fair market value of the assets transferred minus any debts, calculated at the time of transfer. The tax rate is currently in general 3.5%, with a higher rate of 25% applying in special cases.

In addition, a special notification obligation exists for gifts of money, receivables, shares in corporations, participations in partnerships, businesses, movable tangible assets and intangibles. The notification obligation applies if the donor and/or the donee have a domicile, their habitual abode, their legal seat or their place of effective management in Austria. Not all gifts are covered by the notification obligation: In case of gifts to certain related parties, a threshold of EUR 50,000 per year applies; in all other cases, a notification is obligatory if the value of gifts made exceeds an amount of EUR 15,000 during a period of five years. Furthermore, gratuitous transfers to foundations falling under the Austrian Foundation Transfer Tax Act described above are also exempt from the notification obligation. Intentional violation of the notification obligation may lead to the levying of fines of up to 10% of the fair market value of the assets transferred.

Further, it should be noted that the withdrawal of financial assets and derivatives in the sense of sec. 27(3) and (4) of the Austrian Income Tax Act is considered a sale pursuant to sec. 27(6)(2) of the Austrian Income Tax Act. Also gratuitous transfers of the Program Securities can trigger income tax on the level of the transferor (see above).

BELGIAN TAXATION

The following summary describes the principal Belgian tax considerations with respect to the holding of Program Securities obtained by an investor in Belgium. This information is of a general nature and does not purport to be a comprehensive description of all Belgian tax considerations that may be relevant to a decision to acquire, to hold or to dispose of the Program Securities. This summary is based on Belgian tax legislation, treaties, rules, and administrative interpretations and similar documentation, in force as of the date of the publication of this Offering Circular, without prejudice to any amendments introduced at a later date, even if implemented with retroactive effect. This summary does not describe the tax consequences for a holder of Program Securities that are redeemable in exchange for, or convertible into assets, or the exercise, settlement or redemption of such Program Securities or any tax consequences after the moment of exercise, settlement or redemption.

Each prospective holder of Program Securities should consult a professional adviser with respect to the tax consequences of an investment in the Program Securities, taking into account the influence of each regional, local or national law.

Belgian Withholding Tax – Notes

Under Belgian tax law, "interest" income includes: (i) periodic interest income, (ii) any amount paid by the Issuer in excess of the issue price (whether or not on the maturity date), and (iii) if the Notes qualify as "fixed income securities" (in the meaning of article 2, §1, 8° of the Belgian Income Tax Code 1992), in the case of a realisation of the Notes between two interest payment dates, the interest accrued during the holding period (i.e. the period during which the investor held the relevant Program Security). "Fixed income securities" include Notes where there is a causal link between the amount of interest income and the holding period of the Notes, on the basis of which it is possible to calculate the amount of pro rata interest income at the moment of the sale of the Notes during their lifetime. Further, on 25 January 2013, the Belgian tax authorities issued a circular letter on the tax treatment of income from structured products the return of which is linked to an underlying value (share basket, index, etc.) and the terms and conditions of which include one or more of the following features: (a) a (conditional) minimum return; (b) capital not at risk; (c) a periodic coupon payment; and (d) determination of income at an intermediary stage using a "ratchet" system. The circular letter takes the position that such structured products qualify as "fixed income securities" and sets out a (somewhat unclear) formula to calculate the pro rata of accrued interest. It is debatable whether the general statements made in the circular letter are in line with Belgian tax legislation.

Payments of interest on the Notes made through a paying agent in Belgium will in principle be subject to a 30 per cent. withholding tax in Belgium (calculated on the interest received after deduction of any non-Belgian withholding taxes) subject to such reductions or exemptions as may be available under Belgian domestic or treaty law.

Belgian Withholding Tax – Certificates

Payments under the Certificates will in principle be subject to a 30 per cent. withholding tax in Belgium (calculated on the interest received after deduction of any non-Belgian withholding taxes), provided these payments are considered as interest payments for Belgian income tax purposes (as defined in the section entitled "Belgian Withholding Tax – Notes") and if made through a paying agent in Belgium, subject to such reductions or exemptions as may be available under Belgian domestic or treaty law.

Belgian Withholding Tax – Warrants

Payments under the Warrants would not be subject to Belgian interest withholding tax, unless such payments would qualify as income from movable property and capital - and more particularly as interest - for Belgian income tax purposes and would be made through a paying agent in Belgium.

Income from movable property and capital is defined in the Belgian Income Tax Code 1992 as "any revenue of movable property employed in any way whatsoever". In order to qualify as such income, the revenue must find its legal cause in the use or employment ("*aanwending*" / "*affectation*") of movable property. Interest is one of the categories of income from movable property and capital. Interest is defined as "interest, premiums, and any other revenue from loans, including collateral transactions with regard to financial instruments, from deposits and from any other receivable" and is further described above in the section entitled "Belgian Withholding Tax – Notes".

Belgian Income Tax rules applicable to natural persons resident in Belgium

For Belgian resident individuals, i.e., natural persons who are subject to Belgian personal income tax ("*Personenbelasting*" / "*Impôt des personnes physiques*"), the 30 per cent. Belgian withholding tax constitutes the final income tax. This means that they do not have to declare any interest obtained on the Program Securities in their personal income tax return, provided withholding tax was levied on these interest payments. Nevertheless, Belgian resident individuals may elect to declare any interest received on Program Securities in their personal income tax return. Also, if no Belgian withholding tax has been withheld (e.g. because the interest is paid outside Belgium without the intervention of a Belgian paying agent or because it concerns the pro rata of accrued interest in the case of a sale of the Program Securities), any interest received (after deduction of any non-Belgian withholding tax) must be declared in the personal income tax return. Interest income which is declared in this way will in principle be taxed at a flat rate of 30 per cent. (or at the relevant progressive personal income tax rate(s), taking into account the taxpayer's other declared income, if this results in lower taxation) and no local surcharges will be due. The Belgian withholding tax levied may be credited against the personal income tax liability.

Capital gains realised upon the sale of the Program Securities are subject to a 10 per cent. tax on capital gains to the extent that those capital gains are realised within the framework of the normal management of their private estate, unless such capital gains qualify as movable income within the meaning of Article 96/2, 6° of the Belgian Income Tax Code 1992. Capital gains qualifying as interest (as defined above in the section entitled "Belgian Withholding Tax – Notes") therefore should not be subject to this 10 per cent. tax on capital gains. Certain exemptions are available, including an annual exemption up to EUR 4,855, which may be increased by up to EUR 480 for each year in which the exemption is not (fully) utilized, up to a maximum of EUR 2,426 (amounts to be indexed).

Capital losses realised on the disposal of the Program Securities would be deductible from capital gains realised in the same taxable year, by the same taxpayer and within the same 'category' of taxable capital gains on financial assets.

In principle, such capital gains will be levied by means of a withholding mechanism applied at the level of Belgian financial intermediaries involved in the payment following the disposal of the Program Securities. Where withholding tax is applied in this way, it fully discharges the individual's personal income tax liability in respect of those capital gains, and the individual is not required to report them in their personal income tax return. It should be noted, however, that the financial intermediary will not apply any exemptions or set off any available capital losses when deducting the withholding tax.

Belgian tax resident individuals may, however, elect to apply an opt-out mechanism, in which case the relevant financial intermediary will no longer be obliged to deduct withholding tax. Where an individual has elected to opt out, or where no withholding tax has otherwise been deducted, the individual is required to report the capital gains on the Program Securities in their personal income tax return. In addition, Belgian tax resident individuals may elect to declare the capital gains in their personal income tax return even where withholding tax has been applied by the financial intermediary, in order to claim certain available exemptions or the set-off of capital losses.

The withholding and *opt-out* mechanisms described above will be introduced gradually throughout 2026.

Other tax rules apply to Belgian resident individuals holding the Program Securities not as a private investment but in the framework of their professional activity or when the transactions with respect to the Program Securities fall outside the scope of the normal management of their own private estate or to the extent that the capital gains qualify as interest (as defined above in the section entitled "Belgian Withholding Tax – Notes").

Belgian Income Tax rules applicable to Belgian resident corporations

Interest derived by Belgian corporate investors (i.e. corporations subject to Belgian corporate income tax ("*Vennootschapsbelasting*" / "*Impôt des sociétés*")) on the Program Securities and capital gains realised on the disposal or settlement of the Program Securities will in principle be subject to Belgian corporate income tax at the rate of 25 per cent. Subject to certain conditions, small companies (as defined by article 1:24, §1 to §6 of the Belgian Companies and Associations Code) are taxable at the reduced corporate income tax rate of 20 per cent. for the first EUR 100,000 of their taxable base.

If non-Belgian withholding tax has been levied on the interest, a foreign tax credit may be applied against the Belgian tax due. The foreign tax credit is determined by reference to a fraction where the numerator is equal to the rate of the foreign tax with a maximum of 15 and the denominator is equal to 100 minus the amount of the

numerator (with a number of additional limitations). The rate of the foreign tax credit could be impacted by applicable double taxation agreements concluded by Belgium. Capital losses on the Program Securities are in principle tax deductible.

For Belgian corporate investors, interest payments on the Program Securities (except for Program Securities which are zero coupon notes or which provide for the capitalisation of interest) made through a paying agent in Belgium may under certain specific circumstances be exempt from withholding tax, provided a special attestation is delivered. The Belgian withholding tax that has been levied is creditable against the Belgian corporate income tax and refundable in accordance with the applicable legal provisions.

Other tax rules apply to investment companies within the meaning of Article 185bis of the Belgian Income Tax Code 1992.

Belgian Income Tax rules applicable to organisations for financing pensions

Interest derived on the Program Securities and capital gains realised on the Program Securities will not be subject to Belgian corporate income tax in the hands of Belgian Organisations for Financing Pensions ("**OFPs**"). Capital losses incurred by OFPs on the Program Securities will not be tax deductible. Subject to certain conditions, any Belgian withholding tax that has been levied is creditable and refundable in accordance with the applicable legal provisions.

Belgian Income Tax rules applicable to other Belgian legal entities

Legal entities that are Belgian residents for tax purposes, i.e. that are subject to Belgian tax on legal entities ("*rechtspersonenbelasting*" / "*impôt des personnes morales*"), are subject to the following tax treatment in Belgium with respect to the Program Securities.

Payments of interest (as defined in the section entitled "Belgian Withholding Tax – Notes") on the Program Securities made through a paying agent in Belgium will in principle be subject to a 30 per cent. withholding tax in Belgium and no further tax on legal entities will be due on the interest. However, if no Belgian withholding tax has been withheld (e.g. because the interest is paid outside Belgium without the intervention of a Belgian paying agent or because it concerns the pro rata of accrued interest in the case of a sale of the Program Securities), the legal entity itself is liable to declare the interest to the Belgian tax administration and to pay the 30 per cent. withholding tax to the Belgian treasury.

Capital gains realised on the Program Securities (which do not qualify as interest) are subject to a 10 per cent. tax on capital gains, unless such non-corporate legal entity qualifies as an exempt entity within the meaning of Article 14533, §1 of the Belgian Income Tax Code 1992. Certain exemptions are available, including an annual exemption up to EUR 4,855, which may be increased by up to EUR 480 for each year in which the exemption is not (fully) utilized, up to a maximum of EUR 2,426 (amounts to be indexed).

Capital losses realised on the disposal of the Program Securities are deductible from capital gains realised in the same taxable year, by the same taxpayer and within the same 'category' of taxable capital gains on financial assets.

Belgian resident legal entities are themselves responsible for the deduction and payment of any withholding tax on such capital gains.

Belgian Income Tax rules applicable to non-residents of Belgium

The interest income (as defined in the section entitled "Belgian Withholding Tax – Notes") on the Program Securities paid to a Belgian non-resident outside of Belgium, i.e. without the intervention of a paying agent in Belgium, is not subject to Belgian withholding tax. Interest income on the Program Securities paid through a Belgian paying agent will in principle be subject to a 30 per cent. Belgian withholding tax, unless the holder is resident in a country with which Belgium has concluded a double taxation agreement and delivers the requested attestation. Non-resident holders that have not allocated the Program Securities to business activities in Belgium can also obtain an exemption of Belgian withholding tax on interest if the interest is paid through a Belgian credit institution, a Belgian stock market company or a Belgian clearing or settlement institution and provided that the non-resident (i) is the owner or usufruct holder of the Program Securities, (ii) has not allocated the Program Securities to business activities in Belgium and (iii) delivers an attestation confirming his non-resident status and the fulfilment of conditions (i) and (ii).

Non-resident holders using the Program Securities to exercise a professional activity in Belgium through a permanent establishment are subject to the same tax rules as the Belgian resident corporations (see section "Belgian Income Tax rules applicable to Belgian Income Tax rules applicable to Belgian resident corporations").

Non-resident holders who do not allocate the Program Securities to a professional activity in Belgium are not subject to Belgian income tax, save, as the case may be, in the form of withholding tax.

Belgian tax on stock exchange transactions

A tax on stock exchange transactions ("*taks op de beursverrichtingen*" / "*taxe sur les opérations de bourse*") will be levied on the purchase and sale of the Program Securities on a secondary market through a professional intermediary in Belgium. The tax is generally due at a rate 0.12 per cent. for transactions in debt instruments and at a rate of 0.35 per cent. for transactions in other securities which are not capitalisation shares, with a maximum amount per transaction and per party of €1,300 for debt instruments and €1,600 for other securities which are not capitalisation shares. The tax is due separately from each of the seller/transferor and the purchaser/transferee and is collected by the professional intermediary.

Pursuant to the Law of 25 December 2016 on access to the activity of investment services and on the legal status and supervision of portfolio management and investment advice companies, the scope of application of the tax on stock exchange transactions has been extended as of 1 January 2017 to secondary market transactions of which the order is directly or indirectly made to a professional intermediary established outside of Belgium by (i) a private individual with habitual residence in Belgium or (ii) a legal entity for the account of its seat or establishment in Belgium (both referred to as a "**Belgian Investor**"). In such case, the tax on stock exchange transactions is due by the ordering private individual or legal entity (who will be responsible for the filing of a stock exchange tax return and for the timely payment of the amount of stock exchange tax due) unless that individual or entity can demonstrate that the tax on stock exchange transactions due has already been paid by the professional intermediary established outside Belgium. In the latter case, the foreign professional intermediary also has to provide each client (which gives such intermediary an order) with a qualifying order statement (*borderel/bordereau*), at the latest on the business day after the day on which the relevant transaction was realised. The qualifying order statements must be numbered in series and duplicates must be retained by the financial intermediary. A duplicate can be replaced by a qualifying agent day-to-day listing, numbered in series. Alternatively, professional intermediaries established outside Belgium have the possibility to appoint a stock exchange tax representative in Belgium, subject to certain conditions and formalities (a "**Stock Exchange Tax Representative**"). Such Stock Exchange Tax Representative will then be liable toward the Belgian Treasury for the tax on stock exchange transactions on behalf of clients that fall within one of the aforementioned categories (provided that these clients do not qualify as exempt persons for stock exchange tax purposes – see below) and to comply with the reporting obligations and the obligations relating to the order statement (*borderel/bordereau*) in that respect. If such a Stock Exchange Tax Representative would have paid the tax on stock exchange transactions due, the Belgian Investor will, as per the above, no longer be the statutory debtor of the tax on stock exchange transactions.

However, the tax on stock exchange transactions will not be payable by exempt persons acting for their own account, including investors who are Belgian non-residents provided they deliver an attestation to the financial intermediary in Belgium confirming their non-resident status, and certain Belgian institutional investors as defined in Articles 126¹ 2° of the Code of various duties and taxes ("*Wetboek diverse rechten en taksen*" / "*Code des droits et taxes divers*").

Belgian annual tax on securities accounts

An annual tax on securities accounts ("*jaarlijkse taks op de effectenrekeningen*" / "*taxe annuelle sur les comptes-titres*"), is levied on securities accounts with an average value, over a period of twelve consecutive months starting on 1 October and ending on 30 September of the subsequent year, higher than EUR 1 million.

The tax is equal to 0.30 per cent. of the average value of the securities accounts during a reference period. The reference period normally runs from 1 October to 30 September of the subsequent year. The taxable base is determined based on four reference dates: 31 December, 31 March, 30 June and 30 September. The amount of the tax is limited to 10 per cent. of the difference between the taxable base and the threshold of EUR 1 million.

The tax targets securities accounts held by resident individuals, companies and legal entities, irrespective as to whether these accounts are held with a financial intermediary which is established or located in Belgium or abroad. The tax also applies to securities accounts held by non-resident individuals, companies and legal entities with a

financial intermediary established or located in Belgium. Belgian establishments from non-residents are however treated as Belgian residents for purposes of the annual tax on securities accounts so that both Belgian and foreign securities accounts fall within the scope of this tax. Note that pursuant to certain double tax treaties, Belgium has no right to tax capital. Hence, to the extent the annual tax on securities accounts is viewed as a tax on capital within the meaning of these double tax treaties, treaty protection may, subject to certain conditions, be claimed.

Each securities account is assessed separately. When multiple holders hold a securities account, each holder is jointly and severally liable for the payment of the tax and each holder may fulfil the declaration requirements for all holders.

There are various exemptions, such as securities accounts held by specific types of regulated entities for their own account.

A financial intermediary is defined as (i) the National Bank of Belgium, the European Central Bank and foreign central banks performing similar functions, (ii) a central securities depository included in Article 198/1, §6, 12° of the Belgian Income Tax Code 1992, (iii) a credit institution or a stockbroking firm as defined by Article 1, §3 of the Law of 25 April 2014 on the status and supervision of credit institutions and investment companies (currently defined by, respectively, Article 1, §3 of the Belgian law of 25 April 2014 on the status and supervision of credit institutions and Article 2 of the Belgian law of 20 July 2022 on the status and supervision of stockbroking firms and containing various provisions) and (iv) the investment companies as defined by Article 3, §1 of the Law of 25 October 2016 on access to the activity of investment services and on the legal status and supervision of portfolio management and investment advice companies, which are, pursuant to national law, admitted to hold financial instruments for the account of customers.

The annual tax on securities accounts is in principle due by the financial intermediary established or located in Belgium. Otherwise, the annual tax on securities accounts needs to be declared and is due by the holder of the securities accounts itself, unless the holder provides evidence that the annual tax on securities accounts has already been withheld, declared and paid by an intermediary which is not established or located in Belgium. In that respect, intermediaries located or established outside of Belgium could appoint an annual tax on securities accounts representative in Belgium. Such a representative is then liable towards the Belgian Treasury (*Thesaurie/Trésorerie*) for the annual tax on securities accounts due and for complying with certain reporting obligations in that respect. If the holder of the securities accounts itself is liable for reporting obligations (e.g. when a Belgian resident holds a securities account abroad with an average value higher than EUR 1 million), the deadline for filing the tax return for the annual tax on securities is 15 July of the year following the end of the reference period. In the latter case, the annual tax on securities accounts must be paid by the taxpayer on 31 August of the year following the year on which the tax was calculated, at the latest.

The law also provides for a general anti-abuse provision.

Investors should be aware that, as of 29 July 2025, two rebuttable presumptions of abuse apply to certain transactions involving securities accounts with a value exceeding EUR 1 million prior to the transaction. Both (i) the conversion of dematerialised financial instruments into registered instruments, and (ii) the transfer of (part of) financial instruments to another securities account held (alone or jointly) by the same person, will in principle not be opposable to the Belgian tax administration unless the taxpayer can demonstrate that such conversion or transfer was principally justified by motives other than tax avoidance.

Prospective holders of Program Securities are strongly advised to seek their own professional advice in relation to the annual tax on securities account.

Exchange of information

The exchange of information is governed by the Common Reporting Standard ("CRS"). As of 13 March 2025, the total of jurisdictions that have signed the multilateral competent authority agreement on the automatic exchange of financial account information ("MCAA"), amounted to 126. The MCAA is a multilateral framework agreement to automatically exchange financial and personal information, with the subsequent bilateral exchanges coming into effect between those signatories that file the subsequent notifications.

Council Directive 2011/16/EU on administrative cooperation in the field of taxation, as amended by the Directive on Administrative Cooperation (2014/107/EU) of 9 December 2014 ("DAC2"), implemented the exchange of information based on the CRS within the EU. The CRS has been transposed in Belgium by the Law of 16 December 2015.

Under CRS, financial institutions resident in a CRS country are required to report, according to a due diligence standard, financial information with respect to reportable accounts, which includes interest, dividends, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated with respect to assets held in the account or payments made with respect to the account. Reportable accounts include accounts held by individuals and entities (which includes trusts and foundations) with fiscal residence in another CRS country. The standard includes a requirement to look through passive entities to report on the relevant controlling persons.

BULGARIAN TAXATION

The following is a general description of certain tax considerations related to the Program Securities. It does not purport to be a complete analysis of all tax considerations relating to the Program Securities. Prospective investors in the Program Securities should consult their tax advisers as to the consequences under the tax laws of the country of which they are resident for tax purposes of acquiring, holding and disposing of the Program Securities and receiving payments under the Program Securities.

This summary is based upon the law as in effect on the date of this Prospectus and is subject to any change in law that may take effect after such date.

1. *Bulgarian Tax Residence of the Holders of Program Securities*

From a Bulgarian tax perspective the mere acquisition, holding or disposal of the Program Securities would not qualify a foreign corporate or individual holder as a Bulgarian tax resident.

In order to qualify for tax purposes under Bulgarian law as a Bulgarian tax resident a corporate investor should either (i) be incorporated in the Republic of Bulgaria under the applicable Bulgarian laws or (ii) be an entity established under Council Regulation (EC) №2157/2001 or (iii) be a cooperative society established under Council Regulation (EC) 1435/2003, in case its registered office is within Bulgaria and it is entered in a Bulgarian register.

An individual investor will qualify as a Bulgarian tax resident, without regard to its citizenship, in the event that he or she (i) has a permanent address in the Republic of Bulgaria; (ii) resides in the Republic of Bulgaria for more than 183 days during each twelve month period, (iii) has been sent abroad by the Bulgarian state, its authorities or organisations or by Bulgarian enterprises, or (iv) has a centre of vital interest in the Republic of Bulgaria.

2. *Tax Treatment of Income under Program Securities for Legal Entities*

2.1 *Principal and Interest*

Payment of principal on the Program Securities to a legal entity is not subject to taxation in Bulgaria.

Interest on the Program Securities received by a legal entity, which is a Bulgarian tax resident, or which is a non-Bulgarian tax resident but acting through a permanent establishment in Bulgaria, is included in the corporate income taxable base of the recipient and is subject to corporate income tax in Bulgaria at the rate of 10 per cent.

Interest on Program Securities (only to the extent paid by a Bulgarian resident Issuer), when admitted to trading on a Regulated Market (as defined in MiFID II and national law), received by a legal entity, which is a non-Bulgarian tax resident (unless acting through a permanent establishment), irrespective of the place where it is established for tax purposes, is exempt from taxation in Bulgaria.

2.2 *Dividends*

Dividends payable under any Program Securities to Bulgarian tax resident legal entities would not be recognized as taxable income, where paid by an EU/EEA-based non-resident company (including by a Bulgarian company). In all other cases such dividends would be included in the overall general business income of the resident legal entities, subject to tax at the general tax rate of 10 per cent.

Dividends payable under any Program Securities (only to the extent paid by a Bulgarian resident Issuer) to non-Bulgarian tax resident legal entities would be exempt from Bulgarian taxation when paid to EU/EEA-resident legal entities. Dividends payable under any Program Securities (only to the extent paid by a Bulgarian resident Issuer) to other non-resident legal entities would be subject to withholding tax of 5 per cent, unless any treaty relief is applied.

2.3 *Capital Gains*

Capital gains from the sale or exchange of Program Securities received by a legal entity, which is a Bulgarian tax resident, or which is a non-Bulgarian tax resident acting through a permanent establishment

in Bulgaria, is included in the corporate income taxable base of the recipient and is subject to corporate income tax in Bulgaria at the rate of 10 per cent. If the capital gains derive from the sale or exchange of Program Securities, admitted to trading on a Regulated Market (as defined in MiFID II and national law), they would not represent taxable income for corporate income tax purposes.

Capital gains from the sale or exchange of Program Securities (only to the extent related to a Bulgarian resident Issuer) realised by a legal entity, which is a non-Bulgarian tax resident (unless acting through a permanent establishment), irrespective of the place where it is established for tax purposes, are subject to a one-time withholding tax in Bulgaria at the rate of 10 per cent (unless treaty relief applies). Such tax on (Bulgaria-sourced) capital gains is payable by the recipient of the income. The tax is levied on the positive difference between the sale price and the documented acquisition price. The tax on capital gains is to be reported in a tax return and paid by such non-resident legal entity before the end of the month following the quarter in which the respective income is actually received.

3. *Tax Treatment of Income under Program Securities for Individuals*

3.1 *Principal and Interest*

Payment of principal on the Program Securities to individuals is not subject to taxation in Bulgaria.

As regards individual investors from Bulgaria, the interest income from the Program Securities (Notes, to the extent issued by EU/EEA-regulated Issuer), irrespective of whether the Program Securities are traded on a Regulated Market or not, received by a Bulgarian tax resident is tax exempt in Bulgaria.

Interest income under the Program Securities payable to non-resident individuals would not be subject to any Bulgarian taxation, to the extent the Issuers are not Bulgarian companies.

3.2 *Dividends*

Dividends payable under Program Securities to Bulgarian tax resident individuals by non-resident companies or by Bulgarian resident companies would be subject to Bulgarian final personal income tax of 5 per cent (unless any treaty relief has been applied).

Dividends payable under Program Securities (only to the extent paid by a Bulgarian resident Issuer) to non-resident individuals would be subject to 5 per cent withholding tax, unless any treaty relief available is applied.

3.3 *Capital Gains*

The capital gains income of Bulgarian tax resident individuals, which is derived from transfer of the Program Securities, is subject to personal income tax at 10 per cent, as part of their overall annual personal income. No such taxation would apply for income from transfer of Program Securities traded on a regulated market.

In the case of non-resident individuals, the income realised from transactions with the Program Securities would be subject to Bulgarian withholding taxation of 10 per cent only to the extent related to a Bulgarian resident Issuer. No such taxation would apply for income from transfer of Program Securities traded on a regulated market and paid to EU/EEA resident individuals.

3.4 *Special Treatment of Sole Proprietors*

An individual who is a Bulgarian tax resident and, with regards to the Program Securities, is acting as sole proprietor for the purposes of Bulgaria's Commercial Act (sole proprietors are subject to registration with the Commercial Register, but the treatment applies even if unregistered), is subject to taxation for any interest or capital gains as a legal entity at the rate of 15 per cent.

4. *Bilateral Treaties for Avoidance of Double Taxation*

As at the date of this Prospectus, Bulgaria is party to some 70 bilateral treaties on the avoidance of double taxation. In cases where Bulgarian law imposes tax on interest received, or dividends, or capital gains realised in relation to the Program Securities (see sections 2 and 3 above), these treaties may provide different forms of tax relief. The application of any treaty relief in Bulgaria in respect of Bulgarian-

sourced income exceeding EUR 255,645.94 for the calendar year is subject to obtaining tax clearance from Bulgaria's National Revenue Agency under a special procedure that requires the filing of standard forms and tax residence certificates following receipt of the relevant income and before the deadline for payment of tax. The clearance statement should be issued within a 60-day term, where the expiry of such term without any refusal is deemed a tacit approval of treaty relief application. If the income does not exceed EUR 255,645.94 for the relevant calendar year, the grounds for the application of the treaties must be certified to the payer of the income. Treaty benefits may also be claimed in the course of a tax refund procedure in case the final tax was already withheld by the payer.

Prospective investors in the Program Securities should consult their own tax advisers with regard to the applicability and effect of such treaties, and to treaty clearance procedures.

5. *Other Taxation*

5.1 *Inheritance and Gift Tax*

Under Bulgarian tax law, in the case where an individual holder of Program Securities is a Bulgarian citizen, the Program Securities should be included in his taxable inheritance estate. If the holder is not a Bulgarian citizen, no Bulgarian inheritance tax could apply on the transfer of the Program Securities upon death of holder of Program Securities.

Bulgarian gift tax of up to 5 per cent may be due on a gift or donation of Program Securities, if the gift is made or received by a Bulgarian tax resident.

5.2 *VAT, Stamp Duty or other Transfer Tax*

No Bulgarian VAT, stamp duty, registration, transfer, financial tax or similar tax is payable in connection with the acquisition, ownership, sale or disposition of the Program Securities by Bulgarian or non-Bulgarian resident investors in the Program Securities.

DANISH TAXATION

The following is a summary description of the taxation in Denmark of Notes, Warrants or Certificates according to the Danish tax laws in force at the date of this Offering Circular and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of Notes, Warrants or Certificates and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as professional dealers in securities) may be subject to special rules. Potential investors are under all circumstances strongly recommended to contact their own tax advisor to clarify the individual consequences of their investment, holding and disposal of Notes, Warrants or Certificates. The Issuer makes no representations regarding the tax consequences of purchase, holding or disposal of the Notes, Warrants or Certificates.

Taxation of Notes

Taxation at source

Under existing Danish tax laws no general withholding tax or coupon tax will apply to payments of interest or principal or other amounts due on the Notes, other than in certain cases on payments in respect of controlled debt in relation to the Issuer as referred to in The Danish Corporation Tax Act (in Danish "*Selskabsskatteloven*") of 13 March 2025 (as amended). This will not have any impact on Noteholders who are not in a relationship whereby they control, or are controlled by, the Issuer, or where the Noteholders and the Issuer are not controlled by the same group of shareholders.

Moreover, Danish withholding tax on payments of interest or principal or other amounts due on the Notes will not apply where the payment does not have a Danish source.

Resident Noteholders

Private individuals, including persons who are engaged in financial trade, companies and similar enterprises resident in Denmark for tax purposes or receiving interest on the Notes through their permanent establishment in Denmark are liable to pay tax on such interest.

Capital gains are taxable to individuals and corporate entities in accordance with the Danish Act on Taxation of Gains and Losses on Claims and Debt (in Danish "*Kursgevinstloven*") of 19 September 2025 (as amended) (the "**Act**"). Gains and losses on Notes held by corporate entities are generally taxed in accordance with a mark-to-market principle (in Danish "*lagerprincippet*"), i.e. on an unrealised basis. Gains and losses on Notes held by individuals are generally taxed on a realised basis and if the annual gains or losses on all debt claims, debt denominated in foreign currency and investment certificates in bond-based investment funds do not exceed DKK 2,000, the gains or losses will be exempt from taxation. The net gains held by individuals are generally taxed as capital income at a rate of up to 42 per cent.

A variety of features regarding interest and principal may apply to the Notes. The applicable taxation of capital gains to corporate entities or individuals will depend on the features applicable to the Notes in question.

Structured notes can be designed in many ways and with many different underlying assets or in a way that the yield will depend on various index or currency flows. When structured notes are issued the following tax rules apply to the Notes.

Gains and losses on structured notes are generally treated as gains and losses on financial instruments in accordance with section 29(3) of the Act. However, there are exceptions – for example, notes which are adjusted in relation to developments in the consumer prices index (as computed by Statistics Denmark (*Danmarks Statistik*)), the net consumer-price index or a similar index within the European Union or any of its member states. The gains and losses are calculated irrespective of the rules applying to the underlying asset.

Gains and losses on structured notes issued to both corporate entities and individuals are predominantly treated as taxable income in accordance with a mark-to-market principle (in Danish "*lagerprincippet*"), i.e. on an unrealised basis.

Corporate entities are generally able to deduct losses on structured notes, but individuals may only deduct losses on structured notes against gains on other financial instruments. However, in both cases, certain restrictions or exceptions apply.

Pension funds and other entities governed by the Danish Act on Taxation of Pension Investments Returns (in Danish "*Pensionsafkastbeskatningsloven*") of 6 January 2023 are, irrespective of realisation, taxed on the annual increase or decrease on the Notes according to a mark-to-market principle (in Danish "*lagerprincippet*") as specifically laid down in the act. The net returns are taxed at a flat rate of 15.3 per cent.

Non-Resident Noteholders

Under existing Danish tax laws, payments of interest or principal amounts to any non-resident Noteholders are not subject to taxation in Denmark, other than in certain cases on payments in respect of controlled debt in relation to the Issuer as referred to under "*Taxation at source*" above. Thus, no Danish withholding tax will be payable with respect to such payments and any capital gain realised upon the sale, exchange or retirement of a Note will not be subject to taxation in Denmark, other than in certain cases on payments in respect of controlled debt in relation to the Issuer as referred to under "*Taxation at source*" above.

This tax treatment applies solely to Noteholders who are not subject to full tax liability in Denmark or included in a Danish joint taxation scheme and do not carry on business in Denmark through a permanent establishment.

Taxation of Warrants and Certificates

Warrants and Certificates can be issued with a large number of different underlying financial instruments (Equity and Proprietary Index-Linked Securities, Currency-Linked Securities, Commodity-Linked Securities, Bond-Linked Securities, Inflation-Linked Securities, Property-Linked Securities, Fund-Linked Securities) or other assets as the underlying reference.

The taxation of the Warrants and Certificates will depend on the underlying financial instrument or asset. Most of the underlying financial instruments listed in the Offering Circular are of a kind that will lead to a similar taxation of the Warrants and Certificates as for holding of Structured Notes, as described above. If the underlying financial instrument is covered by the Danish Act on Capital Gains Tax on Shares (in Danish "*Aktieavancebeskatningsloven*") of 27 August 2025 (as amended), the holder of Warrants and Certificates may be deemed a shareholder in the issuer of the underlying financial asset for Danish tax purposes and be taxed in the following manner.

Sale or other disposals of shares are considered a realisation for Danish tax purposes. Redemption generally qualifies as a dividend payment, unless the tax authorities grant a permission to treat it as a sale.

For Danish resident individuals, capital gains will be subject to taxation as share income at a rate of 27 per cent on annual share income up to DKK 79,400 and 42 per cent of share income exceeding DKK 67,500. The stated amount limits are applicable for 2026 and are, in general, adjusted annually. The amount limits are doubled for married couples co-habiting at the end of the income year.

The extent to which losses on shares is deductible for individuals depends on whether or not the share is listed on a regulated market or not.

Dividend payments to Danish resident individuals are also treated as share income, and taxation occurs at the same rates as described above.

For companies fully liable to Danish tax, capital gains may be subject to tax at a rate of 22 per cent depending on the company's shareholding and the status of the underlying shares. If a company owns more than 10 per cent of the shares, no capital gains taxation will be triggered. Losses are generally deductible if the sale of the shares is liable to tax.

Non-resident individuals and companies not fully liable to tax in Denmark are not liable to tax on capital gains on shares in Denmark unless the capital gains can be attributed to a permanent establishment in Denmark.

Dividends paid by a Danish company to non-resident individuals is subject to a withholding tax at a rate of 27 per cent. The effective rate of taxation may be lower if the individual is resident in an EU member state or a country with which Denmark has concluded a double tax treaty or an information exchange treaty. The excess tax must be reclaimed from the Danish tax authorities.

Non-resident companies may be liable to tax on dividends paid by a Danish company depending on the shareholding in the dividend paying company, the status of the underlying shares and the shareholder's individual circumstances. The effective rate of taxation may be lower due to the shareholder being resident in a country with which Denmark has concluded a double tax treaty or an information exchange agreement or the like. The excess tax must be reclaimed from the Danish tax authorities.

GERMAN TAXATION

The following is a general discussion of certain German tax consequences of the acquisition, ownership and disposal of the Program Securities. As each Tranche of the Program Securities may be subject to a different tax treatment due to the specific terms of each Tranche, the following section shall only be regarded as generic overview with regard to the possible tax treatment in Germany. It does not purport to be a comprehensive description of all tax considerations that may be relevant to a decision to purchase the Program Securities, and, in particular, does not consider any specific facts or circumstances that may apply to a particular purchaser. This summary is based on the laws of Germany currently in force and as applied on the date of this Offering Circular, which are subject to change, possibly with retroactive or retrospective effect.

Prospective purchasers of Program Securities are advised to consult their own tax advisors as to the tax consequences of the purchase, ownership and disposition of Program Securities, including the effect of any state or local taxes, under the tax laws of Germany and each country of which they are residents.

To the extent the following information describes the taxation in the case of a disposal of the Program Securities, such description applies accordingly to cases of a call, exercise, assignment or redemption of the Program Securities as well as a transfer of Program Securities into a corporation by way of a hidden contribution (*verdeckte Einlage in eine Kapitalgesellschaft*).

German tax residents

German tax residents are persons (individuals and corporate entities) who are tax resident in Germany (in particular, persons having a residence, habitual abode, seat or place of management in Germany).

Program Securities held as private assets

If Program Securities are held by an investor as private assets (*Privatvermögen*), payments of interest qualify as taxable savings income (*Einkünfte aus Kapitalvermögen*) pursuant to section 20 para 1 no 7 German Income Tax Act (*Einkommensteuergesetz*, "ITA"). Capital gains / capital losses realised upon disposal of the Program Securities (in particular being Notes and Certificates), computed as the difference between the acquisition costs and the sales proceeds reduced by expenses directly and factually related to the sale, qualify as (negative) savings income pursuant to section 20 para 2 sentence 1 no 7 ITA. If such disposal results in a loss, such loss can only be offset against other taxable savings income. If the investor does not have enough other taxable savings income in the respective assessment period, the losses can be carried forward; a loss carry back is not possible.

Program Securities providing for a physical delivery of, e.g., bonds or shares, may qualify as convertible, exchangeable or similar instruments, subject to the relevant Terms and Conditions of such Program Securities. In such a case, the sales proceeds from the Program Securities and the acquisition costs of the received securities may be deemed to be equal to the initial acquisition costs of the Program Securities (section 20 para 4a sentence 3 ITA) so that no taxable capital gains would be realised due to the conversion. However, capital gains realised upon an on-sale of the received securities would qualify as taxable income. Losses from the disposal of shares or stock received may be subject to further limitations.

Savings income is, in general, subject to German income tax at a special (flat) tax rate of 26.375% (including solidarity surcharge (*Solidaritätszuschlag*)) plus, if applicable, church tax (*Kirchensteuer*).

With regard to savings income, the savers lump sum amount (*Sparer-Pauschbetrag*) in the amount of EUR 1,000 (respectively EUR 2,000 in the case of jointly assessed investors) will be deducted; a deduction of the actual income-related expenses is, in general, excluded.

The solidarity surcharge shall only be levied for wage tax and income tax purposes if the individual income tax of the individual investor exceeds the threshold of EUR 20,350 (EUR 40,700 for jointly assessed investors) in the assessment period 2026. The solidarity surcharge shall however continue to be applicable for withholding tax, flat tax and corporate income tax purposes. If in case of flat tax, the income tax burden for an individual investor is lower than the flat tax of 25%, the individual investor can apply for its capital investment income being assessed at its individual progressive rates (see above) in which case solidarity surcharge would be refunded.

Program Securities held as business assets

If Program Securities are held by an investor (individuals and corporate entities) as business assets (*Betriebsvermögen*), interest payments and capital gains from the disposal of the Program Securities are subject

to corporate income tax (in the case of an incorporated investor) at a tax rate of 15% or income tax at an individual progressive tax rate of up to 45%, as the case may be (each plus 5.5% solidarity surcharge thereon). In addition, trade tax may apply, the rate of which depends on the municipality in which the business is located (rates basically vary between 7% and approx. 20%). Please note that a draft law (*Neunte Gesetz zur Änderung des Steuerberatungsgesetzes*) is currently in the legislative process that is expected to increase the minimum trade tax rate to 9.8%. Further, in the case of individuals, church tax may be levied. Losses realised on the sale or redemption of the Program Securities may be offset in particular against items of positive income under the general tax rules or deducted as part of losses carried back or forward, although the minimum taxation rules (section 10d ITA) must be observed. In the case of a loss, such loss may be subject to ring-fencing rules and, if so, may only be offset against other derivative income. In case the income of the investor is determined based on accrual accounting, interest and capital gains may be taxable before actual payments are received.

German withholding tax (Kapitalertragsteuer)

With regard to savings income (*Kapitalerträge*), e.g. interest or capital gains, German withholding tax will be levied at a flat withholding tax rate of 26.375% (including solidarity surcharge) if, *inter alia*, the Program Securities are registered in a foreign registry, have been issued in a global note in terms of section 9a of the German Securities Deposit Act (*Depotgesetz*) or qualify as partial debentures (*Teilschuldverschreibungen*) and are held in a custodial account maintained with a German credit or financial services institution (*inländisches Kredit oder Finanzdienstleistungsinstitut*) or by a German branch of a foreign credit or financial services institution, or by a German securities institution (*Wertpapierinstitut*) (a "**German Disbursing Agent**"). If the Program Securities are not held in a custodial account, German withholding tax will nevertheless be levied if the Program Securities are issued in definitive form and the savings earnings are paid by a German Disbursing Agent against presentation of the Program Securities (so-called over-the-counter transaction – *Tafelgeschäft*).

If the Program Securities are not registered in a foreign registry, have not been issued in a global note in terms of section 9a of the German Securities Deposit Act (*Depotgesetz*) and do not qualify as partial debentures (*Teilschuldverschreibungen*) within the meaning above, German withholding tax will be levied, if the Program Securities are issued by Morgan Stanley SE as issuer. In this case, Morgan Stanley SE as German resident credit institution would be obliged to levy a flat withholding tax rate of 26.375% (including solidarity surcharge) on savings income under the relevant Program Securities.

Whether a German Disbursing Agent, if any, or Morgan Stanley SE as issuer would be required to make German withholding tax deductions with respect to savings income under a Program Security would need to be reviewed for each Program Security.

For German resident private individuals who are subject to church tax an electronic information system for church withholding tax purposes applies in relation to income derived from capital investments, with the effect that church tax will be collected by the German Disbursing Agent by way of withholding unless the private investor has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*) in which case the private individual will be assessed to church tax and the private individual has to include the savings income in his tax return.

The tax base is, in principle, equal to the taxable gross income as set out above (i.e. prior to withholding). However, in the case of capital gains, the tax deduction is calculated on the basis of the capital gain only if the Program Securities have been kept in a custodial account with such German Disbursing Agent since the time of issuance and acquisition, respectively; if that is not the case, the investor may prove the acquisition costs to the German Disbursing Agent only in a specific form required by law. Otherwise, the tax deduction is calculated on the basis of 30% of the proceeds from the disposal of the Program Securities.

In general, no withholding tax will be levied if an investor holding the Program Securities as private assets has filed a withholding tax exemption certificate (*Freistellungsauftrag*) with the German Disbursing Agent, but only to the extent the interest income and other taxable savings income do not exceed the savers lump sum amount shown on the filed withholding tax exemption certificate. Similarly, no withholding tax will be deducted if an investor has submitted to the German Disbursing Agent a certificate of non-assessment (*Nichtveranlagungs-Bescheinigung*) issued by the relevant local tax office.

In the case of individuals holding the Program Securities as private assets, if German withholding tax is levied, such withholding tax will, in general, become definitive and replace the investor's income taxation (flat withholding tax - *Abgeltungsteuer*); in such a case, the filing of a tax return for savings income is not required. If no or not sufficient tax is withheld, then the investor is obliged to file a tax return and the savings income will

then be taxed within the assessment procedure. However, the special tax rate for savings income applies, in principle, also in the assessment procedure. Further, an investor may alternatively request that all savings income of a given year is taxed at his/her individual income tax rate (if lower than the withholding tax rate) based on an assessment to tax with any amount overwithheld being refunded. Such application can only be filed consistently for all savings income within the assessment period. In case of jointly assessed individual investors the application can only be filed for savings income of both investors.

