

Coöperatieve Rabobank U.A. (Rabobank Structured Products)

(a cooperative (coöperatie) formed under the laws of the Netherlands with its statutory seat in Amsterdam)

EUR 15,000,000,000

Structured Medium-Term Note Programme

Due from seven days to perpetuity



Under the EUR 15,000,000,000 Structured Medium-Term Note Programme (the "**Programme**"), described in this base prospectus (the "**Base Prospectus**") Coöperatieve Rabobank U.A. (the "**Issuer**", "**Coöperatieve Rabobank U.A. (Rabobank Structured Products)**" or "**Rabobank Structured Products**") may, subject to compliance with all relevant laws, regulations and directives, from time to time issue medium-term notes (the "**Notes**").

The aggregate nominal amount of Notes outstanding will not at any time exceed EUR 15,000,000,000 (or the equivalent in other currencies). The Programme is, and Notes issued under it may be, denominated in euro, which means the lawful currency of the member states of the European Union ("**Member States**") that have adopted the single currency pursuant to the Treaty on the Functioning of the European Union, as amended.

Application has been made to the Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten* or the "**AFM**") in its capacity as competent authority under Dutch securities laws (as defined below) to approve this Base Prospectus in connection with the issue by the Issuer of Notes (in each case excluding such Notes which constitute money market instruments (as defined in Article 1(5) of Directive 93/22/EC) having a maturity of less than 12 months ("**Money Market Instruments**")) which are:

- (a) offered to the public in the European Economic Area in circumstances which require the publication of a prospectus under Directive 2003/71/EC, as amended or superseded (the "**Prospectus Directive**"), whether or not such Notes are listed and admitted to trading on any market; or
- (b) either: (i) admitted to trading on Euronext Amsterdam N.V.'s Euronext in Amsterdam ("**Euronext Amsterdam**"); (ii) admitted to the official list of the Luxembourg Stock Exchange (the "**Official List**") and admitted to trading on the regulated market of the Luxembourg Stock Exchange (the "**Luxembourg Stock Exchange**"); or (iii) admitted to trading on another regulated market as defined under Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments (as amended, "**MiFID II**"),

such Notes hereinafter referred to as the "**PD Notes**". PD Notes may be issued in any denominations as agreed between the Issuer and the relevant Dealer(s), and any PD Notes which have a denomination of less than EUR 100,000 (or its equivalent in any other currency) and do not otherwise fall within an exemption from the requirement to publish a prospectus under the Prospectus Directive are referred to hereinafter as "**Non-Exempt PD Notes**".

This Base Prospectus is a base prospectus for the purposes of Article 5.4 of the Prospectus Directive and the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) and regulations thereunder (together "**Dutch securities laws**") and has been approved by the AFM in its capacity as competent authority under Dutch securities laws, in accordance with the provisions of the Prospectus Directive and Dutch securities laws on 13 June 2019, in relation to PD Notes only.

The Issuer may also issue (a) Money Market Instruments and (b) unlisted Notes and/or Notes not admitted to trading on any regulated market in the European Economic Area (where such Notes are, in addition, issued with a minimum denomination of at least EUR 100,000 (or its equivalent in any other currency) or otherwise fall within an exemption from the requirement to publish a prospectus under the Prospectus Directive, such Notes, together with Money Market Instruments, are hereinafter referred to as "**Exempt Notes**"). **The AFM has neither approved nor reviewed information contained in this Base Prospectus in connection with the issue of any Exempt Notes.**

The relevant final terms to this Base Prospectus (the "**Final Terms**") in respect of the issue of any Notes will specify whether such Notes will be listed on Euronext Amsterdam or the Luxembourg Stock Exchange (or any other stock exchange) or whether the Notes will be unlisted. References in this Base Prospectus to Notes being "**listed**" (and all related references) shall mean that such Notes have been admitted to trading on a regulated market.

The Notes of each Tranche (as defined herein) in bearer form will initially be represented by a temporary global note in bearer form, without interest coupons (each a "**temporary Global Note**"). Notes in registered form will be represented by registered certificates (each, a "**Certificate**"), one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes (as defined below) of one Series, and may be represented by a Global Certificate (as defined below). Registered Notes issued in global form will be represented by registered global certificates ("**Global Certificates**").

Global Notes in bearer form and Global Certificates will be deposited on the issue date of the relevant Tranche either with (a) a common depositary for Euroclear and Clearstream, Luxembourg (the "**Common Depositary**") or (b) such other clearing system as agreed between the Issuer and the relevant Dealer. Interests in temporary Global Notes will be exchangeable, in whole or in part, for interests in permanent global notes (each, a "**permanent Global Note**") and, together with the temporary Global Notes, the "**Global Notes**"), or, if so stated in the relevant Final Terms, definitive Notes ("**Definitive Notes**"), on or after the date falling 40 days after the completion of the distribution of such Tranche upon certification as to non-U.S. beneficial ownership. Interests in permanent Global Notes will be exchangeable for Definitive Notes in whole but not in part as described under "**Summary of Provisions Relating to the Notes while in Global Form**".

Notes of each Tranche of each Series to be issued in registered form ("**Registered Notes**") and which are sold in an "offshore transaction" within the meaning of Regulation S ("**Unrestricted Notes**") under the U.S. Securities Act of 1933 (the "**Securities Act**") will initially be represented by a permanent registered global certificate (each, an "**Unrestricted Global Certificate**"), without interest coupons, which may be deposited on the issue date (a) in the case of a Tranche intended to be cleared through Euroclear and/or Clearstream, Luxembourg, with the Common Depositary on behalf of Euroclear and Clearstream, Luxembourg and (b) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear and/or Clearstream, Luxembourg, The Depository Trust Company ("**DTC**") or delivered outside a clearing system, as agreed between the Issuer and the relevant Dealer.

Registered Notes issued by the Issuer which are sold in the United States to "qualified institutional buyers" within the meaning of Rule 144A ("**Rule 144A**") under the Securities Act ("**Restricted Notes**") will initially be represented by a permanent registered global certificate (each, a "**Restricted Global Certificate**") and, together with the "**Unrestricted Global Certificate**", the "**Global Certificates**"), without interest coupons, which may be deposited on the issue date either with (a) the Common Depositary on behalf of Euroclear and Clearstream, Luxembourg or (b) a custodian for, and registered in the name of Cede & Co. as nominee for, DTC.

Beneficial interests in Global Certificates held by Euroclear, Clearstream, Luxembourg and/or DTC will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear, Clearstream, Luxembourg and/or DTC and their participants. See "**Clearing and Settlement**". The provisions governing the exchange of interests in the Global Notes and in each Global Certificate are described in "**Summary of Provisions Relating to the Notes while in Global Form**".

Senior long-term Notes issued under the Programme are expected to be rated AA- by Fitch Ratings Limited ("**Fitch**"). Senior unsecured Notes issued under the Programme are expected to be rated Aa3 by Moody's Investors Service Ltd. ("**Moody's**") and Senior Notes with a maturity of one year or more are expected to be rated A+ by Standard & Poor's Credit Market Services Europe Limited ("**S&P**"). Each of Fitch, Moody's and S&P is established in the European Union and is registered under Regulation (EC) No 1060/2009 (the "**CRA Regulation**"). In addition, this Base Prospectus contains or refers to certain credit ratings issued by DBRS Ratings Limited ("**DBRS**"). DBRS is established in the European Union and registered under the CRA Regulation. A list of credit rating agencies registered under the CRA Regulation is published by the European Securities and Markets Authority on its website.

Tranches of Notes (as defined below) to be issued under the Programme will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to the Notes already issued. Whether or not a rating in relation to any Tranche of Notes will be treated as having been issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the relevant Final Terms. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency without prior notice.

Factors which may affect the ability of the Issuer to fulfil its obligations under the Programme and factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are set out on pages 50 to 95.

This Base Prospectus supersedes and replaces the base prospectus dated 13 June 2018.

Arranger and Dealer for the Programme

Rabobank

The date of this Base Prospectus is 13 June 2019

This Base Prospectus has been prepared on the basis that, except to the extent sub-paragraph (b) below may apply, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **"Relevant Member State"**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly, any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in this Base Prospectus as completed by Final Terms in relation to the offer of those Notes may only do so (a) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer or (b) in the circumstances described under *"Public Offers of Non-Exempt PD Notes in the European Economic Area"* on pages 123 to 128. Except to the extent sub-paragraph (b) above may apply, neither the Issuer nor any Dealer(s) has authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

No person has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealer(s) or the Arranger (as defined in *"General Description of the Programme"*). Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

None of the Dealer(s) (excluding Rabobank (in its capacity as Dealer)) or the Arranger makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Base Prospectus. Neither this Base Prospectus nor any other financial statements should be considered as a recommendation by the Issuer, the Dealer(s) or the Arranger that any recipient of this Base Prospectus or any other financial statements should purchase the Notes. Prospective investors should have regard to the factors described under the section headed *"Risk Factors"*. This Base Prospectus does not describe all of the risks of an investment in the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Notes should be based upon such investigation, as it deems necessary. None of the Dealer(s) nor the Arranger undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealer(s) or the Arranger.

In connection with the issue of any tranche of a Series of Notes (a **"Tranche"**), one or more relevant Dealer(s) (in such capacity, the **"Stabilising Manager(s)"**) (or persons acting on behalf of any Stabilising Manager(s)) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the Final Terms of the offer of the relevant Tranche is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or overallotment must be conducted by the relevant Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Dealer(s) to subscribe for, or purchase, any Notes.

The distribution of this Base Prospectus and any Final Terms and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Final Terms come are required by the Issuer, the Dealer(s) and the Arranger to inform themselves about and to observe any such restriction. The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any State or other jurisdiction of the United States and are being sold pursuant to an exemption from the registration requirements of such Act. The Notes include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered or sold or, in the case of Notes in bearer form, delivered within the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the Securities Act ("**Regulation S**").

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S and (in the case of Restricted Notes issued by the Issuer) within the United States to "qualified institutional buyers" in reliance on Rule 144A. Prospective purchasers are hereby notified that sellers of Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of these and certain restrictions further on offers, sales and transfers of Notes and on distribution of this Base Prospectus or any Final Terms or any other offering material relating to the Notes, see "*Plan of Distribution*" and "*Transfer Restrictions*".

The Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission (the "**SEC**"), any State securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Notes or the accuracy or adequacy of this Base Prospectus. Any representation to the contrary is a criminal offence in the United States.

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

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

IMPORTANT – EEA RETAIL INVESTORS – If the Final Terms in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (a) a retail client as defined in point (11) of Article 4(1) of MiFID II; (b) a customer within the meaning of Directive 2002/92/EC (as amended or superseded, the IMD), 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 Directive. 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 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.

Singapore SFA Product Classification – In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the “**SFA**”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are “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).

Unless the Final Terms in respect of any Notes specifies “Prohibition of Sales to Belgian Consumers” as “Not Applicable”, the Notes are not intended to be offered, sold or otherwise made available to, and will not be offered, sold or otherwise made available to, “consumers” (*consumenten/consommateurs*) within the meaning of the Belgian Code of Economic law (*Wetboek economisch recht/Code de droit économique*).

Credit ratings are for distribution only to a person in Australia who is not a 'retail client' within the meaning of section 761G of the Corporations Act 2001 of Australia 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 2001 of Australia. Anyone in Australia who is not such a person is not entitled to receive this Base Prospectus and anyone who receives this Base Prospectus must not distribute it to any person in Australia who is not entitled to receive it.