If the Program Securities form part of a trade or business, the withholding tax will not settle the income tax liability.

Investors holding the Program Securities as business assets can in principle not file a withholding tax exemption certificate with the German Disbursing Agent. Instead, no withholding tax will be levied on capital gains from the redemption, sale or assignment of the Program Securities if, for example, (i) the Program Securities are held by a company satisfying the requirements of section 43 para 2 sentence 3 no 1 ITA or (ii) the proceeds from the Program Securities qualify as income of a domestic business and the investor notifies this to the German Disbursing Agent by use of the officially required form. The investor is obliged to report income and related expenses in the (annual) tax return, and the balance will be taxed at the investor's applicable tax rate. Withholding tax levied, if any, will be credited against the personal or corporate income tax of the investor. If the tax withheld exceeds the respective (corporate) income tax amount, the difference will be refunded within the tax assessment procedure.

Non-residents

In general, an investor holding the Program Securities that is not tax resident in Germany is subject to German taxation on payments of consideration or taxation on gains from the disposition of Program Securities and potentially withholding tax only under certain circumstances, e.g. (i) if the Program Securities are held as business assets of a permanent establishment, including a permanent representative, maintained in Germany by the investor or (ii) the income from the Program Securities qualifies for other reasons as taxable German-source income (such as income from the letting and leasing of certain property located in Germany) or (iii) the savings earnings are paid by a German Disbursing Agent against presentation of the Program Securities (so-called over-the-counter transaction, *Tafelgeschäfte*). In such a case, a tax regime similar to that explained above for German tax residents will apply. If the Program Securities are not registered in a foreign registry, have not been issued in a global note in terms of section 9a of the German Securities Deposit Act (*Depotgesetz*) and do not qualify as partial debentures (*Teilschuldverschreibungen*) and the Program Securities are issued by Morgan Stanley SE as issuer, Morgan Stanley SE should be entitled to refrain from making a withholding tax deduction (see under German withholding tax above with respect to the principal obligation of Morgan Stanley SE to levy withholding tax in relation to Program Securities issued by it, which are not registered in a foreign registry, have not been issued in a global note in terms of section 9a of the German Securities Deposit Act (*Depotgesetz*) and do not qualify as partial debentures (*Teilschuldverschreibungen*) in accordance with the view of the German tax authorities, if the Program Securities are held by a Noteholder or Securityholder, respectively that is not tax resident in Germany (and not tax resident in a non-cooperative country or territory within the meaning of the German Act Combating Tax Avoidance and Unfair Tax Competition (*Gesetz zur Abwehr von Steuervermeidung und unfäi rem Steuerwettbewerb*)), which has been properly verified to Morgan Stanley SE, and the savings income under the relevant Program Security is not otherwise subject to German non-resident taxation. Whether savings income under a Program Security constitutes German source income, which is subject to German non-resident taxation, needs to be reviewed for each Program Security individually.

Substitution of the Issuer

If the Issuer exercises the right to substitute the debtor of the Program Securities, the substitution might, for German tax purposes, be treated as an exchange of the Program Securities for new program securities issued by the new issuer and subject to similar taxation rules like the Program Securities. In particular, such a substitution could result in the recognition of a taxable gain or loss for any investor of a Program Security.

Inheritance and Gift Tax

No inheritance or gift taxes with respect to the Program Securities will arise under the laws of Germany if, in the case of inheritance tax, neither the decedent nor the beneficiary or, in the case of gift tax, neither the donor nor the donee is a resident of Germany and the Program Securities are not attributable to a German trade or business for which a permanent establishment is maintained, or a permanent representative has been appointed, in Germany. Exceptions from this rule apply to certain German expatriates.

The few existing double taxation treaties regarding inheritance and gift tax may lead to different results. Special rules apply to certain German citizens that are residing in a foreign country and German expatriates.

Other Taxes

No stamp, issue, registration or similar taxes or duties will be payable in Germany in connection with the issuance, delivery or execution of the Program Securities. Currently, net assets tax (*Vermögensteuer*) is not levied in Germany. In principle, it is intended to introduce a financial transaction tax. However, it is unclear if and in what form such tax will be actually introduced.

No gross-up for German withholding tax (Kapitalertragsteuer)

Purchasers of the Program Securities should note that in accordance with the terms and conditions of the Program Securities, unless specified in the applicable Pricing Supplement, the Issuer, in principle, will neither assume any liability for German withholding taxes (*Kapitalertragsteuer*) withheld from payments under the Program Securities (unless, with respect to Morgan Stanley SE as Issuer, it is required by law to make withholding tax deductions from the payment of savings income under the Program Securities in accordance with the considerations above), nor make any additional payments in regard of these taxes, i.e. no gross-up will apply in case a withholding tax is imposed.

ITALIAN TAXATION

The following is a summary of certain limited Italian tax consequences of the purchase, the ownership and the disposal of the Program Securities. The statements herein are based on the laws in force in Italy as at the date of this Offering Circular and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The Issuers will not update this summary to reflect changes in law and/or practice. If any such change should occur, the information in this summary could become obsolete.

The following summary does not purport to be a comprehensive description of all the Italian tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Program Securities and does not purport to deal with the Italian tax consequences applicable to all categories of investors, some of which may be subject to special rules. The following general description assumes that the Issuer is not a tax resident nor deemed to be a tax resident of Italy and that it has no permanent establishment within the Italian territory to which the Program Securities are effectively connected.

Prospective investors are advised to consult their own tax advisors concerning the overall tax consequences of their interest in the Program Securities. Moreover, this summary does not analyse the tax treatment of Program Securities redeemable by physical settlement nor of Program Securities that have cryptocurrencies as their underlying asset or that are denominated in cryptocurrencies.

In any case, Italian legal or tax concepts may not be identical to the concepts described by the same English term as they exist under terms of different jurisdictions and any legal or tax concept expressed by using the relevant Italian term shall prevail over the corresponding concept expressed in English terms.

Law No. 111 of 9 August 2023, published in the Official Gazette No. 189 of 14 August 2023 ("Law 111"), delegates power to the Italian Government to enact, within thirty-six months from its publication, one or more legislative decrees implementing the reform of the Italian tax system (the "Tax Reform"). According to Law 111, the Tax Reform will significantly change the taxation of financial incomes and capital gains and introduce various amendments in the Italian tax system at different levels. The precise nature, extent, and impact of these amendments cannot be quantified or foreseen with certainty at this stage.

Tax treatment of the Program Securities

The Program Securities may be subject to different tax regimes depending on whether:

- (a) they represent derivative financial instruments or bundles of derivative financial instruments, not entailing a "use of capital" (*impiego di capitale*), through which the Noteholders and/or the Securityholders purchase indirectly the economics of underlying financial instruments or indexes (please see section 1 below); or
- (b) they represent a debt instrument implying a "use of capital" (*impiego di capitale*), through which the Noteholders and/or the Securityholders transfer to the Issuer a certain amount of capital, for the economic exploitation of the same, subject to the right to obtain a (partial or entire) reimbursement of such amount at maturity. In particular, Program Securities representing debt instruments implying a "use of capital" could be divided in: Program Securities without capital at risk (please see section 2 below) and Program Securities with capital at risk, so called "atypical securities" (please see section 2.2 below).

1. Program Securities representing derivative financial instruments or bundles of derivative financial instruments

With regard to certain innovative or structured financial instruments, there is currently limited guidance as to the tax treatment of such financial instruments. Accordingly, it cannot be excluded that the Italian tax authorities will change their current view, as specified below, or courts will adopt a view different from that outlined below.

1.1 Italian resident Noteholders and/or Securityholders

Taxation of income from derivatives

Should the Program Securities qualify as derivative instruments for the purposes of Italian tax law, the following consequences should apply to an Italian resident Noteholder and/or Securityholder, other than acting in the course of an entrepreneurial activity, pursuant to Article 67(1) (*c-quater*) and or

(*c-quinquies*) of Italian Presidential Decree No. 917 of 22 December 1986, as subsequently amended ("**Decree No. 917**") and according to, inter alia, the Italian tax authorities' Resolution no. 72/E of 12 July 2010.

Where the Italian resident Noteholder and/or Securityholder is (i) an individual not engaged in an entrepreneurial activity to which the Program Securities are effectively connected, (ii) a non-commercial partnership; (iii) a non-commercial private or public institution; or (iv) an investor exempt from Italian corporate income taxation, income realised on any sale or transfer for consideration or exercise or redemption of the Program Securities is subject to a 26 per cent. substitute tax ("**imposta sostitutiva**"). In this respect, the above Italian resident recipients may opt for one of the following three taxation regimes: (*regime della dichiarazione, regime del risparmio amministrato, regime del risparmio gestito*, in this respect please see section 2.1.2 below). This option may result in certain impacts that the investors should consider with their tax advisers. In particular, provided that the relevant conditions are met, the depository is responsible for accounting for imposta sostitutiva and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Noteholder and/or Securityholder or using funds provided by the Noteholder and/or Securityholder for this purpose. Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals holding the Program Securities not in connection with an entrepreneurial activity may be exempt from any income taxation, including the imposta sostitutiva on capital gains relating to the Program Securities if the Program Securities are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth by Italian law as amended and supplemented from time to time.

The imposta sostitutiva does not apply also to the following Italian resident taxpayers:

(A) Corporate Investors

Any capital gain obtained from the sale or redemption of the Program Securities will not be subject to imposta sostitutiva, but would be treated as part of the taxable income subject to the general Italian corporate tax regime (corporate income tax, "**IRES**", is currently applicable at 24 per cent. with a 3.5 per cent. surcharge for banks and financial intermediaries) and, in certain circumstances, depending on the tax "status" of the Noteholder and/or Securityholder, also as part of the net value of production for purposes of regional tax on productive activities ("**IRAP**").

(B) Real estate investment funds and real estate SICAFs

Any capital gains realized by a Noteholder and/or Securityholder which is an Italian resident real estate investment fund established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented and to Article 14-bis of Law No. 86 of 25 January 1994 ("**Real Estate Fund**") or an Italian real estate closed-ended investment company ("**Real Estate SICAF**"), to which the provisions of Law Decree No. 351 of 25 September, 2001, Law Decree No. 78 of 31 May 2010, converted into Law No. 122 of 30 July 2010 and Legislative Decree No. 44 of 4 March 2014, all as amended and supplemented, apply are subject neither to imposta sostitutiva nor to any other income tax in the hands of the Real Estate Fund or the Real Estate SICAF. The income of the Real Estate Fund or of the Real Estate SICAF may be subject to tax, in the hands of the unitholder/shareholder, depending on the status and percentage of participation.

(C) Investment funds

Any capital gains realised by a Noteholder and/or a Securityholder which is an Italian resident open-ended or closed-ended collective investment fund (subject to the tax regime provided by Law No. 77 of 23 March 1983) ("**Investment Fund**"), or an Italian open-ended investment company (*società di investimento a capitale variabile* – "**SICAV**") or an Italian closed-ended investment company, other than a real estate investment company (*società di investimento a capitale fisso* "**SICAF**") will neither be subject to imposta sostitutiva nor to any income tax in the hands of the Investment Fund or of the SICAV and SICAF. The proceeds distributed by the Investment Fund or the SICAV/SICAF or received by certain categories of unitholders upon redemption or disposal of the units will be taxed in the hands of the investors who subscribe the quotas of the Investment Fund or the shares of the SICAV/SICAF on a cash basis.

(D) Pension funds

Any capital gains realised by a Noteholder and/or Securityholder which is an Italian pension fund (subject to the regime provided for by Article 17 of the Legislative Decree No. 252 of 5 December 2005, as subsequently amended and supplemented, "**Decree No. 252**") will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to a 20 per cent. annual substitute tax (the "**Pension Fund Tax**"). Subject to certain limitations and requirements (including a minimum holding period), capital gains may be excluded from the taxable base of the 20 per cent. ad hoc Pension Fund Tax, if the Program Securities are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth by Italian law as amended and supplemented from time to time.

1.2 Non-Italian resident Noteholders or Securityholders

Capital gains realised by non-Italian resident Noteholders and/or Securityholders without a permanent establishment in Italy to which the Program Securities are effectively connected from the sale or redemption of the Program Securities are not subject to Italian taxation, provided that the Program Securities (i) are transferred on regulated markets, or (ii) if not transferred on regulated markets, are held outside Italy. In such a case, in order to benefit from this exemption from Italian taxation on capital gains, non-Italian resident Noteholders and/or Securityholders who hold the Program Securities with an Italian authorized financial intermediary (or permanent establishments in Italy of foreign intermediaries) and elect to be subject to the Asset Management Regime or are subject to the Administrative Savings Regime, as below defined, may be required to file in due time to the Italian authorized financial intermediary an appropriate statement (*autocertificazione*) that they are not resident in Italy for tax purposes.

Moreover, even if the Program Securities are held in Italy, no Italian *imposta sostitutiva* applies if the non-Italian resident investor is resident for tax purposes in a state or territory which allows an adequate exchange of information with the Italian tax authorities and listed in the Italian Ministerial Decree dated 4 September, 1996 as amended and supplemented from time to time (the "**White List**"). According to Article 11, par. 4, let. c) of Legislative Decree No. 239 of 1 April 1996 ("**Decree No. 239**") the White List should be updated every six months period.

Please note that, from January 1, 2027, the provisions included in the Decree No. 239 (Articles 1-9 and 11) will be incorporated, with no changes with respect to what is relevant in this context, into the consolidated law on payments and collection, referred to in the Italian Legislative Decree No. 33 of 24 March 2025 (Articles 62-71).

The same exemption applies where the beneficial owners of the Program Securities are (i) international entities or organizations established in accordance with international agreements ratified by Italy; (ii) certain foreign institutional investors established in countries included in the White List, even if they do not have the status of taxpayers in their own country of residence; or (iii) Central Banks or entities which manage, inter alia, the official reserves of a foreign State. Under these circumstances, if non-Italian residents without a permanent establishment in Italy to which the Program Securities are effectively connected elect for the Asset Management Regime or are subject to the Administrative Savings Regime, as below defined, exemption from Italian capital gains tax will apply upon condition that they provide in time with the authorised financial intermediary an appropriate self-declaration (*autocertificazione*) stating that they meet the requirement indicated above. Additional statements may be required for non-Italian resident Securityholders who are institutional investors.

Non-Italian resident individuals or entities without a permanent establishment in Italy to which the Program Securities are connected that may benefit from a double taxation treaty with the Republic of Italy providing that capital gains realised upon the sale or redemption of Program Securities are to be taxed only in the country of tax residence of the seller/beneficial owner of the income, will not be subject to the substitute tax in the Republic of Italy on any capital gains realised upon the sale or redemption of Program Securities. In such a case, in order to benefit from this treaty exemption from Italian taxation on capital gains, non-Italian resident Noteholders and/or Securityholders who hold the Program Securities with an Italian authorised financial intermediary and elect to be subject to the Asset Management Regime or are subject to the Administrative Savings Regime, as below defined, may be required to produce in due time to the Italian authorised financial intermediary appropriate documents which include, *inter alia*, a statement from the competent tax authorities of the country of residence.

Please note that for a non-Italian resident, the Administrative Savings Regime (as below defined) shall automatically apply, unless this regime is expressly waived, where the Program Securities are deposited in custody or administration with an Italian resident authorised financial intermediary or permanent establishment in the Republic of Italy of a foreign intermediary.

2. Program Securities representing debt instruments implying a "use of capital" without capital at risk

2.1 Italian resident Noteholders and Securityholders

2.1.1 Taxation of interest

Decree No. 239 governs the tax treatment of interest, premiums and other income (including the difference between the redemption amount and the issue price) (hereinafter collectively referred to as "**Interest**") from Program Securities issued, inter alia, by non-Italian resident entities. The provisions of Decree No. 239 only apply to those Program Securities which qualify as *obbligazioni* or *titoli similari alle obbligazioni* pursuant to Article 44, paragraph 2, letter c) of Decree No. 917. In accordance with Article 44, paragraph 2, letter c) of Decree No. 917, for securities to qualify as *obbligazioni* (bonds) or *titoli similari alle obbligazioni* (securities similar to bonds), they must (i) incorporate an unconditional obligation to pay at maturity an amount not less than that indicated therein, and (ii) attribute to the holders no direct or indirect right to control or participate to the management of the relevant Issuer or of the business in relation to which they are issued.

Where the Italian resident Noteholder and/or Securityholder is (i) an individual not engaged in an entrepreneurial activity to which the Program Securities are effectively connected; (ii) a non-commercial partnership; (iii) a non-commercial private or public institution; or (iv) an investor exempt from Italian corporate income taxation, Interest payments relating to the Program Securities are subject to a substitute tax, (referred to as *imposta sostitutiva*) levied at the rate of 26 per cent. (either when Interest is paid or when payment thereof is obtained by the holder on a sale of the Program Securities). Such investors are qualified as "net recipients" (unless they have entrusted the management of their financial assets, including the Program Securities, to an authorised intermediary and have opted for the Asset Management Regime, as defined below).

Where the resident holders of the Program Securities described above under (i) and (iii) above are engaged in an entrepreneurial activity to which the Program Securities are effectively connected, the *imposta sostitutiva* applies as a provisional income tax. Interest will be included in the relevant beneficial owner's Italian income tax return and will be subject to Italian ordinary income taxation and the *imposta sostitutiva* may be recovered as a deduction from Italian income tax due.

Subject to certain conditions, Interest in respect of Program Securities that qualify as *obbligazioni* or *titoli similari alle obbligazioni*, received by Italian resident individuals holding the aforesaid Program Securities not in connection with an entrepreneurial activity may be exempt from taxation, including the 26 per cent. *imposta sostitutiva*, if such Program Securities are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth by Italian law as amended and supplemented from time to time.

Pursuant to Decree No. 239, the 26 per cent. *imposta sostitutiva* is applied by banks, SIMs, fiduciary companies, *società di gestione del risparmio* ("**SGRs**") stock brokers and other qualified entities identified by a decree of the Ministry of Finance ("**Intermediaries**" and each an "**Intermediary**") resident in Italy, or by permanent establishments in Italy of a non-Italian resident Intermediary, or an entity or a company not resident in Italy, acting through a system of centralised administration of securities and directly connected with the Italian tax authorities having appointed an Italian representative for the purposes of Decree No. 239, that intervene, in any way, in the collection of Interest or, also as transferees, in transfers or disposals of the Program Securities. For the purpose of the application of the *imposta sostitutiva*, a transfer of securities includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant securities or in a change of the Intermediary with which the securities are deposited.

Where the Program Securities are not deposited with an authorised Italian Intermediary (or with a permanent establishment in Italy of a foreign Intermediary), the *imposta sostitutiva* is applied and withheld by any Italian Intermediary paying Interest to the Noteholder and/or Securityholder.

Italian resident individuals, non-commercial partnerships or entities holding Program Securities not in connection with entrepreneurial activity who have opted for the Asset Management Regime (as defined below) are subject to the 26 per cent. annual *imposta sostitutiva* on the increase in value of the managed assets accrued at the end of each tax year (which increase would include Interest accrued on the Program Securities). The 26 per cent. annual *imposta sostitutiva* is applied on behalf of the taxpayer by the managing authorised Intermediary.

The *imposta sostitutiva* does not apply also to the following Italian resident persons, to the extent that the Program Securities are deposited in a timely manner, directly or indirectly, with an Intermediary:

(A) Corporate Investors

Interest on the Program Securities received by (i) an Italian resident company or similar commercial entity; or (ii) an Italian permanent establishment of foreign entities to which the Program Securities are effectively connected; will not be subject to the *imposta sostitutiva*, but will be included in the taxable base for the purposes of IRES and – under certain circumstances – of IRAP, as described in section 1 above.

(B) Real estate investment funds and real estate SICAFs

Where a Noteholder and/ or Securityholder is an Italian resident Real Estate Fund or an Italian Real Estate SICAF, to which the provisions of Law Decree No. 351 of 25 September, 2001, Law Decree No. 78 of 31 May 2010, converted into Law No. 122 of 30 July 2010, and Legislative Decree No. 44 of 4 March 2014, all as amended, apply, Interest accrued on the Program Securities are subject neither to the *imposta sostitutiva* nor to any other income tax in the hands of the Real Estate Fund or Real Estate SICAF provided that the Program Securities are timely deposited with an Intermediary. The income of the Italian Real Estate Fund or Real Estate SICAF may be subject to tax in the hands of the unitholder/shareholder, depending on *status* and percentage of participation.

(C) Investment funds

If a Noteholder and/or Securityholder is resident in Italy and is an Investment Fund, a SICAV and a SICAF Interest, accrued on the Program Securities during the holding period and either (i) the Investment Fund, the SICAV and the SICAF or (ii) its manager is subject to the supervision of a regulatory authority and the Program Securities are deposited with an Intermediary, will not be subject to the *imposta sostitutiva* nor to any other income tax of the Investment Fund, the SICAV or the SICAF. The proceeds distributed by the Investment Fund or the SICAV/SICAF or received by certain categories of unitholders upon redemption or disposal of the units will be taxed in the hands of the investors who subscribe the quotas of the Investment Fund or the shares of the SICAV/SICAF on a cash basis.

(D) Pension funds

Where an Italian resident Noteholder and/or Securityholder which is an Italian pension fund (subject to the regime provided for by Article 17 of Decree No. 252) and the Program Securities are deposited with an Intermediary, Interest relating to the Program Securities and accrued during the holding period will not be subject to the *imposta sostitutiva*, but must be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 20 per cent. ad hoc Pension Fund Tax. Subject to certain limitations and requirements (including a minimum holding period), Interest in respect to the Program Securities may be excluded from the taxable base of the 20 per cent. ad hoc Pension Fund Tax, if Program Securities that qualify as obbligazioni or titoli similari alle obbligazioni are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth by Italian law as amended and supplemented from time to time.

2.1.2 Taxation of Capital Gains

A 26 per cent., *imposta sostitutiva* is applicable on capital gains realised on the disposal of Program Securities by Noteholders and/or Securityholder included among the following categories of Italian residents: (i) individuals not engaged in an entrepreneurial activity to which the Program Securities are

effectively connected; (ii) non-commercial partnerships; (iii) non-commercial private or public institutions; and (iv) investors exempt from Italian corporate income taxation.

In respect of the application of the *imposta sostitutiva*, such taxpayers may opt for one of the three regimes described below.

- (a) Under the "*regime della dichiarazione*" provided for by Article 5 of Decree No. 461 of 21 November 1997 ("**Decree No. 461**") (the "**Tax Declaration Regime**"), which is the standard regime for Italian resident individuals not engaged in an entrepreneurial activity to which the Program Securities are effectively connected, the 26 per cent. *imposta sostitutiva* will be chargeable, on a cumulative basis, on all capital gains, net of any incurred capital loss, realised by the Italian resident individual holding the Program Securities not in connection with an entrepreneurial activity pursuant to all disposals of the Program Securities carried out during any given tax year. Italian resident individuals holding the Program Securities not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss in the annual tax return and the *imposta sostitutiva* must be paid on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years;
- (b) as an alternative to the tax declaration regime, Noteholders and/or Securityholders as listed above may elect to pay under the "*risparmio amministrato*" regime provided for by Art. 6 of Decree No. 461 (the "**Administrative Savings Regime**") the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Program Securities. Such separate taxation of capital gains is allowed subject to (i) the Program Securities being deposited with Italian banks, "*società di intermediazione mobiliare*" ("**SIMs**") or certain authorised financial intermediaries and (ii) an express election for the Administrative Savings Regime being timely made in writing by the relevant Noteholder and/or Securityholder. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Program Securities (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Noteholder and/or Securityholder or using funds provided by the Noteholder and/or Securityholder for this purpose. Under the Administrative Savings Regime, where a sale or redemption of the Program Securities results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the *risparmio amministrato* regime, the Noteholder and/or Securityholder is not required to declare the capital gains in the annual tax return;
- (c) any payments received and any capital gains accrued by the Noteholder and/or Securityholder as listed above who have entrusted the management of their financial assets, including the Program Securities, to an authorised intermediary and have opted for the so-called "*risparmio gestito*" regime provided for by Art. 7 of Decree No. 461 (the "**Asset Management Regime**") will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 26 per cent. substitute tax, to be paid by the managing authorised intermediary. Under the Asset Management Regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the Asset Management Regime, the Noteholder and/or Securityholder is not required to declare the capital gains realised in the annual tax return.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals holding the Program Securities not in connection with an entrepreneurial activity may be exempt from Italian capital gain taxes, including the 26 per cent. *imposta sostitutiva*, on capital gains realised upon sale or redemption of the Program Securities if the Program Securities are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth by Italian law as amended and supplemented from time to time.

The *imposta sostitutiva* does not apply also to the following Italian-resident taxpayers:

(A) Corporate Investors

Any capital gains obtained from the sale or redemption of the Program Securities will not be subject to imposta sostitutiva but would be treated as part of the IRES taxable income (and, in certain circumstances, depending on the status of the Noteholder and/or Securityholder, also as part of the net value of the production for IRAP purposes) if realised by (i) an Italian company or a similar commercial entity; or (ii) an Italian permanent establishment of foreign entities to which the Program Securities are connected.

(B) Real estate investment funds and real estate SICAFs

Any capital gains realized by a Noteholder and/or Securityholder which is an Italian Real Estate Fund or an Italian Real Estate SICAF to which the provisions of Law Decree No. 351 of 25 September 2001, Law Decree No. 78 of 31 May 2010, converted into Law No. 122 of 30 July 2010, and Legislative Decree No. 44 of 4 March 2014, all as amended, apply are subject neither to imposta sostitutiva nor to any other income tax in the hands of the Real Estate Fund or the Real Estate SICAF. The income of the Italian Real Estate Fund or Real Estate SICAF may be subject to tax in the hands of the unitholder, depending on status and percentage of participation.

(C) Investment funds

Any capital gains realised by a Noteholder and/or Securityholder which is an Italian Investment Fund, a SICAV or a SICAF will neither be subject to imposta sostitutiva nor to any income tax in the hands of the Investment Fund or of the SICAV and SICAF. The proceeds distributed by the Investment Fund or the SICAV/SICAF or received by certain categories of unitholders upon redemption or disposal of the units will be taxed in the hands of the investors who subscribe the quotas of the Investment Funds or the shares of the SICAV/SICAF on a cash basis.

(D) Pension funds

Any capital gains realised by a Noteholder and/or Securityholder which is an Italian pension fund (subject to the regime provided for by Article 17 of Decree No. 252) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 20 per cent. Pension Fund Tax.

Subject to certain conditions (including minimum holding period requirement) and limitations, capital gains realised through the transfer for consideration or redemption of the Program Securities may be excluded from the taxable base of the Pension Funds, if the Program Securities are included in a long-term individual savings plan (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth by Italian law as amended and supplemented from time to time.

Non-Italian resident Noteholders and Securityholders

No Italian imposta sostitutiva is applied on payments to a non-Italian resident Noteholder and/or Securityholder of Interest relating to the Program Securities provided that, if the Program Securities are held in Italy, the non-Italian resident Noteholder and/or Securityholder declares itself to be a non-Italian resident according to Italian tax regulations.

The capital gains regime is similar to that described above section 1.2 "*Program Securities representing derivative financial instruments or bundles of derivative financial instruments – Non-Italian resident Noteholders or Securityholders*" above.

2.2 Fungible issues

Pursuant to Article 11(2) of Decree No. 239, where the Issuer issues a new tranche of Notes or Securities forming part of a single series with a previous tranche of Notes or Securities falling within the category of bonds or bond-like securities, for the purposes of calculating the amount of interest subject to imposta sostitutiva (if any), the issue price of the new tranche of Notes or Securities will be deemed to be the same as the issue price of the original tranche of Notes or Securities. This rule applies where (a) the new tranche of Notes or Securities is issued within 12 months from the issue date of the previous tranche of Notes or Securities and (b) the difference between the issue price of the new tranche of Notes or Securities and that of the original tranche of Notes or Securities does not exceed 1 per cent. of the nominal value of

the Notes or Securities multiplied by the number of years of the duration of the Notes or Securities. There is no authority guidance directly regarding the applicability of such regime also to securities issued by non-Italian resident Issuer. Accordingly, there can be no assurance that the Italian tax authorities may assert such tax treatment on the new tranche of Securities.

3. Program Securities with capital at risk qualifying as atypical securities

3.1 *Italian resident Noteholders and/or Securityholders*

3.1.1 *Taxation of Interest*

In the case Program of Securities representing debt instruments implying a "use of capital" do not guarantee the total reimbursement of the principal amount, under Italian tax law they should qualify as "atypical securities" pursuant to Law Decree No. 512 of 30 September 1983, as amended from time to time, and payments in respect of such Program Securities received by Italian resident individual Noteholders and/or Securityholders would be subject to the following regime:

- (a) if the Program Securities are placed (*collocati*) in Italy, payments made to individual investors holding the Program Securities not in connection with an entrepreneurial activity will be subject to a 26 per cent. final withholding tax. This withholding tax is levied by the entrusted Italian resident bank or financial intermediary, if any, that is involved in the collection of payments on the Program Securities, in the repurchase or in the transfer of the Program Securities;
- (b) if the Program Securities are not placed (*collocati*) in Italy or in any case where payments on the Program Securities are not received through an entrusted Italian resident bank or financial intermediary (that is involved in the collection of payments on the Program Securities, in the repurchase or in the transfer thereof) and no withholding tax is levied, the individual beneficial owners will be required to declare the payments in their income tax return and subject them to a final substitute tax at a rate of 26 per cent. The Italian individual Noteholder and/or Securityholder may elect instead to pay ordinary IRPEF at the progressive rates applicable to them in respect of the payments.

The 26 per cent. withholding tax does not apply to payments made to an Italian resident Noteholder and/or Securityholder which is: (i) an Italian resident or a similar Italian resident commercial entity; and (ii) the Italian permanent establishment of foreign entities to which the Program Securities are effectively connected. In particular, in such cases, payments must be included in the relevant Noteholder's and/or Securityholder's annual income tax return to be therefore subject to IRES and, in certain circumstances, depending on the status of the Noteholder, also to IRAP.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity may be exempt from any income taxation, including the withholding tax on Interest relating to the Program Securities not falling within the category of bonds (*obbligazioni*) or securities similar to bonds (*titoli similari alle obbligazioni*) and qualify as titoli atipici ("**atypical securities**") pursuant to Article 5 of Law Decree No. 512 of 30 September 1983, if Program Securities are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth by Italian law as amended and supplemented from time to time.

3.1.2 *Capital gains tax*

Italian resident Noteholders or Securityholders

The relevant capital gains regime applies under similar rules to those described above under section 2.1.2 "*Program Securities representing debt instruments implying a "use of capital" without capital at risk - Italian resident Noteholders and Securityholders*" above.

Non-Italian resident Noteholders or Securityholders

No withholding tax is applied on payments to a non-Italian resident Noteholder and/or Securityholder of Interest relating to the Program Securities provided that, if the Program Securities are placed (*collocati*) in Italy, the non-Italian resident Noteholder and/or Securityholder declares itself to be a non-Italian resident according to Italian tax regulations.

The capital gains regime is similar to that described above under section 1.2 "*Program Securities representing derivative financial instruments or bundles of derivative financial instruments – Non-Italian resident Noteholders or Securityholders*" above.

4. Inheritance and gift tax

Pursuant to Law Decree No. 262 of 3 October 2006, converted into Law No. 286 of 24 November 2006, as subsequently amended (and, starting from 1 January 2027, Legislative Decree No. 123 of 1 August 2025), transfers of any valuable assets (including the Program Securities) as a result of death or *inter vivos* gift (or other transfers for no consideration) and the creation of liens on such assets for a specific purpose (*vincoli di destinazione*) are taxed as follows:

- (a) four per cent. if the transfer is made to spouses and direct descendants or ancestors; in this case, the transfer is subject to tax on that part of the value that exceeds EUR 1,000,000 (per beneficiary);
- (b) six per cent. if the transfer is made to brothers and sisters; in this case, the transfer is subject to the tax on that part of the value that exceeds EUR 100,000 (per beneficiary);
- (c) six per cent. if the transfer is made to relatives up to the fourth degree (*parenti fino al quarto grado*), to persons related by direct affinity as well as to persons related by collateral affinity up to the third degree (*affini in linea retta nonché affini in linea collaterale fino al terzo grado*); and
- (d) eight per cent, on the entire value of the inheritance or the gift.

If the transfer is made in favour of persons with severe disabilities, pursuant to Law No. 104 of 5 February 1992, the tax applies at the rate mentioned above in (i), (ii) and (iii) on that part of the value that exceeds EUR 1,500,000.

The mortis causa transfer of financial instruments (including the Program Securities) included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth by Italian law as amended and supplemented from time to time are exempt from inheritance and gift taxes.

5. Stamp Duty

Pursuant to Article 13 paragraph 2-bis and 2-ter of the first part of the tariff attached to Presidential Decree No. 642 of 26 October 1972, as amended and supplemented (starting from 1 January 2027, Annex III of Legislative Decree No. 123 of 1 August 2025), a proportional stamp duty applies on an annual basis to the periodic reporting communications sent by financial intermediaries to their clients and relating to securities and financial instruments. The stamp duty applies at a rate of 0.20 per cent.; this stamp duty is determined on the basis of the market value or – if no market value is available – the nominal value or redemption amount of the securities held. The stamp duty cannot exceed the amount of Euro 14,000 if the recipient of the periodic reporting communications is an entity (i.e., not an individual).

The statement is considered to be sent at least once a year, even for instruments for which is not mandatory nor the deposit nor the release or the drafting of the statement. In case of reporting periods of less than 12 months, the stamp duty is payable pro-rata.

Based on the wording of the law and the implementing decree issued by the Italian Ministry of Economy on 24 May 2012, the stamp duty applies to any investor who is a client (as defined in the regulations issued by the Bank of Italy on 20 June 2012, as amended and supplemented from time to time) of an entity that exercises in any form a banking, financial or insurance activity within the Italian territory.

The stamp duty applies both to Italian resident and non-Italian resident investors, to the extent that the Program Securities are held with an Italian-based financial intermediary (and not directly held by the investor outside Italy), in which case Italian wealth tax (see below under "Wealth tax on securities deposited abroad") applies to Italian resident Noteholders only.

6. Wealth Tax on securities deposited abroad (IVAFE)

Pursuant to Law Decree No. 201 of 6 December 2011, converted into Law No. 214 of 22 December 2011 as subsequently amended and supplemented, Italian resident individuals, non-profit entities and certain partnerships including *società semplici* or similar partnerships in accordance with Article 5 of Decree No. 917 holding the Program Securities abroad, without the involvement of an Italian-based financial intermediary, are required to pay in its own annual tax returns a wealth tax ("IVAFE") at a rate of 0.20 per cent. For each year (0.40 per cent., as of 2024, in case of financial assets held in States or territories with privileged tax regime identified by the Ministerial Decree of the Ministry of Economy and Finance of 4 May 1999). The maximum amount due is set at Euro 14,000 for Noteholders/Securityholders other than individuals.

This tax is calculated on an annual basis on the market value of the securities at the end of the relevant year or – if no market value is available – the nominal value or the redemption value of such financial assets held abroad. Taxpayers are entitled to an Italian tax credit equivalent to the amount of any wealth tax paid in the State where the financial assets are held (up to an amount equal to the IVAFE due). The financial assets held abroad are excluded from the scope of the wealth tax, if such financial assets are administered by Italian financial intermediaries pursuant to an administration agreement.

7. Italian Financial Transaction Tax (FTT) depending on the features of the Program Securities

Pursuant to Law No. 228 of 24 December 2012, an Italian financial transaction tax ("FTT") applies to (a) transfer of shares and other participating securities issued by Italian resident companies or of financial instruments representing the mentioned shares and/or participating securities (irrespective of whether issued by Italian resident issuers or not) (the "**Relevant Securities**"), (b) transactions on financial derivatives (i) the main underlying assets of which are the Relevant Securities, or (ii) whose value depends mainly on one or more Relevant Securities, as well as to (c) any transaction on certain securities (i) which allow to mainly purchase or sell one or more Relevant Securities or (ii) implying a cash payment determined with main reference to one or more Relevant Securities.

Certain Program Securities could be included in the scope of application of the FTT if they meet the requirements set out above. On the other hand, Program Securities falling within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) are not included in the scope of the FTT.

The FTT on derivative instruments is levied at a fixed amount that varies depending on the nature of the relevant instrument and the notional value of the transaction, and ranges between Euro 0.01875 and Euro 200 per transaction. The amount of FTT payable is reduced to 1/5 of the standard rate in case the transaction is performed on regulated markets or multilateral trading facilities of certain EU and EEA member States. The FTT on derivatives is due by each of the parties to the transactions. FTT exemptions and exclusions are provided for certain transactions and entities.

The FTT is levied and paid by the subject (generally a financial intermediary) that is involved, in any way, in the execution of the transaction. Intermediaries which are not resident in Italy but are liable to apply the FTT can appoint an Italian tax representative for the purposes of the FTT. If no intermediary is involved in the execution of the transaction, the FTT must be paid by the relevant taxpayers.

Investors are advised to consult their own tax advisors also on the possible impact of the FTT.

8. Tax monitoring obligations

Pursuant to Italian Law Decree No. 167 of 28 June 1990, as amended by Law No. 97 of 6 August 2013 and by Law No. 50 of 28 March 2014, individuals, non-profit entities and certain partnerships (in particular, *società semplici* or similar partnerships in accordance with Article 5 of Decree No. 917) resident in Italy are required to report in their yearly income tax declaration, for tax monitoring purposes, the amount of Program Securities held abroad during each tax year.

The requirement applies also where the persons above, being not the direct holder of the financial instruments, are the beneficial owner of the instrument for anti-money laundering purposes. The above reporting is not required to be complied with respect to Program Securities deposited for management or administration with qualified Italian intermediaries and with respect to contracts entered into through

their intervention, provided that the financial flows and income derived from the Program Securities are subject to tax by the same intermediaries.

9. EU Directive on Administrative Cooperation in the field of Taxation

On 9 July 2015, the Italian Parliament adopted Law No. 114 delegating the Italian Government to implement in Italy certain EU Council Directives, including Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU). Such Directive is aimed at broadening the scope of the operational mechanism of intra-EU automatic exchange of information in order to fight cross-border tax fraud and evasion. The Italian government implemented the above-mentioned Council Directive 2014/107/EU in the Ministerial Decree issued by the Ministry of Finance on 28 December 2015, as amended by the Ministerial Decree of 17 January 2017. Following the Ministerial Decree quoted, the Italian tax authorities may communicate to other EU Member States information about interest and other categories of financial income of Italian source, including income from the Notes.

Furthermore, the Italian Government implemented the later changes to the Council Directive 2011/16/EU, including the changes introduced by the Council Directive 2376/2015/EU on the mandatory automatic exchange of information on advance cross-border rulings and advance pricing arrangements, through the issue of the Legislative Decree 15 March 2017, no. 32, and by the Council Directive 2016/2258/EU as regards access to anti-money-laundering information by tax authorities, through the issue of the Legislative Decree 18 May 2018, no. 60. As a consequence of the OECD project on "Base erosion and Profit Shifting" (BEPS), the EU DAC 6 Directive ("**DAC 6**") has been adopted on 25 May 2018 by the EU Council, amending Council Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements. According to DAC 6, intermediaries and, in some circumstances, taxpayers are required to notify the competent tax authorities of each Member States any cross-border arrangements that have at least one of the so-called "hallmarks" designed by the EU legislator as "markers" of potential risk of international tax evasion or avoidance or circumvention of disclosure requirements on financial accounts (CRS).

On 26 August 2020, the Legislative Decree No. 100, 30 July 2020 (the "**DAC 6 Decree**"), implementing the said Directive, with disclosure obligations for intermediaries and taxpayers, was published. Italian Ministry of Finance issued a Ministerial Decree on 20 November 2020, clarifying certain criteria set by the Italian law that trigger the reporting obligations. Furthermore, on 10 February 2021 the Italian tax authorities issued Circular Letter No. 2/E and on 13 May 2022, Circular Letter No. 12/E in order to provide certain other clarifications regarding the application of the DAC6 Decree.

JERSEY TAXATION

The following summary of the anticipated treatment of MFSII and holders of Program Securities (other than residents of Jersey) is based on Jersey taxation law and practice as they are understood to apply at the date of this Offering Memorandum and is subject to changes in such taxation law and practice. It does not constitute legal or tax advice and does not address all aspects of Jersey tax law and practice (including such tax law and practice as they apply to any land or building situate in Jersey). Prospective investors in the Program Securities should consult their professional advisers on the implications of acquiring, buying, selling or otherwise disposing of the Program Securities under the laws of any jurisdiction in which they may be liable to taxation.

Prospective investors in the Program Securities should also note that tax law and interpretation can change and that, in particular, the levels and basis of, and reliefs from, taxation may change and may alter the benefits of the investment in the MFSII.

Taxation of MFSII

Under Article 123C of the Income Tax (Jersey) Law 1961 and on the basis that MFSII is resident for tax purposes in Jersey and not "a company in the cannabis industry", a financial services company, a utility company or a large corporate retailer for the purposes of the Income Tax (Jersey) Law 1961, as amended, MFSII is subject to income tax in Jersey at a rate of zero per cent. Payments in respect of the Program Securities may be paid by MFSII without withholding or deduction for or on account of Jersey income tax and holders of Program Securities (other than residents of Jersey) will not be subject to any tax in Jersey in respect of the holding, sale or other disposition of such Program Securities.

If MFSII derives any income from the ownership or development and disposal of land in Jersey, such income will be subject to tax at the rate of 20 per cent. It is not expected that MFSII will derive any such income.

Holders of Program Securities

Dividends on Securities and redemption proceeds may be paid by MFSII to non-Jersey resident holders of Program Securities without withholding or deduction for or on account of Jersey income tax. Non-Jersey resident holders of Program Securities will not be subject to any tax in Jersey in respect of the holding, sale or other disposition of such Securities. Non-Jersey resident holders of Program Securities will be exempt from Jersey income tax on receipt of any distribution from MFSII. Holders of Program Securities who are resident in Jersey for tax purposes may be liable to pay income tax on distributions (including redemption proceeds) received from MFSII.

Goods and Services Tax

Jersey imposes a Goods and Services Tax ("GST") on the taxable supply of goods and services in or imported into Jersey. The current GST rate is 5 per cent. On the basis that MFSII has obtained International Services Entity status under the Goods and Services Tax (International Service Entities) (Jersey) Regulations 2007, as amended, MFSII is not:

- (a) required to register as a taxable person pursuant to the Goods and Services Tax (Jersey) Law 2007;
- (b) required to charge GST in Jersey in respect of any supply made by it; or
- (c) (subject to limited exceptions that are not expected to apply to MFSII) required to pay GST in Jersey in respect of any supply made to it.

The directors of MFSII intend to continue to conduct the business of MFSII such that no GST will be incurred or be payable by MFSII.

Stamp duty

In Jersey, prima facie no stamp duty is levied on the issue, acquisition, ownership, exchange, sale, transfer or other disposition of the Certificates between living persons. However, where there is a transfer of significant interest in a Jersey company holding a direct or indirect interest in Jersey land or property, the transfer will be subject to a form of stamp duty called Enveloped Property Transaction Tax. A significant interest is the ownership or control of more than 50% of the company. Stamp duty also applies if the articles of association of a Jersey company convey the right to occupy property in Jersey. Stamp duty is also payable on Jersey grants of probate

and letters of administration, which will generally be required to transfer the Program Securities on the death of a holder of such Program Securities. In the case of a grant of probate or letters of administration, stamp duty is levied according to the size of the estate (wherever situate in respect of a holder of Program Securities domiciled in Jersey, or situate in Jersey in respect of a holder of Program Securities domiciled outside Jersey). Such duties are payable in respect of the net value of the estate (as at the date of death) rounded up to the nearest £10,000 at a rate of 0.5% of the first £100,000 and 0.75% per additional £10,000 or any fractional part thereof. Such stamp duty is capped at a maximum of £100,000 (for estates valued at £13,360,000 or above). The rules for joint holders and holdings through a nominee are different and advice relating to this form of holding should be obtained from a professional advisor.

Purchasers of Program Securities may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase or other relevant jurisdiction.

Jersey does not otherwise levy taxes upon capital, inheritances, capital gains or gifts nor are there other estate duties.

FATCA

Under Sections 1471 through 1474 of the US Internal Revenue Code (commonly referred to as "**FATCA**") "Financial Institutions" are required to use enhanced due diligence procedures to identify US persons who have invested in either non-US financial accounts or non-US entities.

Pursuant to FATCA, certain payments of (or attributable to) US-source income, (including dividends and interest), and (from 1 January 2019) the gross proceeds of sales of property that give rise to US-source payments, are subject to a 30 per cent. withholding tax unless the Company agrees to certain reporting and withholding requirements ("**FATCA Withholding**").

The United States and Jersey have entered into an intergovernmental agreement ("**US-Jersey IGA**") to implement FATCA. Under the terms of the US-Jersey IGA, MFSII is obliged to comply with the provisions of FATCA as enacted by the Jersey legislation implementing the US-Jersey IGA (the "**Jersey IGA Legislation**"), rather than directly complying with the US Treasury regulations implementing FATCA. Under the terms of the US-Jersey IGA, Jersey resident entities that comply with the requirements of the Jersey IGA Legislation will be treated as compliant with FATCA and, as a result, will not be subject to FATCA Withholding on payments they receive and will not be required to withhold under FATCA on payments they make.

MFSII is considered a Jersey resident financial institution and therefore is required to comply with the requirements of the Jersey IGA Legislation. Under the Jersey IGA Legislation, MFSII is required to report to the Government of Jersey Comptroller of Taxes certain holdings by and payments made to certain US holders of Program Securities issued by MFSII, as well as to non-US financial institutions that are considered to be "Non-Participating Financial Institutions" for the purposes of the US-Jersey IGA. Under the terms of the US-Jersey IGA, such information will be onward reported by the Government of Jersey Comptroller of Taxes to the United States.

Additional intergovernmental agreements similar to the US-Jersey IGA have been entered into or are under discussion by other jurisdictions with the United States. Different rules than those described above may apply depending on whether a payee is resident in a jurisdiction that has entered into an intergovernmental agreement to implement FATCA.

In order to avoid MFSII being subject to withholding taxes, all investors (whether they are US citizens or not) must agree to provide MFSII at the time or times prescribed by the Jersey IGA Legislation and at such times reasonably requested by MFSII with such information and documentation (whether relating to themselves, their investors and/or beneficial owners) prescribed by the Jersey IGA Legislation and such additional documentation reasonably requested by MFSII as may be necessary for MFSII to comply with its obligations under the Jersey IGA Legislation.

The scope and application of FATCA Withholding and information reporting pursuant to the terms of FATCA and the US Jersey IGA is subject to review by the United States and Jersey and the rules may change. Holders of Program Securities should consult with their own tax advisors regarding the application of FATCA to their particular circumstances.

Common Reporting Standard

The OECD has developed a global standard for the automatic exchange of financial information between tax authorities (the "**Common Reporting Standard**" or "**CRS**"). The CRS has been implemented in the EU by way of the Revised Directive on Administrative Co-Operation (Council Directive 2014/107/EU). Jersey is a signatory to the CRS and commenced exchange of information with tax authorities of other signatory jurisdictions in September 2017.

Jersey legislation which implements the CRS in Jersey came into effect on 1 January 2016 (the "**Jersey CRS Legislation**").

In summary, the Jersey CRS Legislation requires "reporting financial institutions" in Jersey to identify, review and report on "financial accounts" maintained by them and which are held by residents for tax purposes (whether individuals or entities) of jurisdictions with which Jersey has agreed to exchange information. The reporting deadline for Jersey reporting financial institutions to report to the Government of Jersey Comptroller of Taxes is 30 June in the year following the calendar year to which the return relates.

Reports will be made to the Government of Jersey Comptroller of Taxes and then passed to the competent authority of the jurisdiction in which the account holder is resident. Although MFSII will attempt to satisfy any obligations imposed on it by the CRS, no assurance can be given that it will be able to satisfy such obligations. Implementation of the CRS may require MFSII to conduct additional due diligence and report upon accounts held with it by holders of Program Securities who are reportable persons in other participating jurisdictions. MFSII may require certain additional financial information from holders of Program Securities to comply with its due diligence and reporting obligations under the CRS.

Failure by MFSII to comply with the obligations under the CRS may result in penalties being imposed on MFSII and in such event, the target returns of MFSII may be materially affected. All prospective holders of Program Securities must agree to provide MFSII at the time or times prescribed by applicable law and at such times reasonably requested by MFSII such information and documentation (whether relating to themselves, their investors and/or beneficial owners) prescribed by applicable law and such additional documentation reasonably requested by MFSII as may be necessary for MFSII to comply with its obligations under CRS.

Prospective holders of Program Securities should, as with FATCA, consult their tax advisors with regard to the potential CRS tax reporting and certification requirements associated with an investment in MFSII. It is further recommended that holders of Program Securities who are entities consider themselves whether they have any obligations to notify their respective investors, certificateholders or account holders about the information that MFSII requests, and the potential disclosures that MFSII will be obliged to make in connection with those persons in complying with its obligations under CRS.

In order to avoid MFSII being subject to withholding taxes or penalties, all investors must agree to provide MFSII at times reasonably requested by MFSII with such information and documentation (whether relating to themselves, their investors and/or beneficial owners) reasonably requested by MFSII.

Pillar Two / GloBE

The Pillar Two Global Anti-Base Erosion ("**GloBE**") framework is a new set of international tax rules that require in-scope multinational enterprise ("**MNE**") groups to pay a minimum effective rate of 15% tax in every jurisdiction in which they operate. The rules apply to MNE groups with more than €750 million global annual revenue as determined by the consolidated financial statements of the ultimate parent entity, subject to certain exemptions.

Jersey has implemented a Pillar Two Income Inclusion Rule pursuant to the Multinational Taxation (Global Anti-Base Erosion – IIR Tax) (Jersey) Law 2025 and a Domestic Minimum Tax pursuant to the Multinational Corporate Income Tax (Jersey) Law 2025 (the "**MCIT Law**") which applies to accounting periods beginning on or after 1 January 2025. The new domestic tax measure, known as multinational corporate income tax ("**MCIT**"), and new income inclusion rule, sits alongside Jersey's existing 0/10 corporate income tax system, which remains unaltered.

The MCIT aligns with the OECD's GloBE Model Rules so that Jersey companies and Jersey branches of in-scope MNE groups now pay an effective rate of 15% on their taxable profits. The Jersey Government does not intend to enact an undertaxed profits rule at the current time.

There is a de minimis exclusion under the MCIT Law where a reporting entity of an in-scope MNE group can elect for an annual exemption if the group's average GloBE revenue of Jersey for the fiscal year is less than €10 million or the group's average GloBE income or loss for Jersey is less than € 1 million.

Corporate businesses that are below the threshold of €750 million global annual revenue are not impacted as they remain under Jersey's existing corporate income tax regime.

There are a limited number of exemptions from the application of the Multinational Taxation (Global Anti-Base Erosion – IIR Tax) (Jersey) Law 2025 (the "**IIR Law**") and the MCIT Law. Where the corporate business is (i) stateless (for the purposes of the IIR Law and the MCIT Law); or (ii) an "excluded entity" (as defined in the model rules published by the OECD on 20 December 2021 as "Tax Challenges Arising from the Digitalisation of the Economy – Global Anti-Base Erosion Model Rules (Pillar Two): Inclusive Framework on BEPS"), being a governmental entity, an international organisation, a non-profit organisation, a pension fund, an investment fund that is an ultimate parent entity or a real estate investment vehicle that is an ultimate parent entity; or (iii) not a "Jersey constituent entity" for the purposes of Article 7(1)(b) of the MCIT Law, on the basis of being an investment entity, an insurance entity or a securitisation entity, the business is unlikely to be in scope.

Jersey economic substance

In response to concerns raised in 2017 by the EU Code of Conduct Group on Business Taxation in relation to the need for relevant businesses to demonstrate economic substance in the jurisdiction in which they are resident for taxation purposes (including Jersey), Jersey has enacted the Taxation (Companies - Economic Substance) (Jersey) Law 2019 (the "**Substance Law**"). The Substance Law applies to financial periods of Jersey resident bodies corporate starting on or after 1 January 2019. The Substance Law is administered by the Jersey Comptroller of Revenue, who has produced guidance as to its application (in conjunction with the other crown dependencies).

The Substance Law applies to Jersey tax resident companies that carry on banking, insurance, fund management, financing and leasing, headquarters, shipping, and holding company or intellectual property activities and are in receipt of gross income arising from such activities in any relevant financial period. It imposes certain requirements including that such companies be directed and managed in Jersey, have core income-generating activities in Jersey and have an adequate level of employees, expenditures and premises in Jersey. MFSII will have to comply with the Substance Law to the extent it conducts any such relevant activity.

If you are in any doubt as to your tax position you should consult your professional tax adviser.

SPANISH TAXATION

The information provided below does not purport to be a complete summary of tax law and practice currently applicable in the Kingdom of Spain and is subject to any changes in law and the interpretation and application thereof, which could be made with retroactive effect. Furthermore, it is not a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of the Program Securities, and does not describe the tax consequences for certain categories of taxpayers including, but not limited to entities falling under the attribution of income regime, financial institutions, Collective Investment Institutions, Cooperatives, which may be subject to specific rules. Prospective investors who are in any doubts as to their position should consult with their own professional advisors.

This information has been prepared in accordance with the following Spanish tax legislation:

- for individuals resident for tax purposes in Spain which are subject to Personal Income Tax, Law 35/2006, of 28 November 2006, on Personal Income Tax ("**PIT Law**") and partial amendment of Corporate Income Tax Law, Non Residents Income Tax Law and Wealth Tax Law, as amended; Royal Decree 439/2007, of 30 March 2007 promulgating the Personal Income Tax Regulations, as amended; Law 19/1991, of 6 June 1991 on Net Wealth Tax, as amended, Law 38/2022, of December 27, for the establishment of temporary energy taxes and taxes on credit institutions and financial credit establishments and creating the temporary solidarity tax on large fortunes, and amending certain tax regulations (the "**Temporary Solidarity Tax On Large Fortunes Law**") and Law 29/1987, of 18 December 1987, on Inheritance and Gift Tax, as amended.
- for legal entities resident for tax purposes in Spain which are subject to Corporate Income Tax, Law 27/2014, of 27 November 2014, of the Corporate Income Tax ("**CIT Law**"), as amended, and Royal Decree 634/2015, of 10 July 2015, promulgating the Corporate Income Tax Regulations, as amended.
- for individuals and entities who are not resident in Spain for tax purposes, Royal Legislative Decree 5/2004, of 5 March 2004, promulgating the Consolidated Text of the Non-Residents Income Tax Law ("**NRIT Law**"), as amended; Royal Decree 1776/2004, of 30 July 2004, promulgating the Non-Residents Income Tax Regulations, as amended, Law 19/1991, of 6 June 1991 on Net Wealth Tax, as amended, the Temporary Solidarity Tax On Large Fortunes Law and Law 29/1987, of 18 December 1987, on Inheritance and Gift Tax, as amended.

(a) **Taxes on Income and Capital Gains**

Notes:

(i) **Individuals with tax residency in Spain subject to Personal Income Tax (*Impuesto sobre la Renta de las Personas Físicas*)**

The taxation of income from the Notes under the Personal Income Tax is not expressly foreseen in the legislation. This leads to the need for applying the general principles under said tax, as well as to try to infer, from the Tax Authorities' doctrine, a line of interpretation in order to ascertain what the tax treatment should be.

Under this scenario, and following an interpretation of the general principles governing the Personal Income Tax, as well as the doctrine issued by the Spanish Tax Authorities on financial products, it can be said that, in principle, interest from the Notes obtained by individuals who have the status of taxpayers for the purposes of Spanish Personal Income Tax, and also income from the transfer, reimbursement, redemption, exchange or conversion of the Notes should, in general terms, be considered income from movable capital obtained due to the supply of funds to third parties upon the terms of Article 25.2 of Law 35/2006, of November 28, on the Personal Income Tax. Such income would be included in the savings tax base and, in cases of losses, their integration on the savings tax base and their offsetting will be subject to the rules foreseen in that respect in the Personal Income Tax legislation.

Income included in the savings taxable base are taxed at a flat rate of (i) 19 per cent (applicable to the first Euros 6,000), (ii) 21 per cent. (applicable to the following Euros 44,000), (iii) 23 per cent. (applicable to over the following Euros 150,000); (iv) 27 per cent. on the following up to Euros 100,000; and (v) at a rate of 30 per cent on any excess over Euros 300,000.

Income derived from the Notes will be subject to withholding tax currently at a rate of 19 per cent., in case there is any person or entity obliged to levy said withholding tax in accordance with the general rules of the levying of withholding taxes (i.e. in the event that an entity based in Spain is the custodian of the securities, or is in charge of the collection of the income from them in favour of the holders, or is in charge of the redemption of the securities, or receives from the holder the order to transfer the security, as the case may be). Amounts withheld may be credited against the final Personal Income Tax liability.

(ii) **Legal Entities with tax residency in Spain subject to Corporate Income Tax (*Impuesto sobre Sociedades*)**

The tax regime for Spanish-resident entities holders of Notes is included in the CIT Law and the Royal Decree 634/2015, of July 10, that approves the Corporate Income Tax Regulations, as amended ("**Royal Decree 634/2015**").

The taxable income derived from the payment of the interest generated by the Notes and also from the transfer, reimbursement, redemption, exchange or conversion of the Notes will be calculated in accordance with the accounting treatment of such income by the relevant entity. The tax adjustments to the accounting treatment which may be of application should be taken into account when calculating the taxable base. In principle, the general rate in force for 2026 is twenty-five per cent. (25 per cent.). Please note that, as of 1st January 2022, profits obtained by legal entities with tax residency in Spain will be taxed at a minimum effective tax rate of 15% of the taxable base in case that (i) the net turnover of the entity is 20 million euros or more or (ii) the entity is taxed under the consolidated tax regime.

Any income derived from the Notes could be subject to withholding tax of 19 per cent. on account of the Corporate Income Tax of the holder in case there is any person or entity obliged to levy said withholding tax in accordance with the general rules of the levying of withholding taxes (i.e. in the event that an entity based in Spain is the custodian of the securities, or is in charge of the collection of the income from them in favour of the holders, or is in charge of the redemption of the securities, or receives from the holder the order to transfer the security, as the case may be).

In any case, income derived from the Notes obtained by entities which are considered taxable persons for Corporate Income Tax purposes will not be subject to withholding tax on account of Corporate Income Tax, in accordance with the provisions of Article 61.s) of Royal Decree 634/2015, provided that the Notes were securities traded on an organised market of an OECD country.

(iii) **Individuals and Legal Entities with no tax residency in Spain subject to Non-Resident Income Tax (*Impuesto sobre la Renta de no Residentes*)**

Interest generated by the Notes or from the transfer, reimbursement, redemption, exchange or conversion of the Notes obtained by individuals and legal entities not resident for tax purposes in Spain will be taxed pursuant to the NRIT Law.

Income obtained through a permanent establishment

Income from the Notes obtained through a permanent establishment in Spain will be taxed in accordance with the rules of Chapter III of the NRIT Law, subject to the provisions of any relevant double tax treaties.

The aforementioned tax rules for taxable persons under Spanish Corporate Income Tax (entities resident for tax purposes in Spain) will apply for persons or legal entities not resident in Spain but acting through a permanent establishment in such territory.

Income obtained without a permanent establishment

Income realised by investors residing for tax purposes outside Spain and without a permanent establishment within the Spanish territory (individuals and legal entities) would not be considered, in general terms, as Spanish-source income and, therefore, would not be subject to taxation and withholding tax in Spain under the NRIT Law.

Warrants/Certificates:

(iv) **Individuals with tax residency in Spain subject to Personal Income Tax (*Impuesto sobre la Renta de las Personas Físicas*)**

According to what has been the traditional doctrine of the Spanish Tax Authorities, income from the Warrants/Certificates, under the Personal Income Tax, will be classified as capital gains or losses provided that, basically (i) the premium paid will not be taken into consideration in calculating the amounts corresponding to the payout on maturity date or during the life of the warrant/certificate (therefore, income from the warrants/certificates will only be linked to the evolution of the underlying assets), (ii) the warrant/certificate is not a financial asset that gives the holder an explicit and regular return and (iii) the amount of the premium paid is substantially lower than the amount that should have been paid if the underlying asset would have been purchased spot.

The transfer of Warrants/Certificates will qualify as a capital gain (or loss), calculated as the excess of the transfer price (after deduction of the expenses and commissions paid by the Warrant/Certificate holder inherent to the transfer) over the acquisition value (i.e. the original acquisition or purchase price of the Warrant/Certificate by the holder, increased by the costs paid by him/her inherent to said acquisition).

Upon the exercise or maturity of a Warrant/Certificate, the capital gain or loss will be calculated as the difference between (i) the settlement amount (after deduction of the expenses and commissions inherent paid by the Warrant/Certificate holder) and (ii) the acquisition value (as above defined).

Any of the above capital gains or losses would be included in the savings income taxable base. As above commented, income included in the savings taxable base is taxed at a flat rate of (i) 19 per cent (applicable to the first Euros 6,000), (ii) 21 per cent (applicable to the following Euros 44,000), (iii) 23 per cent. (applicable to over the following Euros 150,000); (iv) 27 per cent on the following up to Euros 100,000; and (v) at a rate of 30 per cent on any excess over Euros 300,000.

The capital gains derived from the transfer or the exercise of a Warrant/Certificate will not be subject to withholding tax on account of the Personal Income Tax.

(v) **Legal Entities with tax residency in Spain subject to Corporate Income Tax (*Impuesto sobre Sociedades*)**

In principle, the taxable income will be calculated by correcting, by application of the rules contained in CIT Law, the accounting result determined in accordance with the applicable accounting legislation. As a consequence, investors would be taxed depending on the specific accounting of the Warrants/Certificates.

As a general rule, gains or losses realised by the taxpayer subject to Corporate Income Tax either through the sale or the exercise of the warrant/certificate will be included in their taxable income under the general provisions of CIT Law. Nevertheless, taxable income could arise before the sale or the exercise of the Warrant/Certificate if its **accounting implies the registration of profits prior to sale or exercise**.

(vi) **Individuals and Legal Entities with no tax residency in Spain subject to Non-Resident Income Tax (*Impuesto sobre la Renta de no Residentes*)**

The income derived from the transfer or the exercise of a warrant/certificate obtained by individuals or legal entities taxpayers not resident for tax purposes in Spain will be taxed pursuant to the NRIT Law.

Income obtained through a permanent establishment

The income from the Warrants/Certificates obtained through a permanent establishment in Spain will be taxed in accordance with the rules of Chapter III of the NRIT Law, subject to the provisions of any relevant double tax treaties.

Such income will be taxed and will not be subject to withholding tax on account of the Non-Residents Income Tax upon the same terms set out above for taxable persons under Spanish Corporate Income Tax (entities resident for tax purposes in Spain).

Income obtained without a permanent establishment

Income realised by investors residing outside Spain and without a permanent establishment within the Spanish territory (individuals and legal entities) would not be considered as Spanish-source income and, therefore, would not be subject to taxation and withholding tax in Spain under the NRIT Law.

(b) Wealth Tax (*Impuesto sobre el Patrimonio*)

Only individual holders of Program Securities would be subject to the Net Wealth Tax. Legal entities are not taxable persons under the Spanish Net Wealth Tax.

(i) Individuals with tax residency in Spain

Under article 5 of the Net Wealth Tax Law, the relevant taxpayers will be those individuals who have their tax residence in Spain regardless of the place where their assets or rights are located or could be exercised and to the extent that their net wealth exceeds Euros 700,000 on the last day of the calendar year.

Consequently, the ownership of the Program Securities by individuals resident for tax purposes in Spain will be subject to taxation under the Net Wealth Tax at a progressive rate scale from 0.2 per cent. to 3.5 per cent.

However, it is necessary to take into account that the power to implement the Net Wealth Tax (including certain tax benefits) has been transferred to the Spanish regions. Therefore, an analysis must be made in each specific case to determine to what extent any regional legislation might be applicable, since there might be differences in respect of the final taxation under Net Wealth Tax depending on the region in which an investor resides which could even eliminate the taxation.

(ii) Individuals with no tax residency in Spain

Non-Spanish residents would not be subject to the Net Wealth Tax on the holding of the Program Securities, provided that the Program Securities are not located in Spain and the rights deriving from them cannot be exercised within the Spanish territory.

(c) Temporary Solidarity Tax On Large Fortunes (*Impuesto Temporal de Solidaridad de las Grandes Fortunas*)

Only individuals who are holders of Program Securities would be subject to Temporary Solidarity Tax On Large Fortunes. Legal entities are not taxable persons under Spanish Temporary Solidarity Tax On Large Fortunes.

With respect to its temporal scope, it was expected to be in force for two years (2022 and 2023), although a review clause was introduced, in order to evaluate its results at the end of its term and assess its maintenance or elimination. It has been extended indefinitely until the review of the patrimonial taxation takes place in the context of the amendment of the regional financing system.

(i) Individuals with Tax Residency in Spain

Individuals with tax residency in Spain are subject to Temporary Solidarity Tax On Large Fortunes to the extent that their net worth exceeds €3,000,000. There is a minimum exemption of €700,000, which applies as from €3,000,000 of net worth.

Therefore, they should take into account the value of the Program Securities which they hold at 31st December each year. The applicable rates range between 1.7 per cent. and 3.5 per cent (notwithstanding the 0 per cent rate applicable to the first €3,000,000 of taxable base, as described below).

The taxable base is currently taxed (i) at a rate of 0 per cent up to the first €3,000,000.00; (ii) at a rate of 1.7 per cent on the following €2,347,998.03; (iii) at a rate of 2.1 per cent on the following €5,347,998.03; and; (iv) at a rate of 3.5 per cent on any excess over €10,695,996.06 of taxable base.

(ii) ***Individuals with no Tax Residency in Spain***

Non-Spanish residents would not be subject to the Temporary Solidarity Tax On Large Fortunes on the holding of the Program Securities, **provided that** the Program Securities are not located in Spain and the rights deriving from them cannot be exercised within the Spanish territory.

(d) **Inheritance and Gift Tax (*Impuesto sobre Sucesiones y Donaciones*)**

(i) **Individuals with tax residency in Spain**

Individuals resident in Spain for tax purposes who acquire ownership or other rights over any Program Securities by inheritance, gift or legacy will be subject to the Spanish Inheritance and Gift Tax in accordance with the applicable Spanish regional and State rules. The applicable effective tax rates range between 0% (full exemption) and 81.6%, depending on several factors. However, it is necessary to take into account that the Spanish Inheritance and Gift Tax (including certain tax benefits) have been transferred to the Spanish regions.

Therefore, an analysis must be made in each specific case to determine to what extent any regional legislation might be applicable, since there might be differences in respect of the final taxation under Spanish Inheritance and Gift Tax depending on the region in which an investor resides that could even eliminate the taxation.

(ii) **Legal Entities with tax residency in Spain**

Legal entities resident in Spain for tax purposes which acquire ownership or other rights over the Program Securities by inheritance, gift or legacy are not subject to the Spanish Inheritance and Gift Tax. Instead, income obtained will be subject to the Corporate Income Tax.

(iii) **Individuals and Legal Entities with no tax residency in Spain**

Non-Spanish tax resident individuals that acquire ownership or other rights over the Program Securities by inheritance, gift or legacy, will not be subject to the Spanish Inheritance and Gift Tax provided that the Program Securities are not located in Spain and the rights deriving from them cannot be exercised within the Spanish territory. No taxation would arise in Spain on the acquisition of the Program Securities by non-Spanish entities without a permanent establishment in the Spanish territory.

Non-Spanish tax resident entities with a permanent establishment within the Spanish territory which acquire the ownership or other rights over the Program Securities by inheritance, gift or legacy are not subject to the Spanish Inheritance and Gift Tax. Instead, income obtained will be subject to the Non-resident Income Tax, subject to the application of any relevant double taxation treaty.

(e) **Value Added Tax, Transfer Tax and Stamp Duty**

The issuance, acquisition and transfer of Program Securities is neither taxable under the Transfer Tax and Stamp Duty Tax, in accordance with the Consolidated Text of such tax promulgated by Royal Legislative Decree 1/1993, of 24 September, nor under the Value Added Tax, in accordance with Law 37/1992, of 28 December, regulating such tax.

(f) **Disclosure obligations in connection with assets held abroad by Spanish resident natural and legal persons (Form 720)**

According to Law 7/2012, of 29 October, Spanish resident natural or legal persons holding certain categories of assets abroad (including inter alia the Program Securities) may be potentially liable to report them to the Spanish tax authorities on a yearly basis (filing in respect of Securities held as of 31 December every year will be due by 31 March of the immediately following year) in certain circumstances.

Accordingly, any Spanish resident individual and corporate investors using a non-Spanish resident custodian to hold the Program Securities may be potentially liable to comply with such reporting obligations in respect of the Program Securities, if certain conditions are met. Failure to meet this new reporting obligation may trigger significant tax penalties and other tax implications. Please note that the European Court of Justice delivered a ruling on 27 January 2022 declaring illegal several aspects of the Spain's tax form 720, such as the non-expiration of the debt and the disproportionate sanctions. As a consequence of the above, Law 5/2022 of 9 March 2022 has eliminated the non-expiration of the tax debt rule and has amended the relevant sanctions, so that failure to make the necessary disclosure (including omission, falseness and inaccuracy of the information provided) may still be sanctioned, but the penalties to be imposed will be in accordance with the general regime established in the Spanish General Tax Law.

Notwithstanding the disclosure obligations set forth above, they shall be understood without prejudice to any additional disclosures requirements that may apply before the Spanish Ministry of Economy, Commerce and Company in connection with Spanish investments abroad, as provided in Law 19/2003, of July 4, on the legal regime governing capital movements and foreign economic transactions and on certain measures for the prevention of money laundering, as well as Royal Decree 571/2023, of July 4, relating to foreign investments.

FINNISH TAXATION

The following is a general description of certain Finnish tax considerations relating to the Program Securities. As each Tranche of the Program Securities may be subject to different tax treatment in Finland due to the specific terms and conditions of such Tranche, the following is only a generic overview of Finnish tax aspects that may be of relevance with respect to the possible tax treatment of Program Securities. The following description relates only to payments by the relevant Issuer or Guarantor to beneficial owners of the Program Securities and may not apply to certain classes of investors, such as tax exempt entities, entities deemed as controlled foreign companies, individuals holding their Program Securities as business assets and general or limited partnerships. It does not purport to be a complete analysis of all tax considerations relating to the Program Securities, whether in Finland or elsewhere. Prospective purchasers of Program Securities should consult their own tax advisors as to which countries' tax laws could be relevant to acquiring, holding and disposing of Program Securities and receiving payments of interest, principal and/or other amounts under the Program Securities and the consequences of such actions under the tax laws of those countries. This description is based upon the law as in effect and applied on the date of this Offering Circular, as well as on the current tax practice, and is subject to any changes in laws and their interpretation that may take effect after such date, including changes with retroactive effect.

For the purpose of the Finnish tax consequences described herein, it is assumed that the relevant Issuer or Guarantor is neither a resident nor deemed to be a resident of Finland for Finnish tax purposes and that the relevant Issuer or Guarantor is not deemed to have a permanent establishment in Finland for Finnish tax purposes.

General

The scope of taxation in Finland is defined by the tax liability position of a taxpayer. Finnish residents for taxation purposes are subject to taxation in Finland on their worldwide income. Persons that are not resident in Finland for taxation purposes and are not deemed to have a permanent establishment in Finland for Finnish tax purposes are subject to taxation in Finland solely in respect of their Finnish source income.

Generally, an individual is deemed to be a Finnish resident for taxation purposes if the individual continuously stays in Finland for more than six consecutive months or if the permanent home and abode of the individual is in Finland. A citizen of Finland who has moved abroad is regarded as resident for Finnish taxation purposes until three years have passed after the end of the year of emigration, even if the individual would not stay in Finland for six consecutive months and the permanent home and abode would not be located in Finland, if the individual cannot prove that he/she has not had any essential ties to Finland in the tax year in question.

Legal entities established under the laws of Finland are regarded as residents of Finland in accordance with domestic tax law. In addition, foreign entities with their place of effective management in Finland can be deemed as Finnish tax resident corporations.

Double tax treaties may restrict the authority of Finland to tax the foreign source income of an individual or entity deemed as resident of Finland pursuant to Finnish domestic tax law.

In the hands of individuals, earned income is taxed at progressive tax rates, while capital income up to EUR 30,000 per calendar year is taxed at a rate of 30 per cent and capital income exceeding EUR 30,000 per calendar year at a rate of 34 per cent. Corporate entities regarded as tax residents of Finland are subject to corporate income tax on their worldwide income. The current corporate income tax rate is 20 per cent.

This summary describes the Finnish taxation of certain types of income and is general by nature. The tax treatment applicable to an investor depends on the individual circumstances of such investor. Thus, prospective investors are advised to consult their own tax advisors concerning the overall tax consequences of their ownership of the Program Securities.

Taxation of Finnish Resident Individuals

Taxation of Capital Gains

Any income from the sale or other disposal of securities that is considered capital gains in the Finnish taxation as well as payment of accrued interest (*Fi. jälkimarkkinahyvitys*) is taxed as capital income in accordance with the Finnish Income Tax Act (*Fi. Tuloverolaki (1535/1992)*), as amended. The capital income tax rate is currently 30 per cent for capital income of up to EUR 30,000 per calendar year and 34 per cent for capital income exceeding EUR 30,000 per calendar year. However, capital gains are exempted from tax if the total amount of the

consideration from the disposal of the person's disposed assets does not exceed EUR 1,000 in a tax year. Correspondingly, any loss arising from the sale or other disposal of securities that does not belong to the business activities of the individual is deductible from capital gains and generally also from other capital income arising in the same year or during the subsequent five years. Capital losses due to disposal will not, however, be tax deductible if the total amount of the acquisition costs of the assets sold by the individual does not exceed EUR 1,000 in a tax year.

Capital gains and losses are calculated as the difference between the consideration from the disposal and the aggregate of the actual acquisition cost and sales-related expenses. Generally, individuals may alternatively choose to apply the presumptive acquisition cost instead of the actual acquisition cost for the assets. The presumptive acquisition cost of 20 per cent is deducted from the consideration from the disposal but, if the shareholder has held the assets for at least ten years, the presumptive acquisition cost is 40 per cent of the consideration from the disposal. If the presumptive acquisition cost is applied instead of the actual acquisition cost, all expenses arising from acquiring the gains are deemed to be included in the presumptive acquisition cost and, therefore, cannot be deducted separately from the consideration from the disposal.

Income from the sale or exercise of listed Warrants is taxed as capital gain. According to a ruling by the Finnish Supreme Administrative Court, the income from the sale or exercise of non-listed cash-settled Warrants that are transferable securities and that, even if non-listed, have such qualities that they could be listed, is subject to taxation in Finland as a capital gain. As a starting point, the income from the sale or exercise of non-listed cash-settled Warrants that do not fulfil the criteria discussed in the above Supreme Administrative Court ruling, is taxable as other capital income of the Finnish resident individual investor, and not as a capital gain (see below for the taxation of other capital income).

According to the above-mentioned ruling, losses arising from the sale or exercise of non-listed cash-settled Warrants, in cases where the Warrants do not qualify for capital gains taxation as discussed above, are non-deductible altogether in the taxation of a Finnish resident individual investor.

According to case law and the Finnish Tax Administration's guidance, the above-discussed principles applicable to Warrants apply also with respect to Certificates.

Taxation of Other Capital Income and Withholding Obligations

Other capital income than income classified as capital gains (e.g. interest income, so called secondary market compensation, certain gains from non-interest bearing Notes and index compensation) paid to individuals and estates of a deceased person is subject to Finnish capital income tax in accordance with the Income Tax Act. The capital income tax rate is currently 30 per cent and 34 per cent of the capital income exceeding EUR 30,000 per calendar year (including also capital gains).

Assuming that the Issuer (or the Guarantor, as the case may be) is not a Finnish resident for tax purposes and is not deemed to have a permanent establishment in Finland for Finnish tax purposes, it is not under the obligation to perform withholding for any income tax payable in Finland in respect of payments made under the issued Securities. Instead, a paying agent or intermediary resident in Finland for tax purposes, when effecting a payment to an individual or estate of a deceased person resident in Finland, is generally under the obligation to withhold the income tax prepayment from any interest and secondary market compensation (but not from capital gains) paid to individuals and estates of a deceased person resident in Finland for tax purposes, where such payment is made through such paying agent or intermediary. However, if the paying agent or intermediary is considered as a substitute payer of the Issuer for Finnish tax purposes, such agent or intermediary is also obliged to withhold the tax prepayment for other capital income payments than interest payments or secondary market compensation. The current rate of tax prepayment is 30 per cent and the withholding shall be made in accordance with the Prepayment Act (*Fi. Ennakkoperintälaki (1118/1996)*), as amended. The Act on Source Tax on Interest Income (*Fi. Laki korkotulon lähdeverosta (1341/1990)*), as amended, is not applicable provided the Issuer does not have a branch in Finland.

Taxation of Finnish Corporate Entities

The following applies to Finnish corporate entities taxed in accordance with the Business Income Tax Act (*Fi. Laki elinkeinotulon verottamisesta (360/1968)*), as amended. Most Finnish corporate entities are taxed exclusively in accordance with the Business Income Tax Act.

Finnish corporations are subject to a national corporate income tax on their worldwide income. Corporate income is taxed according to a fixed tax rate which currently is 20 per cent. No tax prepayment is withheld from principal or interest payments made to corporate entities residing in Finland.

The capital gain (as well as the capital loss) is calculated by deducting the total sum of the actual acquisition cost and selling cost from the consideration from the disposal. Confirmed losses can generally be carried forward and deducted from the taxable income for ten years following the loss-making year, provided that no change in ownership triggering forfeiture of tax loss carry-forwards occur. Specific limitations apply to the deductibility of any capital losses incurred under the Income Tax Act prior to tax year 2020, as well as capital losses incurred from the transfer of assets belonging to the "other assets" asset class under the Business Income Tax Act, introduced as of tax year 2020.

Taxation of Non-Finnish Residents

Non-Finnish tax residents who do not conduct business through a permanent establishment in Finland, should not be subject to Finnish taxation either on principal or interest payments under the Program Securities or gains realized on the redemption, sale or other disposal of the Program Securities. If payment is made by a Finnish paying agent or intermediary, the recipient may be obliged to disclose their non-resident investor status to the payer.

No gross-up for Finnish withholding tax

Purchasers of the Program Securities should note that in accordance with the terms and conditions of the Securities the Issuer, in principle, will neither assume any liability for Finnish withholding taxes withheld from payments under the Program Securities, nor make any additional payments in regard of these taxes, i.e. no gross-up will apply in case a withholding tax is imposed.

Reporting and Compliance

A Finnish paying agent or intermediary is generally obliged to report to the Finnish Tax Administration any interest payments and comparable yield payments, secondary market compensations and index compensations paid to and received under the Program Securities by a Finnish tax resident individual or an estate of a deceased resident individual, or a non-resident recipient of such payment under the Program Securities, and any tax prepayment withheld from such payments. An intermediary as defined in the applicable Finnish tax regulations, also has an obligation to report to the Finnish Tax Administration any transactions in the Program Securities brokered or made by it, concerning both resident and non-resident holders of the Program Securities. A Finnish tax resident custodian, and the Finnish branch of a non-resident custodian, furthermore has an obligation to report to the Finnish Tax Administration the information necessary for the calculation of capital gains received by resident and non-resident holders of the Program Securities, to the extent the custodian has such information. Resident individuals and estates of a deceased person are required to review the tax information contained in their pre-completed annual tax return and, if necessary, correct or complete the information in the tax return.

Transfer Taxation and Value-Added Taxation

Redemption by way of a cash settlement or a transfer of the Program Securities should not be subject to Finnish transfer taxation or VAT. Investors should note that Finnish transfer tax considerations may arise in connection with Securities that are settled or redeemed by way of a delivery of Finnish shares or other instruments deemed as securities or real estate under the Finnish Transfer Tax Act (*Fi. Varainsiirtoverolaki (931/1996)*), as amended and that Finnish VAT considerations may arise in connection with securities that are settled or redeemed by way of a delivery of commodities.

SWEDISH TAXATION

There is no Swedish withholding tax at source (*källskatt*) applicable on payments made by the Issuer in respect of the Program Securities. Sweden operates a system of preliminary tax (*preliminärskatt*) to secure payment of taxes. In the context of the Program Securities a preliminary tax of 30 per cent. will be deducted from all payments of interest (including any compensation deemed to constitute interest for tax purposes) in respect of the Program Securities made to any individuals or estates that are resident in Sweden for tax purposes, provided the paying entity is subject to reporting obligations. A preliminary tax of 30 per cent. will also be deducted from any other payments in respect of the Program Securities not treated as capital gains, if such payments are paid out together with payments treated as interest. Depending on the relevant holder's overall tax liability for the relevant fiscal year, the preliminary tax may contribute towards or exceed the holder's overall tax liability with any balance subsequently to be paid by or to the relevant holder, as applicable.

NORWEGIAN TAXATION

The following is a summary of certain Norwegian tax consequences for holders of Notes, Warrants or Certificates who are resident in Norway for tax purposes.

The summary is based upon the laws of Norway as it is interpreted and practised as of the date of this Offering Circular. Such laws, rules and regulations may be subject to changes after this date, possibly on a retroactive basis. The summary does not address foreign tax laws.

Certain specific tax consequences may occur for certain categories of Norwegian holders of Notes, Warrants or Certificates, e.g. for Norwegian holders to which special tax regimes apply, if the Norwegian holder ceases to be tax resident in Norway, etc. The tax treatment of each holder may depend on the holder's specific situation and the specific instrument issued to the holder. The following comments are of a general nature and included herein solely for information purposes. They are not intended to be, nor should they be construed to be, legal or tax advice. The purpose of this summary is to provide a high-level and general overview of the main tax consequences that may arise under Norwegian law, and does not purport to be exhaustive in respect of all tax issues of relevance for Norwegian holders of Notes, Warrants or Certificates. Each investor should consult a tax advisor as to the tax consequences relating to their particular circumstances resulting from the holding and disposition of the Notes, Warrants or Certificates.

The Norwegian tax consequences depend inter alia on the classification of the securities for Norwegian tax purposes. The summary outlines certain limited aspects of Norwegian tax consequences for financial instruments which for Norwegian tax purposes are either classified as (i) debentures (debt securities) or as (ii) equity securities.

The summary below for Notes is based on the assumption that the Notes are considered as debt for tax purposes.

Taxation of Noteholders Resident in Norway

Taxation of return on the Notes prior to disposal

Any kind of return received on the Notes prior to the disposal is taxable as "ordinary income" subject to the flat rate of 22% (2026), or 25% for financial institutions covered by the Norwegian financial tax (No: *finansskatt*). Return on the Notes is taxed on accruals basis (i.e. regardless of when the return is actually paid).

Taxation upon disposal or redemption of the Notes

Redemption at the end of the term as well as prior disposal is treated as realisation of the Notes and will trigger a capital gain or loss. Capital gains will be taxable as "ordinary income", subject to the flat rate of 22% (2026), or 25% for financial institutions covered by the Norwegian financial tax (No: *finansskatt*). The tax liability applies irrespective of how long the Notes have been owned and the number of Notes that have been redeemed or realised. Losses will be deductible in the Noteholder's "ordinary income", taxed at the same tax rate.

Any capital gain or loss is computed as the difference between the amount received by the Noteholder on realisation and the cost price of the Notes. The cost price is equal to the price for which the Noteholder acquired the Notes. Costs incurred in connection with the acquisition and realisation of the Notes may be deducted from the Noteholder's taxable income in the year of the realisation.

Net wealth taxation

Limited liability companies and similar entities are generally not subject to net wealth taxation.

Individuals tax resident in Norway are subject to net wealth taxation in Norway. The value of the Notes at the end of each income year will be included in the computation of the Noteholder's taxable net wealth for municipal and state net wealth tax purposes. Listed bonds are valued at their quoted value on 1 January in the tax assessment year, while non-listed bonds are valued at their estimated market value on 1 January in the tax assessment year (i.e. the year subsequent to the relevant fiscal year). The marginal tax rate for net wealth tax is currently 1% (2026) for net wealth exceeding NOK 1,900,000 and up to NOK 21,500,000. Net wealth below a threshold of NOK 1,900,000 per person is not subject to net wealth tax. Net wealth exceeding NOK 21,500,000 is taxed at a marginal rate of 1.1% (2026).

Withholding tax

Payments of interests from a Norwegian resident Issuer may trigger Norwegian withholding tax. Interest that is paid from an entity with full or limited tax liability to Norway, to a recipient that is tax resident outside of Norway, will be subject to 15% withholding tax to the extent the recipient is a related party to the payor and the recipient is tax resident in a low-tax jurisdiction. A 50% direct or indirect ownership or control would be sufficient to constitute a related party relation in this respect. A low-tax jurisdiction is defined as a jurisdiction that has an effective tax rate that is less than 2/3 of the effective Norwegian tax rate on similar income.

Withholding tax does not apply if the recipient is a limited liability company or similar entity genuinely established in a jurisdiction within the EEA which performs genuine economic activities in the relevant jurisdiction. In addition, withholding tax does not apply if the income is taxed in Norway as part of the recipient's business activities in Norway.

Norway's right to deduct withholding tax may be limited through applicable tax treaty.

Norway will nevertheless not levy withholding tax on payments on the Notes classified as interest for tax purposes, provided that the Issuer is neither resident in Norway for Norwegian tax purposes nor has any other taxable presence (e.g. a permanent establishment) in Norway.

VAT and transfer taxes

No VAT, stamp or similar duties are currently imposed in Norway on the transfer or issuance of Notes, Warrants or Certificates.

Inheritance tax

Norway does not impose inheritance or gift tax. However, the heir acquires the donor's tax input value based on principles of continuity. Thus, the heir will be taxable for any increase in value in the donor's ownership, at the time of the heir's realization.

Taxation of Warrants and Certificates for holders Resident in Norway

General information

Warrants and Certificates can be issued with a large number of different underlying financial instruments (e.g. Share Securities, Index Securities, Commodity Securities, Bond Securities) or other assets as underlying reference.