Benchmarks Regulation – Amounts payable on Notes issued under the Programme may be calculated by reference to either LIBID, LIMEAN, GBP-ISDA-Swap Rate, EURIBOR, EONIA, EUR-ISDA-EURIBOR-Swap Rate, STIBOR, CNH HIBOR, JPY-ISDA-Swap Rate or USD-ISDA-Swap Rate as specified in the applicable Final Terms. As at the date of this Base Prospectus, the administrators of LIBID, LIMEAN, GBP-ISDA-Swap Rate, EURIBOR, EONIA, EUR-ISDA-EURIBOR-Swap Rate, STIBOR, CNH HIBOR, JPY-ISDA-Swap Rate and USD-ISDA-Swap Rate are not included in ESMA's register of administrators under Article 36 of the Regulation (EU) No. 2016/1011 (the “**Benchmarks Regulation**”). As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that the administrators of LIBID, LIMEAN, GBP-ISDA-Swap Rate, EURIBOR, EONIA, EUR-ISDA-EURIBOR-Swap Rate, STIBOR, CNH HIBOR, JPY-ISDA-Swap Rate and USD-ISDA-Swap Rate are not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence).

Amounts payable under the Notes may also be calculated by reference to LIBOR, SONIA or SOFR, which are provided by ICE Benchmark Administration Ltd (“**IBA**”), the Bank of England and the Federal Reserve Bank of New York (the “**FRBNY**”), respectively. As at the date of this Base Prospectus, IBA appears on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation. As at the date of this Base Prospectus, the Bank of England and the FRBNY do not appear in ESMA's register of administrators under the Benchmarks Regulation. As far as Rabobank is aware, neither SONIA nor SOFR fall within the scope of the Benchmarks Regulation by virtue of Article 2 of the Benchmarks Regulation.

All figures in this Base Prospectus have not been audited, unless stated otherwise. These figures are internal figures of Rabobank or Rabobank Group.

Unless the context otherwise requires, references in this Base Prospectus to “**Rabobank Group**”, “**Rabobank**” or the “**Group**” are to Coöperatieve Rabobank U.A. and its subsidiaries. Rabobank Nederland and Rabobank are trading names of Coöperatieve Rabobank U.A. For the purposes of this Base Prospectus, references to “**Coöperatieve Rabobank U.A. (Rabobank Structured Products)**” or “**Rabobank Structured Products**” are to Coöperatieve Rabobank U.A. as Issuer.

Unless otherwise specified or the context otherwise requires, references to **“U.S.\$”**, **“USD”** and **“U.S. Dollar”** are to the lawful currency of the United States of America, to **“euro”**, **“Euro”**, **“EUR”** and **“€”** are to the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on the Functioning of the European Union, to **“Sterling”** or **“£”** are to the lawful currency of the United Kingdom, to **“Australian Dollar”** are to the lawful currency of the Commonwealth of Australia, to **“New Zealand Dollar”** are to the lawful currency of New Zealand, to **“JPY”** and **“yen”** are to the lawful currency of Japan, to **“SEK”** are to the lawful currency of Sweden, and to **“Renminbi”**, **“RMB”** and **“CNY”** are to the lawful currency of the PRC.

In this Base Prospectus, references to the **“United States”** are to the United States of America, to the **“United Kingdom”** are to the United Kingdom of Great Britain and Northern Ireland and to **“PRC”** are to the People’s Republic of China which, for the purpose of this Base Prospectus, shall exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan. References to **“Renminbi Notes”** are to Notes denominated in CNY or Renminbi deliverable in Hong Kong, Singapore and Taiwan.

Your attention is drawn to the important information on pages 131 to 133.

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SUMMARY OF THE PROGRAMME RELATING TO PD NOTES

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

Section A – Introduction and warnings		
Element	Title	
A.1	Warning and Introduction:	<p>This summary must be read as an introduction to this Base Prospectus. Any decision to invest in the Notes should be based on a consideration of the Base Prospectus as a whole, including any documents incorporated by reference. Where a claim relating to the information contained in this Base Prospectus is brought before a court, the plaintiff may, under the national legislation of Member States of the European Economic Area where the claim is brought, be required to bear the costs of translating the Base Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus or it does not provide, when read together with the other parts of this Base Prospectus, key information in order to aid investors when considering whether to invest in the Notes.</p>
A.2	Consent:	<p><u>Programme summary:</u></p> <p>The Issuer may provide its consent to the use of this Base Prospectus and the relevant Final Terms for subsequent resale or final placement of Notes by financial intermediaries to whom the Issuer has given its consent to use the Base Prospectus (an “Authorised Offeror”), provided that the subsequent resale or final placement of Notes by such financial intermediaries is made during the Offer Period specified in the relevant Final Terms. Such consent may be subject to conditions which are relevant for the use of the Base Prospectus.</p> <p>In connection with any Public Offer of Non-Exempt PD Notes, the Issuer accepts responsibility, in a Public Offer Jurisdiction, for the content of this Base Prospectus under Article 6 of the Prospectus Directive in relation to any person (an “Investor”) to whom an offer of any Non-Exempt PD Notes is made by an Authorised Offeror, where the offer is made in compliance with all conditions attached to the giving of the consent.</p> <p><u>Consent:</u></p> <p>Subject to the conditions set out below under “Common conditions to consent”:</p> <p>(a) the Issuer consents to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Public Offer of Non-Exempt PD Notes in a Public Offer Jurisdiction by the relevant Dealer and by:</p>

		<p>(i) any financial intermediary named as an Initial Authorised Offeror in the relevant Final Terms; and</p> <p>(ii) any financial intermediary appointed after the date of the relevant Final Terms and whose name is published on the Issuer's website (www.rabobank.com) and identified as an Authorised Offeror in respect of the relevant Public Offer; and</p> <p>(b) if (and only if) Part B of the relevant Final Terms specifies "General Consent" as "Applicable", the Issuer hereby offers to grant its consent to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Public Offer of Non-Exempt PD Notes in a Public Offer Jurisdiction by any financial intermediary which satisfies the following conditions:</p> <p>(i) it is authorised to make such offers under the applicable legislation implementing MiFID II (as defined below); and</p> <p>(ii) it accepts the Issuer's offer to grant consent to the use of this Base Prospectus by publishing on its website a statement that it agrees to use the Base Prospectus in accordance with the Authorised Offeror Terms and subject to the conditions to such consent.</p> <p>Common conditions to consent:</p> <p>The conditions to the Issuer's consent to use this Base Prospectus in the context of the relevant Public Offer are (in addition to the conditions described in paragraph (b) above if Part B of the relevant Final Terms specifies "General Consent" as "Applicable") that such consent:</p> <p>(a) is only valid in respect of the relevant Tranche of Non-Exempt PD Notes;</p> <p>(b) is only valid during the Offer Period specified in the relevant Final Terms; and</p> <p>(c) only extends to the use of this Base Prospectus to make Public Offers of the relevant Tranche of Non-Exempt PD Notes in the Public Offer Jurisdictions, as specified in the relevant Final Terms.</p> <p><u>Issue specific summary:</u></p> <p>Consent: Subject to the conditions set out below, the Issuer consents to the use of the Base Prospectus in connection with a Public Offer (as defined below) of Notes by the Dealer[s], [●] [and] [each financial intermediary whose name is published on the Issuer's website, (www.rabobank.com), and identified as an Authorised Offeror in respect of the relevant Public Offer][any financial intermediary which is authorised to make such offers under the applicable legislation implementing Directive 2014/65/EU (as amended, "MiFID II")] and publishes on its website the following statement (with the information in square brackets being completed with the relevant information):</p> <p><i>"We, [insert legal name of financial intermediary], refer to the [insert title of relevant Notes] (the "Notes") described in the Final Terms dated [insert date] (the "Final Terms") published by Coöperatieve Rabobank U.A. (Rabobank Structured Products) (the "Issuer"). We hereby accept the offer by the Issuer of its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Notes in [Belgium, France, Germany, Luxembourg, the Netherlands and the United Kingdom] (the "Public Offer") in accordance with the Authorised Offeror Terms and subject to the conditions to such consent, each as specified in</i></p>
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		<p><i>the Base Prospectus, and we are using the Base Prospectus in connection with the Public Offer accordingly.”</i></p> <p>A “Public Offer” of Notes is an offer of Notes (other than pursuant to Article 3(2) of the Prospectus Directive) in [Belgium, France, Germany, Luxembourg, the Netherlands and the United Kingdom] during the Offer Period specified below. Together with the Dealer[s], those persons to whom the Issuer gives its consent in accordance with the foregoing provisions are the “Authorised Offerors” for such Public Offer.</p> <p>Offer Period: The Issuer’s consent referred to above is given for Public Offers of Notes during the period from [●] to [●] (the “Offer Period”).</p> <p>Conditions to consent: The conditions to the Issuer’s consent (in addition to the requirements referred to above) are such that consent (a) is only valid in respect of the relevant Tranche of Notes; (b) is only valid during the Offer Period; [and] (c) only extends to the use of the Base Prospectus to make Public Offers of the relevant Tranche of Notes in [Belgium, France, Germany, Luxembourg, the Netherlands and the United Kingdom] [and (d) [●]].</p> <p>An investor intending to acquire or acquiring Notes in a Public Offer from an Authorised Offeror other than the Issuer will do so, and offers and sales of such Notes to an investor by such Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such investor including as to price, allocations, expenses and settlement arrangements.</p> <p>Each investor must look to the relevant Authorised Offeror at the time of any such Public Offer for the provision of information regarding the terms and conditions of the Public Offer and the Authorised Offeror will be solely responsible for such information.]</p> <p>[Not Applicable. The Notes are being offered on an exempt basis pursuant to Article 3(2) of the Prospectus Directive. The Issuer has not given its consent for any financial intermediary or other offeror to use the Base Prospectus in connection with any offer of the Notes.]</p>
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Section B – Issuer		
Element	Title	
B.1	The legal and commercial name of the Issuer:	<p>The legal name of the Issuer is Coöperatieve Rabobank U.A.</p> <p>The commercial name of the Issuer is “Rabobank Structured Products”.</p>
B.2	The domicile and legal form of the Issuer, the legislation under which the Issuer operates and its	<p>The Issuer has its statutory seat in Amsterdam, is a cooperative entity (<i>coöperatie</i>) and is registered with the Trade Register of the Chamber of Commerce under number 30046259. The Issuer operates under the laws of the Netherlands.</p>

	country of incorporation:																												
B.4b	A description of any known trends affecting the Issuer and the industries in which it operates:	<p>Rabobank Group's results of operations are affected by a variety of market conditions, including economic cycles, fluctuations in stock markets, interest rates and exchange rates, and increased competition. A deterioration in economic conditions, or Rabobank Group's inability to accurately predict or respond to such developments, could have a material adverse effect on Rabobank Group's prospects, business, financial condition and results of operations.</p> <p>The Issuer expects that the relatively low interest rate environment that it faced in the recent past is likely to continue in 2019, with a corresponding impact on Rabobank Group's results.</p>																											
B.5	Description of the Issuer's Group and the Issuer's position within the Rabobank Group:	Rabobank Group is an international financial services provider, operating on the basis of cooperative principles. Rabobank Group comprises the Issuer and its subsidiaries and participations in the Netherlands and abroad.																											
B.9	Profit forecast or estimate:	Not Applicable. The Issuer has not made any public profit forecasts or profit estimates.																											
B.10	Qualifications in the Auditors' report:	The independent auditor's reports on the Issuer's audited financial statements for the years ended 31 December 2017 and 31 December 2018 are unqualified.																											
B.12	Selected Financial Information:	<p>The following selected financial information is derived from and should be read in conjunction with, Rabobank Group's audited consolidated financial statements as at, and for the years ended, 31 December 2017 and 2018.</p> <p>Consolidated statement of financial position:</p> <table> <tr> <th></th><th colspan="2">As at 31 December</th></tr> <tr> <th></th><th>2018</th><th>2017</th></tr> <tr> <th></th><th colspan="2">(in millions of euros)</th></tr> <tr> <td>Assets</td><td></td><td></td></tr> <tr> <td>Cash and cash equivalents</td><td>73,335</td><td>66,861</td></tr> <tr> <td>Loans and advances to credit institutions</td><td>17,859</td><td>27,254</td></tr> <tr> <td>Financial assets held for trading</td><td>2,876</td><td>1,760</td></tr> <tr> <td>Financial assets designated at fair value</td><td>157</td><td>1,194</td></tr> <tr> <td>Financial assets mandatorily at fair value.....</td><td>2,134</td><td>n/a</td></tr> </table>		As at 31 December			2018	2017		(in millions of euros)		Assets			Cash and cash equivalents	73,335	66,861	Loans and advances to credit institutions	17,859	27,254	Financial assets held for trading	2,876	1,760	Financial assets designated at fair value	157	1,194	Financial assets mandatorily at fair value.....	2,134	n/a
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Summary of the Programme relating to PD Notes