The taxation of the Warrants and Certificates will depend on the underlying financial instrument or asset. Most of the underlying financial instruments listed in the Offering Circular are of a kind that will lead to a similar taxation of the Warrants and Certificates as for holding Notes, as described above. However, where shares in a company with limited liability is the underlying financial instrument, the tax treatment will be subject to the following tax consequences (described on a high level below):

Personal investors

Sale, redemption or other disposals of Warrants and Certificates with shares as underlying instruments are considered a realisation for Norwegian tax purposes. A capital gain or loss generated by a Norwegian personal investor through a disposal of Warrants or Certificates are taxable or tax deductible in Norway. Such capital gain or loss is included in or deducted from the basis for computation of general income in the year of disposal. The general income is taxable at a rate of 22% (2026). The gain is subject to tax and the loss is tax deductible irrespective of the duration of the ownership and the number of Warrants or Certificates disposed of.

Gain or loss related to sale, redemption or other disposal of Warrants or Certificates is equal to the consideration received, less the purchase price (if any) and costs incurred in relation to the acquisition or realisation.

Corporate investors

Norwegian corporate investors' capital gain derived from Warrants and Certificates is generally subject to tax in Norway at the general income tax rate of 22% (2026).

Norwegian corporate investors may, however, be eligible for the Norwegian participation exemption method, to the extent the underlying objects of the Warrants and Certificates are shares in companies tax resident within the EEA, or indices which mainly derives its value from shares in companies tax resident within the EEA. To the extent the relevant jurisdictions are low-tax jurisdictions within the EEA, there is an additional condition that the relevant companies are genuinely established and conduct genuine economic activities in the relevant jurisdictions.

Provided that the requirements of the participation exemption method are fulfilled, capital gains upon redemption or realisation of the Warrants and Certificates are exempt from tax in Norway, and losses upon redemption or realisation of the Warrants and Certificates are not tax deductible in Norway.

Potential investors in the Certificates who are resident in Norway should note that the participation exemption rule described above does not apply to Certificates in the form of bonds that are convertible into shares as underlying instrument. Such Certificates should be treated as debt instruments as described above in the section entitled "Taxation of Noteholders Resident in Norway".

Net wealth taxation

Limited liability companies and similar entities are not subject to net wealth taxation.

Individuals tax resident in Norway are subject to net wealth taxation in Norway. The value of the Warrants and Certificates at the end of each income year will be included in the computation of the holder's taxable net wealth for municipal and state net wealth tax purposes. Listed Warrants and Certificates are valued at their quoted value on 1 January in the tax assessment year, while non-listed Warrants and Certificates are valued at their estimated market value on 1 January in the assessment year. The marginal tax rate for net wealth tax is currently 1% (2026) for net wealth exceeding NOK 1,900,000 and up to NOK 21,500,000. Net wealth below a threshold of NOK 1,900,000 per person is not subject to net wealth tax. Net wealth exceeding NOK 21,500,000 is taxed at a marginal rate of 1.1% (2026).

Withholding tax

If an amount payable on a Warrant or Certificate is determined by reference to dividends that are paid or declared with respect to shares issued by a company resident in Norway, such payments could under certain circumstances be subject to withholding tax in Norway. The rate of Norwegian withholding tax is 25%, unless the recipient qualifies for a reduced rate according to an applicable tax treaty or qualifies for tax exemption pursuant to the Norwegian participation exemption method. Corporate investors' resident within the EEA are exempt from Norwegian withholding tax, on dividends provided such corporate investors are genuinely established and conduct genuine economic activities within the EEA.

The withholding obligation lies with the company distributing the dividends and the distributing company assumes this obligation. In accordance with the present administrative system in Norway, the Norwegian distributing company will normally withhold tax at the statutory rate or reduced rate according to an applicable tax treaty, based on the information registered with the Norwegian Securities Register (VPS) with regard to the tax residence of the shareholder. Strict rules concerning the documentation of the right to a reduced withholding tax applies.

VAT and transfer taxes

No VAT, stamp or similar duties are currently imposed in Norway on the transfer or issuance of Notes, Warrants or Certificates.

Inheritance tax

Norway does not impose inheritance or gift tax. However, the heir acquires the donor's tax input value based on principles of continuity. Thus, the heir will be taxable for any increase in value in the donor's ownership, at the time of the heir's realization.

IRISH TAXATION

The following disclosure applies only in respect of Program Securities issued by Morgan Stanley, MSI plc, MSBV and MSFL each in their capacity as Issuer. It does not deal with payments made by Morgan Stanley in its capacity as Guarantor pursuant to the Guarantee. References in this section on Irish taxation to "Notes", "Certificates" and "Warrants" (Certificates and Warrants being collectively, the "Securities") and references to "Noteholders," "Securityholders", "Certificateholders" and "Warrantholders" (if any) should be construed accordingly.

The following is a summary of the principal Irish withholding tax consequences at the date hereof in relation to payments of principal and interest in respect of the Program Securities. The comments do not deal with other Irish tax aspects of acquiring, holding, disposing or, abandoning Program Securities. Transactions involving Program Securities, including the issue and subscription of Program Securities, any purchase or disposal or settlement of Program Securities, may have Irish tax consequences for potential purchasers (including but not limited to, transfer taxes and possible withholding or deduction for or on account of Irish tax from payments made in respect of the Program Securities). The tax consequences may depend, amongst other things, on the status of the potential investor and the terms and conditions of a particular Program Security as specified in the Pricing Supplement. It is based on current law and practice of the Irish Revenue Commissioners, which may be subject to change, sometimes with retrospective effect. The comments relate only to the position of persons who are absolute beneficial owners of the Program Securities and who are not associated with the relevant Issuer (otherwise than by virtue of holding the Program Securities). Prospective Securityholders and Noteholders should be aware that the particular terms of issue of any series of Program Securities as specified in the applicable Pricing Supplement may affect the tax treatment of that and other series of Program Securities. 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 Securityholders and Noteholders who are in any doubt as to their tax position should consult their professional advisors about tax implications of purchasing and holding a Program Security, any transaction involving a Program Security, and any transaction involved in the exercise and settlement of a Program Security. Securityholders and Noteholders who may be liable to taxation in jurisdictions other than Ireland 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 Irish withholding tax aspects of payments in respect of the Program Securities. In particular, Securityholders and Noteholders should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Program Securities even if such payments may be made without withholding or deduction for or on account of taxation under the laws of Ireland.

Withholding Tax

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

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

It is anticipated that, (i) the Issuers are not and will not be resident in Ireland for tax purposes; (ii) the Issuers do not and will not have a branch or permanent establishment in Ireland; and (iii) Program Securities will not be issued in bearer form and the Issuers will not maintain a register of any registered Program Securities in Ireland. For so long as this remains the case, interest payable on the Program Securities should not be regarded as Irish source interest.

If payments of interest on the Program Securities are found to constitute Irish source interest, the relevant Issuer will not be obliged to make a withholding or deduction for or on account of Irish income tax from a payment of interest on a Program Security so long as the interest paid on the relevant Program Security falls within one of the following categories and meets the relevant conditions:

Interest paid on a quoted Eurobond:

A quoted Eurobond is a security which is issued by a company (such as the Issuers), is listed on a recognised stock exchange (which is interpreted by the Irish Revenue Commissioners to mean an exchange which is recognised by the appropriate regulatory authorities in the country in which it is located and has substantially the same level of recognition in that country as the Irish Stock Exchange has in Ireland) and carries a right to interest. Provided that the Program Securities (i) carry an amount in respect of interest and (ii) are listed on a recognised stock exchange), interest paid on them can be paid free of withholding tax provided the person by or through whom the payment is made is not in Ireland, or if such person is in Ireland, either:

- (A) the Program Security is held in a clearing system recognised by the Irish Revenue Commissioners; (Euroclear and Clearstream, Luxembourg are, amongst others, so recognised); or
- (B) the person who is the beneficial owner of the Program Security and who is beneficially entitled to the interest payable in respect of the Program Security is not resident in Ireland and has made a declaration to a relevant person (such as a paying agent located in Ireland) in the prescribed form.

Thus, if interest payable on the Program Securities is found to have an Irish source, so long as the Program Securities (i) are interest bearing, (ii) continue to be quoted on a recognised stock exchange and (iii) are held in a recognised clearing system, interest on the Program Securities can be paid by any paying agent acting on behalf of the Issuer without any withholding or deduction for or on account of Irish income tax. If the Program Securities continue to be quoted on a recognised stock exchange but cease to be held in a recognised clearing system, interest on the Program Securities may be paid without any withholding or deduction for or on account of Irish income tax provided such payment is made through a paying agent outside Ireland.

Short Interest:

Short interest is interest payable on a debt for a fixed period that is not intended to exceed, and, in fact, does not exceed, 364 days. The test is a commercial test applied to the commercial intent of each series of Program Securities. For example, if there is an arrangement or understanding (whether legally binding or not) for the relevant series of Program Securities to have a life of 365 days or more, the interest paid on the relevant Program Securities will not be short interest and, unless an exemption applies, a withholding will arise.

Encashment Tax

Irish tax will be required to be withheld at the rate of 25 per cent. from interest on any Program Security, where such interest is collected or realised by a bank or encashment agent in Ireland on behalf of any Noteholder or Securityholder. There is an exemption from encashment tax where the beneficial owner of the interest (i) is not resident in Ireland and has made a declaration to this effect in the prescribed form to the encashment agent or bank or (ii) is a company which is within the charge to Irish corporation tax in respect of the payment.

LUXEMBOURG TAXATION

The following is a general description of certain Luxembourg tax considerations relating to the Program Securities. It does not purport to be a complete analysis of all tax considerations relating to the Program Securities, whether in Luxembourg or elsewhere. Prospective purchasers of the Program Securities should consult their own tax advisors as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Program Securities, payments of interest, principal and/or other amounts under the Program Securities and the consequences of such actions under the tax laws of Luxembourg. The following is based upon the law as in effect on the date of this Offering Circular. Prospective investors in the Program Securities should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Program Securities. Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Also, please note that a reference to Luxembourg income tax generally encompasses corporate income tax (impôt sur le revenu des collectivités), municipal business tax (impôt commercial communal), a solidarity surcharge (contribution au fonds pour l'emploi) as well as personal income tax (impôt sur le revenu). Investors may further be subject to net wealth tax (impôt sur la fortune) as well as other duties, levies or taxes. Corporate income taxes, municipal business tax, as well as the solidarity surcharge invariably apply to most corporate taxpayers resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

Any reference in the present section to a withholding tax or other taxes refers to Luxembourg tax law and/or concepts only. A holder of Program Securities may not become resident, or deemed to be resident, in Luxembourg by reason only of the holding of the Program Securities, or the execution, performance, delivery and/or enforcement of the Program Securities.

1. Luxembourg tax regime regarding Program Securities

Program Securities holders (the "**Securities Holders**") do not become resident of the Grand-Duchy of Luxembourg by merely subscribing, acquiring or holding Program Securities. However, non-resident Securities Holders may be taxed in Luxembourg if the Program Securities income is attributable to a permanent establishment, a permanent representative or a fixed place of business they have in the Grand-Duchy of Luxembourg.

1.1 Withholding tax

(i) Non-resident Securities Holders

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident Securities Holders, nor on accrued but unpaid interest in respect of the Program Securities which are not profit participating, nor is any withholding tax payable upon redemption or repurchase of the Program Securities held by non-resident Securities Holders.

(ii) Resident Securities Holders

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

Under the RELIBI Law, a 20% withholding tax is levied on payments of interest or similar income made or ascribed by Luxembourg paying agents to (or for the benefit of) Luxembourg resident individuals Security Holders. This withholding tax also applies on accrued interest received upon sale, disposal, redemption or repurchase of the Program Securities (if any). If applied, such withholding tax is in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth who does not hold the Program Securities as business assets.

Responsibility for the withholding of tax in application of the above-mentioned RELIBI Law is assumed by the Luxembourg paying agent within the meaning of the RELIBI Law.

1.2 Income Taxation

(i) Non-resident Securities Holders

A non-resident Securities Holder, not having a permanent establishment or permanent representative in Luxembourg to which or to whom such Program Securities are attributable, is not subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, or any other income under the Program Securities. A gain realised by such non-resident Securities Holder on the sale or disposal, in any form whatsoever, of the Program Securities is further not subject to Luxembourg income tax.

A non-resident Securities Holder acting in the course of the management of professional or business undertaking, who has a permanent establishment or permanent representative in Luxembourg to which or to whom such Program Securities are attributable, is subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, or other income under the Program Securities, and on any gains realised upon the sale or disposal, in any form whatsoever of the Program Securities.

(ii) Resident Securities Holders

Securities Holders which or who are resident of Luxembourg will not be liable for any Luxembourg income tax on repayment of principal.

Luxembourg resident corporate Securities Holders

A corporate Securities Holder must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realized on the sale or disposal, in any form whatsoever, of the Program Securities, in its taxable income for Luxembourg income tax assessment purposes.

A Luxembourg Securities Holder that is governed by (i) the Luxembourg law of 11 May 2007 on family estate companies, as amended; (ii) the Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended; (iii) the Luxembourg law of 13 February 2007 on specialised investment funds, as amended; or (iv) the Luxembourg law of 23 July 2016 on reserved alternative investment funds, and which does not fall under the special tax regime set out in article 48 thereof, will not be subject to any Luxembourg income tax in respect of interest accrued or received, any redemption premium or issue discount, nor on gains realised on the sale or disposal, in any form whatsoever, of the Program Securities.

Luxembourg resident individual Securities Holders

An individual Securities Holder, who acts in the course of the management of his private wealth and who is a resident of Luxembourg for tax purposes, is subject to Luxembourg income tax at progressive rates in respect of interest received, redemption premiums or issue discounts in respect of the Securities Holders, except if (i) withholding tax has been levied on such payments in accordance with the RELIBI Law, or (ii) the individual Securities Holder has opted for the application of a 20 % withholding tax in full discharge of income tax in accordance with the RELIBI Law, which applies if a payment of interest has been made or ascribed by a paying agent established in an EU Member State (other than Luxembourg), or in a Member State of the European Economic Area (other than an EU Member State).

Under Luxembourg domestic tax law, gains realised by an individual Securities Holder, who acts in the course of the management of his private wealth and who is a resident of Luxembourg for tax purposes, upon the sale or disposal, in any form whatsoever, of Program Securities are not subject to Luxembourg income tax, provided this sale or disposal took place more than six months after the acquisition of the Program Securities and the Program Securities do not constitute Zero Coupon Notes. However, any portion of such gain corresponding to accrued but unpaid interest income is subject to Luxembourg income tax, except if tax has been levied on such interest in accordance with the RELIBI Law.

An individual Securities Holder acting in the course of the management of professional or business undertaking must include any income under the Program Securities in its taxable basis, corresponding to accrued but unpaid interest in respect of the Program Securities in his/her taxable income. In that event, such 20% withholding tax levied will be credited against their final income tax liability.

Gains realised by an individual Securities Holder acting in the course of the management of a professional or business undertaking and who is resident of Luxembourg for tax purposes are subject to Luxembourg income taxes at the progressive ordinary rate. Also for individuals carrying on a business activity such gains should be subject to municipal business tax at a rate of 6.75% (for Luxembourg City).

(iii) Net wealth tax

A corporate Securities Holder, whether it is a resident of Luxembourg for tax purposes or, if not, it maintains a permanent establishment or a permanent representative in Luxembourg to which such Program Securities are attributable, is subject to Luxembourg net wealth tax on such Program Securities, except if the Securities Holder is governed by (i) the Luxembourg law of 11 May 2007 on family estate companies, as amended; (ii) the Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended; (iii) the Luxembourg law of 13 February 2007 on specialised investment funds, as amended; or (iv) it is a securitisation company governed by the Luxembourg law of 22 March 2004 on securitisation, as amended; or (v) it is a capital company governed by the Luxembourg law of 15 June 2004 relating to the investment company in risk capital, as amended; or (vi) it is a professional pension institution in the form of variable capital companies (*sociétés d'épargne-pension à capital variable - SEPCAVs*) or an association (*associations d'épargne-pension - ASSEPs*) governed by the Luxembourg law of 13 July 2005 on institutions for occupational retirement provision in the form of pension savings companies with variable capital and pension savings associations, as amended; or (vii) it is a reserved alternative investment fund, subject to the Luxembourg law of 23 July 2016 on reserved alternative investment funds.¹⁸⁷

An individual Securities Holder, whether he/she is resident of Luxembourg or not, is not subject to Luxembourg net wealth tax on Program Securities.

(iv) Other taxes

In principle, neither the issuance nor the transfer, repurchase or redemption of the Program Securities will give rise to any Luxembourg registration tax or similar taxes. However, a fixed or ad valorem registration duty may be due upon the registration of the Program Securities in Luxembourg in the case where the Program Securities are physically attached to a public deed or to any other document subject to mandatory registration, as well as in the case of a registration of the Program Securities on a voluntary basis.

Under present Luxembourg tax law, in the case where a Securities Holder is a resident for tax purposes of Luxembourg at the time of his death, the Program Securities should be included in his taxable estate.

No estate or inheritance taxes are levied on the transfer of the Program Securities, upon death of a Securities Holder, in cases where the deceased was not a resident of Luxembourg for inheritance tax purposes.

Luxembourg gift tax may be due on a gift or donation of the Program Securities, if the gift is recorded in a Luxembourg notarial deed passed in front of a Luxembourg notary or recorded in Luxembourg or otherwise registered in Luxembourg.

¹⁸⁷

Please however note that securitisation companies governed by the law of 22 March 2004 on securitisation, as amended, or capital companies governed by the law of 15 June 2004 on venture capital vehicles, as amended, or reserved alternative investment funds governed by the law of 23 July 2016, as amended, and which fall under the special tax regime set out under article 48 thereof may, under certain conditions, be subject to minimum net wealth tax.

SWISS TAXATION

The following discussion is a summary of certain material Swiss tax considerations relating to (i) Program Securities issued by any of the Issuers where the investor is tax resident in Switzerland or has a tax presence in Switzerland or (ii) Program Securities where the Paying Agent, custodian or securities dealer is located in Switzerland. The discussion is a summary based on legislation as of the date of this Offering Circular. It does not aim to be a comprehensive description of all the Swiss tax considerations that may be relevant for a decision to invest in Program Securities. The tax treatment for each investor depends on the particular situation. All investors are advised to consult with their professional tax advisors as to the respective Swiss tax consequences of the purchase, ownership, disposition, lapse, exercise or redemption of Program Securities (or options embedded therein) in light of their particular circumstances.

Swiss Withholding Tax

Payments under the Program Securities will not be subject to Swiss federal withholding tax, provided that the Issuer and the Guarantor (as the case may be) is at all times resident and managed outside Switzerland for Swiss tax purposes.

Income Taxation

Program Securities held as Private Assets by Swiss resident Noteholders and Securityholders

Structured Notes

If a Program Security classifies as a structured security, i.e. as derivative financial instrument(s) with a bond-like prefunding component embedded therein, its income taxation depends on whether (i) the embedded bond component and the embedded derivative financial instrument(s) are reported separately from each other, or, if the Program Security is a standard product, alternatively the values of the embedded bond component and the embedded derivative financial instrument(s) can at any time be determined analytically by using standard valuation programmes, and (ii) the Program Security classifies as a structured product with or without a predominant one-time interest payment:

Non-transparent derivative financial instruments: If the embedded bond is not recorded separately from the embedded derivative financial instrument(s) and if the conditions for analytical determination of the values of the embedded bond and the embedded derivative financial instrument(s) set forth above do not apply, then the Program Security classifies as non-transparent structured note and any return over the initial investment classifies as a taxable interest payment. Non-transparent derivative financial instruments generally include a predominant one-time interest payment and are taxed in accordance with the principles set forth below under "*Transparent derivative financial instruments with a predominant one-time interest payment*".

Transparent derivative financial instruments without a predominant one-time interest payment: If the embedded bond is recorded separately from the embedded derivative financial instrument(s) or if the values of the embedded bond and the embedded derivative financial instrument(s) can be determined analytically as set forth above and if the yield-to-maturity predominantly derives from periodic interest payments and not from a one-time-interest-payment such as an original issue discount or a repayment premium (see below "*Transparent derivative financial instruments with a predominant one-time interest payment*"), then a person who is an individual resident in Switzerland holding such a Program Security as a private asset is required to include any periodic and one-time interest payments received on the Program Security, converted in each case into Swiss Francs at the exchange rate prevailing at the time of payment, in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts) for the relevant tax period. Option premium received, and a gain, including in respect of interest accrued, a loss, respectively, realised on the sale of such a Program Security is a tax-free private capital gain, a non-tax-deductible private capital loss, respectively.

Transparent derivative financial instruments with a predominant one-time interest payment: If the embedded bond is recorded separately from the embedded derivative financial instrument(s) or if the values of the embedded bond and the embedded derivative financial instrument(s) can be determined analytically as set forth above and if the yield-to-maturity predominantly derives from a one-time-interest-payment such as an original issue discount or a repayment premium and not from periodic interest payments, then a person who is an individual resident in Switzerland holding such a Program Security as a private asset, is required to include any periodic interest payments received on the Program Security and, in addition, any amount equal to the difference between the value of the Program Security at redemption or sale, as applicable, and its value at issuance or secondary market

purchase, as applicable, and converted in each case into Swiss Francs at the exchange rate prevailing at the time of sale or redemption, issuance or purchase, respectively, in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts, i.e., including, *inter alia*, any gain in respect of interest accrued or foreign exchange rate) for the relevant tax period. Any compensation received by such a holder for the embedded derivative, i.e., option premium received, and any residual gain, and a loss, respectively, realised on the sale of such a Program Security is a tax-free private capital gain, a non-tax-deductible private capital loss, respectively. However, notwithstanding the foregoing, such a holder may offset any decrease in value realised by him or her within the same taxation period on sale or redemption of such a Program Security against any gain (including periodic interest payments) realised by him or her from other securities with a predominant one-time interest payment.

Bonds

Bonds without a predominant one-time interest payment: If a Program Security classifies as a pure bond without a predominant one-time interest payment (i.e., the yield-to-maturity of which predominantly derives from periodic interest payments and not from a one-time-interest-payment such as an original issue discount or a repayment premium), then a person who is an individual resident in Switzerland holding such a Program Security as a private asset is required to include any periodic and one-time interest payments received on such Program Security, converted into Swiss Francs at the exchange rate prevailing at the time of payment, in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts) for the relevant tax period. A gain, including, *inter alia*, in respect of interest accrued or foreign exchange rate, a loss, respectively, realised on the sale of such a Program Security is a tax-free private capital gain, a non-tax-deductible private capital loss, respectively.

Bonds with a predominant one-time interest payment: If a Program Security classifies as a pure bond with a predominant one-time interest payment (the yield-to-maturity of which predominantly derives from a one-time-interest-payment such as an original issue discount or a repayment premium and not from periodic interest payments), then a person who is an individual resident in Switzerland holding such a Program Security as a private asset, is required to include any periodic interest payments received on the Program Security and, in addition, any amount equal to the difference between the value of the Program Security at redemption or sale, as applicable, and its value at issuance or secondary market purchase, as applicable, and converted in each case into Swiss Francs at the exchange rate prevailing at the time of sale or redemption, issuance or purchase, respectively, in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts, i.e., including, *inter alia*, any gain in respect of interest accrued or foreign exchange rate) for the relevant tax period. Such a holder may offset any decrease in value realised by him or her within the same taxation period on sale or redemption of such a Program Security against any gain (including periodic interest payments) realised by him or her from other securities with a predominant one-time interest payment.

Pure Derivative Financial Instruments

A capital gain realised by an individual on the sale or redemption of a Program Security which classifies as a pure derivative financial instrument (such as pure call and put options, pure futures, static certificates replicating an index or a basket of at least five shares and with a fixed maturity or an annual redemption right and discount certificates with a maturity not exceeding twelve months) and which is held as part of the individual's private assets is a tax-free private capital gain. Conversely, a capital loss realised on the sale or redemption of such a Program Security cannot be set off against taxable income. Dividend equalisation payments on such a Program Security constitute taxable investment income.

Low Exercise Price Warrants

A fully pre-funded call option with a term of not more than one year classifies as pure derivative financial instrument (see taxation treatment above "Pure Derivative Financial Instruments"). If the term of a call option exceeds one year and the instrument underlying the call option is pre-financed by 50 per cent. or more at the time of issuance then the interest component embedded in such an instrument (i.e., issue discount) constitutes taxable interest income (see taxation treatment above "Structured Notes").

Fund-like Securities

A Program Security which is classified as a fund-like instrument will be considered a pass-through instrument for Swiss tax purposes if dividend and interest income (less attributable costs) from, and capital gains and losses (less costs attributable) realised on, the underlying investments, are reported and distributed separately. Under such

conditions, an individual holding a fund-like Program Security as part of his or her private assets receives taxable income (which he or she must report annually) over such portion of distributions (in case the fund is distributing the income realised on the underlying investments) or earnings credits (in case the fund is reinvesting the income realised on the underlying investment) as derive from dividends and interest (less attributable costs) on the underlying instruments. Any distributions or credits deriving from capital gains realised on the underlying investments constitute a tax-free private capital gain, and any respective loss is a non-tax-deductible private capital loss. Any gain realised within a taxation period on the sale of a fund-like Program Security (including accrued dividends and interest) is exempt from income taxation as a private capital gain, and, conversely, any loss realised on such a Program Security is a non-tax-deductible capital loss.

Program Securities held as Assets of a Swiss Business

Corporate entities and individuals who hold Program Securities as part of a trade or business in Switzerland, in the case of residents abroad carried on through a permanent establishment or a fixed place of business in Switzerland, are required to recognise any payments on, and any capital gains or losses realised on the sale or redemption of, such Program Securities (irrespective of their classification) in their income statement for the respective taxation period and will be taxed on any net taxable earnings for such period.

The same taxation treatment also applies to Swiss-resident individuals who, for income tax purposes, are classified as "professional securities dealers" for reasons of, *inter alia*, frequent dealing and leveraged investments in securities.

Capital Gains

Program Securities held as Private Assets by Swiss resident Noteholders and Securityholders

A gain, a loss, respectively, realised by an individual resident in Switzerland for tax purposes upon the sale or other disposal of a Program Security held as part of his or her private assets is a tax-free private capital gain, or a non-tax deductible capital loss, respectively, unless such individual is classified, for income tax purposes, as a "professional securities dealer" for reasons of, *inter alia*, frequent dealing and leveraged investments in securities. If an individual is classified as "professional securities dealer" he or she will be taxed in accordance with the principles set forth above under "*Income Taxation, Program Securities held as Assets of a Swiss Business*". Concerning the bifurcation of a tax-exempt capital gain component, or a non-tax deductible capital loss component, respectively, from taxable income components of a Program Security see the bifurcation principles set forth above with regard to the different instruments under "*Income Taxation, Program Securities held as Private Assets by Swiss resident Noteholders and Securityholders*".

Program Securities held as Assets of a Swiss Business

Capital gains realised on Program Securities held as Assets of a Swiss Business are taxed in accordance with the taxation principles set forth above under "*Income Taxation, Program Securities held as Assets of a Swiss Business*".

Swiss Federal Stamp Taxes

The issuance of Program Securities on the Issue Date (primary market) is exempt from Swiss federal securities turnover tax (*Umsatzabgabe*), except that the issuance of Program Securities which are classified as fund-like instruments may be subject to Swiss federal securities turnover tax of up to 0.3 per cent. on the offering price, however, only if a Swiss securities dealer (as defined in the Swiss federal stamp tax act) is a party or an intermediary to the transaction and, additionally, if no exemption applies.

Dealings in Program Securities (secondary market) which classify as pure derivative financial instruments (such as pure call and put options, including low exercise price options with a maturity not exceeding twelve months, pure futures with a maximal pre-financing of 25 per cent., fully-funded Program Securities statically replicating an index or a basket of at least five shares and with a fixed maturity or an annual redemption right) are exempt from Swiss federal securities turnover tax. Dealings in other Program Securities may be subject to Swiss federal securities turnover tax of up to 0.3 per cent. on the consideration paid, however, only if a Swiss securities dealer (as defined in the Swiss federal stamp tax act) is a party or an intermediary to the transaction and, additionally, if no exemption applies.

The physical settlement of a security at exercise or redemption to the holder of the Program Security may be subject to Swiss federal securities turnover tax of 0.3 per cent. in case a security issued by an issuer outside

Switzerland is delivered and of 0.15 per cent. in case a security issued by a Swiss domestic issuer is delivered, however, in each case, only if a Swiss domestic securities dealer (as defined in the Swiss federal stamp tax act) is a party or an intermediary to the delivery and, additionally, if no exemption applies.

Net Worth and Capital Taxes

A holder of Program Securities who is an individual resident in Switzerland for tax purposes or is a non-Swiss resident holding Program Securities as part of a Swiss business operation or a Swiss permanent establishment is required to report Program Securities as part of private wealth or as part of Swiss business assets, as the case may be, and is subject to annual cantonal and/or communal private wealth tax on any net taxable wealth (including the Program Securities), in the case of a non-Swiss resident individual holding Program Securities as part of a Swiss business operation or a Swiss permanent establishment to the extent the aggregate taxable wealth is allocable to Switzerland. Incorporated holders of Program Securities are subject to cantonal and communal capital tax on net taxable equity, in the case of non-Swiss resident person holding Program Securities as part of a Swiss permanent establishment, to the extent the aggregate taxable equity is allocable to Switzerland. No net worth and capital taxes are levied at the federal level.

Non-Swiss resident Noteholders and Securityholders

A holder of a Program Security who is not resident in Switzerland and who during the taxation year has not engaged in a trade or business carried on through a permanent establishment or fixed place of business in Switzerland will, in respect of such Program Security, not be subject to income tax in Switzerland.

PORTUGUESE TAXATION

The following is a general summary of current law and practice in Portugal as in effect on the date of this Offering Circular in relation to certain current relevant aspects to Portuguese taxation of the Program Securities and is subject to changes in such laws, including changes that could have a retroactive effect. The following summary is intended as a general guide only and is not exhaustive. It is not intended to be, nor should it be considered to be, legal or tax advice to any holder of Program Securities. It does not take into account or discuss the tax laws of any country other than Portugal and relates only to the position of persons who are absolute beneficial owners of the Program Securities. Prospective investors are advised to consult their own tax advisors as to the Portuguese or other tax consequences of the purchase, ownership and disposal of Program Securities.

The reference to "interest", "other investment income" and "capital gains" in the paragraphs below means "interest", "other investment income" and "capital gains" as understood in Portuguese tax law. The statements below do not take any account of any different definitions of "interest", "other investment income" or "capital gains" which may prevail under any other law or which may be created by the "Terms and Conditions" of the Program Securities or any related documentation.

Income generated by the holding (distributions) and disposal of Notes should be generally subject to the Portuguese tax regime for debt securities ("*obrigações*"). Income generated by the exercise and disposal of Warrants should be generally subject to the Portuguese tax regime for warrants ("*warrants autónomos*"). Income generated by the exercise and disposal of Certificates should be generally subject to the Portuguese tax regime for certificates ("*certificados que garantam ao titular o direito a receber um valor mínimo superior ao valor de subscrição*" e "*certificados que atribuem ao titular o direito a receber um valor de determinado activo subjacente*").

For the purposes of this summary, we have assumed that Portuguese resident individuals earning income on the Program Securities do not earn such income as business or professional income.

Taxation of interest and other investment income

Interest and other investment income obtained by Portuguese resident individuals on the Notes as well as the remuneration received on the exercise of Certificates that entitle the security holder to receive from the Issuers a predetermined amount higher than the subscription value is subject to Personal Income Tax. If the payment of interest or other investment income on the Notes, as well as the remuneration received on the exercise of Certificates that entitle the security holder to receive a predetermined amount higher than the subscription value is made available to Portuguese resident individuals through a Portuguese resident entity or a Portuguese branch of a non-resident entity, withholding tax applies currently at 28%. This withholding tax is considered the final tax on this income unless the individual opts to include it in their taxable income ("aggregation"). In cases of aggregation, where income is subject to progressive rates up to 48% (if exceeding €86,634 – amount of the highest Personal Income Tax bracket in 2026), all income classified as "investment income" (irrespective of the source) must be aggregated and an additional income tax will be due on the part of the taxable income exceeding €80,000 as follows: (i) 2.5% on the part of the taxable income exceeding €80,000 up to €250,000¹⁸⁸ and (ii) 5% on the remaining part (if any) of the taxable income exceeding €250,000¹⁸⁸. In this case (aggregation of income), the tax withheld is deemed a payment on account of the final tax due. If the interest on the Notes or the remuneration received on the exercise of Certificates that entitle the security holder to receive from the Issuers a predetermined amount higher than the subscription value is not received through an entity located in Portugal the same is subject to an autonomous taxation currently of 28%, which is the final tax on that income unless the individual opts for aggregation, subjecting all investment income to tax at the progressive rates and to the additional taxes mentioned above.

Interest and other investment income paid or made available ("*colocado à disposição*") on the Notes as well as the remuneration on the exercise of Certificates that entitle the security holder to receive from the Issuers a predetermined amount higher than the subscription value, which are received by Portuguese resident individuals through entities that are a Portuguese resident entity or a Portuguese branch of a non-resident entity and which are due by non-resident entities without a permanent establishment in the Portuguese territory and that are domiciled in a country included in the "tax havens" list (approved by the Ministerial Order no. 150/2004 of 13 February, as amended from time to time) are subject to a final withholding tax at a rate of 35%. If the interest on the Notes and the remuneration on those Certificates is not received through an entity located in Portugal, it is not

¹⁸⁸ These rates apply to mainland Portugal and the Autonomous Region of Madeira. In the Autonomous Region of the Azores, the rates are respectively 1.75% and 3.5%.

subject to Portuguese withholding tax, but an autonomous taxation currently of 35% will apply, which is the final tax on that income.

Interest, other investment income and the remuneration on the exercise of Certificates that entitle the security holder to receive from the Issuers a predetermined amount higher than the subscription value paid or made available ("*colocado à disposição*") to accounts in the name of one or more accountholders acting on behalf of undisclosed third parties is subject to a final withholding tax rate of 35%, unless the beneficial owner(s) of the income is disclosed, in which case the general rules will apply.

Taxation of capital gains

Capital gains obtained on the repayment and disposal of Notes, exercise or disposal of Warrants and transactions related to Certificates that entitle the security holder to receive the value of a certain underlying asset with the exception of the remuneration arising from Certificates that guarantee the holder the right to receive a minimum value in excess of the subscription value by an individual resident in Portugal for tax purposes, if such income is not earned as business or professional income, are subject to Personal Income Tax, whereby the positive difference between such gains and gains on other securities and losses in securities is subject to tax currently at 28%, which is the final tax on that income unless the individual elects to include it in his/her taxable income, subjecting said income to tax at progressive rates of up to 48%. Where the election for aggregation is made, all income qualifying as "capital gains" (irrespective of the source) has to be aggregated and an additional income tax will be due on the part of the taxable income exceeding €80,000 as follows: (i) 2.5% on the part of the taxable income exceeding €80,000 up to €250,000 and (ii) 5% on the remaining part (if any) of the taxable income exceeding €250,000.¹⁸⁹

Nevertheless, capital gains arising from the disposal of Program Securities are mandatorily subject to aggregation and, consequently, to the progressive Personal Income Tax rates in cases where the Program Securities disposed of were held for less than 365 days and the taxable income of the individual resident in Portugal is equal to or greater than the amount of the highest Personal Income Tax bracket (€86,634 in 2026).

Income derived from the disposal of Program Securities (admitted to trading) may be excluded from taxation under the following conditions: (i) 10% of the income, where it arises from assets held for more than 2 years and less than 5 years; (ii) 20% of the income, where it arises from assets held for a period equal to or greater than 5 years and less than 8 years; (iii) 30% of the income, where it arises from assets held for a period equal to or greater than 8 years.

Financial income and capital gains derived from the Program Securities by legal entities resident for tax purposes in Portugal, and by non-resident legal entities with a permanent establishment in Portugal to which the income or gains are attributable, are included in their taxable profits. These are subject to Corporate Income Tax at a rate of 19%,¹⁹⁰ or a reduced rate of 15%¹⁹¹ if the taxpayer qualifies as a Small MidCap company under Decree Law no. 372/2007, of 6 November (as amended from time to time) and subject to the *de minimis* rule of the European Union, applicable to taxable profits up to € 50,000 (the excess thereof will be subject to the standard rate of 19%). Additionally, a municipal surcharge ("*derrama municipal*") of up to 1.5% (as set by municipal bodies), may be levied on taxable profits. A state surcharge ("*derrama estadual*") also applies: 3% on the part of taxable profits between €1,500,000 and €7,500,000; 5% on the part of the taxable profits between €7,500,000 and €35,000,000; and 9% on the part of the taxable profits exceeding €35,000,000.¹⁹²

Gratuitous transfers

Gratuitous transfers of the Program Securities to Portuguese resident individuals are not subject to Portuguese Stamp Tax, as they fall outside the territorial scope of this tax (i.e., there is no connection with Portuguese territory since the debtor of the patrimonial or credit rights is domiciled, has its head office, place of effective management or permanent establishment outside the Portuguese territory). However, gratuitous transfers of the Program Securities (i.e., acquisition of the Notes by means of gift or inheritance) in favour of a Portuguese resident corporate entity or non-Portuguese resident corporate entity with a Portuguese permanent establishment, to which such transfer is attributable, are considered as patrimonial increases. Although these are not subject to Stamp Tax,

¹⁸⁹ These rates apply to mainland Portugal and the Autonomous Region of Madeira. In the Autonomous Region of the Azores, the rates are respectively 1.75% and 3.5%.

¹⁹⁰ By Law No. 64/2025 of 7 November, a progressive reduction of CIT rates to 17% by 2028 was approved. Accordingly, the CIT rate will be 19% for the tax period beginning in 2026, 18% in 2027, and 17% in 2028 and subsequent financials years. This rate is 13.3% in the Autonomous Region of Madeira and in the Autonomous Region of the Azores.

¹⁹¹ This rate is 10.5% in the Autonomous Region of Madeira and in the Autonomous Region of the Azores.

¹⁹² This rate is 2.1%, 3.5% and 6.3%, respectively in the Autonomous Region of Madeira and 2.4%, 4% and 7.2%, respectively, in the Autonomous Region of the Azores.

they are included in the corporate taxable income and taxed at a CIT rate of 19%,¹⁹³ or 15%¹⁹⁴ for taxpayers qualifying as Small MidCap companies under Decree Law no. 372/2007, of 6 November (as amended from time to time) and subject to the *de minimis* rule of the European Union, applicable to taxable profits up to €50,000 (the excess thereof will be subject to the standard rate of 19%). Additionally, a municipal surcharge ("*derrama municipal*") of up to 1.5% (as set by municipal bodies), may be levied on taxable profits. A state surcharge ("*derrama estadual*") also applies: 3% on the part of taxable profits between €1,500,000 and € 7,500,000; 5% on the part of the taxable profits between €7,500,000 up to € EUR 35,000,000; and 9% on the part of the profits exceeding €35,000,000¹⁹⁵.

Value Added Tax

The issuance, acquisition and transfer of Securities is not taxable under Value Added Tax.

Wealth and estate tax

There is neither wealth nor estate tax in Portugal within the context of Program Securities.

Financial Transaction Tax

There is no financial transaction tax in Portugal.

Non-resident holders (without permanent establishment in Portugal)

Payments made by the Issuer of interest, other investment income or principal on Program Securities issued by it (as long as it does not have a permanent establishment in Portugal) to an individual or legal entity non-resident in Portugal for tax purposes without a Portuguese permanent establishment to which income may be attributable are not subject to Portuguese tax.

Capital gains realised on Program Securities by a holder who is neither resident nor engaged in business through a permanent establishment in Portugal to which that gain is attributable are not subject to Portuguese tax.

¹⁹³ *Ibid.*, above no 169.

¹⁹⁴ *Ibid.*, above no 170.

¹⁹⁵ *Ibid.*, above no 171.

FRENCH TAXATION

The following is an overview of certain tax consequences relating to the holding of the Program Securities. This overview is based on the laws and regulations in full force and effect in France as at the date of this Offering Circular, which may be subject to change in the future, potentially with retroactive effect. Investors should be aware that this overview is of a general nature and does not constitute legal or tax advice and should not be understood as such. Prospective investors are therefore advised to consult their own qualified advisers so as to determine, in the light of their individual situation, the tax consequences of the purchase, holding, redemption or disposal of the Program Securities.

Withholding taxes

The following has been prepared on the assumption that the Issuers are not resident of France for French tax purposes (whether actually or constructively) and do not have a branch, permanent establishment or place of business in France.

The withholding tax treatment of the Program Securities issued by the Issuers will depend on their nature and characterisation for French tax purposes.

Program Securities issued by the Issuers constituting debt instruments for French tax purposes

Payments with respect to Program Securities issued by the Issuers which are treated as debt instruments for French tax purposes should be made free of any compulsory withholding or deduction for or on account of any income tax imposed, levied, withheld, or assessed by France or any political subdivision or taxing authority thereof or therein.

However, if the paying agent (*établissement payeur*) is established in France, pursuant to Article 125 A I of the French *Code général des impôts*, subject to certain exceptions, interest and assimilated income received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France are subject to a 12.8% withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and solidarity levy) are also levied by way of withholding at an aggregate rate of 18.6% on such interest and assimilated income received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France, subject to certain exceptions.

Program Securities issued by the Issuers not constituting debt instruments for French tax purposes

Payments with respect to Program Securities issued by the Issuers which are not treated as debt instruments for French tax purposes should be made free of any compulsory withholding or deduction for or on account of any income tax imposed, levied, withheld, or assessed by France or any political subdivision or taxing authority thereof or therein.

Transfer tax and other taxes

The following may be relevant in connection with Program Securities which may be settled or redeemed by way of physical delivery of (i) certain listed shares or certain assimilated securities issued by a company whose registered office is situated in France or (ii) securities representing such shares (or assimilated securities). In circumstances where the Program Securities are settled or redeemed by way of physical delivery of assets (other than certain listed French shares (or certain assimilated securities) or securities representing certain listed French shares (or certain assimilated securities), investors are urged to consult their advisor to assess the potential French tax consequences.

Pursuant to Article 235 ter ZD of the French *Code général des impôts*, a financial transaction tax (the "**French FTT**") is applicable, to any acquisition for consideration, resulting in a transfer of ownership, of (i) an equity security (*titre de capital*) within the meaning of Article L.212-1 A of the French *Code monétaire et financier* or an assimilated equity security (*titre de capital assimilé*) within the meaning of Article L.211-41 of the French *Code monétaire et financier*, admitted to trading on a recognised stock exchange when the said security is issued by a company whose registered office is situated in France and whose market capitalisation exceeds €1 billion on 1st December of the year preceding the year in which the imposition occurs (the "**French Shares**") or (ii) a security (*titre*) representing French Shares (irrespective of the location of the registered office of the issuer of such security). The rate of the French FTT is 0.4% of the acquisition value of the French Shares (or securities representing French Shares). There are a number of exemptions from the French FTT and investors should consult with their counsel to identify whether they can benefit from them.

If the French FTT applies to an acquisition of French Shares, this transaction is exempt from transfer taxes (*droits de mutation à titre onéreux*) which generally apply at a rate of 0.1% to the sale of shares issued by a company whose registered office is situated in France, provided that in case of shares listed on a recognised stock exchange, transfer taxes are due only if the transfer is evidenced by a written deed or agreement.