Derivatives	22,660	25,505
Loans and advances to customers	436,591	432,564
Financial assets at fair value through other comprehensive income	18,730	n/a
Available-for-sale financial assets	n/a	28,689
Investments in associates and joint ventures	2,374	2,521
Goodwill and other intangible assets	966	1,002
Property and equipment	4,455	4,587
Investment properties	193	193
Current tax assets	243	175
Deferred tax assets	1,165	1,733
Other assets	6,431	7,961
Non-current assets held for sale	268	992
Total assets	590,437	602,991

As at 31 December

2018 **2017**

(in millions of euros)

Liabilities

Deposits from credit institutions	19,397	18,922
Deposits from customers	342,410	340,682
Debt securities in issue	130,806	134,423
Financial liabilities held for trading	400	581
Financial liabilities designated at fair value	6,614	13,792
Derivatives	23,927	28,103
Other liabilities	6,342	8,271
Provisions	1,126	1,537
Current tax liabilities	229	248
Deferred tax liabilities	452	396
Subordinated liabilities	16,498	16,170
Liabilities held for sale	—	256
Total liabilities	548,201	563,381

Equity

Reserves and retained earnings	27,264	25,376
Equity instruments issued by Rabobank		
Rabobank Certificates	7,445	7,440
Capital Securities	6,493	5,759

Summary of the Programme relating to PD Notes

		13,938	13,199
	Equity instruments issued by subsidiaries		
	Capital Securities	164	166
	Trust Preferred Securities IV	389	394
		<u>553</u>	<u>560</u>
	Other non-controlling interests	481	475
	Total equity	42,236	39,610
	Total equity and liabilities	590,437	602,991

	Condensed Consolidated statement of income	Year ended 31 December	
		2018	2017
		(in millions of euros)	(restated)
	Net interest income	8,559	8,843
	Net fee and commission income	1,931	1,915
	Other	1,530	1,243
	Income	12,020	12,001
	Staff costs	4,278	4,472
	Other administrative expenses	2,780	3,176
	Depreciation and amortisation	388	406
	Operating expenses	7,446	8,054
	Loan impairment charges	n/a	(190)
	Impairment charges on financial assets	190	n/a
	Regulatory levies	478	505
	Operating profit before tax	3,906	3,632
	Income tax	902	958
	Net profit for the year	3,004	2,674
	Of which attributed to Rabobank	1,894	1,509
	Of which attributed to holders of Rabobank Certificates	484	484
	Of which attributed to Capital Securities issued by Rabobank	530	586
	Of which attributed to Capital Securities issued by subsidiaries	14	15
	Of which attributed to Trust Preferred Securities IV	22	22
	Of which attributed to other non-controlling interests	60	58

Summary of the Programme relating to PD Notes

		Net profit for the year <u>3,004</u> <u>2,674</u> <i>Material/significant change:</i> There has been no significant change in the financial or trading position of the Issuer or of Rabobank Group, and there has been no material adverse change in the financial position or prospects of the Issuer or of Rabobank Group, since 31 December 2018.
B.13	Recent material events particular to the Issuer's solvency:	[Other than [●], there]/[There] are no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.
B.14	Extent to which the Issuer is dependent upon other entities within the Rabobank Group:	Not Applicable. The Issuer is not dependent upon other entities within Rabobank Group.
B.15	Principal activities of the Issuer:	Rabobank Group is an international financial services provider operating on the basis of cooperative principles. It offers retail and business banking, private banking, wholesale banking, leasing and real estate services.
B.16	Extent to which the Issuer is directly or indirectly owned or controlled:	Not Applicable. The Issuer is not directly owned or controlled.
B.17	Credit ratings assigned to the Issuer or its debt securities:	<u>Programme Summary:</u> Senior long-term Notes issued under the Programme by Rabobank are expected to be rated AA- by Fitch. Senior unsecured Notes issued under the Programme are expected to be rated Aa3 by Moody's and Senior Notes with a maturity of one year or more are expected to be rated A+ by S&P. Rabobank's long-term deposits and senior debt ratings are rated [AA] by DBRS. Tranches of Notes to be issued under the Programme may be rated or unrated. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to the Issuer, the Programme or Notes already issued under the Programme. <u>Issue specific summary:</u> [The Notes to be issued [are not]/[have been]/[are expected to be] rated [[●] by [●]].] A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Section C – Securities		
Element	Title	
C.1	Type and class of the Notes:	<p><u>Programme summary:</u></p> <p>The Notes described in this summary are debt securities which may be issued under the EUR 15,000,000,000 Programme.</p> <p>The Notes will be issued in series (each, a “Series”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the issue date and first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each, a “Tranche”) on the same or different issue dates. The specific terms of each Tranche will be completed in the final terms (the “Final Terms”).</p> <p>The Notes may be issued in bearer form (“Bearer Notes”), or in registered form (“Registered Notes”) only. Registered Notes may not be exchanged for Bearer Notes and Bearer Notes may not be exchanged for Registered Notes.</p> <p>Each Tranche of Bearer Notes will be represented on issue by a temporary global note in bearer form, without interest coupons (each, a “temporary Global Note”) if (a) definitive Notes are to be made available to Noteholders following the expiry of 40 days after completion of the distribution of such Tranche or (b) such Notes have an initial maturity of more than one year and are being issued in compliance with TEFRA D (as defined in Element C.5 below). Otherwise, such Tranche will be represented by a permanent global note (a “permanent Global Note”). Registered Notes will be represented by certificates (the “Certificates”), one Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series. Certificates representing Registered Notes that are registered in the name of a nominee for one or more clearing systems are referred to as “Global Certificates”. Global Certificates will be registered in the name of a nominee for one or more clearing systems.</p> <p><u>Issue specific summary:</u></p> <p>Series Number: [•]</p> <p>Tranche Number: [•]</p> <p>[The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [insert description of the Series (the “Existing Notes”)].]</p> <p>Aggregate nominal amount:</p> <p>[(i)] Series: [•]</p> <p>[(ii)] Tranche: [•]</p> <p>Issue Price: [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [•]]</p> <p>Form of Notes: [•]</p> <p>ISIN Code: [•]</p>

Summary of the Programme relating to PD Notes

		<p>[(If fungible with an existing Series insert:)]</p> <p>Pending consolidation with the Existing Notes: [●]</p> <p>Following consolidation with the Existing Notes: [●]</p> <p>Common Code: [●]</p>
C.2	Currencies:	<p><u>Programme summary:</u></p> <p>Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealer(s).</p> <p><u>Issue specific summary:</u></p> <p>[The Specified Currency of the Notes is [●].]</p>
C.5	A description of any restrictions on the free transferability of the Notes:	<p><u>Programme summary:</u></p> <p>The Issuer and the Dealer(s) have agreed certain customary restrictions on offers, sale and delivery of Notes and of the distribution of offering material in the European Economic Area, Australia, Belgium, Canada, the Republic of France, Hong Kong, Japan, the Netherlands, New Zealand, Singapore, Spain, Switzerland, Taiwan, United Kingdom and the United States.</p> <p>For the purposes of Regulation S, Category 2 selling restrictions shall apply.</p> <p>In the case of Bearer Notes offered to non-U.S. persons and certain eligible U.S. persons, such Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”)) (“TEFRA D”) unless (a) the relevant Final Terms states that the Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (“TEFRA C”) or (b) the Notes are issued other than in compliance with TEFRA D or TEFRA C but in circumstances in which the Notes will not constitute “registration required obligations” for U.S. federal income tax purposes, which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable. In the case of a distribution under Rule 144A, Notes will be issued in registered form, as defined in U.S. Temp. Treas. Reg. §5f.103-1(c).</p> <p><u>Issue specific summary:</u></p> <p>[The Issuer and the Dealer(s) have agreed certain customary restrictions on offers, sale and delivery of Notes and of the distribution of offering material in [insert relevant jurisdictions].</p> <p>U.S. selling restrictions: Reg. S Compliance Category 2. [TEFRA C][TEFRA D][TEFRA not applicable]</p>
C.8	Description of the rights attached to the Notes:	<p><u>Ranking (status):</u></p>

	<p>The Notes and the Receipts, Coupons and Talons (as applicable) relating to them will constitute unsecured and unsubordinated obligations of the Issuer and will rank <i>pari passu</i> and without any preference among themselves and with all other present or future (subject as aforesaid) unsecured and unsubordinated obligations of the Issuer (save for such exceptions as may be provided by applicable law), other than, in a bankruptcy (<i>Faillissement</i>), those unsecured and unsubordinated obligations having a lower ranking in reliance on article 212rb of the Dutch Bankruptcy Act (<i>Faillissementswet</i>) (or any other provision implementing article 108 of Directive 2014/59/EU, as amended by Directive (EU) 2017/2399, in the Netherlands).</p> <p><u>Taxation:</u></p> <p>All payments of principal and interest in respect of the Notes, the Receipts, the Coupons and the Talons (as applicable) by or on behalf of the Issuer will be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Netherlands (or any other relevant business jurisdiction of the Issuer), or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall, save in certain limited circumstances, pay such additional amounts as shall result in receipt by the Noteholders, Couponholders and Receiptholders (as applicable) of such amounts as would have been received by them had no such withholding or deduction been required.</p> <p><u>Events of Default:</u></p> <p>The terms of the Notes contain the following events of default:</p> <ul style="list-style-type: none"> (a) default by the Issuer is made for more than 30 days in the payment of interest or principal in respect of any of the Notes; (b) the Issuer fails to observe or perform any of its other obligations under the Notes and such failure continues for the period of 60 days next following the service on the Issuer of notice requiring the same to be remedied; (c) the Issuer becomes bankrupt, an administrator is appointed, or an order is made or an effective resolution is passed for the winding-up, liquidation or administration of the Issuer (except for the purposes of a reconstruction or merger the terms of which have previously been approved by a meeting of Noteholders); (d) the Issuer compromises with its creditors generally or such measures are officially decreed; and (e) the Issuer shall cease to carry on the whole or a substantial part of its business (except for the purposes of a reconstruction or merger the terms of which have previously been approved by a meeting of the Noteholders). <p><u>Meetings:</u></p> <p>Meetings of Noteholders may be convened to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders of Notes including Noteholders who did not vote on the relevant resolution and Noteholders who voted in a manner contrary to the majority.</p> <p><u>Governing law:</u></p> <p>The Notes, Receipts, Coupons and Talons (as applicable) and all non-contractual obligations arising out of or in connection with them will be governed by, and shall be construed in accordance with, the laws of the Netherlands.</p>
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C.9	Interest, maturity and redemption provisions, yield and representative of the Noteholders:	<p><u>Interest</u></p> <p><u>Programme summary:</u></p> <p><u>Fixed Rate Notes:</u> Fixed Rate Notes bear interest at the fixed rate(s) of interest specified in the relevant Final Terms. The rate of interest will remain constant.</p> <p>If the relevant Final Terms specify that the non-deliverable currency interest feature is applicable, interest shall be payable in a different currency to the specified currency, as specified in the relevant Final Terms.</p> <p><u>Floating Rate Notes:</u> Floating Rate Notes bear interest at a variable rate either determined (a) on the same basis as the floating rate under a notional interest-rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions, or (b) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service, together with the (positive or negative) margin (if any). If applicable, the margin will remain constant, unless the relevant Final Terms provide that such margin in any interest period will increase or decrease compared with the margin applicable to the preceding interest period.</p> <p><u>Zero Coupon Notes:</u> Zero Coupon Notes will be offered and sold at a discount to, or at 100 per cent. of, their nominal amount. Zero Coupon Notes do not bear interest and an investor will not receive any return on the Notes until redemption.</p> <p><u>Variable Rate Notes:</u> Variable Rate Notes bear interest at an initial specified rate which may be varied on one or more specified dates during the term of the Notes, either by notice to the Noteholders (which variation is at the Issuer's option) or automatically on such dates. The rates of interest for Variable Rate Notes may be calculated in the same manner as Fixed Rate Notes, Floating Rate Notes, CMS Linked Notes, Inverse Floating Rate Notes, Range Accrual Notes or Zero Coupon Notes.</p> <p><u>Inverse Floating Rate Notes:</u> Inverse Floating Rate Notes bear interest (if any) at a rate determined by reference to a floating rate (determined in accordance with (a) or (b) of "<i>Floating Rate Notes</i>" above) or the mathematical sum of or difference between two such floating rates (the "Inverse Rate"), and may be subject to a minimum amount. The rate of interest applicable in respect of an interest period is calculated by reference to one of the following formulae (as specified in the relevant Final Terms):</p> <p><u>INV(1):</u> The rate of interest will be calculated by subtracting from a margin, the relevant reference rate or floating rate option (as the case may be).</p> <p><u>INV(2):</u> The rate of interest will be calculated by multiplying an inverse rate by a gearing factor and subtracting the result from a margin.</p> <p><u>INV(3):</u> The rate of interest will be calculated by multiplying an inverse rate by a gearing factor and subtracting the result from the rate of interest calculated for the immediately preceding interest period.</p> <p><u>INV(4):</u> The rate of interest will be calculated by (a) multiplying the sum of an inverse rate and a margin by a gearing factor, and (b) subtracting the resulting amount in (a) from the rate of interest calculated for the immediately preceding interest period.</p> <p><u>INV(5):</u> The rate of interest will be calculated by (a) multiplying an inverse rate by a gearing factor and (b) subtracting the resulting amount in (a) from the sum of the rate of interest calculated for the immediately preceding interest period and a margin.</p>
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		<p><u>INV(6)</u>: The rate of interest will be the greater of (a) an inverse rate multiplied by a gearing factor, and the result subtracted from a margin, and (b) the sum of another margin and the rate of interest calculated for the immediately preceding interest period.</p> <p><u>INV(7)</u>: The rate of interest will be the lesser of (a) an inverse rate multiplied by a gearing factor, and the result subtracted from a margin, and (b) the sum of another margin and the rate of interest calculated for the immediately preceding interest period.</p> <p><u>INV(8)</u>: The rate of interest will be the lesser of (a) the greater of (i) an inverse rate multiplied by a gearing factor, and the result subtracted from a margin, and (ii) the sum of another margin and the rate of interest calculated for the immediately preceding interest period, and (b) the sum of another margin and the rate of interest calculated for the immediately preceding interest period.</p> <p>CMS Linked Notes: CMS Linked Notes bear interest (if any) at a rate determined by reference to one or more swap rates. The amount of interest payable is proportionate to either a single swap rate, the mathematical sum of or difference between two such swap rates or calculated in accordance with another of the formulae detailed below, and may be subject to a minimum and/or maximum amount. The rate of interest applicable in respect of an interest period is calculated by reference to one of the following formulae (as specified in the relevant Final Terms):</p> <p><u>CMS(1)</u>: The rate of interest will be equal to a CMS rate.</p> <p><u>CMS(2)</u>: The rate of interest will be equal to a CMS rate plus a margin.</p> <p><u>CMS(3)</u>: The rate of interest will be equal to a CMS rate multiplied by a gearing factor and a margin being added to the result.</p> <p><u>CMS(4)</u>: The rate of interest will be equal to a CMS rate multiplied by a gearing factor.</p> <p><u>CMS(5)</u>: The rate of interest will be equal to a CMS rate plus a margin and the resulting amount being multiplied by a gearing factor.</p> <p><u>CMS(6)</u>: The rate of interest will be equal to the difference between two different CMS rates.</p> <p><u>CMS(7)</u>: The rate of interest will be the product of (a) the difference between two different CMS rates, and a margin added to the result, and (b) a gearing factor.</p> <p><u>CMS(8)</u>: The rate of interest will be the sum of (a) the product of (i) the difference between two different CMS rates and (ii) a gearing factor, and (b) a margin.</p> <p><u>CMS(9)</u>: The rate of interest will be the greater of (a) a CMS rate multiplied by a gearing factor, and a margin added to that result, and (b) an applicable rate (which, for the avoidance of doubt, will be a different rate to the CMS rate) multiplied by another gearing factor, and another margin added to that result.</p> <p><u>CMS(10)</u>: The rate of interest will be the lesser of (a) a CMS rate multiplied by a gearing factor, and a margin added to that result, and (b) an applicable rate (which, for the avoidance of doubt, will be a different rate to the CMS rate) multiplied by another gearing factor, and another margin added to that result.</p> <p><u>CMS(11)</u>: The rate of interest will be the greater of (a) a CMS rate multiplied by a gearing factor, and a margin added to that result, and (b) another CMS rate multiplied by another gearing factor, and another margin added to that result.</p>
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		<p><u>CMSRA(4):</u> The rate of interest applicable in respect of any interest period will be the product of (a) a Range Accrual Fraction and (b) the lesser of (i) an applicable rate (which may be a CMS rate) multiplied by a gearing factor, and a margin added to that result and (ii) a maximum rate of interest.</p> <p><u>CMSRA(5):</u> The rate of interest applicable in respect of any interest period will be the product of (a) a Range Accrual Fraction and (b) the greater of (i) an applicable rate (which may be a CMS rate) multiplied by a gearing factor, and a margin added to that result and (ii) a minimum rate of interest.</p> <p>If the relevant Final Terms specify that the global floor feature is applicable, then, if on the maturity date the sum of all interest amounts paid up to (and including) the maturity date (the “Sum of Interest Paid”) is less than the global floor amount (the “Global Floor Amount”), an additional amount of interest shall be payable on the maturity date equal to the Global Floor Amount minus the Sum of Interest Paid.</p> <p>Range Accrual Notes: Range Accrual Notes bear interest (if any) at a variable rate determined by reference to a floating rate (determined in accordance with paragraph (a) or (b) of “<i>Floating Rate Notes</i>” above) depending on how many days such floating rate is above or below a specified barrier or within a specified range (based upon whether certain specified conditions are satisfied) during a specified observation period. Interest is calculated by reference to one of the following formulae (as specified in the relevant Final Terms):</p> <p><u>RAN(1):</u> The rate of interest will be product of (a) an applicable rate and (b) a Range Accrual Fraction, where the “Range Accrual Fraction” is the resulting fraction of the quotient of (i) the number of fixing days during the relevant interest period on which a specified accrual rate falls inside or outside a specified range and (ii) the total number of fixing days in the relevant interest period.</p> <p><u>RAN(2):</u> The rate of interest will be product of (a) a Range Accrual Fraction and (b) the sum of an applicable rate and a margin.</p> <p><u>RAN(3):</u> The rate of interest will be the product of (a) a Range Accrual Fraction and (b) an applicable rate multiplied by a gearing factor and a margin added to the result.</p> <p><u>RAN(4):</u> The rate of interest will be the product of (a) a Range Accrual Fraction and (b) the lesser of (i) an applicable rate multiplied by a gearing factor, and a margin added to the result, and (ii) a maximum rate of interest.</p> <p><u>RAN(5):</u> The rate of interest will be the product of (a) a Range Accrual Fraction and (b) the greater of (i) an applicable rate multiplied by a gearing factor, and a margin added to the result, (ii) a minimum rate of interest.</p> <p>If the relevant Final Terms specify that the global floor feature is applicable, then, if on the maturity date the sum of all interest amounts paid up to (and including) the maturity date (the “Sum of Interest Paid”) is less than the global floor amount (the “Global Floor Amount”), an additional amount of interest shall be payable on the maturity date equal to the Global Floor Amount minus the Sum of Interest Paid.</p>
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		<p>Ratchet Notes: Ratchet Notes bear interest at a specified geared floating rate plus margin, subject to a minimum amount and maximum amount that both re-set each interest period. The maximum amount that is applicable for an interest period re-sets to the rate of interest paid in the immediately preceding interest period (the “Previous Coupon”) plus a specified maximum increase over such Previous Coupon. The minimum amount that is applicable for an interest period re-sets to the Previous Coupon plus a specified minimum increase, or maximum decrease, over such Previous Coupon. This minimum amount ensures that the interest applicable for an interest period does not fall below a certain rate of interest relative to the Previous Coupon.</p> <p>Contingent Coupon Notes: Contingent Coupon Notes bear interest (if any) at a rate determined by reference to one or more Underlyings (as defined in C.20 below) observed either on a single date or over a number of days in a specified period. Interest is calculated by reference to one of the following formulae (as specified in the relevant Final Terms):</p> <p><u>Conditional Coupon with No Memory – Single Underlying:</u> The Notes bear interest (if any) at a specified rate if the value of the Underlying is at or above a specified threshold on the relevant date, otherwise, no interest will be payable in respect of the relevant Interest Period.</p> <p><u>Conditional Coupon with No Memory and Lock-In Event:</u> The Notes bear interest at a specified rate if the value of the Underlying is greater than or equal to a specified percentage of the initial value of the Underlying on the relevant date, whereupon interest shall be payable at such specified rate in respect of the relevant Interest Period and all subsequent Interest Periods throughout the life of the Notes (a “Lock-in Event”). The Notes bear interest at the same specified rate where a Lock-in Event has not occurred but where the value of the Underlying is greater than or equal to another (lower) specified percentage of the initial value of the Underlying on the relevant date, but only in respect of the relevant Interest Period. Otherwise, no interest will be payable in respect of the relevant Interest Period.</p> <p><u>Conditional Coupon with No Memory – Worst Performer:</u> The Notes bear interest (if any) at a specified rate if the value of each Underlying in a basket is at or above a specified threshold on the relevant date. If the value of any one of the Underlyings comprising the basket is below such specified threshold on the relevant date, no interest will be payable for the relevant Interest Period.</p> <p><u>Conditional Coupon with Memory – Single Underlying:</u> The Notes bear interest (if any) at a specified rate if the value of the Underlying is at or above a specified threshold on the relevant date. If the value is below such threshold, no interest will be payable in respect of the relevant Interest Period, although the rate of interest will in respect of each successive interest period be increased by a factor reflecting the number of previous consecutive interest periods that have occurred where no interest was payable. The Notes bear no interest if the value of the Underlying is below the specified threshold on all of the relevant dates during the term of the Notes.</p>