HONG KONG TAXATION

The following is a general description of certain Hong Kong tax considerations in relation to the CMU Notes. As each Tranche of the CMU Notes may be subject to different tax treatment in Hong Kong due to the specific terms and conditions of such Tranche, the following is only a generic overview of Hong Kong tax aspects that may be of relevance with respect to the possible tax treatment of CMU Notes. It does not purport to be a complete analysis of all tax considerations relating to the CMU Notes, whether in Hong Kong or elsewhere. Prospective purchasers of CMU Notes should consult their own tax advisors as to which countries' tax laws could be relevant to acquiring, holding and disposing of CMU Notes and receiving payments of interest, principal and/or other amounts under the CMU Notes and the consequences of such actions under the tax laws of those countries. This description is based upon the law as in effect and applied on the date of this Offering Circular, as well as on the current tax practice, and is subject to any changes in laws and their interpretation that may take effect after such date, including changes with retroactive effect.

Withholding tax

No withholding tax is payable in Hong Kong in respect of payments of principal or interest on the CMU Notes or in respect of any capital gains arising from the sale of the CMU Notes.

Profits Tax

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Interest on the CMU Notes may be deemed to be profits arising in or derived from Hong Kong from a trade, profession or business carried on in Hong Kong in the following circumstances:

- (i) interest on the CMU Notes is derived from Hong Kong and is received by or accrues to a corporation carrying on a trade, profession or business in Hong Kong;
- (ii) interest on the CMU Notes is derived from Hong Kong and is received by or accrues to a person, other than a corporation, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business;
- (iii) interest on the CMU Notes is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance (Cap. 112) of Hong Kong (the "IRO") and arises through or from the carrying on by the financial institution of its business in Hong Kong; or
- (iv) interest on the CMU Notes is received by or accrues to a corporation, other than a financial institution, and arises through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO).

Sums received by or accrued to a financial institution by way of gains or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal or redemption of CMU Notes will be subject to Hong Kong profits tax. Sums received by or accrued to a corporation, other than a financial institution, by way of gains or profits arising through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO) from the sale, disposal or other redemption of CMU Notes will be subject to Hong Kong profits tax.

Sums derived from the sale, disposal or redemption of CMU Notes will be subject to Hong Kong profits tax where received by or accrued to a person, other than a financial institution, who carries on a trade, profession or business in Hong Kong and the sum has a Hong Kong source unless otherwise exempted. The source of such sums will generally be determined by having regard to the manner in which the CMU Notes are acquired and disposed of.

In addition, the Inland Revenue (Amendment) (Taxation on Specified Foreign-sourced Income) Ordinance 2022 of Hong Kong (the "Amendment Ordinance") came into effect on 1 January 2023. Under the Amendment Ordinance, certain foreign-sourced interest on the CMU Notes accrued to an MNE entity (as defined in the Amendment Ordinance) carrying on a trade, profession or business in Hong Kong is regarded as arising in or derived from Hong Kong and subject to Hong Kong profits tax when it is received in Hong Kong. The Amendment Ordinance also provides for relief against double taxation in respect of certain foreign-sourced income and transitional matters.

In certain circumstances, Hong Kong profits tax exemptions (such as concessionary tax rates) may be available. Investors are advised to consult their own tax advisors to ascertain the applicability of any exemptions to their individual position.

Stamp Duty – Registered Notes

No stamp duty is payable on the issue of CMU Notes. Stamp duty may be payable on any transfer of CMU Notes if the relevant transfer is required to be registered in Hong Kong. Stamp duty will, however, not be payable on any transfer of CMU Notes provided that either:

- (i) such CMU Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or
- (ii) such CMU Notes constitute loan capital (as defined in the Stamp Duty Ordinance (Cap. 117) of Hong Kong).

With effect from 17 November 2023, if stamp duty applies to the transfer of CMU Notes required to be registered in Hong Kong and which are not otherwise exempt, it will be payable at the rate of 0.2 per cent. (of which 0.1 per cent. is payable by the seller and 0.1 per cent. is payable by the purchaser) normally by reference to the consideration or its value, whichever is higher. In addition, stamp duty is payable at the fixed rate of HK\$5 on each instrument of transfer executed in relation to any transfer of the CMU Notes if the relevant transfer is required to be registered in Hong Kong.

HUNGARIAN TAXATION

The following is an overview of the potentially applicable Hungarian tax liabilities with regard to the investment in the Program Securities. The overview does not address tax considerations applicable to investors of the Program Securities that may be subject to special tax rules, including, among others, controlled foreign companies, non-business carrying entities, income tax-exempt entities or companies, enterprises subject to special, elected or obligatory tax regimes. The overview does not cover situations where (i) individuals hold the Program Securities in the context of business activities, (ii) the Program Securities are held as current assets (i.e. allocable to the inventory or otherwise held for trading purposes) or (iii) the Program Securities are received and handled by the private individual or corporate investor due to or under a special arrangement or relationship between the private individual or corporate investor and the Issuer or a third party.

This overview is based on the tax laws of Hungary as in effect and applied on the date of this Offering Circular, and is subject to changes in Hungarian law, including changes that could have a retroactive effect. The following overview is not exhaustive and does not take into account or discuss the tax laws of any country other than Hungary.

Note that the tax treatment of certain categories of the Program Securities is not in all respects established and may, therefore, be uncertain to some extent. In particular, there are no specific tax laws addressing the tax treatment of certificates in Hungary, nor is there any court practice specifically available in respect of certificates.

This overview is based on the Hungarian Personal Income Tax Act (Act CVXII of 1995, as amended) ("**PIT Act**") and the Hungarian Corporate Income Tax Act (Act LXXXI of 1996, as amended, as amended) ("**CIT Act**").

This overview addresses neither Hungarian inheritance nor gift tax consequences.

Non-Hungarian Tax Residents

(a) Private individual investors

Private individual investors, who are not tax resident in Hungary, shall not be liable to tax on their income from the Program Securities provided that the Issuer is not Hungarian tax resident or it is not obliged to pay the interest, qualifying as such under the PIT Act, through its Hungarian permanent establishment, branch office or commercial representative office.

(b) Corporate investors

A non-Hungarian tax resident corporate investor shall not be subject to tax in Hungary with respect to any income resulting from the acquisition, holding, redemption or sale of the Program Securities, provided that it does not have a permanent establishment in Hungary to which such transaction with the Program Securities can be related.

Hungarian Tax Residents

(a) Private individual investors

The income of a Hungarian tax resident private individual investor, arising from the acquisition, holding, redemption or sale of the Program Securities which qualify as debt securities is subject to personal income tax ("**PIT**") in Hungary as interest income at the rate of 15 per cent.

Income from securities which do not qualify as debt securities, however, in general, are publicly offered, listed and traded at arm's length price on a controlled market of any EEA member state or such country with which Hungary has concluded a double tax treaty, is subject to PIT in Hungary as income from controlled capital market transactions at the rate of 15 per cent. The profit and loss of such transactions during the tax year can be totalled and the PIT assessed accordingly. Losses of previous two tax years can be used to offset the taxable profit of the tax year, subject to certain conditions.

Pursuant to Act LII of 2018 on Social Contribution Tax (the "**Social Contribution Tax Act**"), other income as part of the individual's aggregated income realised by private individuals resident in Hungary for social security purposes is subject to 13 per cent. social contribution tax. Holders who qualify as a "foreigner" pursuant to Act CXXII of 2019 on persons entitled to social security benefits and on the coverage of these benefits and those who are insured for social security purposes in another EU member state or by an EU institution pursuant to Regulation(EC) No 883/2004 of the European Parliament and of the Council of 29 April 2004 on the coordination

of social security systems are not subject to social contribution tax in respect of the above-mentioned payments. A non-Hungarian tax resident individual for personal income tax purposes does not necessarily qualify as a "foreigner" for social contribution tax purposes. Hungarian resident individual holders of Program Securities are subject to 13 per cent. social security tax on their interest income, in addition to the payable personal income tax.

(b) *Tax allowance and exemption*

Favourable tax treatment could be applied on income from long-term investments in Hungary under Section 67/B of the PIT Act. The tax allowance and tax exemption could be applied on the income under a long-term investment contract (in Hungarian, "*tartós befektetési számla*") ("**LTIC**") concluded between the private individual and an investment service provider or a credit institution. The LTIC itself is a separate agreement where the parties agree to observe the taxation rules laid down in the PIT Act in order the private individual to be eligible for the below tax allowance or exemption.

In accordance with the rules of the LTIC, the private individual shall conclude an LTIC with an investment service provider or a credit institution and place funds (of at least HUF 25,000) on the LTIC account. The calendar year of opening the LTIC account is regarded as the collection year and funds can only be placed until the 31st of December of such year. The placed funds can be used, in the collection year and the subsequent years, in general, to invest in debt securities and controlled capital market transactions.

The withdrawal of funds, including the yield from the investments, from the LTIC account after the end of the third year following the collection year shall be subject to 10% PIT. The withdrawal of funds, including the yield from the investment, from the LTIC account after the end of the fifth year following the collection year shall be exempt from PIT.

An agreement concluded with a foreign investment service provider/credit institution could also be regarded as an LTIC if (i) it is in compliance with the PIT Act, (ii) the parties apply the respective rules of the PIT Act on their rights and obligation and (iii) the private individual undertakes to (a) tie-up at least cash amounting min. HUF 25 000 (approx. EUR 70) on the account and (b) not to withdraw its investment for 3 or 5 consecutive years. In such case, the private individual shall report to the Hungarian tax authority that it has concluded such agreement with a foreign entity.

(c) *Investors other than private individuals*

The income of Hungarian tax resident corporate investors arising from the acquisition, holding, redemption or sale of the Program Securities is subject to corporate income tax in Hungary at the rate of 9 per cent. in accordance with the provisions of the CIT Act.

Impact of a Double Tax Treaty between Hungary and the Jurisdiction of the Issuer

Where the private individual or corporate investor is subject to tax in Hungary in relation to the Program Securities, the provisions of the double tax treaty in force between Hungary and the jurisdiction of the Issuer shall be observed. Such provisions may decrease the amount of or eliminate the payable tax in Hungary or the other country. In the case of absence of such double tax treaty, the Hungarian tax laws provide for, in general, a limited deduction of the tax paid abroad from the tax payable in Hungary.

Withholding tax

Under Hungarian tax law currently in force, no Hungarian withholding tax is applicable to interest paid on the Program Securities by the Issuer to non-Hungarian tax resident corporate investors.

Hungary applies withholding tax to non-Hungarian tax resident private individuals, however according to the PIT Act, their income from the Program Securities should not be subject to tax in Hungary.

CROATIA TAXATION

This summary provides a general overview of certain Croatian tax aspects related to the Program Securities issued under this Offering Circular. It is not intended to offer a complete or exhaustive analysis of all tax issues connected with the Program Securities, either within Croatia or in other jurisdictions. Prospective investors should seek advice from their own tax consultants regarding the tax regulations of all relevant jurisdictions, including Croatia, which may apply to the acquisition, holding, disposal, or receipt of interest, principal, or any other payments under the Program Securities, as well as the tax implications of these activities. For the purposes of this summary, the terms "Notes", "Certificates", "Warrants", and any other related instruments are collectively referred to as "Program Securities" or "Securities"

Taxation of Interest and Capital Gains – Private Investors

Under Croatian tax legislation, interest income received by individuals (natural persons) from the Program Securities is treated as capital income and is subject to personal income tax at a flat rate of 12%. This applies both to Croatian tax residents receiving interest income from foreign and domestic issuers and to non-residents receiving such income from sources within Croatia. The Croatian tax system is based on the principles of residency and source of income, but it should be noted that exceptions and deviations from general taxation rules prescribed by domestic legislation may exist. Thus, Croatia's right to tax may be limited by the application of international double taxation treaties, which prescribe different methods of taxing certain types of income or special categories of taxpayers. Therefore, when determining the tax base and the corresponding tax obligation, in addition to national regulations, relevant international treaties and special rules relating to specific income sources must be considered.

Interest income from Program Securities will generally be subject to this tax if the income is deemed to have a Croatian source. However, interest income from interest earned from investment in bonds, regardless of the issuer and type of bond and in debt securities and money market instruments issued by the Republic of Croatia and the units of local and regional self-government and is exempt from taxation.

The tax is typically withheld at source if the interest is paid by a Croatian entity. If no withholding occurs, the investor is obliged to declare and pay the tax through self-assessment by the end of February for income received in the previous calendar year.

Capital gains (as part of income from capital) earned by a natural person taxpayer, which arise from the disposal of Program Securities, are subject to taxation by capital income tax. Financial assets include transferable Program Securities and structured products, as well as shares in trading companies and in other forms of associations with similar characteristics, money market instruments, units in collective investment undertakings, derivatives, proportional parts of liquidation assets in case of liquidation of an investment fund, and other receipts from shares in cases of liquidation, termination, or withdrawal.

The tax base for capital gains is determined as the positive difference between the disposal value – either the agreed sale price or the market value in the case of non-transfer transactions – and the acquisition value. The FIFO (first-in, first-out) method is applied in this case. In special cases such as gifts, inheritance, or status changes, the acquisition date and value of the predecessor may be taken as the acquisition date and value. A tax rate of 12% applies to such capital income.

The tax obligation arises at the moment of transfer of ownership of the financial asset, whether it is a sale, exchange, gift, or other form of transfer. Some transactions are exempt from taxation. For example, capital gains are not taxable if the financial asset is disposed of after two years following the date of acquisition. In cases of gifts, inheritance, or transfers among close family members, the tax obligation does not arise at the moment of transfer. However, if the recipient disposes of such property within two years following the date the predecessor acquired it, it is considered capital income, and the acquisition date for tax purposes is the date when the previous owner acquired the asset.

Capital losses can only be used to offset capital gains realized within the same calendar year, up to the amount of the realized tax base. All related costs charged to the taxpayer are included in the capital loss, while excess losses cannot be carried forward to subsequent periods or used to reduce other types of income.

The obligation to calculate, report, and pay tax on capital gains lies with the natural person and must be fulfilled by the last day of February of the year following the year in which the gain was realized. If a financial asset is held with a domestic financial intermediary, such as a bank, investment firm, or portfolio manager, that

intermediary may, by prior agreement, assume the obligation to report and pay tax on behalf of the taxpayer. The taxpayer may also authorize the Central Clearing Depository Company (SKDD) to calculate and report the tax obligation on their behalf, whereby intermediaries and taxpayers must provide SKDD with all relevant data for the previous calendar year by 15 January of the current year. SKDD calculates the tax and informs the taxpayer by 31 January, whereas the final payment must be made by the end of February.

If capital income is not reported or is reported at an amount lower than the market value, the Tax Administration is authorized to determine the tax obligation based on market prices.

Taxation of Interest and Capital Gains – Corporate Investors

Croatian resident legal entities are subject to corporate income tax on interest income received from the Securities, as well as on income derived from the sale of the Program Securities. Such income forms part of the general corporate income tax base and is taxed at a rate of 10% for entities with annual revenue below EUR 1 million, or 18% for those exceeding this threshold.

Non-resident corporate investors receiving interest from Croatian sources may be subject to withholding tax (WHT) at a standard rate of 15%, unless a double taxation treaty applies to reduce or eliminate this tax. For example, under certain treaties, the WHT rate may be reduced or even eliminated entirely, particularly if the recipient is a qualified resident of a treaty jurisdiction and the relevant formalities (e.g., tax residency certificate) are met.

Interest payments (also on Program Securities) are subject to WHT at a 15% rate, unless they relate to the following:

- (i) merchandise loans for the procurement of goods used for the taxpayer's performance of business activity,
- (ii) loans given by a foreign bank or other financial institution,
- (iii) possessors of bonds, both state and corporate, that are foreign legal persons.

The general rule is that WHT on dividends and profit shares is applied at the rate of 10%. Croatia applies WHT at 25% on all the above-mentioned types of fees and services, as well as on market research services, tax consulting services, business consulting services, or auditing services when paid to non-residents from EU non-cooperative jurisdictions.

An exception to the general rule applies to interest payments to related companies from other EU member states. Such payments may be made without withholding tax if prescribed conditions are met. These conditions are taken from Council Directive 2003/49/EC on a common system of taxation applicable to interest and royalty payments between related companies of different member states.

ROMANIAN TAXATION

The following text is a high-level summary of certain Romanian tax aspects and considerations relating to the Program Securities. This information is of a general nature and it does not purport to be a comprehensive analysis of all relevant tax aspects that has to be considered when deciding to invest in Program Securities. This summary is based on the provisions of the Romanian fiscal legislation in force as of 24 May 2026.

This summary does not describe any tax aspects resulting from the tax laws of any other state than Romania.

Investors are, under all circumstances, strongly advised to contact their own tax advisor to clarify the individual consequences of their investment, holding and disposal of the Program Securities.

The summary below assumes that the Issuer of the Program Securities is not tax resident in Romania and the Program Securities are not issued via a Romanian branch/permanent establishment of the Issuer.

Romanian Withholding Tax on Certain Payments

Interest income received by a non-resident person from a Romanian resident is subject to withholding tax.

Starting from the premise that the Issuer is not resident for tax purposes in Romania and it has no permanent establishment in Romania, the payments made by the Issuer in respect of interest, premiums, principal, dividends, capital gains in connection with Program Securities will not be deemed made from Romania.

Taxation Of Resident Individual Holders

Tax resident individuals in Romania or non-resident citizens who meet the conditions of tax residence under the Romanian legislation, respectively the criteria of residence provided in the tax Code, are subject to personal income tax in Romania on their world income. Therefore, individual Romanian holders would be subject to personal income tax due on their investment income resulting from holding, redeeming, selling or any other notes, warrants and certificates transaction. The tax rate applied to investment income varies depending on its nature. Generally, interest and premiums are taxed at a standard rate of 10%, while dividends are subject to 16% tax rate. For gains derived from the transfer of notes, warrants, certificates, and other derivative transactions, the applicable tax rate is either 3 percent and 6 percent, depending on the holding period:

- (a) in the case of notes, warrants and certificates:
 - (i) by applying a rate of 3% on each gain from the transfer of notes, warrants and certificates that were acquired and disposed of in a period longer than 365 days, inclusive, from the date of acquisition;
 - (ii) by applying a rate of 6% on each gain from the transfer of notes, warrants and certificates that were acquired and disposed of in a period less than 365 days from the date of acquisition;
- (b) in the case of operations with derivative financial instruments:
 - (i) by applying a rate of 3% on each gain from carrying out operations with derivative financial instruments held for a period greater than 365 days, inclusive, from the date of acquisition;
 - (ii) by applying a rate of 6% on each gain from carrying out operations with derivative financial instruments held for a period less than 365 days from the date of acquisition.

To determine the period in which they were held, it is considered that the notes, warrants and certificates and financial instruments are sold/redeemed in the same order in which they were acquired, respectively first in - first out, for each symbol.

For the purpose of calculating the gain, the fiscal value is determined by applying the weighted average cost method, including the costs related to the transfer/transaction, for each symbol, regardless of the holding period.

According to the provisions of the Fiscal Code, in Romania, the annual taxable net gain from the transfer of Program Securities, from any other operations with financial instruments, including derivative financial instruments, is determined by the taxpayer as the difference between the annual net gain and the reported losses from previous fiscal years from these operations. The annual net gain/loss from transfer of Program Securities will be determined by the single declaration regarding the income tax and the social contributions due by the natural persons. If the annual result is a net loss it could be recovered up to 70% of the annual net gains obtained

in the following 5 consecutive years received by the individuals from the same income and from the same source-country. The loss carryover rule is: the carryover is made chronologically, depending on the age of the loss, in the next 5 consecutive years; the right to carry forward is personal and non-transferable; the carried forward loss, not compensated after the expiration of the 5 years, represents the final loss of the taxpayer.

The annual net losses coming from abroad are carried forward and compensated by the taxpayer with the incomes of the same nature and source, realized on each country and registered in the next 5 fiscal years. Losses incurred from the transfer of the Program Securities and from transactions involving derivative financial instruments, carried out through a Romanian paying agent, are neither carried forward nor offset, and represent definitive losses for the taxpayer.

The fiscal residents of the states with which Romania has concluded a Double Taxation Avoidance Convention are generally taxable for the interests obtained from Romania in the state of fiscal residence, but for each situation, the provisions of the conventions between states must be taken into account. Thus, according to these double taxation conventions, exemptions can be considered in the situation where the natural person has paid tax by withholding tax in a foreign country for the incomes obtained from the Program Securities.

The obligation to declare and pay tax in relation to any income and/or gains obtained from abroad by a Romanian tax resident individual stays with that individual. However, if the payments of the income and/or gains in relations to the Program Securities are effectively performed through a Romanian paying agent, it might be the case that (although this is debatable) the Romanian tax authorities require this agent to withheld at source the income tax due by the Romanian tax resident individual on certain categories of income, such as interest and dividends.

The resident individual holder is obliged to pay the contribution to the state health insurance fund as follows:

- if the incomes achieved are between 6 and 12 gross minimum wages per country, the calculation basis is at the level of 6 gross minimum wages per country, - the minimum gross salary per country starting with 1 January 2025 is RON 4,050. Starting with 1 July 2026 the minimum gross salary is RON 4,325
- if the incomes achieved are between 12 and 24 gross minimum wages per country, the calculation basis is at the level of 12 gross minimum wages per country,
- if the income earned is at least equal to 24 gross minimum wages per country, the calculation base is at the level of 24 gross minimum wages per country.

For 2025, the limit is RON 24,300 (the minimum gross salary in the country is RON 4,050). The amount of the social health insurance contribution is calculated at the minimum mentioned limits, applying the 10% quota to it.

The contribution to the state health insurance fund is also due even if the income and gains obtained from the Program Securities are lower than the threshold above, but the income and gains from the Program Securities cumulated with revenues obtained by the resident individual from other sources (except for income from salaries and assimilated to salaries, for example income from independent activities, income from other sources, income from intellectual property rights) exceed this threshold.

If the income and gains obtained from the Program Securities are lower than the thresholds above, and the resident individual does not obtain revenues from other sources (with the exception of salaries), the contribution is only optional.

Taxation Of Resident Entities Holders

Resident entities which are tax resident in Romania (i.e. if they are incorporated in Romania or if they have their effective place of management in Romania or if they are legal entities incorporated according to European legislation with registered office in Romania) will be subject to corporate income tax on their worldwide income, including any income and gains resulting from the holding, redemption, sale or any other transaction with the Program Securities. The applicable tax rate is 16 per cent. Starting with 1 January 2024 / amended fiscal year starting with 2024, the annual tax losses established by the corporate tax return are recovered from the taxable profits made, within the limit of 70% inclusive, in the next 5 consecutive years.

The taxable base for corporate tax purpose is computed as the difference between revenues and expenses registered by entities as per the accounting rules, adjusted with tax items. Therefore, the corporate tax consequences deriving from holding, redemption, sale or any other transaction with the Program Securities is

dependent also on the accounting treatment applied to such Program Securities, especially as regards the recognition of the related revenues and expenses.

The Romanian fiscal legislation, exempt from corporate income tax, in certain conditions, the incomes derived from dividends and from evaluation/revaluation/sale of shares.

The Romanian fiscal legislation, states that the losses incurred by a company from selling receivables is deductible within the limit of 30%. In case of credit institutions, if receivables are partially covered by provisions or taken off from the balance sheet and then sold, 70% of the difference between the value of receivable and their selling price represents taxable income. This restriction does no longer apply to transfers of government notes, warrants and certificates, bonds and other debt instruments that give the holder a contractual right to collect cash, the expenses recorded from such transfers being deductible when calculating the tax result.

The entities with an annual turnover exceeding EUR 50,000,000 will be required to pay a minimum turnover tax of 0.5%, in cases where the corporate income tax due is lower than this minimum tax, in accordance with the applicable legal provisions.

Relief for withholding tax paid in a foreign country in relation with the Program Securities may be available, if Romania has in place a double tax treaty in place with the country where the tax was withheld. The relief is granted under the form of deduction from and within the limit of the corporate income tax due in Romania.

Please note that, starting with 1 January 2025, legal entities with an income lower than the RON equivalent of EUR 100,000 (the income limit is verified taking into account the income earned by the Romanian legal entity, cumulated with the income of companies related to it), and meeting the other conditions set forth by Romanian legislation, may opt to apply the micro-entity income tax of 1% depending on specific criteria. This tax is applied to income obtained (except for certain income specifically provided) without the possibility to deduct expenses.

Taxation Of Non-Residents

Non-resident (legal entities and/or individuals carrying on independent activities) will be subject to tax in Romania in respect of income derived from the Program Securities, in case they have a permanent establishment in Romania to which the Program Securities are attributable.

Stamp Duties, Transfer Taxes, Other Taxes

There are no stamp duties, transfer taxes or other taxes due in Romania in connection with acquisitions and transactions with the Program Securities, other than those mentioned above.

SLOVAKIA TAXATION

This summary covers general tax treatments which would be applicable for an individual investor or a corporate investor who was considered a Slovak tax resident and is presumably involved in acquiring, owning or disposing of the Program Securities as well as receiving any payment in any kind of capital gains on the Program Securities in the territory of Slovakia. This does not represent a comprehensive summary of all the tax-relevant aspects that may be important from the tax perspective of making an investor's decision to purchase, hold or sell the Program Securities. This is not to be provided any representation or guarantee regarding possible tax consequences of the purchase, holding or disposal of the Program Securities or any tax advice provided by the professional. This summary is based on assumption that the Issuer is not deemed to be tax resident in Slovakia and does not operate a branch which should be situated in Slovakia.

Withholding tax on payments made to investor

On the basis that the Issuer is not a resident in Slovakia for tax purposes and has no presence or permanent establishment in Slovakia, there is no Slovak withholding tax applicable on payments made by the Issuer in respect of the Program Securities to the investor. If the recipient of the payments related to the Program Securities is considered a Slovak tax resident, respective articles on interest, dividend payments or a disposal of the Program Securities of Double Tax Treaty concluded between country of Issuer and Slovakia if exists, should be applied. The withholding tax should be triggered only in case while the Issuer was a tax resident or non-residential legal entity with its permanent establishment situated in Slovakia, or in some cases where the Securities are held in custody account in Slovakia.

Private investor with tax residence in Slovakia

A private individual investor who is a tax resident in Slovakia, is subject to personal income tax which is applied to any income gained from the holding, redemption, sell or any other transaction related to the Program Securities including interest income or any kind of gain earned from the disposal of the Program Securities. In general, the applicable tax rate is 19%. However, the tax rate may progressively increase:

- (a) If a total annual income of the Slovak individual investor including income derived from the Program Securities exceeds EUR 43,983, the rate 25% is applied for the income exceeding this amount.
- (b) If a total annual income of the Slovak individual investor including income derived from the Securities exceeds EUR 60,349, the rate 30% is applied for the income exceeding this amount.
- (c) If a total annual income of the Slovak individual investor including income derived from the Securities exceeds EUR 75,010, the rate 35% is applied for the income exceeding this amount.

The private investor must file a personal income tax return for a particular calendar year when income was credited to investor's account, report his worldwide income subject to income tax and finally pay the tax liability which determined in the annual tax return. Income taxed by withholding tax in an Issuer's jurisdiction should be deducted from the total tax liability reported in the country of residence. Gains earned from the sale of Program Securities which were accepted for trading on the stock exchange in Slovakia or abroad will be exempt from income tax if the private investor holds the Program Securities for more than one year, whereas this exemption shall not apply to income from the transfer of Program Securities which were the business assets of the taxpayer. The gains should also be exempt from personal income tax if the Program Securities were included in a long-term investment portfolio managed by the trader on a capital market in compliance with the Act No. 566/2001 Coll. on Securities and Investment Services, as amended (the "**Slovak Securities Act**") and redeemed from the portfolio after at least 15 years. Furthermore, gains of up to EUR 500 per calendar year from the disposal of the Program Securities could be exempt, whereas this exemption shall not apply to income from the transfer of Program Securities which were the business assets of the taxpayer.

In addition to income tax, as a general rule, a private individual investor who is mandatorily health insured person in Slovakia has to pay health insurance contributions at a rate of 16% of the taxable income from the Program Securities.

Entrepreneur and Corporate investor with tax residence in Slovakia

Legal entities residing in Slovakia will be subject to corporate income tax on any income resulting from the holding, redemption, sell or any other transaction with the Program Securities. Such financial income or gain from the disposal of the Program Securities shall form part of the general corporate income tax basis determined by accounting performed in compliance with Slovak Accounting Principles which is additionally adjusted by non-taxable income or non-deductible expense. The applicable corporate income tax rate is 21% except the taxpayers with limited income up to EUR 100,000 for whom preferred tax rate in amount of 10% is applied. Taxpayers with income more than EUR 5,000,000 pay a tax rate in amount of 24%.

Non-residential investors in Slovakia

The capital gain earned from the holding or disposal of the Program Securities could be subject to withholding tax of 19% or alternatively 35% applicable for countries which are not discovered on a white-list of jurisdictions concluding a Double Tax Treaty or allowing AVI (Automatic Exchange of Information) with Slovakia or such gain is contributed to the permanent establishment of foreign investor situated in Slovakia.

Value added tax (VAT)

On the basis that the Issuer has no seat in Slovakia for VAT and has no establishment in the Slovak territory which presents material and personal capacity for being a taxable person in Slovakia, no Slovak VAT will be payable with respect to the Program Securities or with respect to payments on the Program Securities. In general, purchase or sell transactions regarding the Program Securities are not within the scope of VAT or deemed to be exempt from VAT as financial service depending on the fact that the transaction is carried out by the Issuer itself or any intermediating party.

Other tax duty in Slovakia

The acquisition, ownership, sell or disposal of the Program Securities by an investor in Slovakia does not trigger any stamp duty, or any registration obligation, transfer tax, gift tax or other similar tax burden.

CZECH TAXATION

The information set out below is a summarised description of certain material Czech tax consequences of the purchase, holding and disposition of Program Securities that may be relevant to holders of Programme Securities who are Czech tax residents, beneficially own income derived from such Program Securities, and who, if they are individuals, have held their Program Securities as private investment and not as part of their business assets (the "Czech Holders" or individually a "Czech Holder"). This summary does not purport to be a complete analysis of all Czech tax considerations that may be relevant to a decision to purchase the Program Securities. It is confined solely to the tax laws of the Czech Republic as in effect on the date of this Offering Circular and their prevailing interpretations available on or before such date. All of the foregoing is subject to change, which could apply retroactively and could affect the continued validity of this summary. Due to the absence of statutory, judicial or administrative authorities providing direct guidance on the tax treatment of structured instruments such as the Program Securities, there is a significant degree of uncertainty regarding the tax implications of an investment in the Program Securities. Therefore, prospective Czech Holders of the Program Securities should consult their own tax advisors as to the consequences under the tax laws of the Czech Republic and the tax laws of any jurisdiction where the income from the Program Securities may be subject to taxation, in relation to the purchase, holding and disposition of the Program Securities, including receiving payments of interest, principal and/or other payments under the Program Securities. Such advice should consider the relevance of the tax considerations discussed herein to their individual situation.

General Considerations

Application of special bonds tax regime to the Program Securities

Czech income tax law provides for special rules governing the taxation of bonds. According to these rules, income from bonds (including similar debt securities issued under foreign law) is classified and taxed by reference to the Czech bonds regulations. However, these regulations do not recognize securities as bonds if the right to repayment of a specified amount linked to such securities is contingent, even partially, on the occurrence of a certain event. Therefore, except in cases where there is full capital protection – guaranteeing that an investor's initial investment will be returned upon redemption or maturity under all circumstances – it can be reasonably argued that this special tax regime does not encompass instruments with complex payoff structures, such as the Program Securities. This information assumes that the special bonds tax regime does not apply to the Program Securities.

Classification of Program Securities and income from them

This information assumes that, for Czech tax purposes, the Program Securities are treated as debt securities (other than bonds), and the income derived from them is categorized as interest income. Nevertheless, alternative treatments may also be applicable. Furthermore, even if the general characterization of the relevant Program Securities as debt is accepted, uncertainties may still exist regarding specific aspects of their tax treatment.

Czech interest income sourcing rules

Interest is considered as Czech source income only if it is paid by a Czech tax resident or by a Czech permanent establishment of a non-resident. Consequently, there may be uncertainty regarding whether the appointment of a paying agent or a similar entity in the Czech Republic could cause the interest to be deemed Czech source income, thereby subjecting it to withholding tax. However, it can be argued that the sourcing rules have not been designed to establish a paying-agent-based withholding tax system and that interest should be regarded as having a Czech source only if the Issuer is a tax resident in the Czech Republic or if it has a permanent establishment there, provided that there is an economic link between the Program Securities on which the interest is paid and that permanent establishment. This information assumes that the Issuer is neither resident in the Czech Republic for tax purposes nor has a permanent establishment there.

Czech income tax

Withholding tax on interest payable by the Issuers

All payments of interest in respect of the Program Securities can be made by the Issuers without any deduction or withholding for or on account of any taxes imposed or assessed in the Czech Republic.

Czech Holders – Individuals

The interest accruing on the Program Securities is subject to taxation in the Czech Republic when such interest is paid to the Czech Holders who are individuals.

The gross amount of interest income (including any tax withheld abroad and not reduced by any expenses) is treated as capital income. Such income is included in a general tax base of the Czech Holder which is subject to progressive personal income tax of 15 or 23 per cent., depending on the Czech Holder's income bracket (the higher rate applying on the tax base exceeding CZK 1,762,812 in 2026). However, the Czech Holders may decide to include the gross amount of interest into a separate tax base designated for taxation of certain foreign-sourced income in which case a flat personal income tax of 15% will apply.

Unless exempt from tax, capital gains realized by Czech Holders upon sale of the Program Securities are subject to progressive personal income tax of 15 or 23 per cent., depending on the Czech Holder's income bracket as described above. Any loss will generally be treated as non-deductible, except where such loss is compensated by taxable gains on the sales of other securities in the same year and the income from the sale of Program Securities is not tax-exempt.

Capital gains realized by a Czech Holder from the sale of the Program Securities are exempt from Czech personal income tax if:

- (a) the individual has held such Program Securities continuously for more than three years before their sale;
- (b) the total gross income (i.e. not a gain) from the sale of securities (including the Program Securities) in a given calendar year does not exceed CZK 100,000.

If the income from the sale of the Program Securities is tax exempt and such income exceeds CZK 5,000,000 then the Czech Holder must report such income to the tax authorities.

Czech Holders – Corporations (holders other than individuals)

Interest derived from the Program Securities is included in the general tax base of the Czech Holder, which is subject to corporate income tax at a flat rate of 21 per cent., in 2026. The Czech Holders are generally required to recognize the interest in its profit and loss statement on an accrual (as opposed to cash) basis.

Capital gains realized upon the sale of the Program Securities are included in the general tax base, which is subject to corporate income tax at the flat rate of 21 per cent., in 2026. No exemption from tax is available and losses are generally tax deductible.

A specific regime may apply to certain corporations (e.g., pension funds, investment funds).

Withholding obligations for the Czech Holders and elimination of double taxation

The Czech Holders, which include both individuals and corporations, may be subject to the obligation of withholding a tax security upon purchasing the Program Securities from holders who are tax resident outside the European Union or the European Economic Area. This withholding is calculated at a rate of 1% of the gross purchase price of the Program Securities and serves as a preliminary payment towards the Czech tax liability that the non-resident seller may have to self-assess and report on the income derived from the sale of the Program Securities. The Czech law position may be modified under any applicable tax treaty between the Czech Republic and the country of tax residence of the selling holder of the Program Securities.

The Czech tax law does not provide for any unilateral foreign-tax credit or a similar arrangement for tax on any foreign-sourced income from the Program Securities. Therefore, any double taxation relief must be sought by the Czech Holders solely according to an applicable tax treaty, if any.

Stamp, duty, transfer and other similar taxes

No Czech stamp duty, registration, transfer or similar taxes will be payable in connection with the acquisition, ownership, sale or disposal of the Program Securities by the Czech Holders

POLISH TAXATION

*The following is a summary of certain Polish tax considerations with respect to the holding of Notes, Certificates and Warrants (jointly as "**Program Securities**") issued by current Issuers by an investor resident in Poland. The summary does not cover tax consequences concerning exemptions available to specific taxpayers or specific taxable items. Prospective investors should be aware that the particular terms of issue of any series of Program Securities as specified in the applicable Pricing Supplement may affect the tax treatment of that and other series of Program Securities. This information is of a general nature and does not purport to be a comprehensive description of all Polish tax considerations that may be relevant to a decision to acquire, to hold or to dispose of the Program Securities. Prospective purchasers of the Program Securities are advised to consult their professional tax advisers concerning the tax consequences of acquiring, holding and disposal of the Program Securities under their individual circumstances.*

This summary does not provide prospective investors with a comprehensive and exhaustive description of the tax consequences of an investment in Program Securities, in particular those that are derivative financial instruments within meaning of the Polish Act on Trading in Financial Instruments and are redeemed by Physical Settlement.

The reference to "interest" as well as to any other terms in the paragraphs below means "interest" or any other term as understood in Polish tax law.

For the purpose of this Section:

"*Affiliated Entities*" shall mean:

- (i) entities of which one entity Exercises a Significant Influence on at least one other entity; or
- (ii) entities on which a Significant Influence is exercised by: (A) the same other entity or (B) the spouse or a relative by consanguinity or affinity up to the second degree of a natural person Exercising a Significant Influence on at least one entity, or
- (iii) a partnership that is not a legal person within the meaning of the CIT Act (in principle, a tax transparent partnership) and its partners (partner), or
- (iv) limited partnerships and limited joint-stock partnership with their registered office or management in the territory of the Republic of Poland and its general partner; or
- (v) specific general partnerships with their registered office or management in the territory of the Republic of Poland and its partner; or
- (vi) a taxable person and their foreign establishment, and in the case of a tax capital group - a company being its part and its foreign establishment;

(each of being a manifestation of an existence an "Affiliation"); and

"*Exercising of a Significant Influence*" shall mean:

- (i) holding directly or indirectly at least 25 per cent. of:
 - (A) shares in the capital or
 - (B) voting rights in the supervisory, decision-making or managing bodies, or
 - (C) shares in or rights to participate in the profits, losses or the property or their expectative, including participation units and investment certificates, or
- (ii) the actual ability of a natural person to influence key economic decisions taken by a legal person or an organisational unit without legal personality, or
- (iii) being the spouse or a relative by consanguinity or by affinity up to the second degree.

Income taxation of a Polish tax resident personal income taxpayer

Under Art. 3.1 of the Act on Personal Income tax Act dated 26 July 1991 (as amended, the **PIT Act**) natural persons, if they are residing in Poland, are subject to tax on their total income (revenue) regardless of the location of their sources of income (unlimited tax liability).

Under Art. 3.1a a person residing in Poland is a person who:

- has a centre of personal or economic interests in Poland (centre of vital interests) or
- stays in Poland for more than 183 days in a tax year, unless the relevant tax treaty provides otherwise (Article 3.1a of the PIT Act).

According to Art. 17 of the PIT Act, income from the Program Securities should be treated as money capital (*kapitały pieniężne*) source of income, which includes (i) interest (discount) from securities (Art. 17.1.3 of the PIT Act), (ii) redemption of notes generating periodical proceeds by the issuer (*wykup przez emitenta obligacji, od których są należne świadczenia okresowe*, the **Redemption**) (Art. 17.1.3a of the PIT Act) and (iii) disposal of securities for remuneration (Art. 17.1.6.a of the PIT Act).

Interest income and income from the Redemption

Under Art. 30a.7 of the PIT Act, interest income, including discount, from securities and income from the Redemption does not cumulate with general income taxed progressively, but under Art. 30a.1.2 of the PIT Act (with respect to interest and discount) and Art. 30a.1.2a (with respect to income from Redemption) is subject to tax at flat rate of 19 per cent.

Under Art. 24.24 of the PIT Act, the income from Redemption is calculated as a difference between the amount obtained from the redemption of notes together with proceeds for the last period before the repurchase of the securities and the expenditures incurred for acquisition of the notes on the primary or secondary market by the taxpayer or its testator. Amounts of interest paid by the taxpayer or the testator upon acquisition of the notes in the part in which such interest is free of tax do not constitute expenses for acquisition of the notes for the purposes of calculation of income from Redemption.

Under Art. 41.4 of the PIT Act, the payer of interest or proceeds from Redemption, other than an individual not acting within the scope of their business activity, is obliged to collect flat-rate income tax on any payment of interest or Redemption proceeds.

Under Art. 41.4d of the PIT Act, the entities keeping securities accounts for taxpayers, acting as tax remitters, should withhold the tax on interest (discount) and Redemption income if such interest has been earned in Poland and is related to securities recorded on these accounts, and the payment to the taxpayers made through these entities. These rules should also apply to the entities indicated in Art. 3.2 of the CIT Act (non-residents), to the extent they conduct their business activity through a foreign establishment located within the territory of Poland, if the account on which given Program Securities are recorded is connected with the activity of that establishment. Consequently, foreign entities that do not operate through a Polish permanent establishment, e.g. foreign investment firms, not acting through Polish permanent establishments, should not be obliged to withhold the tax.

There are no regulations defining in which cases income earned (revenue) by a Polish tax resident should be considered income (revenue) earned in Poland. However, we can expect those cases to be analogous to those of non-residents. Pursuant to Art. 3.2b of the PIT Act, income (revenues) earned in the Republic of Poland by non-residents shall include in particular income (revenues) from:

1. work performed in the Republic of Poland based on a service relationship, employment relationship, outwork system and co-operative employment relationship irrespective of the place where remuneration is paid;
2. activity performed in person in the Republic of Poland irrespective of the place where remuneration is paid;
3. economic activity pursued in the Republic of Poland, including through a foreign establishment located in the Republic of Poland;

4. immovable property located in the Republic of Poland or rights to such property, including from its disposal in whole or in part, or from disposal of any rights to such property;
5. securities and derivatives other than securities, admitted to public trading in the Republic of Poland as part of the regulated stock exchange market, including those obtained from the disposal of these securities or derivatives, or the exercise of rights resulting from them;
6. redemption, repurchase, buy-out and otherwise annihilation of participation titles in capital funds established on the basis of the provisions in force in the Republic of Poland and sale of these participation titles for a fee;
7. the transfer of ownership of shares in a company, of all rights and obligations in a partnership without legal personality, or participation in an investment fund, a collective investment undertaking or other legal entity and rights of similar character or from receivables being a consequence of holding those shares, rights and obligations, participation or rights- if at least 50% of the value of assets of this company, partnership, investment fund, collective investment undertaking or legal entity is constituted, directly or indirectly, by immovable properties located in the Republic of Poland, or rights to such immovable properties;
8. the transfer of ownership of shares, all rights and obligations, participation or similar rights in a real estate company (as defined in the PIT Act);
9. the receivables settled, including receivables put at disposal, paid out or deducted, by natural persons, legal persons, or organisational units without legal personality, having their place of residence, registered office, or management board in the Republic of Poland, irrespective of the place of concluding and performing the agreement; and the income (revenue) referred to in this point is considered to be the revenue listed in Art. 29.1 of the PIT Act, if they do not constitute income (revenue) referred to in points (i)-(vii) above; Art. 29.1 of the PIT Act lists, among others, interest income other than those mentioned in Art. 30a.1 of the PIT Act (which, in turn, refers to interest and discount on securities and from the Redemption); and
10. unrealised gains as referred to in the exit tax regulations covered by the PIT Act.

The above list is not exhaustive; therefore, the tax authorities may also consider that income (revenues) not listed above is sourced in Poland.

Given the above, each situation should be analysed to determine whether interest earned by a Polish tax resident individual from the Program Securities is considered to be income sourced in Poland and whether the entity operating the Program Securities account for the individual will withhold the tax. Since the issuer is not a Polish entity as a rule interest from the Program Securities should not be considered as earned in the territory of Poland, unless specific situation occurs (eg the Program Securities are admitted to public trading in Poland).