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		<p><u>FX Linked Interest:</u> <i>FX(1):</i> The Notes bear interest (if any) determined by reference to the performance of the rate of exchange of two specified currencies (an “FX Rate”) multiplied by one specified rate, with a second specified amount being subtracted from the result, subject to a maximum amount and/or a minimum amount if either or both are specified to apply. The performance of such FX Rate is calculated by dividing its value on a specified date prior to each Specified Interest Payment Date by its initial value.</p> <p><i>FX(2):</i> The Notes bear interest (if any) determined by reference to the performance of an FX Rate multiplied by a specified rate, subject to a maximum amount and/or a minimum amount if either or both are specified to apply. The performance of such FX Rate is calculated by dividing its value on a specified date prior to each Specified Interest Payment Date by its initial value.</p> <p><u>FX Range Interest:</u> The Notes bear interest (if any) determined by reference to the performance of a specified FX Rate. If the FX Rate is within two specified thresholds, interest is calculated at one specified rate. If the FX Rate is outside such thresholds, interest is calculated at an alternative rate.</p> <p><u>Issue specific summary:</u></p> <p>[Fixed Rate Notes:</p> <p>The Notes are Fixed Rate Notes. The Notes bear interest from [●] at a rate of [●] per cent. per annum payable [annually][semi-annually][quarterly][monthly] in arrear on [●] in each year.</p> <p>Indication of yield: [●] per cent. per annum.</p> <p>[Converted Interest Currency: [●].]</p> <p>[Floating Rate Notes:</p> <p>The Notes are Floating Rate Notes. The Notes will bear a floating rate of interest from [●] of [LIBOR][LIBID][LIMEAN][GBP-ISDA-Swap Rate][EURIBOR][EONIA][STIBOR][CNH HIBOR][EUR-ISDA-EURIBOR-Swap Rate][JPY-ISDA-Swap Rate][USD-ISDA-Swap Rate][SONIA][Compounded Daily SOFR][Weighted Average SOFR] [+/-] [●] per cent.] [per annum] payable [annually][semi-annually][quarterly][monthly] in arrear on [●] in each year, subject to adjustment in accordance with the [●] Business Day Convention.]</p> <p>[Zero Coupon Notes:</p> <p>The Notes are Zero Coupon Notes and do not bear interest. The Amortisation Yield is [●] per cent. per annum.]</p> <p>[Variable Rate Notes:</p> <p>The Notes are Variable Rate Notes.</p> <p>From [●] to [●], the Notes [bear interest at the rate of [replicate details from Fixed Rate Notes, Floating Rate Notes, Inverse Floating Rate Notes, CMS Linked Notes, Range Accrual Notes above, as applicable]][do not bear Interest. The Amortisation Yield applicable to such period is [●].]</p> <p>From [●] to [●], [if the Issuer notifies the Noteholders via a Variation Notice,] the Notes [bear interest at the rate of [replicate details from Fixed Rate Notes, Floating Rate Notes, Inverse Floating Rate Notes, CMS Linked Notes or Range Accrual Notes above, as applicable]][do not bear Interest. The Amortisation Yield applicable to such period is [●].]</p> <p><i>(Repeat as necessary if more than one Variation Period.)]</i></p> <p>[Inverse Floating Rate Notes:</p>
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		<p>The Notes are Inverse Floating Rate Notes. [The Notes will bear a floating rate of interest from [●] of [●] per cent. - [LIBOR][LIBID][LIMEAN][GBP-ISDA-Swap Rate][EURIBOR][EONIA][STIBOR][CNH HIBOR][EUR-ISDA-EURIBOR-Swap Rate][JPY-ISDA-Swap Rate][USD-ISDA-Swap Rate][SONIA][Compounded Daily SOFR][Weighted Average SOFR]] [per annum] payable [annually][semi-annually][quarterly][monthly] in arrear on [●] in each year, subject to adjustment in accordance with the [●] Business Day Convention.][The Notes will bear interest in accordance with the following formula:</p> <p>[Specify the formula set out for INV(1), INV(2), INV(3), INV(4), INV(5), INV(6), INV(7), INV(8) from Condition 5(d) as applicable].</p> <p>Where:</p> <p>["Gearing Factor"] means [●];]</p> <p>["Inverse Rate"] means [●];]</p> <p>["Margin", "Margin₁", "Margin₂" and "Margin₃"] means [●], [●] and [●] respectively;] [and]</p> <p>["Previous Coupon"] means [●].]</p> <p>[CMS Linked Notes:</p> <p>The Notes are CMS Linked Notes. The Notes will bear interest in accordance with the following formula:</p> <p>[Specify the formula set out for CMS(1), CMS(2), CMS(3), CMS(4), CMS(5), CMS(6), CMS(7), CMS(8), CMS(9), CMS(10), CMS(11), CMS(12), CMS(13), CMS(14), CMS(15), CMS(16), CMS(17), CMS(18), CMS(19), CMSRA(1), CMSRA(2), CMSRA(3), CMSRA(4) or CMSRA(5) from Condition 5(e) as applicable].</p> <p>Where:</p> <p>["Accrual Range"] means [●];]</p> <p>["Accrual Rate"] means [●];]</p> <p>["Applicable Rate"] means [●];]</p> <p>["CMS Rate", "CMS Rate₁", "CMS Rate₂", "CMS Rate₃" and "CMS Rate₄"] means [●], [●], [●], [●] and [●] respectively;]</p> <p>["Gearing Factor", "Gearing Factor₁", "Gearing Factor₂", "Gearing Factor₃", "Gearing Factor₄" and "Gearing Factor₅"] means [●], [●], [●], [●], [●] and [●] respectively;]</p> <p>["Margin", "Margin₁", "Margin₂" and "Margin₃"] means [●] [[●], [●] and [●]] respectively;]</p> <p>["Minimum Rate of Interest", "Minimum Rate of Interest₁" and "Minimum Rate of Interest₂"] and "Maximum Rate of Interest", "Maximum Rate of Interest₁" and "Maximum Rate of Interest₂"] means [●], [●] and [●] and [●], [●] and [●], respectively;] [and]</p> <p>["Power"] means [●].]</p> <p>[Global Floor Feature: Applicable]</p> <p>[Global Floor Percentage: [●].]]</p> <p>[Range Accrual Notes:</p> <p>The Notes are Range Accrual Notes. The Notes will bear interest in accordance with the following formula:</p> <p>[Specify the formula set out for RAN(1), RAN(2), RAN(3), RAN(4), RAN(5) from Condition 5(f) as applicable.]</p>
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		<p>Where:</p> <p>["Accrual Range"] means [●];]</p> <p>["Accrual Rate"] means [●];]</p> <p>["Applicable Rate"] means [●];]</p> <p>["Gearing Factor"] means [●];] [and]</p> <p>["Margin", "Minimum Rate of Interest" and "Maximum Rate of Interest" means [●], [●] and [●] respectively.]</p> <p>[Global Floor Feature: Applicable]</p> <p>[Global Floor Percentage: [●].]]</p> <p>[Ratchet Notes:</p> <p>The Notes are Ratchet Notes. The Notes bear interest at [<i>specify Reference Rate or Floating Rate Option</i>] plus [●] multiplied by [●]], subject to a maximum amount of the rate of interest paid in the immediately preceding interest period (the "Previous Coupon") plus [●] multiplied by [●] and a minimum amount of the Previous Coupon plus [●] multiplied by [●]. For the first interest period, the Previous Coupon is deemed to be [●].]</p> <p>[Contingent Coupon Notes:</p> <p>The Notes are Contingent Coupon Notes. The Notes bear interest (if any) at a rate determined by reference to the Underlying[s] specified in C.20 below, in accordance with the following:</p> <p><u>[Conditional Coupon with No Memory – Single Underlying:</u> The Notes bear interest (if any) at a rate of [●] per cent. if the value of the Underlying is at or above [●] on the relevant date; otherwise, no interest will be payable in respect of the relevant Interest Period.]</p> <p><u>[Conditional Coupon with No Memory and Lock-In Event:</u> The Notes bear interest at a rate of [●] per cent. if the value of the Underlying is greater than or equal to [●] per cent. of the Initial Value of the Underlying on the relevant date, whereupon interest shall be payable at a rate of [●] per cent. in respect of the relevant Interest Period and all subsequent Interest Periods throughout the life of the Notes (a "Lock-in Event"). The Notes bear interest at the same specified rate where a Lock-in Event has not occurred but where the value of the Underlying is greater than or equal to another (lower) specified percentage of the Initial Value of the Underlying on the relevant date, but only in respect of the relevant Interest Period. Otherwise, no interest will be payable in respect of the relevant Interest Period.]</p> <p><u>[Conditional Coupon with No Memory – Worst Performer:</u> The Notes bear interest (if any) at a rate of [●] per cent. if the value of each Underlying in a basket is at or above [●] on the relevant date. If the value of any one of the Underlyings comprising the Basket is below [●] on the relevant date, no interest will be payable for the relevant Interest Period.]</p> <p><u>[Conditional Coupon with Memory – Single Underlying:</u> The Notes bear interest (if any) at a rate of [●] per cent. if the value of the Underlying is at or above [●] on the relevant date. If the value is below [●], no interest will be payable in respect of the relevant Interest Period, although the rate of interest will in respect of each successive Interest Period be increased by a factor reflecting the number of previous consecutive Interest Periods that have occurred where no interest was payable. The Notes bear no interest if the value of the Underlying is below the specified threshold on all of the relevant dates during the term of the Notes.]</p>
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		<p><u>Conditional Coupon with Memory – Worst Performer:</u> The Notes bear interest (if any) at a rate of [●] per cent. if the value of each Underlying in the basket is at or above [●] on the relevant date. If the value of any one or more of the Underlyings in the basket is below [●] on the relevant date, no interest will be payable for the relevant Interest Period, although the rate of interest will in respect of each successive Interest Period be increased by a factor reflecting the number of previous consecutive Interest Periods that have occurred where no interest was payable. The Notes bear no interest if the value of one or more of the Underlyings comprising the basket is below [●] on all of the relevant dates during the term of the Notes.]</p> <p><u>Range Accrual – Single Underlying:</u> The Notes bear interest (if any) at a rate determined by reference to the number of days in [specify observation period] on which the closing value of the Underlying is [at or above [●]][within [specify range]] compared with the number of days in the relevant period. If the value of the Underlying remains [below [●]][outside [specify range]] throughout the entire relevant period, no interest will be payable for the relevant Interest Period.]</p> <p><u>Range Accrual – Worst Performer:</u> The Notes bear interest (if any) at a rate determined by reference to the number of days in [specify observation period] on which the closing value, on any day in such period, of the worst performing Underlying in the basket is [at or above [●]] [within [specify range]] compared with the number of days in the relevant period. If the value of the worst performing Underlying remains [below [●]][outside [specify range]] throughout the entire relevant period, no interest will be payable for the relevant Interest Period.</p> <p><u>Bonus Recovery – Single Underlying:</u> If the value of the Underlying is at or above [●] on the relevant date, the Notes will bear interest (if any) at a rate of [●] per cent. plus an additional rate determined by reference to the increase in value of the Underlying relative to [●] [specify initial value], subject to a minimum of [●]; otherwise, no interest will be payable in respect of the relevant Interest Period.]</p> <p><u>Bonus Recovery – Worst Performer:</u> If the value of each of the Underlyings in the basket is at or above [●] [specify relevant threshold] on the relevant date, the Notes bear interest (if any) at a rate of [●] per cent. plus an additional rate determined by reference to the increase in value of the worst performing Underlying relative to [●] [specify initial value], subject to a minimum of [●]. If the value of any one of the Underlyings comprising the basket falls below such specified threshold on the relevant date, no interest will be payable in respect of the relevant Interest Period.]</p> <p><u>Year-on-year Inflation Linked Interest:</u> The Notes bear interest (if any) at a rate determined by reference to the change in the level of an inflation index over a one year period[, subject to a maximum amount of [●]] [and] [a minimum amount of [●]]. If the performance of the inflation index yields a negative result, no interest is payable.]</p> <p><u>Other Periodic Inflation Linked Interest:</u> The Notes bear interest (if any) at a rate determined by reference to the change in the level of an inflation index over [●] [specify period], subject to a maximum amount of [●] [and] [a minimum amount of [●]]. If the performance of the inflation index yields a negative result, no interest is payable.]</p> <p><u>Digital Interest:</u> The Notes bear interest at a rate of [●] per cent. if the value of the Underlying is [[equal to or less than][equal to or greater than] [●]][between [●] [specify range]]; otherwise the Notes bear interest at a rate of [●] per cent.]</p>
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		<p><u>FX Linked Interest:</u> [FX(1): The Notes bear interest (if any) determined by reference to the performance of the relevant FX Rate multiplied by [●], with [●] being subtracted from the result[, subject to a maximum amount of [●]] [and] [a minimum amount of [●]]. The performance of the relevant FX Rate is calculated by dividing its value on a specified date prior to each Specified Interest Payment Date by its initial value.]</p> <p>[FX(2): The Notes bear interest (if any) determined by reference to the performance of the relevant FX Rate multiplied by [●][, subject to a maximum amount of [●]] [and] [a minimum amount of [●]]. The performance of the relevant FX Rate is calculated by dividing its value on a specified date prior to each Specified Interest Payment Date by its initial value.]]</p> <p><u>FX Range Interest:</u> The Notes bear interest (if any) determined by reference to the performance of a specified FX Rate. If the FX Rate is between [●] and [●], interest is calculated at [●]. If the FX Rate is outside [●] and [●], interest is calculated at [●].]]</p> <p><u>Maturity</u></p> <p><u>Programme summary:</u></p> <p>Subject to compliance with all relevant laws, regulations and directives, the Notes will have a maturity between seven days and perpetuity, as agreed between the Issuer and the relevant Dealer at the time of issue of the relevant Notes and specified in the relevant Final Terms.</p> <p>Unless redeemed or purchased and cancelled earlier, the Issuer will redeem the Notes on the relevant maturity date at a percentage of their nominal amount. Such percentage will be agreed between the Issuer and the relevant Dealer at the time of issue of the relevant Notes and specified in the relevant Final Terms.</p> <p><u>Issue specific summary:</u></p> <p>[The maturity date of the Notes is [[●][the Interest Payment Date falling in or nearest to [●]]¹]. Unless redeemed or purchased and cancelled earlier, the Issuer will redeem the Notes on the maturity date at [●] per cent. of their nominal amount or at the amount calculated in accordance with the Final Redemption Amount formulae specified in the relevant Final Terms.]</p> <p><u>Early Redemption</u></p> <p><u>Programme summary:</u></p> <p>Automatic Early Redemption</p> <p>Where “Automatic Early Redemption” is specified to apply, the Notes will be automatically redeemed prior to their stated maturity upon the occurrence of certain events, specified in the relevant Final Terms on a specified automatic early redemption date.</p> <p>The cash amount in respect of each specified calculation amount per Note (the “Calculation Amount”) payable on any such early redemption will be equal to a specified percentage per Calculation Amount, together with the interest (if any) accrued to (but excluding) the date on which the Notes redeem early.</p> <p>Optional Early Redemption</p>
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¹ Complete for Floating Rate Notes

		<p>Where “Call Option” is specified to apply, Notes may be redeemed early at the option of the Issuer on giving not less than 15 nor more than 30 days’ notice (or such other notice period as may be specified in the relevant Final Terms) to the Noteholders.</p> <p>Where “Put Option” is specified to apply, each Note may be redeemed early at the option of the holder of such Note on giving not less than 15 nor more than 30 days’ notice (or such other notice period as may be specified in the relevant Final Terms) to the Issuer.</p> <p>Other Early Redemption</p> <p>The Notes will be redeemable at the option of the Issuer prior to maturity in whole, but not in part (i) for tax reasons, or (ii) for illegality reasons.</p> <p>The Notes will also be redeemed early in whole, but not in part, if (a) in the case of Commodity Linked Notes, Commodity Index Linked Notes, Equity Index Linked Notes, FX Linked Notes or Inflation Index Linked Notes, upon the occurrence of an Additional Disruption Event affecting the relevant Underlying, the Issuer, in its sole and absolute discretion, elects to do so, (b) in the case of Equity Linked Notes, upon the occurrence of a Potential Adjustment Event, Delisting, Merger Event, Tender Offer, Nationalisation, Insolvency or Additional Disruption Event affecting the relevant Equity, Basket of Equities or Equity Issuer(s), as the case may be, the Issuer, in its sole and absolute discretion, elects to do so, or (c) in the case of Fund Linked Notes, upon the occurrence of a Trigger Event, the Calculation Agent determines, in its sole and absolute discretion, that an early redemption is necessary.</p> <p><u>Issue specific summary:</u></p> <p>[Automatic Early Redemption]</p> <p>[Autocall – Single Underlying: The Notes will redeem prior to their stated maturity on [●] if the value of the Underlying is at or above [●].]</p> <p>[Autocall – Worst Performer: The Notes will redeem prior to their stated maturity on [●] if the value of each Underlying in the basket is at or above [●].]</p> <p>[Autocall (Individual Call) – Single Underlying: The Notes will redeem prior to their stated maturity on [●] [if the value of the Underlying is equal to or less than [●]][if the value of the Underlying is equal to or greater than [●]][if the value of the Underlying is equal to or between [●]].]</p> <p>[Autocall (Individual Call) – Worst Performer: The Notes will redeem prior to their stated maturity on [●] [if the value of each Underlying in the basket is equal to or less than [●]][if the value of each Underlying in the basket is equal to or greater than [●]][if the value of each Underlying in the basket is equal to or between [●]].]</p> <p>The amount per Note payable on any such early redemption will be equal to [●] per Calculation Amount, together with the interest (if any) accrued to (but excluding) the date on which the Notes redeem early.]</p> <p>[Optional Early Redemption]</p> <p>[Call Option: The Notes may be redeemed prior to their stated maturity, in whole or in part, on [●] at an amount per Note equal to [●] per Calculation Amount, together with the interest (if any) accrued to (but excluding) the date on which the Notes redeem early. Such early redemption will be subject to a Minimum Redemption Amount of [●] and a Maximum Redemption Amount of [●].]</p>
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		<p>[Put Option: Each Note may be redeemed prior to their stated maturity at the option of the holder of such Note on [●] at an amount per Note equal to [●] per Calculation Amount, together with the interest (if any) accrued to (but excluding) the date on which the Notes redeem early.]]</p> <p>[Other Early Redemption</p> <p>The amount per Note payable on any such early redemption will be equal to [●] per Calculation Amount, together with the interest (if any) accrued to (but excluding) the date on which the Notes redeem early.]</p> <p><u>Redemption at maturity</u></p> <p><u>Programme summary:</u></p> <p>The redemption amount payable or deliverable (as the case may be) at maturity is calculated by reference to a specified “Final Redemption Amount” formula, which will determine either (a) a cash amount to be paid on the maturity date (either specified in such Final Redemption Amount formula or calculated on the basis of a specified cash amount formula (“Cash Settlement Amount”)) or (b) an amount of assets which the Issuer shall deliver to Noteholders (“Asset Amount”), calculated in accordance with a specified Asset Amount formula, as the case may be.</p> <p>Final Redemption Amounts</p> <p><u>Redemption at Par/Redemption at Discount/Premium:</u> The Notes will be redeemed at a par or at a specified percentage per Calculation Amount (which may be less than (issued at a “discount”) or greater than (issued at a “premium”) 100 per cent.).</p> <p>In the case of Fixed Rate Notes where the Final Redemption Amount is specified as “Redemption at Par”, the Final Redemption Amount shall be payable in a different currency to the specified currency if the relevant Final Terms specify that the non-deliverable currency redemption feature is applicable.</p> <p><u>Dual Currency Redemption – Single Underlying:</u> A cash amount equivalent to the Calculation Amount will be payable. The currency in which such cash amount is payable will be determined by reference to the increase or decrease in the value of an FX rate. If the FX rate is either (a) equal to or greater than, (b) equal to or less than, (c) greater than or (d) less than a specified threshold, depending on which option is specified in the relevant Final Terms (each, a “Currency Condition”), the cash amount will be converted into an alternative currency at an exchange rate as specified in the relevant Final Terms. If the Currency Condition is not met, the cash amount will be payable in the currency in which the Notes are denominated.</p> <p>If “Par” is specified, then the Notes will redeem at par converted at a specified exchange rate.</p> <p><u>Dual Currency Redemption – Performance:</u> A cash amount equivalent to the Calculation Amount will be payable. The currency in which such cash amount is payable will be determined by reference to the increase or decrease in the value of an FX Rate over a specified period (the “FX Performance”). If the FX Performance is either (a) equal to or greater than, (b) equal to or less than, (c) greater than or (d) less than a specified threshold, depending on which option is specified in the relevant Final Terms (each, a “Currency Condition”), the cash amount will be converted into an alternative currency at an exchange rate as specified in the relevant Final Terms. If the Currency Condition is not met, the cash amount will be payable in the currency in which the Notes are denominated.</p>
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		<p><u>Continuous Barrier Redemption – Worst Performer:</u> If the final value of each Underlying in a basket is greater than or equal to its strike, the Notes will redeem in accordance with the first Cash Settlement Amount formula specified in the relevant Final Terms; if the final value of any such Underlying is less than the strike and a specified barrier has not been breached, the Notes will redeem at par; if the final value of any such Underlying is less than its strike and a specified barrier has been breached, the Notes will redeem in accordance with the second Cash Settlement Amount formula or the Asset Amount formula, as the case may be, specified in the relevant Final Terms.</p> <p>Cash Settlement Amounts</p> <p><u>Redemption at Par/Redemption at Discount/Premium:</u> The Notes will be redeemed at a par or at a specified percentage per Calculation Amount (which may be less than or greater than 100 per cent.).</p> <p>If one of the following formulae is specified to apply in respect of the Notes, the amount payable at maturity will be determined by reference to the performance of one or more Underlyings over a period of time:</p> <p><u>Performance – Single Underlying:</u> A cash amount (if any) will be payable on redemption calculated by dividing the final value of an Underlying by its specified initial value.</p> <p><u>Performance – Worst Performer:</u> A cash amount (if any) will be payable on redemption calculated by dividing the final value of the worst performing Underlying in a basket by its specified initial value.</p> <p><u>Performance – Basket:</u> A cash amount (if any) will be payable on redemption calculated by dividing the final value of all Underlyings in a basket by their aggregate initial value.</p> <p><u>Gearing – Single Underlying:</u> A cash amount (if any) will be payable on redemption determined by reference to the increase or decrease in the value of an Underlying relative to its specified initial value, which amount is multiplied by a specified geared rate and with a specific amount deducted.</p> <p><u>Gearing – Worst Performer:</u> A cash amount (if any) will be payable on redemption determined by reference to the increase or decrease in the value of the worst performing Underlying in a basket relative to its specified initial value, which amount is multiplied by a specified geared rate and with a specific amount deducted.</p> <p><u>Gearing with cap – Single Underlying:</u> A cash amount (if any) will be payable on redemption determined by reference to the geared increase or decrease in the value of an Underlying relative to its specified initial value, subject to a specified maximum amount.</p> <p><u>Gearing with cap – Worst Performer:</u> A cash amount (if any) will be payable on redemption determined by reference to the geared increase or decrease in the value of the worst performing Underlying in a basket relative to its specified initial value, subject to a specified maximum amount.</p> <p><u>Gearing with cap and/or floor – Single Underlying:</u> A cash amount (if any) will be payable on redemption determined by reference to the geared increase or decrease in the value of an Underlying relative to its specified initial value, subject to a specified maximum amount and/or a specified minimum amount.</p>
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		<p><u>Gearing with cap and/or floor – Worst Performer:</u> A cash amount (if any) will be payable on redemption determined by reference to the geared increase or decrease in the value of the worst performing Underlying in a basket relative to its specified initial value, subject to a specified maximum amount and/or a specified minimum amount.</p> <p><u>Inflation Index Linked Redemption:</u> A cash amount (if any) will be payable on redemption determined by reference to the increase or decrease in the value of an inflation index over a specified period, subject to a minimum amount and a maximum amount, as the case may be, if applicable.</p> <p><u>FX Performance Linked Redemption – Single Underlying:</u> A cash amount (if any) will be payable on redemption determined by reference to the increase or decrease in the value of an FX Rate, subject to a minimum amount, over a specified period, which amount is multiplied by a specified geared rate.</p> <p><u>FX Performance Linked Redemption – Basket:</u> A cash amount (if any) will be payable on redemption determined by reference to the average of the increase or decrease in the value of a basket of FX Rates over a specified period.</p> <p>Asset Amounts</p> <p>The “Asset Amount” formula specified will determine the amount of assets per Calculation Amount that the Issuer shall deliver to Noteholders on redemption (the “Asset Amount”). In the event that this amount does not result in whole numbers of assets, any residual amount will be paid in cash.</p> <p><u>Single Underlying – No Exchange Rate:</u> The Asset Amount will be determined by dividing the Calculation Amount by the final value of the Underlying.</p> <p><u>Single Underlying – Exchange Rate for Currencies other than Sterling:</u> The Asset Amount will be determined by dividing the Calculation Amount by the final value of the Underlying, taking into account the applicable exchange rate between the specified currency of the Notes and the currency of the Underlying.</p> <p><u>Single Underlying – Exchange Rate for Sterling:</u> The Asset Amount will be determined by dividing the Calculation Amount by the final value of the Underlying, taking into account the applicable exchange rate between the specified currency of the Notes and the currency of the Underlying, the resulting value of which is then multiplied by 100.</p> <p><u>Worst Performer – No Exchange Rate:</u> The Asset Amount will be determined by dividing the Calculation Amount by the final value of the worst performing Underlying in the basket.</p> <p><u>Worst Performer – Exchange Rate for Currencies other than Sterling:</u> The Asset Amount will be determined by dividing the Calculation Amount by the final value of the worst performing Underlying in the basket, taking into account the applicable exchange rate between the specified currency of the Notes and the currency of the relevant Underlying.</p> <p><u>Worst Performer – Exchange Rate for Sterling:</u> The Asset Amount will be determined by dividing the Calculation Amount by the final value of the worst performing Underlying in the basket, taking into account the applicable exchange rate between the specified currency of the Notes and the currency of the relevant Underlying, the resulting value of which is then multiplied by 100.</p> <p><u>Issue specific summary:</u></p>
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		<p>[The redemption amount payable [or deliverable (as the case may be)] at maturity is calculated by reference to [the value of the Underlying[s] and] the “Final Redemption Amount” formula specified below, which will determine [a cash amount to be paid on the maturity date (<i>complete where the Final Redemption Amount is Par or Premium/Discount</i>))[a cash amount to be paid on the maturity date, either specified in the relevant Final Redemption Amount or in the Cash Settlement Amount[s] specified below (<i>complete where the Final Redemption Amount is any other formulae and only Cash Settlement Amount(s) apply</i>)]], or an amount of assets to be delivered to the Noteholders calculated in accordance with the Asset Amount formula specified below (<i>include where an Asset Amount applies</i>)].</p> <p>Final Redemption Amounts</p> <p><u>[Redemption at [Par][Discount][Premium]]</u>: The Notes will be redeemed at [par][[●] per cent. per Calculation Amount].]</p> <p><u>[Dual Currency Redemption – Single Underlying]</u>: A cash amount equivalent to the Calculation Amount will be payable. [The currency in which such cash amount is payable will be determined by reference to the increase or decrease in the value of an FX rate. If the FX rate is [equal to or greater than][equal to or less than][greater than][less than] [●], the cash amount will be converted into [<i>specify Second Currency</i>] at [<i>specify Specified Exchange Rate</i>]. If the Currency Condition is not met, the cash amount will be payable in the currency in which the Notes are denominated.][The cash amount will be converted into [<i>specify Second Currency</i>] at [<i>specify Specified Exchange Rate</i>].]</p> <p><u>[Dual Currency Redemption – Underlying Performance]</u>: A cash amount equivalent to the Calculation Amount will be payable. The currency in which such cash amount is payable will be determined by reference to the increase or decrease in the value of an FX Rate over a specified period (the “FX Performance”). If the FX Performance is [equal to or greater than][equal to or less than][greater than][less than] [●], the cash amount will be converted into [<i>specify Second Currency</i>] at [<i>specify Specified Exchange Rate</i>]. If the Currency Condition is not met, the cash amount will be payable in the currency in which the Notes are denominated.]</p> <p><u>[Standard Redemption – Single Underlying]</u>: If the final value of the Underlying is greater than or equal to [●], the Notes will redeem at par; otherwise, the Notes will redeem in accordance with the [Cash Settlement Amount][Asset Amount] formula specified below.]</p> <p><u>[Standard Redemption – Lock-In Event and Barrier Condition]</u>: If, on the maturity date, a Lock-in Event (as defined under “<i>Conditional Coupon with No Memory and Lock-in Event</i>” above) has occurred or the value of the Underlying is greater than or equal to a strike value of [●] on the final redemption observation date, the Notes will redeem at par; otherwise, a cash amount (if any) will be payable on redemption calculated by reference to the increase or decrease in the value of the Underlying relative to its initial value, which amount is divided by the Initial Value of the Underlying.]</p> <p><u>[Standard Redemption – Worst Performer]</u>: If the final value of each Underlying in the basket is greater than or equal to [●], the Notes will redeem at par; otherwise, the Notes will redeem in accordance with the [Cash Settlement Amount][Asset Amount] formula specified below.]</p>
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		<p><u>[Standard Redemption – Basket]</u>: If the aggregate of the final values of all the Underlyings in the basket is greater than or equal to [●], the Notes will redeem at par; otherwise, the Notes will redeem in accordance with the [Cash Settlement Amount][Asset Amount] formula specified below.]</p> <p><u>[Barrier Redemption – Single Underlying]</u>: If the final value of the Underlying is greater than or equal to [●], the Notes will redeem in accordance with the [first] Cash Settlement Amount formula specified below; if the final value of the Underlying is less than [●] and equal to or greater than [●], the Notes will redeem at par; if the final value of the Underlying is less than [●], the Notes will redeem in accordance with the [second Cash Settlement Amount formula][the Asset Amount formula] specified below.]</p> <p><u>[Barrier Redemption – Worst Performer]</u>: If the final value of each Underlying in the basket is greater than or equal to [●], the Notes will redeem in accordance with the [first] Cash Settlement Amount formulae specified below; if the final value of the worst performing Underlying in the basket is less than [●] and equal to or greater than [●], the Notes will redeem at par; if the final value of any Underlying in the basket is less than [●], the Notes will redeem in accordance with the [second Cash Settlement Amount formula][the Asset Amount formula] specified below.]</p> <p><u>[Continuous Barrier Redemption – Single Underlying]</u>: If the final value of the Underlying is greater than or equal to [●], the Notes will redeem in accordance with the [first] Cash Settlement Amount formula specified below; if the final value of the Underlying is less than [●] and the Barrier Breach Event has not occurred, the Notes will redeem at par; if the final value of the Underlying is less than [●] and the Barrier Breach Event has occurred, the Notes will redeem in accordance with the [second Cash Settlement Amount formula][the Asset Amount formula] specified below.</p> <p>The applicable Barrier Breach Event is [Barrier Breach Event (Observation Period Intra-Day)][Barrier Breach Event (Observation Period Closing)][Barrier Breach Event (Reference Business Day Closing)].</p> <p><u>[Continuous Barrier Redemption – Worst Performer]</u>: If the final value of each Underlying in the basket is greater than or equal to [●], the Notes will redeem in accordance with the [first] Cash Settlement Amount formula specified below; if the final value of any Underlying in the basket is less than [●] and the Barrier Breach Event has not occurred, the Notes will redeem at par; if the final value of any Underlying in the basket is less than [●] and the Barrier Breach Event has occurred, the Notes will redeem in accordance with the [second Cash Settlement Amount formula][the Asset Amount formula] specified below.</p> <p>The applicable Barrier Breach Event is [Barrier Breach Event (Observation Period Intra-Day)][Barrier Breach Event (Observation Period Closing)][Barrier Breach Event (Reference Business Day Closing)].</p> <p>Cash Settlement Amounts</p> <p><u>[Redemption at [Par][Discount][Premium]]</u>: The Notes will be redeemed at [par][[●] per cent. per Calculation Amount].]</p> <p><u>[Performance – Single Underlying]</u>: A cash amount (if any) will be payable on redemption calculated by dividing the final value of the Underlying by [specify initial value of the Underlying].]</p> <p><u>[Performance – Worst Performer]</u>: A cash amount (if any) will be payable on redemption calculated by dividing the final value of the worst performing Underlying in the basket relative to its initial value.]</p>
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		<p><u>Performance – Basket:</u> A cash amount (if any) will be payable on redemption calculated by dividing the aggregate final value of all Underlyings in the basket by [specify aggregate initial value of the basket].]</p> <p><u>Gearing – Single Underlying:</u> A cash amount (if any) will be payable on redemption determined by reference to the increase or decrease in the value of the Underlying relative to its specified initial value, which amount is multiplied by [●] plus [●], less [●].]</p> <p><u>Gearing – Worst Performer:</u> A cash amount (if any) will be payable on redemption determined by reference to the increase or decrease in the value of the worst performing Underlying in the basket relative to its specified initial value, which amount is multiplied by [●] plus [●], less [●].]</p> <p><u>Gearing with cap – Single Underlying:</u> A cash amount (if any) will be payable on redemption determined by reference to the increase or decrease in the value of the Underlying relative to [specify initial value of the Underlying], multiplied by [●] and subject to a maximum amount of [●].]</p> <p><u>Gearing with cap – Worst Performer:</u> A cash amount (if any) will be payable on redemption determined by reference to the increase or decrease in the value of the worst performing Underlying in the basket relative to its specified initial value, multiplied by [●] and subject to a maximum amount of [●].]</p> <p><u>Gearing with cap and/or floor – Single Underlying:</u> A cash amount (if any) will be payable on redemption determined by reference to the increase or decrease in the value of the Underlying relative to [specify initial value of the Underlying], multiplied by [●] and subject to [a maximum amount of [●]] [and] [a minimum amount of [●]].]</p> <p><u>Gearing with cap and/or floor – Worst Performer:</u> A cash amount (if any) will be payable on redemption determined by reference to the increase or decrease in the value of the worst performing Underlying in the basket relative to its specified initial value, multiplied by [●] and subject to [a maximum amount of [●]] [and] [a minimum amount of [●]].]</p> <p><u>Inflation Index Linked Redemption:</u> A cash amount (if any) will be payable on redemption determined by reference to the increase or decrease in the value of [specify inflation index] from [●] to [●], subject to a minimum amount and a maximum amount.]</p> <p><u>FX Performance Linked Redemption – Single Underlying:</u> A cash amount (if any) will be payable on redemption determined by reference to the increase or decrease in the value of the value of the Underlying from [●] to [●], which amount is multiplied by [●] and is subject to a minimum amount of [●].]</p> <p><u>FX Performance Linked Redemption - Basket:</u> A cash amount (if any) will be payable on redemption determined by reference to the average of the increase or decrease in the value of the basket of FX Rates from [●] to [●].]</p> <p>Asset Amounts</p> <p>The “Asset Amount” formula specified will determine the amount of assets that the Issuer shall deliver to Noteholders on redemption (the “Asset Amount”). In the event that this amount does not result in whole numbers of assets, any residual amount will be paid in cash.</p> <p><u>Single Underlying – No Exchange Rate:</u> The Asset Amount will be determined by dividing the Calculation Amount by the final value of the Underlying.]</p>
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		<p><u>[Single Underlying – Exchange Rate for Currencies other than Sterling:</u> The Asset Amount will be determined by dividing the Calculation Amount by the final value of the Underlying, taking into account the applicable exchange rate between the specified currency of the Notes and the currency of the Underlying.]</p> <p><u>[Single Underlying – Exchange Rate for Sterling:</u> The Asset Amount will be determined by dividing the Calculation Amount by the final value of the Underlying, taking into account the applicable exchange rate between the specified currency of the Notes and the currency of the Underlying, the resulting value of which is then multiplied by 100.]</p> <p><u>[Worst Performer – No Exchange Rate:</u> The Asset Amount will be determined by dividing the Calculation Amount by the final value of the worst performing Underlying in the basket.]</p> <p><u>[Worst Performer – Exchange Rate for Currencies other than Sterling:</u> The Asset Amount will be determined by dividing the Calculation Amount by the final value of the worst performing Underlying in the basket, taking into account the applicable exchange rate between the specified currency of the Notes and the currency of the relevant Underlying.]</p> <p><u>[Worst Performer – Exchange Rate for Sterling:</u> The Asset Amount will be determined by dividing the Calculation Amount by the final value of the worst performing Underlying in the basket, taking into account the applicable exchange rate between the specified currency of the Notes and the currency of the relevant Underlying, the resulting value of which is then multiplied by 100.]]</p> <p><u>Fiscal Agent</u></p> <p><u>Programme Summary:</u></p> <p>Deutsche Bank AG, London Branch if the global notes representing the Notes are or will be deposited with Euroclear or Clearstream or Coöperatieve Rabobank U.A. if the global notes representing the Notes are or will be solely deposited with Euroclear Netherlands.</p> <p><u>Issue specific summary:</u></p> <p>[Deutsche Bank AG, London Branch][Coöperatieve Rabobank U.A.]</p>
C.10	Derivative component in interest payments:	<p><u>Programme summary:</u></p> <p>The amount of interest payable in respect of Contingent Coupon Notes is dependent on the value of one or more Underlyings. Where “Automatic Early Redemption” is specified to apply, whether the Notes redeem early depends on the value of one or more Underlyings, which may affect the amount of interest (if any) an investor receives over the term of the Notes. See C.9 above and C.18 below for further information.</p> <p><u>Issue specific summary:</u></p> <p>[[The amount of interest payable in respect of Contingent Coupon Notes is dependent on the value of one or more Underlyings.]</p> <p>[Whether the Notes redeem automatically early depends on the value of the Underlying[s] specified in C.20 below [, which may affect the amount of interest (if any) an investor receives over the term of the Notes]. See C.9 above and C.18 below for further information.][Not applicable]]</p>
C.11	Listing and admission to trading:	<p><u>Programme summary:</u></p> <p>Notes may be listed on Euronext Amsterdam, on the regulated market of the Luxembourg Stock Exchange or may be issued on an unlisted basis.</p>