It should be expected that the issuer itself or operating the Program Securities account will not collect Polish withholding tax.

Under Art. 45.3b of the PIT Act, if the tax is not withheld, Polish tax resident individual is obliged to declare and settle the tax themselves in their annual tax return. Under Art. 45.1 of the PIT Act, the annual tax return should be submitted by 30 April of the following year.

Separate, specific rules apply to income from interest and from Redemption on Program Securities held on Polish omnibus accounts (within the meaning of the provisions of the Act on Trading in Financial Instruments, hereinafter **Omnibus Accounts**). Under Article 41.10 of the PIT Act, insofar as Program Securities registered in Omnibus Accounts are concerned, the entities operating Omnibus Accounts through which the amounts due are paid are liable to withhold the flat-rate income tax on interest income. The tax is charged on the day of placing the amounts due at the disposal of the Omnibus Account holder. This rule also applies to remitters who are payers of corporate income tax and are subject to limited tax liability in Poland, to the extent they conduct their business through a foreign establishment, and it is to that establishment's operations that the Program Securities account is linked.

Pursuant to Art. 30a.2a of the PIT Act, with respect to income (revenue) from interest and Redemption transferred to taxpayers holding rights attached to Program Securities registered in Omnibus Accounts whose identity has not been revealed to the tax remitter in accordance with the Act on Trading in Financial Instruments, a 19 per cent.

flat-rate tax is withheld by the tax remitter from the aggregate income (revenue) released for the benefit of all such taxpayers through the Omnibus Account holder. These rules should also apply to the entities indicated in Art. 3.2. of the CIT Act to the extent that they conduct business activity through a foreign establishment located within the territory of Poland, if the account on which given Program Securities are recorded is connected with the activity of that establishment. Consequently, foreign entities that do not operate through a Polish permanent establishment, e.g. foreign investment firms not acting through Polish permanent establishments, should not be obliged to withhold the tax.

Under Art. 45.3c of the PIT Act, taxpayers are obliged to disclose the amount of incomes (revenues) from interest (discount) and Redemption on Program Securities in the annual tax return if the Program Securities were registered in an Omnibus Account and the taxpayer's identity was not revealed to the tax remitter.

Under Art. 30a.9 of the PIT Act, withholding tax incurred outside Poland up to an amount equal to the tax paid abroad, but not higher than the tax calculated at 19 per cent. The relevant double tax treaties to which Poland is a party can provide other methods for avoiding the double taxation.

Income other than interest

Income other than interest or Redemption derived by a Polish tax resident individual from financial instruments held as non-business asset, including income from transfer of Program Securities against a consideration or exercise of rights arising from them (should they be derivative financial instruments) does not cumulate with general income taxed progressively, but is subject to flat rate tax at 19 per cent. The cost of acquiring securities is generally tax deductible when the corresponding revenue from disposal of Program Securities is earned.

In case any of the Program Securities are derivative financial instruments, the costs of acquiring such instruments are generally recognized when the rights arising from these instruments are exercised or until the rights arising from these instruments are exercised or the rights arising from these instruments are waived or they are sold for consideration (Art. 23.1.38a of the PIT Act).

Revenue from the disposal of Program Securities against a consideration is their value expressed in the price specified in the contract (Art. 17.2 and Art. 19.1 of the PIT Act). However, if the price, without justified economic reasons, significantly differs from the market value, the tax authority determines the revenue in the amount of the market value (Art. 19.4 of the PIT Act).

The Polish tax resident individual is obliged to declare and settle the tax due on the disposal of securities against consideration themselves from 15 February until 30 April of the year following the year in which the income was earned (Art. 45.1 of the PIT Act). No tax is withheld by the person making the payments.

In principle, if an individual holds the Program Securities as business assets in principle in accordance with art. 30b.4 of the PIT Act the income should be taxed, the same way as other business income taxed in accordance with Art. 30c or Art. 27 of the PIT Act. the income should be taxed the income should be subject to tax in the same way as other business income. This will either be tax, at 19 per cent. rate or the 12 per cent. to 32 per cent. progressive tax rate depending up on the individual's choice and the meeting of certain conditions, which should be settled by the individuals themselves.

Income taxation of a Polish tax resident corporate income taxpayer

Under Art. 3.1 of the Act on Corporate Income tax Act dated 15 February 1992 (as amended, the **CIT Act**) taxpayers, if they have their registered office or management board in Poland are subject to tax on their total income, regardless of where it is earned.

The taxpayer has a management board in Poland, inter alia, when current affairs of that taxpayer are conducted in an organized and continuous manner in Poland, based in particular on:

- a contract, decision, court ruling or other document regulating the establishment or functioning of that taxpayer, or
- powers of attorney granted, or
- Affiliations.

A Polish tax resident corporate income taxpayer should be subject to income tax regarding the Program Securities (both on any capital gains and on interest/discount) following the same principles as those which apply to any other income received from business activity within the same source of income. Interest is generally taxable on a cash basis, i.e. when it is received or capitalized and not when it has accrued.

In respect of capital gains revenue from the disposal of Program Securities against a consideration is their value expressed in the price specified in the contract. However, if the price, without justified economic reasons, significantly differs from the market value, the tax authority determines the revenue in the amount of the market value. As a rule, the cost of acquiring securities is generally tax deductible when the corresponding revenue from disposal of securities is earned. The Polish tax resident corporate income taxpayer itself (without the involvement of the tax remitter) is responsible for settling any income tax on interest/discount and on the disposal of Program Securities against a consideration within the relevant source of income.

In case any of the Program Securities are derivative financial instruments the date of obtaining revenue from the exercise of rights arising from such instruments is the moment of exercise of these rights (Art. 12.3f of the CIT Act). In respect of capital gains, the recognition of costs related to the acquisition of derivative financial instruments is available upon the rights arising from these instruments are exercised or the rights arising from these instruments are waived or they are sold against consideration (Art. 16.1.8b of the CIT Act)

Regarding the proper source of revenue, in principle, the income (revenue) from Program Securities, including their transfer against a consideration, is combined with revenues from capital gains (Art. 7b.1.6 of the CIT Act). In the case of derivative instruments used to secure income or costs not included in capital gains (Art. 7b.1.6.b *in fine* of the CIT Act) as well as the insurers, banks and certain other entities, this revenue is classified as revenues from other sources than capital gains (Art. 7b.2 of the CIT Act).

As a result the appropriate tax rate is the same as the tax rate applicable to business activity, ie 19 per cent. for a regular corporate income taxpayer or 9 per cent. for small and new taxpayers i.e. taxpayers with revenues in the tax year not exceeding EUR 2 million (**Small Taxpayers**) (with certain exceptions listed in Art. 19.1a-1e of the CIT Act), taking into consideration the appropriate source of income (the lower rate does not apply to incomes classified as capital incomes – Art. 7b of the CIT Act).

There are certain groups of taxpayers that will be subject to increased CIT rates from tax years beginning in 2026 onwards as presented below:

		Tax year beginning in		
		2026	2027	2028 onwards
A.	Banks (domestic and foreign), tax groupings including a domestic bank (only in the part in which the income of this bank remains in the sum of the income of the companies that make up this grouping), credit institutions (as defined in CRR) • excluding cooperative banks	30%	26%	23%
B.	Cooperative banks, savings and credit unions	27%	23%	21%
C.	Entities from groups A. (excluding tax groupings). and B. being Small Taxpayers	17%	13%	11%

Entities from groups A-C should verify the CIT Act to check the applicable rate, as it provides for provisions addressing (i) cases when the tax year does not match the calendar year, (ii) simplified tax advances (iii) taxpayers under special restructuring proceedings (Art. 38aa -Art. 38ad of the CIT Act).

Although Polish corporate income taxpayers should not be subject to Polish withholding tax, such tax may be withheld, under specific rules applying to interest income on securities held in Omnibus Accounts, under Art. 26.2a of the CIT Act, for income (revenue) from interest transferred to taxpayers holding rights attached to securities registered in Omnibus Accounts whose identity has not been revealed to the tax remitter in accordance with the Act on Trading in Financial Instruments, a 20 per cent flat-rate tax is withheld by the tax remitter from the aggregate income (revenue) released for the benefit of all such taxpayers through the Omnibus Account holder. If such tax is withheld for a Polish tax resident corporate income taxpayer, to receive a refund of such tax, the entity should contact its tax advisor.

Any withholding tax incurred outside Poland up to an amount equal to the tax paid abroad, but not higher than the tax calculated according to the relevant domestic rate can be deducted from Polish income tax liability. The relevant conventions for the avoidance of double taxation to which Poland is a party can provide other methods for avoiding the double taxation.

Program Securities held by a non-Polish tax resident (natural person or corporation)

Under Art. 3.2a of the PIT Act, natural persons, if they do not reside in Poland, are liable to pay tax only on income (revenue) earned in Poland (limited obligation to pay tax).

Under Art. 3.2 of the CIT Act, in the case of taxpayers who do not have their registered office or management in Poland, only the income they earn in Poland is subject to tax obligation in Poland.

Non-Polish tax resident individuals and corporate income taxpayers are subject to Polish income tax only with respect to their income earned in Poland. Under Art. 3.3 of the CIT Act, income (revenues) earned in the Republic of Poland by non-residents shall include in particular income (revenues) from:

1. all types of activity pursued in the Republic of Poland, including through a foreign establishment located in the Republic of Poland;
2. immovable property located in the Republic of Poland or rights to such property, including from its disposal in whole or in part, or from the disposal of any rights to such property;
3. securities and derivatives other than securities, admitted to public trading in the Republic of Poland as part of the regulated stock exchange market, including those obtained from the disposal of these securities or derivatives, or the exercise of rights resulting from them;
4. the transfer of ownership of shares in a company, of all rights and obligations in a partnership without legal personality, or participation in an investment fund, a collective investment undertaking or other legal entity and rights of similar character or from receivables being a consequence of holding those shares, rights and obligations, participation or rights - if at least 50% of the value of assets of this company, partnership, investment fund, collective investment undertaking or legal entity is constituted, directly or indirectly, by immovable properties located in the Republic of Poland, or rights to such immovable properties;
5. the transfer of ownership of shares, all rights and obligations, participation or similar rights in a real estate company (as defined in the CIT Act);
6. the receivables settled, including receivables put at disposal, paid out or deducted, by natural persons, legal persons, or organisational units without legal personality, having their place of residence, registered office, or management board in the Republic of Poland, irrespective of the place of concluding or performing the agreement; and
7. unrealised gains referred to in Chapter 5a of the CIT Act covering exit tax regulations.

Similar provisions are included in Art. 3.2b of the PIT Act.

It should be noted that the list of incomes (revenues) gained in Poland, as provided in Art. 3.3. of the CIT Act and Art. 3.2b of the PIT Act is not exhaustive, therefore, other income (revenues) may also be considered as earned in Poland.

Given the above, each situation should be analysed to determine whether interest earned by a Polish tax resident from the Program Securities is considered to be income sourced in Poland. However, since the issuer is not a

Polish entity, income from the Program Securities should not be considered as earned in Poland and no Polish withholding tax should apply, unless specific circumstances occur, e.g. the Program Securities are admitted to public trading in Poland.

If income from the Program Securities is considered as sourced in Poland, the following applies:

Sale of Program Securities against consideration

Income from sale of Program Securities against consideration by a non-Polish tax resident (individual or a corporate income taxpayer) is (as earned in Poland) in principal, subject to the same rules of taxation (et al. rules for determining income, tax amount, tax payment deadlines) that apply to entities subject to unlimited tax liability (Polish tax residents) as presented in sections "Income other than interest" and "Income taxation of a Polish tax resident corporate income taxpayer". However, the majority of double tax treaties concluded by Poland provide for an exemption from income tax on capital gains, including income from the sale of securities obtained in Poland by a tax resident of a given country.

Exemption for interest obtained by non-Polish tax residents on Program Securities meeting special conditions and remittance exemption

Corporate income tax

Under Art. 17.1.50c of the CIT Act, tax-free income is income earned by a CIT taxpayer subject to limited tax liability in Poland in respect of interest or a discount on notes:

- (i) having a maturity of at least one year;
- (ii) admitted to trading on a regulated market or introduced into an alternative trading system within the meaning of the Act of 29 July 2005 on Trading in Financial Instruments, in the territory of Poland or in the territory of a state that is a party to a double tax convention concluded with Poland which regulates the taxation of income from dividends, interest and royalties;

unless the taxpayer is an Affiliated Entity of the issuer of such notes, and holds, directly or indirectly, together with other Affiliated Entities, more than 10 per cent of the nominal value of those notes (the **Special Exemption**).

Under Art. 26.1aa and 1ae of the CIT Act, remitters are not obliged to withhold tax on interest or discount in respect of the notes eligible for Special Exemption, provided that the issuer submits to the tax authority a declaration that it has acted with due diligence in informing Affiliated Entities (excluding entities whose Affiliations result solely from connections with the State Treasury (*Skarb Państwa*) or local government units or their associations), about the exemption conditions applying to those Affiliated Entities.

According to Art. 26.1af of the CIT Act, the declaration referred to above is submitted once in relation to a given notes issue, no later than the date of payment of interest or discount on these securities. At the payer's request, the issuer is obliged to confirm its submission (Art. 26.1ag of the CIT Act).

The declaration is submitted in electronic form corresponding to the logical structure available in the Public Information Bulletin on the website of the office serving the minister responsible for public finances (Art. 26.7j of the CIT Act).

Personal income tax

Under personal income tax, there are analogous provisions on tax exemption regarding interest and discount referred to above (Art. 21.1.130c of the PIT Act) and releasing tax remitters from the obligation to withhold tax on interest or discount (Art. 41.24-27 of the PIT Act), with the exception that the tax remitters being entities operating Program Securities accounts and Omnibus Accounts are obliged withhold tax with respect to income (revenue) obtained by Polish tax resident natural person from securities otherwise eligible for the relief (Art. 41.24 *in fine* of the PIT Act) (PIT Special Exemption). These remitters include entities being Polish tax residents as well as non-Polish tax residents conducting business activities through a foreign establishment located in the territory of the Republic of Poland, if the account on which the securities are recorded is related to the activities of this establishment (Art. 41.4d and 41.10 of the PIT Act). It must be noted that under Art. 30a.2a of the PIT Act, with respect to income (revenue) from interest or Redemption transferred to taxpayers holding rights attached to Program Securities registered in Omnibus Accounts whose identity has not been revealed to the tax remitter in accordance with the Act on Trading in Financial Instruments, a 19 per cent. flat-rate tax is withheld by the tax

remitter from the aggregate income (revenue) released for the benefit of all such taxpayers through the Omnibus Account holder.

Therefore, if the entities operating Omnibus Accounts acting as tax remitters are not able to identify the natural person ie whether it is or not tax resident in Poland, they may withhold tax at full rate on income from securities that would otherwise be eligible for the PIT Special Exemption.

Failure to meet the conditions for the Special Exemption or PIT Special Exemption

In the absence of the Special Exemption or PIT Special Exemption referred to above, the following rules apply.

In the case of taxpayers subject to limited tax liability in Poland, the interest (discount) on the Program Securities earned in the Polish territory is taxed as a general rule at a flat rate of 20 per cent. in the case of corporate income taxpayers (Art. 21.1.1 of the CIT Act).. The applicable tax rate for the income from interest (discount) on Program Securities and on the Redemption is 19 per cent. in the case of natural persons (Art. 30a.1 of the PIT Act).

Under Art. 26.1 of the CIT Act, interest payers, other than individuals not acting within the scope of their business activity, should withhold this tax. When verifying the conditions for the application of a withholding tax rate, exemption or the conditions for the non-collection of tax resulting from special provisions or double tax treaties, the remitter must exercise due diligence. When assessing the exercise of due diligence, the nature and scale of activity conducted by the remitter as well as its Affiliation with the taxpayer must be taken into account. Similar provisions are provided in Art. 41.4-4aa of the PIT Act.

Under Art. 26.2c.1 and Art. 26.2a of the CIT Act, the entities operating securities accounts and Omnibus Accounts for taxpayers, acting as tax remitters, should withhold this interest income if such interest income (revenue) was earned in Poland and is connected with securities registered in said accounts, and the interest payment to the taxpayer is made through said entities. Although it is considered that foreign entities do not act as Polish tax remitters, according to the discussed provision, this obligation applies to non-residents to the extent they operate a permanent establishment in Poland and the account, on which securities are registered, is linked to the activity of this permanent establishment. Similar provisions concerning interest payments to individuals are provided in Art. 41.4d and 41.10 of the PIT Act.

The described rules of taxation may be modified by the relevant provisions of double tax treaties concluded by Poland, based on which a reduced tax rate or income tax exemption may apply to income (revenue) obtained from interest/discount or from Redemption (natural persons only) (Art. 21.2 of the CIT Act, Art. 30a.2 of the PIT Act). To benefit from the tax rate or income tax exemption under the tax treaty, the taxpayer should present a valid certificate of its tax residence. As a rule, the tax residence certificate is considered valid for twelve consecutive months from its date of issue (unless a specific date of its validity is included in its wording). Tax remitters may require additional documentation in order to be able to apply double tax treaty benefits described above, such as the confirmation of the recipient's beneficial owner status towards the payment.

Moreover, regardless of whether the particular tax treaty requires the recipient of the payment to be its beneficial owner, further to the approach presented by the tax authorities and confirmed by administrative courts verdicts, many tax treaties provide protection only for beneficial owners. Pursuant to Art. 4a.29 of the CIT Act and, respectively, Art. 5a.33d of the PIT Act, beneficial owner means an entity meeting all of the following conditions:

- (i) it receives the amount due for its own benefit, which includes deciding independently about its purpose, and bears the economic risk associated with the loss of that receivable or part of it;
- (ii) it is not an intermediary, representative, trustee, or another entity obliged to transfer the receivable in whole or in part to another entity; and
- (iii) it conducts actual business activity in the country of its registration (country of domiciliation in case of the PIT Act), if the receivables are obtained in connection with the conducted business activity, whereas when assessing whether the entity conducts actual business activity, the nature and scale of such activity in the scope of received receivables are taken into account.

The definition of the beneficial owner no longer refers to Art. 24a.18 of the CIT Act or Art. 30f. 20 of the PIT Act. However, those provisions include the following relevant factors that are likely to be considered by the tax authorities when determining if the given entity performs actual business activity:

- (i) the business activity carried out by the taxpayer is performed through an existing enterprise that actually performs activities constituting an economic activity; in particular, it possesses premises, qualified personnel and equipment used for performing business activity;
- (ii) the taxpayer does not create artificial arrangement without a connection with any business activity;
- (iii) the taxpayer's actual premises, its personnel or equipment correspond to the scope of its actual business activity;
- (iv) the agreements concluded by the taxpayer are realistic in economic terms, they have economic justification and they are not noticeably contrary to the general business interest of the taxpayer; and
- (v) the taxpayer carries out its business functions independently, using its own resources, including managers who are present in the country of taxpayer's tax residency.

The majority of double tax treaties concluded by Poland provide for an exemption from income tax on capital gains, including income from the sale of securities obtained in Poland by a tax resident of a given country. The interest treatment differs under particular double tax treaties, some of them providing for general exemption, limiting the exemption to certain categories of recipients or providing for a reduced rate of tax (which may also vary depending on the recipient).

Separate, specific rules apply to interest and amounts received under Redemption on securities held in Omnibus Accounts. In cases where Polish withholding tax should not apply on payments to non-Polish tax residents (natural persons or corporate income taxpayers), under specific rules applicable to interest income on securities held in Omnibus Accounts there is a risk that such tax would be withheld.

Under Art. 26.2a of the CIT Act, with respect to income (revenue) from interest transferred to taxpayers holding rights attached to securities registered in Omnibus Accounts whose identity has not been revealed to the tax remitter in accordance with the Act on Trading in Financial Instruments, a 20 per cent. flat-rate tax is withheld by the tax remitter from the aggregate income (revenue) released for the benefit of all such taxpayers through the Omnibus Account holder.

Under Art. 30a.2a of the PIT Act, with respect to income (revenue) from interest or from Redemption transferred to taxpayers holding rights attached to securities registered in Omnibus Accounts whose identity has not been revealed to the tax remitter in accordance with the Act on Trading in Financial Instruments, a 19 per cent flat-rate tax is withheld by the tax remitter from the aggregate income (revenue) released for the benefit of all such taxpayers through the Omnibus Account holder. If such tax is withheld for non-Polish tax resident taxpayers, to receive a refund of such tax, the entity should contact its tax advisor regarding a refund of such tax.

If a foreign tax resident corporate income taxpayer acts through a permanent establishment in Poland, tax remitters should not withhold the income tax on payments to such recipient, provided that such taxpayer delivers the tax remitter its certificate of tax residency along with a statement that the payments it receives are associated with the activity of its Polish permanent establishment (Art. 26.1d of the CIT Act). However, if it holds the securities on an Omnibus Account, please see the comments on Omnibus Accounts presented above, in the section on taxation of a Polish tax resident corporate income taxpayer.

Pay & Refund regime

In addition to the rules set out above, in the event of failure to meet the conditions for the Special Exemption, the following regime applies.

Corporate income tax

Under Art. 26.2e of the CIT Act, if the total amount paid out between Affiliated Entities on account of the items listed in Art. 21.1.1 of the CIT Act (including interest on securities) and Art. 22.1 of the CIT Act to the same taxpayer exceeds PLN 2,000,000 in the tax year of the payer, payers are, as a general rule, required to withhold, on the day of payment, a flat-rate income tax at the basic rate (20 per cent. in the case of interest/discount on securities) from the excess over that amount, without being able not to withhold that tax on the basis of an appropriate double tax treaty, and also without taking into account exemptions or rates resulting from special regulations or double tax treaties (hereinafter the Pay & Refund).

Based on Art. 26.2ca of the CIT Act, the entities making payments through securities accounts or Omnibus Accounts are obliged to provide the entities maintaining these accounts, at least 7 days before the payment is made, with information about the existence of Affiliations between them and the taxpayer and about exceeding the amount of PLN 2,000,000. Entities providing this information are required to update it before making the payment in the event of a change in the circumstances covered by the information. In addition, in accordance with Art. 26.2ed of the CIT Act, in the circumstances referred to in section 2c, the excess amount and the existence of Affiliations will be determined by the entity keeping securities accounts or Omnibus Account. The entity keeping Program Securities accounts or Omnibus Accounts does not take into consideration the amounts of payments on which tax was collected in accordance with Art. 26.2a of the CIT Act.

Under Art. 26.2i and 26.2j of the CIT Act, if the payer's tax year is longer or shorter than 12 months, the amount to which the Pay & Refund applies is calculated by multiplying 1/12 of PLN 2,000,000 and the number of months that have begun in the tax year in which the payment was made; if the calculation of that amount is not possible by reference to the payer's tax year, the Pay & Refund shall apply accordingly to the payer's current financial year and, in its absence, with respect to the payer's other period with features specific to the financial year, not longer however than 23 consecutive months.

Under Art. 26.2k of the CIT Act, if the payment was made in a foreign currency, to determine whether the amount to which the Pay & Refund applies was exceeded, the amounts paid are converted into PLN at the average exchange rate published by the National Bank of Poland on the last business day preceding the payment day.

Under Art. 26.2l of the CIT Act, if it is not possible to determine the amount paid to the same taxpayer, it is presumed that it exceeded the amount from which the Pay & Refund applies.

Under Art. 26.7a of the CIT Act, the Pay & Refund does not apply if the payer has declared that:

- (i) it holds the documents required by the tax law for the application of the tax rate or tax exemption or non-taxation under special regulations or double tax treaties;
- (ii) after the verification of the conditions to apply an exemption or reduced withholding tax rate resulting from special regulations or double tax treaties, it is not aware of any grounds for the assumption that there are circumstances that exclude the possibility of applying the tax rate or tax exemption or non-taxation under special regulations or double tax treaties, in particular it is not aware of the existence of circumstances preventing the fulfilment of certain conditions referred to in other regulations, including the fact that the interest recipient is their beneficial owner and, if the interest is obtained in connection with the business activity conducted by the taxpayer, that in the country of tax residence the taxpayer carries on the actual business activity.

The above is to be declared by the head of the unit within the meaning of the Accounting Act or a designated member of such head being a collegiate body (e.g. the Issuer's management board). The declaration cannot be made by proxy. The declaration is to be made by in electronic form not later than on the last day of the second month following the month in which the threshold specified above was exceeded, however, the performance of this obligation after the payment is made does not release the payer from the obligation to exercise due diligence before the payment is made (Art. 26.7b and 26.7c of the CIT Act).

In the case of withholding tax being imposed as a result of the Pay & Refund, if double tax treaties or special regulations provide for a tax exemption or reduced tax rate, the taxpayer or tax remitter (if the taxpayer has paid tax with its own funds and has borne the economic burden of such tax, eg as a result of a gross-up clause) may apply for a refund of that tax by submitting the relevant documents and declarations. When recognizing that the refund is justified, the tax authorities shall carry it out within six months.

Pursuant to the Regulation of the Minister of Finance dated 28 December 2022 regarding the exclusion of the obligation to collect flat-rate corporate income tax (the Regulation), in respect of securities held on securities accounts or Omnibus Accounts, until 31 December 2026 the application of the Pay & Refund regime is excluded to interest payable to taxpayers having their registered office or management outside the territory of the Republic of Poland.

Personal Income Tax

Analogous provisions apply to personal income tax (applying to interest and amounts earned from Redemption), including Art. 41.12 of the PIT Act which provides for an analogous Pay & Refund regime, while the Regulation

of the Minister of Finance of 28 December 2022 regarding the exclusion of the obligation to collect flat-rate personal income tax is the equivalent of the Regulation.

Solidarity levy on income from disposal of Program Securities for consideration generated by Polish or non-Polish tax-resident individuals

Under Art. 30h of the PIT Act, natural persons are obliged to pay a solidarity levy in the amount of 4 per cent. of the basis for calculating this levy.

The basis for calculating the solidarity levy is the amount in excess of PLN 1,000,000 of the sum of income subject to taxation under Art. 27 sec. 1, 9 and 9a, Art. 30b (including income from disposal of securities against a consideration when held as non-business assets), Art. 30c (including business profits subject to flat rate taxation) and Art. 30f of the PIT Act after their reduction by:

- (1) the amounts of contributions referred to in Art. 26. 1. 2 and 2a, and the contributions referred to in Art. 30c2.2;
- (2) the amounts referred to in Art. 30f. 5 of the PIT Act

– deducted from this income.

In calculating the base amount of the solidarity levy for a given calendar year, one should include the incomes and the incomes deductions as described above, as reported in:

- (a) the annual tax calculation referred to in Art. 34.7 of the PIT Act (the annual tax calculation prepared and sent by social allowance authorities to the taxpayers receiving income, in particular, from age and disability allowance) if such a reconciliation shows a payable tax; and
- (b) the tax returns referred to in Art. 45.1, 45.1a.1, 45.1a.2 and Art. 45.1aa of the PIT Act

– for which the filing deadline falls within the period starting on the day following the lapse of the time period for filing of the solidarity levy amount statement in the year preceding that calendar year, to the last day for submission of the solidarity levy amount statement.

Natural persons are obliged to submit to the tax office a declaration on the amount of the solidarity tax by 30 April of the calendar year and pay the solidarity tax within this period.

Withholding taxation of certain payments made to tax havens

Based on Art. 26.1m of the CIT Act, if a tax remitter makes a payment on account of certain capital profits (e.g. revenues from financial instruments, including interest and capital gains) to a corporate entity resident for tax purposes in a tax haven, such tax remitter is obliged to withhold tax at 19 per cent. rate calculated from the amount being paid out.

The list of the tax havens is included in the Regulation of the Minister of Finance from 18 December 2024 on the list of countries and territories applying harmful tax competition in the field of corporate income tax

Tax on civil law transaction considerations

Neither issue of the Program Securities, redemption nor their exercise (should they be derivative financial instruments) should be subject to tax on civil law transactions (TCLT).

Under Art. 1.1.1.a of the Tax on Civil Law Transactions Act dated 9 September 2000 (as amended, the **TCLT Act**), agreements for the sale or exchange of assets or property rights are subject to TCLT. The Program Securities should be recognized as property rights for TCLT purposes.

Civil law transactions are taxable if their subjects are:

- assets located in Poland or property rights exercisable in Poland;
- assets located abroad or property rights exercisable abroad if the acquirer's place of residence or registered office is located in Poland and the civil law transaction was carried out in Poland.

Although this is not clearly addressed in the law, in principle the Program Securities should not be considered as rights exercisable in Poland, consequently, the tax would apply only if the purchaser was Polish and the transaction was concluded in Poland.

TCLT on the sale of securities is 1 per cent. and is payable by the purchaser within 14 days after the sale agreement is entered into. If the exchange agreement is concluded, the tax is payable jointly and severally by both parties to the agreement. If such agreement has been entered into in notarial form, the tax due should be withheld and remitted by the notary public. The tax base is the market value of securities. The market value is determined on the basis of the average prices used in the trade in property rights of the same type, from the day of performing this action, without deduction of debts and weights.

Under Art. 9.9 of the TCLT Act, a tax exemption applies to the sale of property rights being financial instruments (such as the Program Securities):

- to investment firms or foreign investment firms;
- with the intermediation of investment firms or foreign investment firms;
- through organized trading;
- outside organized trading by investment firms or foreign investment firms if the property rights were acquired by those firms through organized trading,; or
- to state-owned banks conducting brokerage activities,
- made through state-owned banks conducting brokerage activities, or
- made outside organized trading by state-owned banks conducting brokerage activities, if these rights were acquired by these banks as part of organized trading,

within the meaning of the provisions of the Act on Trading in Financial Instruments.

Moreover, in accordance with Art. 1a.5 and 1a.7 in connection with Art. 2.4 of the TCLT Act, the TCLT exemption applies to sale or exchange agreements concerning securities:

- to the extent that they are taxed with VAT in Poland or in another EU Member State or EEA; or
- when at least one of the parties to the transaction is exempt from VAT in Poland or in another EU Member State or EEA on account of that particular transaction.

Remitter's liability

Under Art. 30 of the Tax Code dated 29 August 1997 (as amended), a tax remitter failing to fulfil its duty to calculate, withhold or pay tax to a relevant tax authority is liable for the tax that has not been withheld or that has been withheld but not paid, up to the value of all its assets. The tax remitter is not liable if the specific provisions provide otherwise or if tax has not been withheld due to the taxpayer's fault. In such a case, the relevant tax authority will issue a decision concerning the taxpayer's liability. According to Art. 30.5c of the Tax Code, the issuer is liable for the tax that has not been withheld if the statement made for the purposes of the Special Exemption is factually incorrect. This applies both in cases when the issuer acts as the tax remitter with respect to interest on Security or not, especially it is withheld by the entity which holds Program Securities accounts or Omnibus Accounts.

Inheritance and donation tax considerations

Under Art. 1.1 of the Act on Inheritance and Donation Tax dated 28 July 1983 (as amended) inheritance donation tax applies to the acquisition by natural persons of property located in or property rights exercised in Poland, by way of:

- (1) inheritance, ordinary legacy, further legacy, legacy *per vindicationem*, testamentary order;
- (2) donations, donor's order;

- (3) prescription;
- (4) free abolition of joint ownership reserved portion, if the entitled person has not obtained it in the form of a donation made by the testator or by way of inheritance or in the form of a record;
- (5) gratuitous: pension, usufruct and easement.

Acquisition of property located abroad or property rights exercised abroad (such as Program Securities) is subject to inheritance and donation tax if at the time of opening the inheritance or concluding the donation agreement, the purchaser was a Polish citizen or had a place of permanent residence in Poland (Art. 2 of the Act on Inheritance and Donation Tax).

The tax obligation rests with the purchaser of property or property rights (Art. 5 of the Act on Inheritance and Donation Tax). The tax base is generally the value of the acquired property and property rights after deduction of debts and encumbrances (net value), determined at the acquisition date according to market prices on the day the tax obligation arose (Art. 7.1 of the Act on Inheritance and Donation Tax).

The tax amount depends on the degree of kinship between the testator/donor and the heir/beneficiary. The tax is levied progressively from 3 per cent. to 20 per cent. of the tax base, depending on the tax group in which the recipient qualifies. There is a tax-free amount defined for each of these groups.

Unless the tax is collected by the tax remitter, taxpayers are obliged to submit with the competent tax authority, within one month from the date when the tax obligation arose, a tax return on the acquisition of property or property rights on the relevant form (Article 17a of the Act on Inheritance and Donation Tax). The tax is payable within 14 days from a date when a decision of the relevant head of the tax office assessing the amount of due tax is delivered to the taxpayer.

Program Securities acquired by the closest relatives (a spouse, descendants, ascendants, stepchildren, siblings, stepfather and stepmother) are tax-exempt subject to filing an appropriate information with the head of the relevant tax office in due time (Article 4a of the Act on Inheritance and Donation Tax). The exemption applies if, at the time of acquisition, the acquirer had Polish citizenship or citizenship of one of the Member States of the European Union or Member States of the European Free Trade Association (EFTA) - parties to the Agreement on the European Economic Area or had a place of residence in Poland or the territory of such a state (Article 4.4 of the Act on Inheritance and Donation Tax).

SUBSCRIPTION AND SALE

Each Issuer is offering the Program Securities on a continuing basis through Morgan Stanley & Co. International plc of 25 Cabot Square, Canary Wharf, London E14 4QA, which may act in whole or in part through an affiliate thereof, and Morgan Stanley & Co. LLC whose principal executive offices are at 1585 Broadway, New York, New York 10036, U.S.A., (the "**Distribution Agents**"), who have agreed to use reasonable efforts to solicit offers, directly or through an affiliate, to purchase the Program Securities. Each Issuer will have the sole right to accept offers to purchase Program Securities and may reject any offer in whole or in part. The Distribution Agents will have the right to reject any offer to purchase Program Securities solicited by it in whole or in part. Each Issuer may pay the Distribution Agents, in connection with sales of the Program Securities resulting from a solicitation the Distribution Agents made or an offer to purchase received by the Distribution Agents, a commission, which may be in the form of a discount from the purchase price if the Distribution Agents are purchasing the Program Securities for their own account.

Each Issuer may also sell Program Securities to a Distribution Agent as principal for its own account at a price to be agreed upon at the time of sale. The Distribution Agents may resell any Program Securities they purchase as principal at prevailing market prices, or at other prices, as the Distribution Agents determine.

The arrangements for the offer and sale of the Program Securities from time to time are set out in the Distribution Agreement dated on or about 25 June 2026 (as modified and/or amended and/or restated and/or replaced from time to time, the "**Distribution Agreement**") among Morgan Stanley, MSI plc, MSBV, MSFL, MSFII and the Distribution Agents (and any Additional Issuer that accedes to the Program). Pursuant to the Distribution Agreement, Morgan Stanley, MSI plc, MSBV, MSFL, MSFII and the Distribution Agents have agreed (and any Additional Issuer that accedes to the Program shall agree) to indemnify each other against certain liabilities, or to contribute payments made in respect thereof. Morgan Stanley, MSI plc, MSBV, MSFL and MSFII have also agreed (and any Additional Issuer that accedes to the Program shall agree) to reimburse the Distribution Agents for certain expenses. The Distribution Agreement makes provision for the appointment of additional Distribution Agents who may agree to become bound by its terms (either in relation to the Program generally or in relation to a particular Series of Program Securities) in an accession letter provided by such additional Distribution Agent to the Issuers.

In order to facilitate the offering of the Program Securities, the Distribution Agents may engage in transactions that stabilise, maintain or otherwise affect the price of the Program Securities or any other securities the prices of which may be used to determine payments on those Program Securities. Specifically, the Distribution Agents may over allot in connection with any offering of the Program Securities, creating a short position in the Program Securities for their own accounts. In addition, to cover overallocments or to stabilise the price of the Program Securities or of any other securities, the Distribution Agents may bid for, and purchase, Program Securities or any other securities in the open market. Finally, in any offering of the Program Securities through a syndicate of underwriters, the underwriting syndicate may reclaim selling concessions allowed to an underwriter or a dealer for distributing the Program Securities in the offering if the syndicate repurchases previously distributed Program Securities in transactions to cover syndicate short positions, in stabilisation transactions or otherwise. Any of these activities may stabilise or maintain the market price of the Program Securities above independent market levels. The Distribution Agents are not required to engage in these activities and may end any of these activities at any time.

United States of America

The Program Securities, any interest therein and any Guarantee in respect thereof, and the securities to be delivered on exercise or redemption of the Program Securities (if any), 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, and the Program Securities may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except in certain transactions exempt from the registration requirements of the Securities Act (and any applicable laws of any State of the United States or any other applicable jurisdiction) and under circumstances which will not require either the relevant Issuer or the Guarantor to register under the Investment Company Act. The Securities do not constitute, and have not been marketed as, contracts of sale of a commodity for future delivery (or options thereon) subject to the Commodity Exchange Act, and trading in the Securities has not been approved by the U.S. Commodity Futures Trading Commission under the Commodity Exchange Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act ("**Regulation S**").

In addition, the Distribution Agents have represented and agreed, and each further Distribution Agent appointed under the Program will be required to represent and agree that, except as permitted by the Distribution Agreement, it will not offer, sell or deliver Program Securities as part of their distribution at any time within the United States or to, or for the account or benefit of, U.S. persons (with the exception of the offer or resale of Regulation S/Rule 144A Securities as described below) and it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Program Securities from it a confirmation or other notice setting out the restrictions on offers and sales of the Securities within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

An offer or sale of Program Securities within the United States by any dealer (whether or not participating in the offering of such Program Securities) may violate the registration requirements of the Securities Act.

The Program Securities are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S. In addition, the Distribution Agreement provides that the Distribution Agents may directly or through their respective U.S. broker-dealer affiliates arrange for the offer and resale of Regulation S/Rule 144A Securities in the United States to QIBs, or in the case of Regulation S/Rule 144A Securities issued by MSBV, to QIB/QPs, in reliance on Rule 144A.

This Offering Circular has been prepared by the relevant Issuer and, if applicable, the Guarantor for use in connection with the offer and sale of the Securities outside the United States to non-U.S. persons, for the offer and resale of the Securities within the United States to QIBs, or in the case of Regulation S/Rule 144A Securities issued by MSBV, to QIB/QPs, (in the case of the Regulation S/Rule 144A Securities only). The relevant Issuer, the Guarantor (if applicable) and the Distribution Agents reserve the right to reject any offer to purchase Program Securities, in whole or in part, for any reason. This Offering Circular does not constitute an offer to any person in the United States or to any U.S. person other than a QIB, or in the case of Regulation S/Rule 144A Securities issued by MSBV, to a QIB/QP to whom an offer has been made directly by one of the Distribution Agents or an affiliate of one of the Distribution Agents. Distribution of this Offering Circular by any non-U.S. person outside the United States or by any QIB or, in the case of MSBV Program Securities, any QIB/QP in the United States to any U.S. person or to any person within the United States, other than any QIB or, in the case of MSBV Program Securities, any QIB/QP, and those persons, if any, retained to advise such non-U.S. person or QIBs or, in the case of MSBV Program Securities, QIB/QPs with respect thereto, is unauthorised and any disclosure of any of its contents, without the prior written consent of the relevant Issuer and, if applicable, the Guarantor, is prohibited. Each issuance of Index Basket Notes, Single Index Notes, Index Basket Securities and Single Index Securities may be subject to such additional U.S. selling restrictions as the Issuers and the relevant Distribution Agent may agree as to the terms of such issuance, which additional selling restrictions shall be set out in the applicable Pricing Supplement.

If the Program Securities are CMIC Linked Products then the Program Securities may not be offered, sold, pledged, assigned, delivered or otherwise transferred at any time, directly or indirectly to or for the account or benefit of U.S. Persons (meaning a United States citizen, permanent resident alien, entity organized under the laws of the United States or any jurisdiction within the United States (including foreign branches), or any person in the United States as defined in the Executive Order 13959, as amended from time to time including by the Executive Order 14032). For purposes of this paragraph, a CMIC Linked Product is a Program Security that is derivative of, or provides investment exposure to, any publicly traded security of an issuer identified on the Non-SDN Chinese Military-Industrial Complex Companies (NS-CMIC) List maintained by the Office of Foreign Assets Control of the United States Department of the Treasury.

European Economic Area

If the Pricing Supplement in respect of the Program Securities specifies the "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", in relation to each Member State of the European Economic Area (each, a "**Relevant State**"), each Distribution Agent has represented and agreed, and each further Distribution Agent appointed under the Program will be required to represent and agree, in relation to each Tranche of Program Securities, that it has not made and will not make an offer of Program Securities which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to the public in that Relevant State except that it may make an offer of such Program Securities to the public in that Relevant State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation; or

- (b) 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 Distribution Agent or Distribution Agents nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Program Securities referred to in (a) to (c) above shall require the relevant Issuer or any Distribution Agent 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 Program Securities to the public**" in relation to any Program Securities the communication in any form and by any means of sufficient information on the terms of the offer and the Program Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Program Securities;
- the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129 (as amended).

Prohibition of Sales to EEA Retail Investors

Unless the Pricing Supplement in respect of any Program Securities specifies the "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Distribution Agent has represented and agreed, and each further Distribution Agent 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 Program Securities which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area. 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;
- (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 Program Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Program Securities.

United Kingdom

In relation to each Tranche of Program Securities, each Distribution Agent has represented and agreed, subscribing for or purchasing such Program Securities, and each further Distribution Agent appointed under the Program will be required to represent and agree with the Issuers and, if the Program Securities are issued by MSBV, MSFL or MSFII, the Guarantor that:

- (a) *Program Securities with maturities of less than one year*: in relation to any Program Securities 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 Program Securities 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 Program Securities would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 ("FSMA") by the Issuer or the Guarantor;
- (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

Program Securities in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantor, if applicable;

- (c) *General compliance*: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Program Securities in, from or otherwise involving the United Kingdom; and
- (d) Commissions and fees:
 - (i) if it is distributing Program Securities 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 Program Security 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 a "personal recommendation" (as such term is defined in the FCA Handbook) to retail investors in respect of a Program Security that is a retail investment product, it undertakes not to request any commission, remuneration or benefit from the Issuer and to otherwise reject any such payment offered to it unless paid in accordance with the advisor charging and remuneration rules set out in the FCA Handbook.

If the Pricing Supplement in respect of the Program Securities specifies the "Prohibition of Sales to UK Retail Investors" as "Not Applicable", in relation to the United Kingdom, each Distribution Agent has represented and agreed, and each further Distribution Agent appointed under the Program will be required to represent and agree, in relation to each Tranche of Program Securities, that it has not made and will not make an offer of Program Securities which are the subject of this Offering Circular as completed by the Pricing Supplement in relation thereto to the public in the United Kingdom except that it may make an offer:

- (a) at any time to any legal entity which is a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs; or
- (b) at any time to fewer than 150 persons (other than qualified investors as defined in paragraph 15 of Schedule 1 to the POATRs) in the United Kingdom, subject to obtaining the prior consent of the relevant Distribution Agent or Distribution Agents nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Part 1 of Schedule 1 to the POATRs.

For the purposes of this provision, the expression:

- an "**offer of Program Securities to the public**" in relation to any Program Securities means the communication in any form and by any means of sufficient information on the terms of the offer and the Program Securities to be offered so as to enable an investor to decide to buy or subscribe for; and
- the expression "**POATRs**" means the Public Offers and Admissions to Trading Regulations 2024.