		<p><u>Issue specific summary:</u></p> <p>[Application has been made][Application is expected to be made] by the Issuer (or on its behalf) for the Notes to be admitted to trading on [●] with effect from [●][Not Applicable. The Notes are not intended to be admitted to trading.]</p>
C.15	Description of how the value of your investment is affected by the value of the Underlying Assets:	<p><u>Programme summary:</u></p> <p><u>Contingent Coupon Notes:</u> The amount of interest payable (if any) in any interest period will depend on the value of the Underlying(s) on a specified observation date or during a specified observation period. In particular:</p> <p><u>Conditional Coupon with No Memory, Conditional Coupon with Memory and Bonus Recovery:</u> Interest will be payable if the value of the relevant Underlying is at or above a specified threshold; otherwise no interest will be payable for that interest period.</p> <p><u>Range Accrual:</u> Interest will be payable if the value of the relevant Underlying is at or above a specified threshold, or within a specified range; otherwise no interest will be payable for that interest period.</p> <p><u>Year-on-year Inflation Linked Interest and Other Periodic Inflation Linked Interest:</u> The amount of interest payable is determined by reference to the change in the level of an inflation index over a specified period. If the value of the inflation index increases over a specified time, the amount of interest payable for the relevant period will increase and, if the value of such index decreases, the amount of interest payable for the relevant period will decrease.</p> <p><u>Digital Interest:</u> The amount of interest payable will depend on the value of the Underlying relative to either a specified threshold or a specified range.</p> <p><u>FX Linked Interest:</u> The amount of interest payable is determined by reference to the change in the value of an FX Rate relative to a specified initial FX Rate. If the value of the FX Rates increases relative to such initial FX Rate, the amount of interest payable for the relevant period will increase and, if the value of such FX Rate decreases, the amount of interest payable for the relevant period will decrease.</p> <p><u>FX Range Interest:</u> The amount of interest payable is determined by reference to the performance of a specified FX Rate. If the FX Rate is within two specified thresholds, interest is calculated at one specified rate. If the FX Rate is outside such thresholds, interest is calculated at an alternative rate.</p> <p><u>Automatic Early Redemption:</u> Whether the Notes redeem prior to the stated maturity date will depend on the value of the relevant Underlying(s) relative to either a specified threshold or a specified range.</p> <p><u>Final Redemption Amounts:</u> Other than Notes where the Final Redemption Amount is specified as “Redemption at Par” or “Redemption at Discount/Premium”, the amount at which the Notes will redeem on maturity will depend on the final value of the Underlying(s). In particular:</p> <p><u>Dual Currency Redemption – Single Underlying and Dual Currency Redemption – Underlying Performance:</u> The currency in which the cash amount is payable on redemption is determined in reference to the value of an FX Rate on a particular date or relative to a specified trigger threshold.</p>