Prohibition of Sales to UK Retail Investors

Unless the Pricing Supplement in respect of any Program Securities specifies the "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Distribution Agent has represented and agreed, and each further Distribution Agent appointed under the Program will be required to represent and agree, that it has not offered, sold, distributed or otherwise made available and will not offer, sell, distribute or otherwise make available any Program Securities which are the subject of this Offering Circular as completed by the Pricing Supplement 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 either one (or both) of the following:
 - (1) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of the laws of the United Kingdom; or
 - (2) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024;

- (B) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Program Securities to be offered so as to enable an investor to decide to buy or subscribe for the Program Securities.

Australia

This Offering Circular has not and no prospectus or other disclosure document (as defined in the *Corporations Act 2001* (Cth) (the "**Corporations Act**")) in relation to the Program or the Program Securities has been or will be or is required to be lodged with the Australian Securities and Investments Commission ("**ASIC**") or the ASX Limited ("**ASX**") and no recommendation to acquire, no invitation to apply for, no offer to apply for or buy, no offer to arrange the issue or sale of, nor any offer for issue or sale of, any Program Securities in Australia, will be made, except as set out below.

Each Distribution Agent has represented and agreed (and each further Distribution Agent appointed under the Program will be required to represent and agree) that, and unless the applicable Pricing Supplement or supplement to this Offering Circular otherwise provides, it:

- (a) has not (directly or indirectly) offered or invited applications, and will not offer or invite applications, for the issue, sale or purchase of the Program Securities in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, this Offering Circular or any other offering material or advertisement relating to the Program Securities in Australia,

unless:

- (i) the aggregate consideration payable by each offeree is at least A\$500,000 (or its foreign currency equivalent, in either case disregarding amounts, if any, lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Part 7.9 of the Corporations Act;
- (ii) the offer or invitation does not constitute an offer to a "retail client" as defined for the purposes of section 761G and section 761GA of the Corporations Act;
- (iii) such action complied with all applicable laws, regulations and guidance in Australia; and
- (iv) such action does not require any document to be lodged with ASIC or the ASX.

In addition, each Distribution Agent has agreed, and each further Distribution Agent appointed under the Program will be required to agree, that it will comply with the requirements of Banking exemption No. 1 of 2018 dated 21 March 2018, including that requires all offers and transfers of Program Securities to be in parcels of not less than A\$500,000 in aggregate principal amount. Banking exemption No. 1 does not apply to offers for sale and transfers which occur outside Australia.

Each Series of Program Securities is issued by the relevant Issuer none of which are authorised under the Banking Act 1959 (Cth) (**Banking Act**) or supervised by the Australian Prudential Regulation Authority. An investment in the Program Securities is not covered by the depositor protection provisions in section 13A of the Banking Act, and will not entitle holders of Program Securities to claim under Division 2AA – Financial claims scheme for account-holders with insolvent Authorised Deposit Taking Institutions in the Banking Act.

Belgium

Unless the Pricing Supplement in respect of any English Law Notes or Warrants and Certificates specifies the "Prohibition of Sales to Consumers in Belgium" as "Not Applicable", such English Law Notes or Warrants and Certificates are not intended to be offered, sold or otherwise made available, and will not be offered, sold or otherwise made available, in Belgium to "consumers" (*consumenten/consommateurs*) within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit économique*), as amended from time to time, and each Distribution Agent has represented and agreed, and each further Distribution Agent 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, such English Law Notes or Warrants and Certificates in Belgium to "consumers" (*consumenten/consommateurs*) within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit économique*), as amended from time to time.

The New York Law Notes or the Cash Settled Exchangeable Notes are not intended to be offered, sold or otherwise made available, and will not be offered, sold or otherwise made available, in Belgium to "consumers" (*consumenten/consommateurs*) within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit économique*), as amended from time to time, and each Distribution Agent has represented and agreed, and each further Distribution Agent 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, such New York Law Notes or the Cash Settled Exchangeable Notes in Belgium to "consumers" (*consumenten/consommateurs*) within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit économique*), as amended from time to time.

With respect to Program Securities with a maturity of less than 12 months qualifying as money market instruments within the meaning of the Prospectus Regulation, no action will be taken by the Issuer or any Distribution Agent, and each Distribution Agent has represented and agreed, and each further Distribution Agent appointed under the Program will be required to represent and agree, that it will not take any action, in connection with the issue, sale, transfer, delivery, offering or distribution (or otherwise) of such Program Securities that would require the publication of a prospectus pursuant to the Belgian law of 11 July 2018 on the offering of investment instruments to the public and the admission of investment instruments to trading on a regulated market.

In the case of Fund-Linked Program Securities, if the relevant underlying funds to which these Program Securities are linked are not registered in Belgium with the Belgian Financial Services and Markets Authority in accordance with the Belgian law of 19 April 2014 regarding alternative investment funds and their managers and the Belgian law of 3 August 2012 on the collective investment undertakings satisfying the conditions set out in Directive 2009/65/EC and undertakings for investment in receivables, as applicable, such Fund-Linked Program Securities cannot be offered in Belgium unless (i) Cash Settlement applies or (ii) in case the underlying fund is a UCITS within the meaning of Directive 2009/65/EC, the Fund-Linked Program Securities are offered to qualified investors only or to fewer than 150 natural or legal persons (other than qualified investors).

Bearer securities (including, without limitation, definitive securities in bearer form and securities in bearer form underlying the Program Securities) shall not be physically delivered in Belgium, except to a clearing system, a depository or other institution for the purpose of their immobilisation in accordance with Article 4 of the Belgian Law of 14 December 2005.

Czech Republic

This Offering Circular has not been and will not be approved by the Czech National Bank.

No action has been taken in the Czech Republic (including the obtaining of the prospectus approval from the Czech National Bank and the admission to trading on a regulated market (as defined in section 55(1) of the Act of the Czech Republic No. 256/2004 Coll., on Conducting Business in the Capital Market, as amended (the "**Capital Market Act**")) for the purposes of the Program Securities to qualify as securities admitted to trading on the regulated market in the Czech Republic within the meaning of the Capital Market Act.

No offers or sales of the Program Securities may be made in the Czech Republic through a public offering (*veřejná nabídka*) (as defined in the Prospectus Regulation), except if in compliance with the Prospectus Regulation and the Capital Market Act.

Each Distribution Agent has represented and agreed and each further Distribution Agent appointed by the Issuers under the Program will be required to represent and agree that it has complied with and will comply with all applicable provisions of the Capital Market Act, the Act of the Czech Republic No. 21/1992 Coll., on Banks, as amended, the Act of the Czech Republic No. 240/2013 Coll., on Management Companies and Investment Funds, as amended or any other applicable laws of the Czech Republic in respect of the Program Securities and their offering in the Czech Republic.

Finland

This Offering Circular does not constitute a prospectus under the Prospectus Regulation (EU) (2017/1129) or the Finnish Securities Market Act (746/2012), as applicable and as supplemented and amended from time to time, and shall not be construed as an offer to the public in Finland. The Program Securities cannot be offered or sold in Finland to any persons other than "qualified investors" as defined by the Prospectus Regulation. No action has been taken to authorise an offering of the Program Securities to the public in Finland and the distribution of this Offering Circular is not authorised by the Finnish Financial Supervisory Authority. This Offering Circular is

strictly for private use by its holder and may not be passed on to third parties or otherwise publicly distributed. Subscriptions will not be accepted from any persons other than qualified investors. This Offering Circular may not include all the information that is required to be included in a Prospectus in connection with an offering to the public.

In addition to the provisions of the selling restriction for European Economic Area Member States (including Finland) and subject to the section "Prohibition of Sales to EEA Retail Investors" above, the Distribution Agents have confirmed and agreed and each further Distribution Agent appointed by the Issuers under the Program will be required to confirm and agree that it will not, directly or indirectly, offer for subscription or purchase or issue invitations to subscribe for or buy Program Securities or distribute any draft or final document in relation to any such offer, invitation or sale except in circumstances that will not result in a requirement to prepare a Prospectus pursuant to the provisions of the Prospectus Regulation or the Finnish Securities Market Act, as applicable.

Hong Kong

In relation to each Tranche of Program Securities issued by each of the Issuers, each Distribution Agent has represented and agreed (and each further Distribution Agent appointed under the Program will be required to represent and agree) that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Program Securities (except for Program Securities which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**")) other than (i) to "professional investors" as defined in the SFO and any rules made under the SFO; or (ii) 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(WUMPO)**") or which do not constitute an offer to the public within the meaning of the C(WUMPO); 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 Program Securities, 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 Program Securities 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.

Japan

The Program Securities 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 Distribution Agent has undertaken, and each further Distribution Agent appointed under the Program will be required to undertake, that it will not offer or sell any Program Securities 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 Program Securities, each Distribution Agent subscribing for or purchasing such Program Securities has represented to, warranted and agreed with, or will represent to, warrant and agree with the Issuer and the Guarantor that:

- (a) it will not underwrite the issue of, or place the Program Securities, 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 Program Securities, otherwise than in conformity with the provisions of the Companies Act 2014 of Ireland (as amended, the "**Irish Companies Act**"), the 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) and any regulations issued pursuant to Part 8 of the Central Bank (Supervision and Enforcement) Act 2013;

- (c) it will not underwrite the issue of, or place, or do anything in Ireland in respect of the Program Securities otherwise than in conformity with the provisions of Prospectus Regulation, the European Union (Prospectus) Regulations 2019 of Ireland (as amended or replaced from time to time) and any rules issued or guidance and/or in force pursuant to section 1363 of the Irish Companies Act by the Central Bank of Ireland;
- (d) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Program Securities, otherwise than in conformity with the provisions of the Market Abuse Regulation (Regulation (EU) 596/2014), the European Union (Market Abuse) Regulations 2016 of Ireland (as amended) and any rules or guidance issued and/or in force pursuant to section 1370 of the Irish Companies Act by the Central Bank of Ireland; and
- (e) any issue of Program Securities 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).

Israel

Any Program Securities being offered in the State of Israel are only being offered based on exemptions under the Israeli Securities Law, 1968 ("**Israeli Securities Law**"). The Program Securities are being offered only to investors listed in the First Schedule of the Israeli Securities Law ("**Israeli Sophisticated Investors**"), who, in each case, have provided written confirmation that they qualify as an Israeli Sophisticated Investor, and that they are aware of the consequences of such designation and agree thereto; in all cases under circumstances that will fall within the private placement or other exemptions of the Israeli Securities Law. Accordingly, the offering of the Program Securities does not constitute an offer made to the public within the meaning of the Israeli Securities Law. Any investor who purchases Program Securities is purchasing such securities for its own benefit and account and not with the aim or intention of distributing or offering such Program Securities to other parties (other than, in the case of an offeree which is an Israeli Sophisticated Investor by virtue of it being a banking corporation, portfolio manager or member of the Tel Aviv Stock Exchange, as defined in the Israeli Securities Law or the First Schedule of the Israeli Securities Law, as applicable, where such offeree is purchasing Program Securities for another party which is an Israeli Sophisticated Investor as permitted under the First Schedule of the Israeli Securities Law).

The Program Securities have not been registered and a prospectus was not issued under the Israeli Securities Law. Neither the Program Securities nor this Offering Circular nor any materials about the Program Securities has been approved by any Israeli authority. In Israel, this Offering Circular and any such materials are being distributed only to, and are directed only at, Israeli Sophisticated Investors.

No action has been or will be taken in the State of Israel that would permit a public offering of the Program Securities or distribution of this Offering Circular or any offering material in connection with the Program Securities to the public in Israel. This Offering Circular and any materials about the Program Securities are not intended to serve, and should not be treated as Investment Advice, as defined under the Israeli Regulation of Investment Advice, Marketing Investments and Portfolio Management Law, 1995. Accordingly, the content of this Offering Circular and any such materials does not replace and should not serve as substitution for investment advice services that take into account the special characteristics and needs of each investor.

It is the responsibility of each person wishing to invest in the Program Securities to satisfy himself as to the full observance of the laws of the State of Israel in connection with any such investment, including obtaining any governmental or other consent, if required. In making an investment decision with regards to the Program Securities, investors must only rely on their own examination of the Program Securities, including the merits and risks involved, and should seek advice from appropriate advisors with respect to the legal, accounting, tax and financial ramifications of purchasing Program Securities.

This Offering Circular may not be reproduced or used for any other purpose, nor be furnished to any other person other than those to whom copies have been sent. Any Israeli investor that is not an Israeli Sophisticated Investor must immediately return this document to the Issuers.

Spain

The Program Securities 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 814/2023 of 8 November on financial instruments, admission to trading, registration of securities and market infrastructures (*Real Decreto 814/2023, de 8 de noviembre, sobre instrumentos financieros, admisión a negociación, registro de valores negociables e infraestructuras de mercado*) as amended and/or superseded.

Republic of Italy

The offering of the Program Securities has not been registered pursuant to Italian securities legislation and, accordingly, no Program Securities may be offered, sold or delivered, nor may copies of the Offering Circular or of any other document relating to the Program Securities be distributed in the Republic of Italy, except:

- (a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of Regulation (EU) No. 1129 of 14 June 2017 (the **Prospectus Regulation**) and any applicable provision of Italian laws and regulations; or
- (b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, Article 34-ter of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time, and the applicable Italian laws.

Any offer, sale or delivery of the Program Securities or distribution of copies of the Offering Circular or any other document relating to the Program Securities in the Republic of Italy under (i) or (ii) above must:

- (a) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 58 of 24 February 1998, as amended (the **Financial Services Act**), CONSOB Regulation No. 20307 of 15 February 2018 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the **Banking Act**); and
- (b) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy and/or any other Italian authority (including (i) any restrictions on taking deposits and other repayable funds applicable to the Issuer under the Italian implementation of Directive 2024/1619 (the **CRD VI**) and (ii) the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time).

The Netherlands

If the Pricing Supplement in respect of the Program Securities specifies the "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Distribution Agent has represented and agreed, and each further Distribution Agent appointed under the Program will be required to represent and agree, that Program Securities may not be offered to the public in the Netherlands in reliance on Article 1(4) of the Prospectus Regulation unless (i) such offer was or is made exclusively to persons or entities which are qualified investors as defined in the Prospectus Regulation, or (ii) each such 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

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, each Distribution Agent 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 Program Securities 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 Regulation (No: *finansforetaksforskriften*) of 9 December 2016 no. 1502, as amended, regarding sale of structured products.

Further, Program Securities denominated in Norwegian kroner may not be offered in the Norwegian market without the Program Securities being recorded in the Norwegian securities register (VPS/Euronext Securities Oslo), or in another central securities depository which is properly authorised or recognised as being entitled to register the Program Securities pursuant to Regulation (EU) No 909/2014, cf. section 3-1 of the Norwegian Central Securities Depository Act 2019 (No: *lov om verdipapirsentraler og verdipapiroppgjør mv. av 15. mars 2019 nr. 60* and ancillary regulations).

Sweden

Each Distribution Agent has represented and agreed, and each further Distribution Agent appointed under the Program will be required to represent and agree, that no offer will be made to the public in Sweden unless it is in compliance with the Prospectus Regulation (EU) 2017/1129 and the Swedish Act with supplementary provisions to the EU Prospectus Regulation (Sw. lag (2019:414) *med kompletterande bestämmelser till EU:s prospektförordning*), as amended and/or replaced.

Switzerland

The Program Securities must not be offered in Switzerland and each offeror of Program Securities represents and agrees that it has not made and will not make an offer of the Program Securities to the public in Switzerland, except that the Program Securities may be offered and an offeror may make an offer of the Program Securities to the public in Switzerland

- (i) in any circumstances falling within the exemptions listed in Article 36 para. 1 of the Financial Services Act ("**FinSA**"), or
- (ii) where such offer does not qualify as an offer to the public in Switzerland,

provided that no offer of Program Securities referred to in (i) and (ii) above shall require the Issuers or any offeror to publish a prospectus pursuant to Article 35 FinSA. In case of (i) and (ii) above no application may be made to admit the Program Securities to trading on SIX Swiss Exchange or any other trading venue in Switzerland. Neither this Offering Circular nor any other offering or marketing material relating to the Program Securities constitutes a prospectus pursuant to the FinSA, and neither this document nor any other offering or marketing material relating to the Program Securities may be publicly distributed or otherwise made publicly available in Switzerland. 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 Financial Services Ordinance.

Prohibition of Offer to Retail Investors in Switzerland:

Unless the relevant Pricing Supplement in respect of any Program Securities specifies the "Prohibition of Offer to Retail Investors in Switzerland" to be "Not Applicable", each offeror of the Program Securities represents and agrees that it has not offered and will not offer the Program Securities to any Retail Investors in Switzerland who have to be provided with a basic information sheet pursuant to Article 8 FinSA.

For the purposes of this provision:

- (1) the expression "Retail Investors" means a person who is not one (or more) of the following:
 - (a) a professional client as defined in Article 4 para. 3 FinSA (not having opted-in on the basis of Article 5 para. 5 FinSA) or Article 5 para. 1 FinSA; or
 - (b) an institutional client as defined in Article 4 para. 4 FinSA; or
 - (c) a retail investor according to Article 58 para. 2 FinSA.
- (2) the expression "offer" refers to the respective definition in Article 3(g) FinSA.

Notwithstanding the above, in the case where the relevant Pricing Supplement in respect of any Program Securities specifies the "Prohibition of Offer to Retail Investors in Switzerland" to be applicable but where subsequently a key information document under Article 58 FinSA (Basisinformationsblatt für Finanzinstrumente) or Article 59 para. 2 FinSA in respect of the Program Securities is available, then the prohibition on the offering of the Program Securities to Retail Investors in Switzerland as described above shall no longer apply.

Singapore

Unless the Pricing Supplement in respect of any Program Securities specifies "Singapore Sales to Institutional Investors and Accredited Investors only" as "Not Applicable", each Distribution Agent has acknowledged, and each further Distribution Agent appointed under the Program will be required to acknowledge, that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Distribution Agent has represented, warranted and agreed, and each further Distribution Agent appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Program Securities or caused the Program Securities to be made the subject of an invitation for subscription or purchase and will not offer or sell any Program Securities or cause the Program Securities 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 Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Program Securities, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of 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.

If the Pricing Supplement in respect of any Program Securities specifies "Singapore Sales to Institutional Investors and Accredited Investors only" as "Not Applicable", each Distribution Agent has acknowledged, and each further Distribution Agent appointed under the Programme will be required to acknowledge, that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Distribution Agent has represented, warranted and agreed that, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it has not offered or sold any Program Securities or caused the Program Securities to be made the subject of an invitation for subscription or purchase and will not offer or sell any Program Securities or cause the Program Securities 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 Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Program Securities, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Taiwan

The Program Securities have not been, and will not be, registered or filed with, or approved by, the Financial Supervisory Commission of Taiwan, the Republic of China ("**Taiwan**") and/or other regulatory authority or agency of Taiwan pursuant to applicable securities laws and regulations and may not be sold, offered or otherwise make available any Securities within the Taiwan through a public offering or in circumstances which constitute an offer within the meaning of the Taiwan Securities and Exchange Act or relevant laws and regulations that requires a registration, filing or approval of the Financial Supervisory Commission of Taiwan and/or other regulatory authority or agency of the Taiwan.

Brazil

The Program Securities have not been and will not be issued nor publicly placed, distributed, offered or negotiated in the Brazilian capital markets and, as a result, have not been and will not be registered with the Brazilian Securities and Exchange Commission (the *Comissão de Valores Mobiliários*, or "**CVM**"). Any public offering or distribution of the Program Securities in Brazil, as defined under Brazilian laws and regulations, requires prior registration with the CVM under Law No. 6,385, dated of 7 December 1976, as amended and Resolution No. 160, issued by the CVM on 13 July, 2022, as amended ("**CVM Resolution 160**"). Therefore, the Program Securities may not be issued nor publicly placed, distributed, offered or negotiated in the Brazilian capital markets except if: (i) the Program Securities are offered in Brazil solely to professional investors (*investidores profissionais*, as defined in Resolution No. 30, issued by the CVM on 11 May, 2021, as amended) residing in Brazil; (ii) the Program Securities qualify as securities issued and admitted to trading on securities markets organised outside Brazil; (iii) settlement of the Program Securities occurs outside Brazil and in foreign currency (not in Brazilian reais); and (iv) the Program Securities are acquired by such professional investors through an account outside Brazil, provided that the subsequent negotiation and trading of such securities in regulated securities markets in Brazil is not permitted, in each case in accordance with CVM Resolution 160. Except in the circumstances described above, relating to the offering of the Program Securities, as well as information contained therein, the Offering Circular may not be supplied to the public in Brazil (as the offering of the Program Securities is not a

public offering of securities in Brazil), nor be used in connection with any offer for subscription or sale of the Program Securities to the public in Brazil. Each of the Distribution Agents represents and agrees that it has not offered or sold, and will not offer or sell, the Program Securities in Brazil except in circumstances which do not violate Brazilian laws and regulations.

United Mexican States ("Mexico")

The Program Securities have not been and will not be registered with the Mexican National Securities Registry (*Registro Nacional de Valores*) maintained by the Mexican National Banking and Securities Commission (*Comisión Nacional Bancaria de Valores* or "**CNBV**"), and therefore, may not be publicly offered, sold nor be the subject of brokerage activities in Mexico. The Program Securities may only be offered and sold in Mexico pursuant to the exemptions set forth in the Mexican Securities Market Law (*Ley del Mercado de Valores*). This Offering Circular is the responsibility of the Issuers, has not been reviewed or authorized by the CNBV, and may not be publicly distributed in Mexico. The acquisition of the Program Securities by an investor who is a resident of Mexico will be made under such investor's own responsibility. This Offering Circular is not intended to be distributed through mass media to indeterminate subjects.

No financial authority or securities exchange in Mexico, including the CNBV, has reviewed or assessed the particulars of the Program Securities or their offering, and in no case will they certify as to the investment quality of the Program Securities, the solvency, liquidity or credit quality of the Issuers or the accuracy or completeness of the information included in this Offering Circular. In making an investment decision, Mexican investors who may acquire Program Securities from time to time, must rely on their own review and examination of the Issuers and the information contained in this Offering Circular.

Chile

The Program Securities have not been, and will not be, registered in Chile in the Securities Registrar (*Registro de Valores*) or in the Foreign Securities Registry (*Registro de Valores extranjeros*) both of the Financial Market Commission (*Comisión para el Mercado Financiero* or "**CMF**"), pursuant to Law No. 18,045 about Securities Market (*Ley No. 18,045 de Mercado de Valores*). Therefore, the Program Securities cannot be, directly or indirectly, publicly offered or sold in Chile, other than complying with the terms and conditions established in Rule No. 452 of the CMF, which exceptionally authorizes the public offering of securities that have not been previously registered with the Securities Registrar. The offering materials are responsibility of the Issuer and may not be publicly distributed in Chile. As unregistered securities, the Issuers are not required to disclose public information about the Program Securities in Chile.

Furthermore, Rule No. 336 of the CMF governs the private offering of securities in Chile, providing that the offering of securities that meet the conditions described therein shall not be considered public offerings in Chile, and be exempted from complying with the general rules applicable to public offerings. Rule 336 requires the following information to be provided to prospective investors in Chile:

- (1) Date of commencement of the offer.
- (2) The subject matter of the offer are securities not registered with the Securities Registry (*Registro de Valores*), nor with the Foreign Securities Registry (*Registro de Valores Extranjeros*) both kept by CMF. As a consequence, the Program Securities are not subject to the oversight of the CMF.
- (3) Since the Program Securities are not registered in Chile, the Issuers are not obliged to disclose public information about the Program Securities in Chile.
- (4) The Program Securities shall not be subject to public offering in Chile unless registered with the relevant Securities Registry kept by the CMF.

Croatia

No public offering of Program Securities in the Republic of Croatia is permitted, unless:

- (a) the prospectus in relation to such Program Securities has been approved and published in accordance with the Prospectus Regulation and the Capital Market Act;
- (b) the prospectus in relation to the Program Securities has been approved and published in accordance with the applicable legislation in the relevant issuer's home Member State and duly notified to the Agency in

accordance with the Prospectus Regulation and the Capital Market Act and, if required in accordance with Article 7(1) of the Prospectus Regulation, the prospectus summary is translated into the Croatian language,

- (c) the Public Offering of the Program Securities is allowed pursuant to an exemption from the obligation to publish a prospectus in accordance with the Prospectus Regulation and the Article 409 of the Capital Market Act in the case of an offer of Program Securities with a total consideration in the European Union of less than EUR 8,000,000 which shall be calculated over a period of 12 months in accordance with the Article 3(2) of the Prospectus Regulation,
- (d) the Public Offering of the Program Securities constitutes an exemption from the obligation to publish prospectus in accordance with the Article 1(4) of the Prospectus Regulation in cases of:
 - (i) an offer of Program Securities addressed solely to qualified investors;
 - (ii) an offer of Program Securities addressed to fewer than 150 natural or legal persons per Member State, other than qualified investors;
 - (iii) an offer of Program Securities whose denomination per unit amounts to at least EUR 100,000;
 - (iv) an offer of Program Securities addressed to investors who acquire Program Securities for a total consideration of at least EUR 100,000 per investor, for each separate offer;
 - (v) shares issued in substitution for shares of the same class admitted to trading on the same regulated market, where the issuing of such shares does not involve any increase in the issued capital;
 - (vi) Program Securities offered in connection with a takeover by means of an exchange offer, provided that a document is made available to the public in accordance with the arrangements set out in Article 21(2) of the Prospectus Regulation at the same time as it is filed with the competent authority;
 - (vii) Program Securities offered, allotted or to be allotted in connection with a merger or division, provided that a document is made available to the public in accordance with the arrangements set out in Article 21(2) of the Prospectus Regulation, containing information describing the transaction and its impact on the issuer;
 - (viii) dividends paid out to existing shareholders in the form of shares of the same class as the shares in respect of which such dividends are paid, provided that a document is made available containing information on the number and nature of the shares and the reasons for and details of the offer
 - (ix) Program Securities offered, allotted or to be allotted to existing or former directors or employees by their employer or by an affiliated undertaking provided that a document is made available containing information on the number and nature of the Program Securities and the reasons for and details of the offer or allotment; or
 - (x) non-equity Program Securities issued in a continuous or repeated manner by a credit institution, where the total aggregated consideration in the European Union for the Program Securities offered is less than EUR 75,000,000 per credit institution calculated over a period of 12 months, provided that those Program Securities are (i) not subordinated, convertible or exchangeable and (ii) do not give a right to subscribe for or acquire other types of Program Securities and are not linked to a derivative instrument.

All Public Offerings exempted from the obligation to publish a prospectus pursuant to item (c) above must be notified to the Agency. In respect of Public Offerings within the European Union with a total consideration between EUR 4,000,000 and EUR 8,000,000 or which are not exempted pursuant to item (d) (ii) – (x) above, the issuer or offeror must prepare an information document in the Croatian language which must be made available to investors before the commencement of the Public Offer and no later than the commencement of the Public Offer. The information document must be available to the investors for the entire duration of the Public Offering.

The relevant issuer and any offeror of Program Securities in the Republic of Croatia must notify the Agency that it is relying on an exemption from (d)(i) to (x) above immediately after relevant corporate body of an issuer or offeror passed the resolution on the approval of a Public Offering, but no later than three working days before the commencement of the public offering in the Republic of Croatia, or before registration or allocation of the securities. The notification to the Agency must contain information on the relevant issuer and any offeror, information on the Program Securities, the exemption which is being relied upon and a description of circumstances in relation to the exemption. Moreover, the issuer or the offeror must provide the Agency with a relevant resolution of the issuer's or offeror's shareholders assembly, or any other competent body whereby such body is approving the offer of Program Securities or its admission to a regulated market, and, if applicable, any other document in relation to the circumstances of using the exemption.

The Program Securities have not been and will not be offered, sold, or publicly promoted or advertised in the Republic of Croatia unless in compliance with the Prospectus Regulation and the Capital Market Act or any other laws applicable in the Republic of Croatia governing the issue, offering and sale of Program Securities.

For the purposes of this provision:

"**Agency**" means the Croatian Financial Supervisory Agency;

"**Capital Market Act**" means the Croatian Capital Market Act (Official Gazette No. 65/18, 17/20, 83/21, 151/22, 85/2024, 126/25, 45/2026, as amended from time to time);

"**Prospectus Regulation**" means Regulation (EU) 2017/1129, as amended from time to time; and

"**public offering**" means the communication in any form and by any means of sufficient information on the terms of the offer and the Program Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Program Securities in the Republic of Croatia.

Jersey

Each Distribution Agent has severally represented to, and agreed that:

- (a) it has not offered or sold and will not offer or sell any Program Securities in any jurisdiction in a manner that would cause any Issuer to be in breach of any consents granted to it by the Jersey Financial Services Commission (the "**Commission**"); and
- (b) it has not prior to the consent of the Commission pursuant to the Companies (General Provisions) (Jersey) Order 2002, as amended, being obtained and becoming effective, circulated an invitation to acquire or apply for any Program Securities in circumstances where such invitation constitutes or may constitute a prospectus for the purposes of the Companies (Jersey) Law 1991, as amended or the Companies (General Provisions) (Jersey) Order 2002, as amended.

Kingdom of Bahrain

In relation to investors in the Kingdom of Bahrain, Program Securities issued in connection with this Offering Circular together with any Pricing Supplement and related offering documents must be in registered form and must only be marketed to existing account holders and Accredited Investors as defined by the Central Bank of Bahrain ("**CBB**") in the Kingdom of Bahrain where such investors make a minimum investment of at least US\$ 100,000, or any equivalent amount in other currency or such other amount as the CBB may determine.

This offer does not constitute an offer of securities in the Kingdom of Bahrain in terms of Article 81 of the Central Bank and Financial Institutions Law 2006 (Decree Law No. 64 of 2006). This Offering Circular, together with any Pricing Supplement and related offering documents have not been and will not be registered as a prospectus with the CBB. Accordingly, no Program Securities may be offered, sold or made the subject of an invitation for subscription or purchase nor will this Offering Circular, together with any Pricing Supplement or any other related document or material be used in connection with any offer, sale or invitation to subscribe or purchase Program Securities, whether directly or indirectly, to persons in the Kingdom of Bahrain, other than as marketing to Accredited Investors for an offer outside Bahrain.

The CBB has not reviewed, approved or registered the Offering Circular, together with any Pricing Supplement or related offering documents and it has not in any way considered the merits of the Program Securities to be marketed for investment, whether in or outside the Kingdom of Bahrain. Therefore, the CBB assumes no

responsibility for the accuracy and completeness of the statements and information contained in this document and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the content of this document.

No offer of Program Securities will be made to the public in the Kingdom of Bahrain and this Offering Circular, together with any Pricing Supplement or related offering documents must be read by the addressee only and must not be issued, passed to, or made available to the public generally.

The term 'Accredited Investors' used in this section of the Offering Circular refers to investors meeting the following criteria:

- (a) Individuals who have a minimum net worth (or joint net worth with their spouse) of USD 1,000,000, excluding that person's principal place of residence;
- (b) Companies, partnerships, trusts or other commercial undertakings, which have financial assets available for investment of not less than USD 1,000,000; or
- (c) Governments, supranational organisations, central banks or other national monetary authorities, and state organisations whose main activity is to invest in financial instruments (such as state pension funds).

Individuals and commercial undertakings may elect in writing to be treated as accredited investors subject to meeting at least two of the following conditions:

- (a) The investor has carried out trading/investing transactions, in significant size (i.e. value of transactions aggregating USD 200,000) over the last 12-month period;
- (b) The size of the investor's financial assets portfolio including cash deposits and financial instruments is USD 500,000 or more; and/or
- (c) The investor works or has worked in the financial sector for at least one year in a professional position, which requires knowledge of the transactions or services envisaged (i.e. the position was professional in nature and held in a field that allowed the client to acquire knowledge of transactions or services that have comparable features and a comparable level of complexity to the transactions or services envisaged).

Portugal

Each Distribution Agent has represented and agreed, and each Additional Distribution Agent appointed under the Program will be required to represent and agree, that the Program Securities may not be and will not be offered to the public in Portugal under circumstances which are deemed to be a public offer under the Portuguese Securities Code (*Código dos Valores Mobiliários*) enacted by Decree Law no. 486/99 of 13 November, 1999, as amended, unless the requirements and provisions applicable to the public offerings in Portugal are met and registration, filing, approval or recognition procedure with the "Portuguese Securities Market Commission" (*"Comissão do Mercado de Valores Mobiliários"*, "CMVM") is made. In addition, each Distribution Agent has represented and agreed, and each Additional Distribution Agent appointed under the Program will be required to represent and agree that (i) it has not directly or indirectly taken any action or offered, advertised, marketed, invited to subscribe, gathered investment intentions, sold or delivered and will not directly or indirectly take any action, offer, advertise, invite to subscribe, gather investment intentions, sell, re-sell, re-offer or deliver any Program Securities in circumstances which could qualify as a public offer (*"oferta pública"*) of securities pursuant to the Portuguese Securities Code; and (ii) it has not distributed, made available or caused to be distributed and will not distribute, make available or cause to be distributed, the Offering Circular or any other offering material relating to the Program Securities to the public in Portugal, other than in compliance with all applicable provisions of the Portuguese Securities Code, the Prospectus Regulation implementing the Prospectus Directive, and any applicable CMVM Regulations and all relevant Portuguese securities laws and regulations, in any such case that may be applicable to it in respect of any offer or sale of Program Securities by it in Portugal including in compliance with the rules and regulations that require the publication of a prospectus, when applicable, and that such placement shall only be authorised and performed to the extent that there is full compliance with such laws and regulations.

France

This Offering Circular has not been approved by the *Autorité des marchés financiers*.

Each of the Distribution Agents has represented and agreed, and each further Distribution Agent appointed under the Program will be required to represent and agree, that it has only offered or sold and will only offer or sell, directly or indirectly, any Program Securities in France to, and it has only distributed or caused to be distributed and will only distribute or cause to be distributed in France, this Offering Circular, the applicable Pricing Supplement or any other offering or marketing material relating to the Program Securities to, qualified investors as defined in Article 2(e) of Regulation (EU) 2017/1129, as amended.

United Arab Emirates

United Arab Emirates (excluding the Dubai International Financial Centre and the Abu Dhabi Global Market) residents only

Each Distribution Agent has represented and agreed, and each further Distribution Agent appointed under the Program will be required to acknowledge and agree that:

- (a) the Program Securities to be issued under the Program have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering and sale of securities;
- (b) the information contained in this Offering Circular does not constitute a public offer of securities in the United Arab Emirates (including the Dubai International Financial Centre and Abu Dhabi Global Market) and is not intended to be a public offer;
- (c) the Program Securities to be issued under the Program and this Offering Circular have not been and will not be filed, reviewed or approved by, registered or deposited with, the United Arab Emirates Central Bank, the Capital Market Authority ("CMA") or any other governmental regulatory body or securities exchange (the "**Authorities**") and the Authorities may not be held liable for the accuracy or completeness of the information in the Offering Circular; and
- (d) the Program Securities will only be promoted and marketed on a cross-border basis into the territory of the United Arab Emirates (excluding the Dubai International Financial Centre and Abu Dhabi Global Market) to a limited number of investors who qualify as "Professional Investors" as defined in SCA's Decision No. 13/RM/2021 on the Rules Handbook of Financial Activities and Mechanisms of Status Regularisation.

The information in this Offering Circular may also be provided to investors (and addressed solely to such investor) at their unsolicited and specific request and an investor may directly approach the Issuer and the relevant Distribution Agent in relation to the purchase of the Program Securities.

The Program Securities to which this Offering Circular relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of any Program Securities offered should conduct their own due diligence on the Program Securities.

If you do not understand the contents of this Offering Circular you should consult an authorised financial advisor.

Dubai International Financial Centre

Each Distribution Agent has represented and agreed, and each further Distribution Agent appointed under the Program will be required to represent and agree, that it has not offered and will not offer the Program Securities to be issued under the Program to any person in the Dubai International Financial Centre unless such offer is:

- (a) an "Exempt Offer" in accordance with the Markets Rules of the Dubai Financial Services Authority (the "**DFSA**") rulebook; and
- (b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the Conduct of Business Module of the DFSA rulebook.

This Offering Circular relates to Program Securities which are not subject to any form of regulation or approval by the DFSA. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this Offering Circular or any associated documents nor taken steps to verify the information set out in it, and has no responsibility for it.

The Program Securities to which this Offering Circular relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of any Program Securities offered should conduct their own due diligence on the Program Securities.

If you do not understand the contents of this Offering Circular you should consult an authorised financial advisor.

Austria

In addition to the representations set out in section "European Economic Area" and "Prohibition of Sales to EEA Retail Investors" above, each Distribution Agent has represented and agreed, and each further Distribution Agent appointed under the Program will be required to represent and agree, that it will only offer, sell or otherwise make available any Program Securities which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto in the Republic of Austria in compliance with all laws, regulations and guidelines applicable in or promulgated by the relevant Austrian governmental and regulatory authorities and in effect at the relevant time, including the Austrian Securities Supervision Act 2018 (Wertpapieraufsichtsgesetz 2018), the Austrian Capital Market Act 2019 (Kapitalmarktgesetz 2019) as well as the Austrian Alternative Investment Fund Managers Act (Alternative Investmentfonds Manager-Gesetz) as amended and supplemented from time to time.

People's Republic of China

The Program Securities may not be offered, sold or delivered, or offered or sold or delivered to any person for reoffering or resale or redelivery, in any such case directly or indirectly, in the People's Republic of China (PRC, for the purpose of this Offering Circular, excludes the Hong Kong Special Administrative Region of the People's Republic of China, the Macau Special Administrative Region of the People's Republic of China and Taiwan) or to any resident of the PRC, in contravention of any applicable laws.

This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy any Program Securities in the PRC to any person to whom it is unlawful to make the offer or solicitation in the PRC.

The Issuers do not represent that this Offering Circular may be lawfully distributed, or that any Program Securities may be lawfully offered, in compliance with any applicable registration or other requirements in the PRC, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, it is not the Issuers' intention and no action has been taken by the Issuers which would permit a public offering of any Program Securities or distribution of this Offering Circular in the PRC. Accordingly, the Program Securities are not being offered or sold within the PRC by means of this Offering Circular or any other document. Neither this Offering Circular nor any advertisement or other offering material may be distributed or published in the PRC, except under circumstances that will result in compliance with any applicable laws and regulations.

Hungary

No approval of this Offering Circular has been sought or obtained from the National Bank of Hungary in respect of the Program Securities. Accordingly, any person making or intending to make any offer of Program Securities within Hungary which are the subject of the placement contemplated in this Offering Circular should only do so in circumstances in which no obligation arises for the Issuer or any of the dealers to have a prospectus for such offer approved by the National Bank of Hungary.

Slovakia

For selling restrictions in respect of Slovak Republic, please see "*Prohibition of sales to EEA Retail Investors*" above.

In addition, thereto, the following applies:

Each Distribution Agent has represented and agreed, and each further Distribution Agent appointed under the Program will be required to represent and agree, that:

- (a) it has only made and will only make an offer of the Program Securities in the Slovak Republic through a public offering or any admission of the Program Securities to trading on any regulated market in the Slovak Republic (i) if the prospectus approved by the competent authority of the Issuer's home Member State was duly passported into the Slovak Republic in compliance with the Prospectus Regulation, or (ii)

if a prospectus approved by the National Bank of Slovakia was published in accordance with the Prospectus Regulation; or

- (b) it has only made and will only make an offer of the Program Securities in the Slovak Republic through a public offering or any admission of the Program Securities to trading on any regulated market in the Slovak Republic in circumstances in which no obligation arises for the Issuer or the Distribution Agent to produce or publish a prospectus for such offer pursuant to the Prospectus Regulation, and the Slovak Securities Act, and
- (c) it has complied and will comply with all other applicable provisions (if any) of Slovak law, including, but not limited to the Slovak Securities Act, as they may be further amended or superseded from time to time.

In the case of Fund-Linked Program Securities, if the relevant underlying funds are not registered in the Slovak Republic in accordance with Slovak Act No. 203/2011 Coll. on collective investment, as amended (the "Slovak Collective Investment Act"), then such Fund-Linked Program Securities cannot be offered in the Slovak Republic unless (i) Cash Settlement applies or (ii) if the offer is made solely based on exemptions under the Slovak Collective Investment Act applicable to any offer of the underlying funds in the Slovak Republic. The shares and other securities issued by these underlying funds cannot be offered publicly in the Slovak Republic under this Base Prospectus.

Romania

For selling restrictions in respect of Romania, please see "*Prohibition of Sales to EEA Retail Investors*" above.

The Offering Circular has not been subject to the approval of the Romanian Financial Supervisory Authority ("ASF") or any other competent Romanian authority. Accordingly, each Distribution Agent has represented, warranted and agreed that:

- (a) it has not offered, sold or delivered, and will not offer, sell or deliver, any Program Securities in Romania to "retail clients" in the meaning of Law no. 126/2018 on financial instruments markets (the "**MiFID Law**"), nor made available the Program Securities to the public (including by direct solicitation or otherwise as indicated by the MiFID Law) and that, in any case,
- (b) sales of the Program Securities in Romania shall be performed in accordance with all Romanian securities, tax and exchange control and other applicable laws and regulations.

For the cases when a valid passporting procedure to Romania in relation to the Offering Circular has not been successfully enacted, each Distribution Agent has represented and agreed that it will not offer, sell or deliver any Program Securities or distribute copies of the Offering Circular or any other document relating to the Program Securities in Romania except for the cases when the Offering Circular and any related documents relating to the Program Securities will be offered in Romania observing the following cumulative conditions:

- i. it is addressed only to investors who are "qualified investors" within the meaning of Article 2 letter e) of the EU Prospectus Regulation; and
- ii. it complies with all applicable laws and regulations in Romania, including the EU Prospectus Regulation, the provisions of Law No. 24/2017 as regards Issuers of Financial Instruments and Market Operations, the MiFID Law, the provisions of Regulation No. 5/2018 on Issuers of Financial Instruments and Market Operations issued by the ASF together with any norms and decisions issued or approved by the ASF or any other competent Romanian authority, as well as any other applicable European Union and Romanian legislation, as applicable from time to time.

Poland

In addition to the provisions of the selling restriction for the European Economic Area and subject to section "*Prohibition of Sales to EEA Retail Investors*" above, in relation to each Tranche of Program Securities, the Distribution Agent has represented and agreed, when subscribing for or purchasing such Program Securities, and each further Distribution Agent appointed under the Distribution Agreement will be required to represent and agree, that it will only offer, sell or otherwise make available, directly or indirectly, any Program Securities which are the subject of the offering in Poland contemplated by the Offering Circular and any related document, and will only distribute or publish this Offering Circular or any other offering material or advertisement relating to any

Program Securities in Poland in compliance with all laws, regulations and guidelines applicable in or promulgated by the relevant Polish governmental and regulatory authorities and in effect at the relevant time, including the Polish Act on Trading in Financial Instruments dated 29 July 2005 (*Ustawa z dnia 29 lipca 2005 r. o obrocie instrumentami finansowymi*) as well as the Polish Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies dated 29 July 2005 (*Ustawa z dnia 29 lipca 2005 r. o ofercie publicznej i warunkach wprowadzania instrumentów finansowych do zorganizowanego systemu obrotu oraz o spółkach publicznych*), each as amended and supplemented from time to time.

No permit has been obtained from the Polish Financial Supervisory Authority (the "**Polish FSA**") in relation to the issue of any Program Securities or the approval of the Offering Circular.

Accordingly, the Program Securities may not be offered or sold in Poland by way of a Public Offering, unless:

- (a) such Public Offering is made on the basis of an issue prospectus which has been approved by the relevant EU/EEA competent authority and, following such approval, duly notified to the Polish FSA in accordance with Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"); or
- (b) the Public Offering is exempted from the requirement to draw up and publish a prospectus in accordance with the Prospectus Regulation.

For the purpose of the above, the term "Public Offering" means an 'offer of securities to the public' as defined under the Prospectus Regulation, i.e., a communication to persons in any form and by any means, presenting sufficient information on the terms of the offer and the securities to be offered, so as to enable an investor to decide to purchase or subscribe for those securities.

The conduct of a Public Offering in Poland as well as subscription or sale relating to such Public Offering requires an intermediation of a licenced investment firm, except for certain Public Offerings exempted from the prospectus obligation. Each Dealer acknowledges and each further Dealer appointed under the Program will be required to acknowledge that the sale to or acquisition and holding of the Program Securities by residents of Poland may be subject to additional requirements and restrictions imposed by Polish law, beyond the restrictions and requirements provided by generally applicable provisions of European Union law, including under foreign exchange regulations.

Bulgaria

For offering restrictions in respect of Bulgaria, please see the selling restriction for the European Economic Area and "*Prohibition of Sales to EEA Retail Investors*" above. In addition and without prejudice thereto, unless other exemptions from the requirement to publish a prospectus under the Prospectus Regulation would in any case apply, any offer of Program Securities to the public in the Republic of Bulgaria (the "**Exempted Securities**") will be exempt from the obligation to publish a prospectus pursuant to the Prospectus Regulation provided that the total consideration of each offer of such Exempted Securities to the public is less than a monetary amount calculated over a period of 12 months which does not exceed EUR 8,000,000 and:

- (a) the Exempted Securities are to be admitted to trading on an MTF in which case any such offer should be subject to publication of an offering document in compliance with the rules of the MTF where the Exempted Securities will be admitted to trading, or
- (b) no admission to trading on an MTF or a Regulated Market of the Exempted Securities is requested in which case any such offer should be subject to publication of an offering document in compliance with the requirements of the Bulgarian Public Offering of Securities Act,

No Program Securities which qualify as bonds or other forms of securitised debt and which are the subject of an offering contemplated in this Offering Circular as completed by a Pricing Supplement in relation to the offer of those Program Securities may be offered in a primary offering in the Republic of Bulgaria to more than 30 persons who are not banks or institutional investors as listed in point (1) of Section I of Annex II to Directive 2014/65/EU, if the following conditions are met:

- (a) the Issuer is neither a bank licensed in the Republic of Bulgaria, nor a bank licensed in another Member State which provides services in the Republic of Bulgaria through a branch under the freedom of establishment or directly under the freedom to provide services, nor a branch of a bank from a non-Member State which is licensed in the Republic of Bulgaria;

- (b) the issuance of securitised debt is one of the Issuer's principal activities; and
- (c) the Issuer grants loans or provides other financial services in the ordinary course of business.

TRANSFER RESTRICTIONS

The Program Securities have not been and will not be registered under the Securities Act. The Program Securities may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Program Securities are being offered and sold only (1) outside the United States to non-U.S. Persons in "offshore transactions" in compliance with Regulation S, and (2) if specified in the applicable Pricing Supplement, in addition to Program Securities being offered in compliance with Regulation S, to QIBs (or, in the case of Program Securities issued by MSBV, QIB/QPs) in compliance with Rule 144A under the Securities Act. As used in this Section, the terms "United States" and "U.S. Person" have the respective meanings given to those terms in Regulation S.

Each purchaser of Regulation S/Rule 144A Securities pursuant to Rule 144A, by accepting delivery of this Offering Circular or the Securities, will be deemed to:

- represent that it is purchasing such Program Securities for its own account or an account over which it exercises sole investment discretion and that it and any such account is (i) a QIB (or, in the case of Program Securities issued by MSBV, a QIB/QP), and is aware that the sale to it is being made in reliance on Rule 144A; or (ii) a purchaser who is outside the United States and is aware that the sale is being made in reliance on Regulation S;
- acknowledge that such Program Securities have not been and will not be registered under the Securities Act, and may not be offered or sold except as set forth below;
- agree that if it should resell or otherwise transfer the Program Securities it will do so only (a) to Morgan Stanley or any subsidiary thereof or (b) to a QIB (or, in the case of Program Securities issued by MSBV, a QIB/QP) in compliance with Rule 144A; or (c) outside the United States in compliance with Rule 904 under the Securities Act; and
- agree that it will inform each person to whom it transfers such Program Securities notice of these and any restrictions on transfer of such Program Securities.

Each certificate representing one of the Regulation S/Rule 144A Securities will bear a legend to the following effect:

"THE INSTRUMENT EVIDENCED HEREBY HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY STATE SECURITIES LAWS, AND, [THE ISSUER THEREOF HAS NOT BEEN REGISTERED AS AN INVESTMENT COMPANY UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"), AND, ACCORDINGLY, SUCH INSTRUMENT]¹⁹⁶ [ACCORDINGLY]¹⁹⁷, MAY NOT BE OFFERED OR SOLD EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (1) REPRESENTS THAT IT IS PURCHASING THE INSTRUMENT EVIDENCED HEREBY FOR ITS OWN ACCOUNT OR AN ACCOUNT OVER WHICH IT EXERCISES SOLE INVESTMENT DISCRETION AND THAT (i) IT AND ANY SUCH ACCOUNT IS A [**"QUALIFIED INSTITUTIONAL BUYER"** (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT)]¹⁹⁸ [**"QUALIFIED INSTITUTIONAL BUYER"** (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) [AND "**QUALIFIED PURCHASER"** (AS DEFINED IN THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED, AND THE RULES THEREUNDER) (A "**QIB/QP**")]]¹⁹⁹ OR (ii) IT IS A NON-UNITED STATES PERSON ACQUIRING THIS INSTRUMENT IN AN OFFSHORE TRANSACTION (AS DEFINED IN REGULATION S) IN ACCORDANCE WITH REGULATION S; (2) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THE INSTRUMENT EVIDENCED HEREBY EXCEPT (A) TO MORGAN STANLEY OR ANY SUBSIDIARY THEREOF OR (B) TO A QUALIFIED INSTITUTIONAL BUYER [WHICH IS ALSO A QUALIFIED PURCHASER]²⁰⁰ IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT OR IN ACCORDANCE WITH RULE 903 OR 904 OF REGULATION S; AND (3) AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THE INSTRUMENT EVIDENCED

¹⁹⁶ For Program Securities issued by MSBV.

¹⁹⁷ For Program Securities issued by MSFL or MSIP.

¹⁹⁸ For Program Securities issued by MSFL or MSIP.

¹⁹⁹ For Program Securities issued by MSBV.

²⁰⁰ For Program Securities issued by MSBV.

HEREBY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. [A HOLDER SUBJECT TO CLAUSE (1)(i) ABOVE FURTHER REPRESENTS BY ITS ACQUISITION HEREOF THAT IT AND EACH ACCOUNT REFERENCED IN CLAUSE (1)(i) ABOVE (A) IS NOT A BROKER-DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN \$25 MILLION IN SECURITIES OF ISSUERS THAT ARE NOT ITS AFFILIATED PERSONS, (B) IS NOT A PLAN REFERRED TO IN PARAGRAPH (a)(1)(i)(D) OR (a)(1)(i)(E) OF RULE 144A, OR A TRUST FUND REFERRED TO IN PARAGRAPH (a)(1)(i)(F) OF RULE 144A THAT HOLDS THE ASSETS OF SUCH A PLAN, IF INVESTMENT DECISIONS WITH RESPECT TO THE PLAN ARE MADE BY THE BENEFICIARIES OF SUCH PLAN, (C) IS NOT (X) A PARTNERSHIP, COMMON TRUST FUND, SPECIAL TRUST, PENSION FUND OR RETIREMENT PLAN OR OTHER ENTITY IN WHICH THE PARTNERS, BENEFICIARIES, SECURITY OWNERS OR PARTICIPANTS, AS THE CASE MAY BE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE OR THE ALLOCATION THEREOF, UNLESS EACH SUCH PARTNER, BENEFICIARY, SECURITY OWNER OR PARTICIPANT EMPOWERED ALONE OR WITH OTHER PARTNERS, BENEFICIARIES, SECURITY OWNERS OR PARTICIPANTS TO MAKE SUCH DECISIONS MEETS ALL REQUIREMENTS SET FORTH HEREIN FOR QUALIFICATION AS A QIB/QP, OR (Y) AN ENTITY THAT HAS INVESTED MORE THAN 40% OF ITS ASSETS IN SECURITIES OF THE ISSUER, GIVING EFFECT TO THE AMOUNT INVESTED IN CONNECTION WITH ITS ACQUISITION HEREOF OR A BENEFICIAL INTEREST HEREIN, UNLESS EACH BENEFICIAL OWNER OF THE QIB/QP'S SECURITIES MEETS ALL REQUIREMENTS SET FORTH HEREIN FOR QUALIFICATION AS AN ELIGIBLE PURCHASER, (D) WAS NOT FORMED, REFORMED, RECAPITALIZED, OPERATED OR ORGANIZED FOR THE SPECIFIC PURPOSE OF PURCHASING THE INSTRUMENTS OR INVESTING IN THE ISSUER, (E) EITHER (X) IS NOT AN ENTITY ORGANIZED PRIOR TO 30 APRIL 1996 THAT IS EXCEPTED FROM THE INVESTMENT COMPANY ACT PURSUANT TO SECTION 3(c)(1) OR 3(c)(7) THEREOF OR (Y) HAS RECEIVED THE CONSENT OF THE BENEFICIAL OWNERS OF ITS SECURITIES WITH RESPECT TO ITS TREATMENT AS A QUALIFIED PURCHASER IN THE MANNER REQUIRED BY SECTION 2(a)(51)(C) OF THE INVESTMENT COMPANY ACT AND THE RULES THEREUNDER, (F) WILL HOLD AND TRANSFER AT LEAST THE MINIMUM PRINCIPAL AMOUNT OF INSTRUMENTS SPECIFIED IN THE PRICING SUPPLEMENT AND (G) UNDERSTANDS THAT THE ISSUER MAY RECEIVE A LIST OF PARTICIPANTS HOLDING POSITIONS IN THIS INSTRUMENT FROM ONE OR MORE BOOK-ENTRY DEPOSITARIES. EACH PURCHASER OF THIS INSTRUMENT OR ANY BENEFICIAL INTERESTS HEREIN WILL BE DEEMED TO REPRESENT THAT IT AGREES TO COMPLY WITH THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE OFFERING CIRCULAR OR PRICING SUPPLEMENT. ANY PURPORTED TRANSFER OF THIS INSTRUMENT OR ANY BENEFICIAL INTERESTS HEREIN THAT IS IN BREACH, AT THE TIME MADE, OF ANY TRANSFER RESTRICTIONS SET FORTH HEREIN OR IN THE OFFERING CIRCULAR OR PRICING SUPPLEMENT MAY BE VOID AB INITIO. IF AT ANY TIME THE ISSUER DETERMINES IN GOOD FAITH THAT A HOLDER OR BENEFICIAL OWNER OF THIS INSTRUMENT OR BENEFICIAL INTERESTS HEREIN IS IN BREACH, AT THE TIME GIVEN, OF ANY OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN, THE ISSUER MAY IN ITS DISCRETION CONSIDER THE ACQUISITION BY SUCH HOLDER OR BENEFICIAL OWNER OF THIS INSTRUMENT OR SUCH BENEFICIAL INTERESTS VOID AND OF NO FORCE AND EFFECT, AND SUCH ACQUISITION WILL NOT, AT THE DISCRETION OF THE ISSUER, OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER OR ANY OTHER INTERMEDIARY. IN ADDITION, THE ISSUER MAY REQUIRE SUCH ACQUIRER OR BENEFICIAL OWNER TO SELL THIS INSTRUMENT OR SUCH BENEFICIAL INTERESTS TO A QIB/QP OR NON-UNITED STATES PERSON."²⁰¹

In addition to the restrictions described above, transfers and resales of Program Securities issued by MSBV are subject to further conditions and restrictions. As a condition to its acquisition of any such Program Securities, each purchaser of such Program Securities may be required to execute and deliver to MSBV a purchaser certificate pursuant to which it will be required to make certain acknowledgements, representations, warranties and agreements, including, without limitation that (i) such purchaser is a non-U.S. person or, solely in the case of Regulation S/Rule 144A Program Securities, a QIB/QP (an "**MSBV Permitted Transferee**") and (ii) it understands and agrees to comply with the conditions and restrictions set forth in the following paragraph.

²⁰¹ For Program Securities issued by MSBV.

A holder of Program Securities issued by MSBV may offer, sell or otherwise transfer such Program Securities only to (i) MSBV, a Distribution Agent or any of their affiliates or (ii) an MSBV Permitted Transferee. MSBV has the right to refuse to honour the transfer or pledge of any Program Securities that do not meet the transfer restrictions and other restrictions and conditions described herein. Each purchaser of such Program Securities will be deemed to represent and warrant that it agrees to comply with the transfer restrictions and other restrictions and conditions set forth in this Offering Circular or the Pricing Supplement. Any purported transfer or pledge of such Program Securities that is in breach, at the time made, of any transfer restrictions or other restrictions or conditions set forth in this Offering Circular or the Pricing Supplement may be void ab initio. If, at any time, MSBV determines in good faith that (i) a holder of such Program Securities is in breach, at the time given, of any of the transfer restrictions or other restrictions or conditions set forth in this Offering Circular or the Pricing Supplement, (ii) a transfer or attempted or purported transfer of any such Program Securities was consummated in reliance on an incorrect purchaser certificate from the transferee or purported transferee, (iii) a transferee failed to deliver to MSBV a purchaser certificate satisfactory in form to it, (iv) the holder of such Program Securities was in breach of any representation, warranty or agreement contained in the purchaser certificate or (v) the holder of such Program Securities pledges or attempts or purports to pledge such Program Securities, MSBV may, in its discretion, consider the acquisition by such person or such pledge void and of no force and effect, and such acquisition or pledge will not, at the discretion of MSBV, operate to transfer any rights to the transferee notwithstanding any instructions to the contrary to MSBV or any other intermediary. In addition, MSBV may require such acquirer or beneficial owner to sell the Program Securities to a non-U.S. person or QIB/QP. In connection with the foregoing, MSBV may receive a list of participants holding positions in the Program Securities from one or more book-entry depositories. For the purposes of the foregoing, references to holders and purchasers of Program Securities include beneficial owners and purchasers of beneficial interests in such Program Securities.

Each purchaser of Program Securities acknowledges that the Issuers, the Guarantor, the Distribution Agents and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements and agrees that, if it becomes aware any of the agreements deemed to have been made by it by its purchase of Program Securities has been violated, it shall promptly notify the relevant Issuer and the Distribution Agents. If it is acquiring any Program Securities as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such account.

Each person receiving this Offering Circular acknowledges that (i) such person has been afforded an opportunity to request from the relevant Issuer and to review, and has received, all additional information considered by it to be necessary to verify the accuracy and completeness of the information herein, (ii) it has not relied on the Distribution Agents or any person affiliated with the Distribution Agents in connection with its investigation of the accuracy and completeness of such information or its investment decision and (iii) no person has been authorized to give any information or to make any representation concerning the Issuers, the Guarantor or the Program Securities other than those contained herein and, if given or made, such other information or representation should not be relied upon as having been authorized by the Issuers, the Guarantor or the Distribution Agents.

**FORM OF GUARANTEE FOR MORGAN STANLEY B.V., MORGAN STANLEY FINANCE LLC
AND MORGAN STANLEY FINANCE II LTD**

THIS GUARANTEE is made on 25 June 2026 by MORGAN STANLEY, a corporation incorporated under the laws of the State of Delaware (the "**Guarantor**" or "**Morgan Stanley**").

WHEREAS:

- (A) The Guarantor, Morgan Stanley & Co. International plc ("**MSI plc**"), Morgan Stanley B.V. ("**MSBV**"), Morgan Stanley Finance LLC ("**MSFL**"), Morgan Stanley Finance II Ltd ("**MSFII**") and Morgan Stanley Europe SE ("**MSESE**") have established a Regulation S / 144A Program (the "**Program**") for the Issuance of notes, Series A and B, and (in respect of MSFL only) cash settled exchangeable notes ("**Notes**"), warrants ("**Warrants**") and certificates ("**Certificates**", together with the Notes and Warrants, the "**Program Securities**").
- (B) Notes (other than Uncertificated Notes) may be issued under the issue and paying agency agreement dated on or about 25 June 2026 and as from time to time modified and/or restated (the "**Issue and Paying Agency Agreement**") between (amongst others) MSBV, MSI plc, MSFL, MSFII, MSESE, the Guarantor and The Bank of New York Mellon. "**Uncertificated Notes**" has the meaning given to it in the Euroclear Agreement (defined below). Nordic Notes (as defined herein) shall also have the benefit of an issuing and paying agency agreement dated 11 April 2016 (such agreement as amended on 12 March 2026 and as further amended, supplemented and/or restated from time to time) (the "**SEB Issuing and Paying Agency Agreement**") between (among others) MSI plc, MSBV and Skandinaviska Enskilda Banken AB (publ).
- (C) Uncertificated Notes may be issued under the Euroclear agreement dated on or about 25 June 2026 and as from time to time modified and/or restated (the "**Euroclear Agreement**") between MSBV, MSI plc, MSESE, the Guarantor and Computershare Investor Services (Guernsey) Limited.
- (D) Warrants and Certificates may be issued under the securities agency agreement dated on or about 25 June 2026 and as from time to time modified and/or restated (the "**Securities Agency Agreement**") between (amongst others) MSBV, MSI plc, MSFL, MSESE, the Guarantor and The Bank of New York Mellon. Nordic Securities (as defined herein) shall also have the benefit of the SEB Issuing and Paying Agency Agreement.
- (E) Notes (other than Uncertificated Notes) issued under the Issue and Paying Agency Agreement (including Nordic Notes which shall also have the benefit of the SEB Issuing and Paying Agency Agreement), Uncertificated Notes issued under the Euroclear Agreement and Warrants and Certificates issued under the Securities Agency Agreement (including Nordic Notes which shall also have the benefit of the SEB Issuing and Paying Agency Agreement) (together, "**Relevant Securities**"), will have the benefit of this Guarantee (subject as provided below). For the avoidance of doubt, Program Securities which are not Relevant Securities will not have the benefit of this Guarantee.

THE GUARANTOR HEREBY guarantees fully, unconditionally and irrevocably the payment obligations under (a) the terms of the Relevant Securities issued by MSBV, MSFL and MSFII on or after the date hereof and (b) the terms of the Relevant Securities issued by any other of its subsidiaries (other than MSI plc and MSESE) that accedes to the Program on or after the date hereof and in respect of whom the Guarantor is referred to as guarantor in the Accession Agreement under which such subsidiary accedes to the Program as issuer and/or in the applicable Issuance Document (as such term is defined in the Issue and Paying Agency Agreement in respect of Relevant Securities which are Notes (other than Uncertificated Notes), in the Euroclear Agreement in respect of Relevant Securities which are Uncertificated Notes and in the Securities Agency Agreement in respect of Relevant Securities which are Warrants or Certificates) unless, in each case, otherwise stated in the applicable Issuance Document with respect thereto (each an "**Issuer**") in respect of the Relevant Securities, provided that any such Relevant Securities issued on or after the date on which the Guarantor has granted a subsequent guarantee of Relevant Securities (in respect of which such Relevant Securities will have the benefit) shall not have the benefit of this Guarantee (save (i) in relation to any tranche of Relevant Securities which are expressed to be consolidated and form a single series with any tranche(s) of Relevant Securities which have the benefit of this Guarantee, and/or (ii) if expressly so provided in any such subsequent guarantee and/or applicable Issuance Document).

If the Relevant Securities are held (i) by (or by a nominee on behalf of) a common depository for Euroclear Bank S.A./N.V. ("**Euroclear**"), Clearstream Banking, *société anonyme* ("**Clearstream**"), (ii) by (or by a nominee or custodian on behalf of) the Depository Trust Company ("**DTC**") or (iii) by such other clearing system as specified in the applicable Issuance Document with respect to any series of Relevant Securities, the Guarantor covenants to each person who is for the time being shown in the records of the relevant clearing system or registrar (in the case of Relevant Securities in registered form) as the holder of a principal amount of the Relevant Securities (the "**Accountholders**") that it shall make such payments under this Guarantee and acknowledges that the Accountholders may take proceedings to enforce this Guarantee directly against the Guarantor. The holders of the Relevant Securities from time to time and the Accountholders are referred to herein as the Holders. References to Euroclear, Clearstream, DTC or any other clearing system shall include their respective successors and assigns.

The Guarantor hereby agrees that it shall not be necessary, as a condition to enforce this guarantee, that suit be first instituted against the applicable Issuer or that any rights or remedies against such Issuer be first exhausted. Rather, it is understood and agreed that the liability of the Guarantor hereunder shall be primary, direct, and in all respects, unconditional and absolute. In particular, the Guarantor hereby agrees that, in the event of a default in payment of the principal of, interest on, and all other amounts payable under any Relevant Security, whether at its stated maturity, by declaration of acceleration, call for redemption or otherwise, legal proceedings may be instituted by the Holder of such Relevant Security, subject to the terms and conditions set forth in this Guarantee, directly against the Guarantor to enforce this Guarantee without first proceeding against the Issuer. The obligations of the Guarantor under this Guarantee constitute direct, unconditional and unsecured obligations of the Guarantor and rank without preference among themselves and, subject as aforesaid, *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Guarantor, present and future, but, in the event of insolvency, only to the extent permitted by laws affecting creditors' rights.

The Guarantor shall be fully liable as if it were the principal debtor under the Relevant Securities whether any time has been granted to the applicable Issuer, whether the obligations of the Issuer under the Relevant Securities have ceased to exist pursuant to bankruptcy, corporate reorganization or other similar event, whether the applicable Issuer has been dissolved or liquidated or consolidated or has changed or lost its corporate identity and whether or not any other circumstances have occurred which might otherwise constitute a legal or equitable discharge of or defense to a guarantor.

If any moneys shall become payable by the Guarantor under this Guarantee, the Guarantor shall not, for so long as the same remain unpaid in respect of any amount paid by it under this Guarantee, exercise any right of subrogation in relation to the applicable Issuer or any other right or remedy which may accrue to it in respect of or as a result of any such payment.

Notwithstanding anything to the contrary in this Guarantee, the Guarantor, and by its acceptance of Relevant Securities, each Holder, hereby confirms that it is the intention of all such parties that this Guarantee shall not constitute a fraudulent conveyance under applicable fraudulent conveyance provisions of the United States Bankruptcy Code or any comparable provision of state law. To effectuate that intention, the Holders and the Guarantor hereby irrevocably agree that the obligations of the Guarantor under this Guarantee are limited to the maximum amount that would not render the Guarantor's obligations subject to avoidance under applicable fraudulent conveyance provisions of the United States Bankruptcy Code or any comparable provision of state law.

The Guarantee of the Guarantor of the Relevant Securities will terminate upon the merger of the Issuer with and into the Guarantor.

All payments pursuant to this Guarantee will be made without withholding or deduction for any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied collected, withheld or assessed by the United States of America, or any political subdivision or any authority thereof having power to tax unless such withholding or deduction is required by law. The Guarantor shall not be required to make any additional payments on account of such withholding or deduction (except with respect to any additional payments required to be made by any Issuer under the Program). If the Guarantor becomes subject at any time to any taxing jurisdiction other than the United States of America, references in the Guarantee to the United States shall be construed as references to such other jurisdiction.

This Guarantee shall be governed and construed in accordance with New York law, without regard to conflict of laws principles.

This Guarantee shall expire and is no longer effective once all amounts payable on or in respect of the Relevant Securities have been paid in full.

This Guarantee is not insured by the Federal Deposit Insurance Corporation of the United States of America.

MORGAN STANLEY

By:

Name:

Title:

GENERAL INFORMATION

1. No material adverse change in prospects

- (a) There has been no material adverse change in the prospects of Morgan Stanley since 31 December 2025, the date of the latest published annual audited financial statements of Morgan Stanley.
- (b) There has been no material adverse change in the prospects of MSI plc since 31 December 2025, the date of the last published annual audited accounts of MSI plc.
- (c) There has been no material adverse change in the prospects of MSBV since 31 December 2025, the date of the last published annual audited accounts of MSBV.
- (d) There has been no material adverse change in the prospects of MSFL since 31 December 2025, the date of the last published annual audited financial statements of MSFL.
- (e) There has been no material adverse change in the prospects of MSFII since 31 December 2025, the date of the last published annual accounts of MSFII.
- (f) There has been no material adverse change in the prospects of MSESE since 31 December 2025, the date of the last published annual audited accounts of MSESE.

2. No significant change in financial performance

- (a) There has been no significant change in the financial or trading position of Morgan Stanley since 31 March 2026, the date of the last published interim (unaudited) financial statements of Morgan Stanley.
- (b) There has been no significant change in the financial or trading position of MSI plc since 31 December 2025, the date of the last published annual audited accounts of MSI plc.
- (c) There has been no significant change in the financial or trading position of MSBV since 31 December 2025, the date of the last published annual audited accounts of MSBV.
- (d) There has been no significant change in the financial or trading position of MSFL since 31 December 2025, the date of the last published annual audited financial statements of MSFL.
- (e) There has been no significant change in the financial or trading position of MSFII since 31 December 2025, the date of the latest published annual accounts of MSFII.
- (f) There has been no significant change in the financial performance or trading position of MSESE since 31 December 2025, the date of the last published annual audited accounts of MSESE.

3. Legal and arbitration proceedings

Save as disclosed in:

- (a) the paragraphs under the heading "*Contingencies*" under the heading "*Commitments, Guarantees and Contingencies*" in "*Notes to Consolidated Financial Statements*" at pages 125 to 128 and the section entitled "*Legal Proceedings*" at page 154 of Morgan Stanley's Annual Report on Form 10-K for the year ended 31 December 2025;
- (b) (i) the section titled "*Legal Proceedings and Contingencies*" under the heading "*Description of Morgan Stanley*" at pages 53 to 54 of the Registration Document (as supplemented from time to time); (ii) the section titled "*Legal Proceedings and Contingencies*" under the heading "*Description of Morgan Stanley & Co. International plc*" at pages 61 to 62 of the Registration Document (as supplemented from time to time); (iii) the section titled "*Legal Proceedings*" under the heading "*Description of Morgan Stanley B.V.*" at page 66 of the Registration Document (as supplemented from time to time); and (iv) the section titled "*Legal Proceedings*" under the heading "*Description of Morgan Stanley Finance LLC*" at page 69 of the Registration Document (as supplemented from time to time);

- (c) the sub-section titled "*18.1 Litigation Matters*" and the section titled "*18.2 Tax Matters*" under the heading "*18. Provisions and Contingent Liabilities*" in "*Notes to the Financial Statements*" at pages 92 to 95 of MSI plc's report and financial statements for the year ended 31 December 2025;
- (d) the section titled "*Legal*" under the heading "*8. Contingencies*" at page 22 of MSFL's annual financial report for the year ending 31 December 2025; and
- (e) the paragraphs under the heading "*Contingencies*" under the heading "*Commitments, Guarantees and Contingencies*" in "*Notes to Consolidated Financial Statements (Unaudited)*" at pages 64 to 66 and the section titled "*Legal Proceedings*" at page 77 of Morgan Stanley's Quarterly Report on Form 10-Q for the quarterly period ended 31 March 2026,

other than those disclosed in the audited financial statements or the interim (unaudited) financial statements, there are no, nor have there been, any governmental, legal or arbitration proceedings involving Morgan Stanley, MSI plc, MSBV or MSFL (including any such proceedings which are pending or threatened of which Morgan Stanley, MSI plc, MSBV or MSFL is aware) during the 12-month period before the date of this Offering Circular which may have, or have had in the recent past, a significant effect on the financial position or profitability of Morgan Stanley, MSI plc, MSBV, MSFL or the Morgan Stanley Group.

Save as disclosed in this Offering Circular, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which MSFII is aware) during the 12-month period before the date of this Offering Circular, which may have, or have had in the recent past, significant effects on MSFII's financial position or profitability.

Save as disclosed in this Offering Circular, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which MSESE is aware) during the 12-month period before the date of this Offering Circular, which may have, or have had in the recent past, significant effects on MSESE's financial position or profitability.

The Program Securities have been accepted for clearance and settlement through Euroclear and Clearstream, Luxembourg. The appropriate code for each issue allocated by Euroclear and Clearstream, Luxembourg will be contained in the applicable Pricing Supplement. Transactions will normally be effected for settlement not earlier than two business days after the date of the transaction.

For so long as this Offering Circular remains in effect or any securities issued by Morgan Stanley, MSI plc, MSBV, MSFL, MSFII or MSESE 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 (a) the specified office of the Fiscal Agent at The Bank of New York Mellon, One Canada Square, London E14 5AL, (b) the specified office of the Registrar, at The Bank of New York Mellon (Luxembourg) S.A., Vertigo Building – Polaris, 2-4 rue Eugene Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg, (c) the specified office of the Principal Securities Agent, at The Bank of New York Mellon, One Canada Square, London E14 5AL and (d) at the principal executive offices of Morgan Stanley and MSFL and the registered offices of MSI plc, MSBV, MSFII and MSESE:

- (i) copies of the Distribution Agreement, the Issue and Paying Agency Agreement, the Securities Agency Agreement, the Euroclear Agreement, the Indenture, the accession agreement dated as of 16 April 2004 relating to MSBV, the accession agreement dated as of 15 June 2010 relating to MSI plc, the accession agreement dated as of 29 April 2016 relating to MSFL, the accession agreement dated as of 4 March 2021 relating to MSFII, the accession agreement dated as of 28 September 2022 relating to MSESE, the Deeds of Covenant; the Guarantee; the last two years' of MSI plc, MSBV, MSFL, MSFII and MSESE's published financial statements and the last two years' of Morgan Stanley's future Annual, Quarterly and Current Reports. Morgan Stanley's Annual Report on Form 10-K contains an audited annual financial statement. Morgan Stanley's Quarterly Reports on Form 10-Q contain unaudited quarterly financial statements;
- (ii) the Certificate of Incorporation and Amended and Restated By-laws of Morgan Stanley;

- (iii) the Certificate of Incorporation and the Articles of Association of MSI plc (these shall not be available at the principal executive office of Morgan Stanley or MSFL, or the registered office of MSBV or MSFII);
- (iv) the Deed of Incorporation and Articles of Association of MSBV (this shall not be available at the principal executive office of MSFL, or the registered office of MSI plc or MSFII);
- (v) the Certificate of Incorporation and the Memorandum of Association of MSFII (these shall not be available at the principal executive office of Morgan Stanley or MSFL, or the registered office of MSBV);
- (vi) the Articles of Association of MSESE (these shall not be available at the principal executive office of Morgan Stanley, or the registered office of MSBV, MSFII or MSI plc);
- (vii) the Limited Liability Company Agreement of Morgan Stanley Finance LLC dated 27 March 2002 (as amended and restated from time to time) (this shall not be available at the principal executive office of Morgan Stanley, or the registered office of MSBV, MSI plc or MSFII);
- (viii) a copy of this Offering Circular and any document incorporated by reference herein (save that the annual reports of MSI plc shall not be available at the registered office of MSBV, MSFII or MSESE, or the principal executive office of MSFL, the annual reports of MSBV shall not be available at the registered office of MSI plc, MSFII or MSESE, or the principal executive office of MSFL, the annual reports of MSFL shall not be available at the registered office of MSI plc, MSBV, MSFII or MSESE, the annual reports of MSFII shall not be available at the registered office of MSI plc, MSBV or MSESE, or the principal executive office of MSFL and the annual reports of MSESE shall not be available at the registered office of MSI plc, MSBV or MSFII, or the principal executive office of MSFL);
- (ix) any supplement to this Offering Circular;
- (x) any Pricing Supplement (save that any Pricing Supplement relating to a Program Security which is not listed will only be available for inspection by a holder of such Program Security and such holder must provide evidence satisfactory to the Issuer as to the identity of such holder); and
- (xi) 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.

Copies of the documents specified in paragraphs (ii) and (vi) shall also be available free-of-charge upon request. Furthermore, in respect of CMU Notes, copies of the CMU Agency Agreement and MSFL CMU Agency Agreement may be obtained free of charge upon request during normal business hours from the Specified Office of the Issuer.

The Pricing Supplements for Program Securities admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market will be published and made available as required by the rules of Euronext Dublin (<https://live.euronext.com/>).

The Morgan Stanley Sustainable Issuance Framework and the Second Party Opinion referred in the section "*Use of Proceeds*" of this Offering Circular are available on Morgan Stanley's website (<https://www.morganstanley.com/about-us/sustainability-reports-research>).

In addition, a copy of this Offering Circular, each Pricing Supplement relating to the Securities which are admitted to trading on the Luxembourg Stock Exchange's Euro MTF and the documents incorporated by reference herein will be published on the website of the Luxembourg Stock Exchange (www.luxse.com).

4. Business Prospects and Outlook

For information on Morgan Stanley's business prospects and outlook, please refer to the section entitled "*Business*" on pages 5 to 12 (inclusive) and the section entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 26 to 57 (inclusive) of the Report on Form 10-K of Morgan Stanley for the year ended 31 December 2025 and the no material adverse change in prospects statement set out on page 1293 of this Offering Circular in this section headed "*General*".

Information", which remain subject to the material existing and emerging risks to the Morgan Stanley's future performance, set out in the section entitled "*Risk Factors*" in the Registration Document dated 14 November 2025 (as supplemented) and the section entitled "*Risk Factors*" in the Annual Report on Form 10-K of Morgan Stanley for the year ended 31 December 2025.

5. Share capital

The share capital of:

- (a) Morgan Stanley is disclosed in the section entitled "Share Capital" at page 55 of the Registration Document incorporated by reference herein;
- (b) MSI plc is disclosed in the section entitled "Capital Structure" at page 62 to 63 of the Registration Document incorporated by reference herein;
- (c) MSBV is disclosed in the section entitled "Share Capital" at page 66 of the Registration Document incorporated by reference herein;
- (d) MSFL is disclosed in the section entitled "Capitalisation" at page 70 of the Registration Document incorporated by reference herein;
- (e) MSFII is disclosed in the section entitled "*Description of Morgan Stanley Finance II Ltd*" set out in this Offering Circular; and
- (f) MSESE is disclosed in the section entitled "*Capital Structure*" at page 75 of the Registration Document incorporated by reference herein.

6. Morgan Stanley

The Program was authorised by Morgan Stanley pursuant to resolutions adopted at a meeting of the Board of Directors of Morgan Stanley held on 25 September 1998, as amended and updated pursuant to resolutions adopted at meetings of the Board of Directors of Morgan Stanley held on 17 June 2003, 14 December 2004, 20 September 2005, 12 December 2006, 19 June 2007, 17 September 2007, 16 June 2008, 18 October 2023 and 2 May 2025.

The consolidated financial statements of Morgan Stanley and subsidiaries as of 31 December 2025 and 31 December 2024 have been audited by Deloitte & Touche LLP of 30 Rockefeller Plaza, New York, NY10112-015, United States of America, an independent registered public accounting firm registered with the Public Company Accounting Oversight Board (United States of America).

Morgan Stanley was incorporated under the laws of the State of Delaware on 1 October 1981 and registered at the Delaware Division of Corporations with an unlimited term pursuant to the Delaware General Corporation Law with registration number 0923632. The date of Morgan Stanley's Amended and Restated Certificate of Incorporation is 1 August 2022.

7. MSI plc

The role of MSI plc as issuer under the Program was authorised by resolutions of the Board of Directors of MSI plc on 14 June 2010, 10 June 2011 and 23 May 2012.

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 have audited the financial statements of MSI plc for the years ended 2025 and 2024 and unqualified opinions have been reported thereon. MSI plc publishes annual and half-yearly financial statements.

MSI plc was incorporated in England and Wales on 28 October 1986 with registered number 2068222 on the register maintained by the UK Companies House.

8. MSBV

Forvis Mazars Accountants N.V., independent auditors and certified public accountants of Watermanweg 80, 3067 GG Rotterdam, The Netherlands, a member of the Netherlands Institute of Chartered Accountants (Nederlandse Beroepsorganisatie van Accountants) have audited the financial statements of

MSBV for the years ended 31 December 2024 and 31 December 2025 and an unqualified opinion has been reported thereon.

This document does not contain any other information that has been audited by Forvis Mazars Accountants N.V.

The financial information in respect of MSBV has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union for the years ended 31 December 2025 and 31 December 2024.

The role of MSBV as issuer under the Program was authorised by resolutions of the Board of Directors of MSBV passed on 16 April 2004, 20 June 2007, 17 June 2008, 16 June 2009, 14 June 2010, 9 June 2011, 23 May 2012, 27 June 2013, 1 August 2014, 12 August 2015, 5 August 2016, 27 June 2017, 27 June 2018, 13 June 2019, 23 June 2020, 22 June 2021, 21 June 2022, 20 June 2023, 24 June 2024, 20 June 2025 and 23 June 2026.

MSBV publishes annual and half-yearly financial statements.

9. MSFL

Deloitte & Touche LLP, 30 Rockefeller Plaza, New York, NY 10112-0015, U.S.A., independent auditors, have audited the financial statements of MSFL as of and for the year ended 31 December 2025, and unqualified opinions have been reported thereon, which include an explanatory paragraph referring to significant transactions with affiliates. The financial information in respect of MSFL has been prepared in accordance with U.S. Generally Accepted Accounting Principles.

The role of MSFL as issuer under the Program was authorised by resolutions of the Board of Managers of MSFL passed on 5 February 2016.

MSFL publishes audited annual financial statements and unaudited half-yearly financial statements.

MSFL was incorporated under the laws of the State of Delaware on 27 March 2002 and registered at the Delaware Division of Corporations with an unlimited term pursuant to the Delaware General Corporation Law with registration number 3507392.

10. MSFII

MSFII publishes annual and interim accounts. 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 have audited the financial statements of MSFII for the years ended 2025 and 2024 and unqualified opinions have been reported thereon.

The role of MSFII as issuer under the Program was authorised by resolutions of the Board of Directors of MSFII passed on 4 March 2021, 25 June 2021, 23 June 2022, 22 June 2023, 25 June 2024, 24 June 2025 and 24 June 2026.

11. MSESE

MSESE prepares and publishes annual audited financial statements and unaudited half-yearly financial statements. The most recent published audited accounts of MSESE are in respect of the financial year ended 31 December 2025. The role of MSESE as issuer under the Program was authorised by resolutions of the Board of Directors of MSESE passed on 27 September 2022.

The auditors of the Issuer are Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, located at Europa-Allee 91, 60486 Frankfurt am Main, Germany.

12. Credit Ratings

Program Securities may or may not be rated. Any credit rating applied for in relation to an issue of a tranche of Program Securities will be specified in the applicable Pricing Supplement. Whether or not such credit ratings applied for will be issued by a credit rating agency (i) established in the European Union (the "EU") and registered under Regulation (EC) No 1060/2009 of the European Parliament and

of the Council of 16 September 2009 on credit rating agencies (the "**CRA Regulation**") or (ii) established in the United Kingdom (the "**UK**") and registered under CRA Regulation as it forms part of the laws of the United Kingdom (the "**UK CRA Regulation**") will be disclosed in the Pricing Supplement. 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 ("**EEA**") and registered under the CRA Regulation and UK 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 UK and registered under the UK CRA Regulation in either case unless (1) the rating is provided by a credit rating agency operating in the EEA or the UK before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation or the UK 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 or the UK but is endorsed by a credit rating agency established in the EEA or the UK and registered under the CRA Regulation or the UK CRA Regulation, or (3) the rating is provided by a credit rating agency not established in the EEA or the UK which is certified under the CRA Regulation or the UK CRA Regulation.

Credit ratings are for distribution only to a person in Australia:

- (i) who is not a 'retail client' within the meaning of section 761G of the Corporations Act (as defined in the Subscription and Sale section above) and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act (as defined in the Subscription and Sale section above); and
- (ii) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located.

This Offering Circular includes details of the long-term and short-term credit ratings assigned to Morgan Stanley by DBRS, Inc. ("**DBRS**"), Fitch Ratings, Inc. ("**Fitch**"), Moody's Investors Service, Inc. ("**Moody's**"), Ratings and Investment Information, Inc. ("**R&I**") and Standard & Poor's Financial Services LLC through its business unit Standard & Poor's Global Ratings ("**S&P**"). The list of credit rating agencies registered under (i) the CRA Regulation (as updated from time to time) is published on the website of the European Securities and Markets Authority (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>) or (ii) credit rating agencies registered under the UK CRA Regulation (as updated from time to time) is published on the website of the UK Financial Conduct Authority (<https://register.fca.org.uk/s/>) as applicable.

None of DBRS, Fitch, Moody's and S&P is established in the EEA or the UK or has applied for registration under the CRA Regulation or the UK CRA Regulation. However, their respective affiliates are established in the EEA or the UK and registered under the CRA Regulation or the UK CRA Regulation. Such affiliates endorse the ratings of DBRS, Fitch, Moody's and S&P for use for regulatory purposes in the EEA or the UK.

R&I is not incorporated in the EEA or the UK and is not registered under the CRA Regulation or the UK CRA Regulation.

- (a) The credit rating of Morgan Stanley's short-term and long-term debt is (i) R-1 (middle) and AA (low), with a stable outlook, by DBRS (ii) F1 and A+, with a stable outlook, by Fitch, (iii) P-1 and A1, with a stable outlook, by Moody's, (iv) a-1 and A+, with a stable outlook, by R&I and (v) A-2 and A- with a stable outlook, by S&P.
- (b) Notwithstanding the sub-section "*Credit Rating*" in the "*Information about Morgan Stanley & Co. International plc*" section of the Registration Document incorporated by reference herein, the credit rating of MSI plc's short-term and long-term debt is (i) P-1 and Aa3, with a stable outlook, by Moody's, (ii) A-1 and A+, with a stable outlook, by S&P and (iii) F1+ and AA, with a stable outlook, by Fitch.
- (c) MSBV has not been assigned a credit rating.
- (d) Notwithstanding the sub-section "*Credit Ratings*" in the "*Information about Morgan Stanley Finance LLC*" section of the Registration Document incorporated by reference herein, the credit

rating of MSFL's long-term debt is (i) A1, with a stable outlook, by Moody's and (ii) A-, with a stable outlook, by S&P.

- (e) MSFII has not been assigned any credit ratings by any credit rating agencies.
- (f) The credit rating of MSESE's short-term and long-term debt is (i) P-1 and Aa3, with a stable outlook, by Moody's, (ii) A-1 and A+, with a stable outlook, by S&P and (iii) F1+ and AA, with a stable outlook, by Fitch.

13. Legal Entity Identifier (LEI)

Legal Entity Identifier (LEI) code of Morgan Stanley is IGJSJL3JD5P30I6NJZ34.

Legal Entity Identifier (LEI) code of Morgan Stanley & Co. International plc is 4PQUHN3JPFGFNF3BB653.

Legal Entity Identifier (LEI) code of Morgan Stanley B.V. is KG1FTTDCK4KNVM3OHB52.

Legal Entity Identifier (LEI) code of Morgan Stanley Finance LLC is 5493003FCPSE9RKT4B56.

Legal Entity Identifier (LEI) code of Morgan Stanley Finance II Ltd is 9JTFSIOT3N7GCDN62R31.

Legal Entity Identifier (LEI) code of Morgan Stanley Europe SE is 54930056FHWP7GIWYY08.

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