		<p><u>Standard Redemption:</u> If the final value of the relevant Underlying(s) is at or above a specified value, the Notes will be redeemed at par; otherwise, the amount of assets deliverable or cash payable on redemption will be determined in accordance with the Cash Settlement Amount or Asset Amount formula (or other formula) specified in the relevant Final Terms.</p> <p><u>Barrier Redemption:</u> If the final value of the relevant Underlying(s) is at or above a specified value, the Notes will be redeemed in accordance with the “First Cash Settlement Amount” formula specified in the relevant Final Terms; if the final value of the Underlying(s) falls within two specified values, the Notes will be redeemed at par; otherwise, the amount of assets deliverable or cash payable on redemption will be determined in accordance with the “Second Cash Settlement Amount” or Asset Amount formula specified in the relevant Final Terms.</p> <p><u>Continuous Barrier Redemption:</u> If the final value of the relevant Underlying(s) is at or above a specified value, the Notes will be redeemed in accordance with the “First Cash Settlement Amount” formula specified in the relevant Final Terms; if the final value of the Underlying(s) is less than the specified value and a barrier breach event has not occurred, the Notes will be redeemed at par; otherwise, the amount of assets deliverable or cash payable on redemption will be determined in accordance with the “Second Cash Settlement Amount” or Asset Amount formula specified in the relevant Final Terms.</p> <p><u>Cash Settlement Amounts:</u> Other than Notes where the Cash Settlement Amount is specified as “Redemption at Par” or “Redemption at Discount/Premium”, the amount at which the Notes will redeem on maturity will depend in part on the final value of the Underlying(s). In particular:</p> <p><u>Performance and Gearing:</u> The cash amount payable on redemption is determined by reference to the value of the relevant Underlying(s) relative to a specified strike value. If the value of the relevant Underlying(s) increases relative to such strike value, the amount payable on redemption will increase and, if the value of such Underlying(s) decreases, the amount of payable on redemption will decrease.</p> <p><u>Inflation Linked Redemption:</u> The cash amount payable on redemption is determined by reference to the change in the level of an inflation index over a specified period. If the value of the inflation index increases over a specified time, the amount payable on redemption will increase and, if the value of such index decreases, the amount payable on redemption will decrease.</p> <p><u>FX Performance Linked Redemption:</u> The cash amount payable on redemption is determined by reference to the performance of a FX Rate or basket of FX Rates. If “Put” is selected and the relevant FX Rate(s) increase in value, the amount payable on redemption will be higher. If “Call” is selected and the relevant FX Rate(s) increase in value, the amount payable on redemption will be lower.</p> <p><u>Asset Amounts:</u> If an Asset Amount formula is applicable, the amount of assets deliverable at maturity will be dependent in part on the strike value of the relevant Underlying and any exchange rate, if applicable. The higher the final value, the fewer the number of assets that will be deliverable.</p> <p><u>Issue specific summary:</u> [(Complete the following for Contingent Coupon Notes.) <u>Contingent Coupon Notes:</u> [[Conditional Coupon with No Memory][Conditional Coupon with Memory][Bonus Recovery]: Interest will be payable if the value of the relevant Underlying is at or above [●]; otherwise no interest will be payable for that interest period.]</p>
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		<p><u>[Range Accrual]:</u> Interest will be payable if the value of the relevant Underlying is at or above [●], or within [specify range]; otherwise no interest will be payable for that interest period.]</p> <p><u>[Year-on-year Inflation Linked Interest][Other Periodic Inflation Linked Interest]:</u> The amount of interest payable is determined by reference to the change in the level of the relevant inflation index from [●] to [●]. If the value of the relevant inflation index increases in that period, the amount of interest payable will increase and, if the value of the relevant inflation index decreases, the amount of interest payable will decrease.]</p> <p><u>[Digital Interest]:</u> The amount of interest payable will depend on the value of the relevant Underlying relative to [●].]</p> <p><u>[FX Linked Interest]:</u> The amount of interest payable is determined by reference to the change in the value of the relevant Underlying relative to a specified initial value of the Underlying. If the value of the FX Rates increases relative to such initial value, the amount of interest payable for the relevant period will increase and, if the value of such FX Rate decreases, the amount of interest payable for the relevant period will decrease.]</p> <p><u>[FX Range Interest]:</u> The amount of interest payable will depend on the value of the Underlying relative to [●].]</p> <p><i>(Complete the following for Automatic Early Redemption.)</i> <u>Automatic Early Redemption:</u> Whether the Notes redeem early will depend on the value of the relevant Underlying(s) relative to [●].]</p> <p><i>(Complete the following for Final Redemption Amount, Cash Settlement Amount and/or Asset Amount unless the Final Redemption Amount is “Redemption at Par” or “Redemption at Discount/Premium”.)</i> <u>Final Redemption Amounts:</u></p> <p><u>[Dual Currency Redemption]:</u> The currency in which the cash amount is payable on redemption is determined in reference to the value of the Underlying relative to [●].]</p> <p><u>[Standard Redemption]:</u> If the final value of the Underlying[s] is at or above [●], the Notes will be redeemed at par; otherwise, the amount of assets deliverable or cash payable on redemption will be determined in accordance with the [Cash Settlement Amount][Asset Amount] specified below.]</p> <p><u>[Barrier Redemption]:</u> If the final value of the Underlying[s] is at or above [●], the Notes will be redeemed in accordance with the First Cash Settlement Amount specified below; if the final value of the Underlying[s] falls below [●] but remains greater than [●], the Notes will be redeemed at par; otherwise, the amount of [assets deliverable][cash payable] on redemption will be determined in accordance with the [Second Cash Settlement Amount][Asset Amount formulae] specified below.]</p> <p><u>[Continuous Barrier Redemption]:</u> If the final value of the Underlying[s] is at or above [●], the Notes will be redeemed in accordance with the First Cash Settlement Amount specified below; if the final value of the Underlying[s] falls below [●] and a Barrier Breach Event has not occurred, the Notes will be redeemed at par; otherwise, the amount of [assets deliverable][cash payable] on redemption will be determined in accordance with the [Second Cash Settlement Amount][Asset Amount formulae] specified below.</p> <p>The applicable Barrier Breach Event is [Barrier Breach Event (Observation Period Intra-Day)][Barrier Breach Event (Observation Period Closing)][Barrier Breach Event (Reference Business Day Closing)].]</p>
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		<p><u>[[First] Cash Settlement Amount:</u></p> <p><u>[[Performance][Gearing]:</u> The cash amount payable on redemption is determined by reference to the value of the Underlying[s] relative to [●]. If the value of the relevant Underlying[s] increases relative to [●], the amount payable on redemption will increase and, if the value of such Underlying[s] decreases, the amount of payable on redemption will decrease.]</p> <p><u>[Inflation Linked Redemption:</u> The cash amount payable on redemption is determined by reference to the change in the level of the Underlying from [●] to [●]. If the value of the inflation index increases over such period, the amount payable on redemption will increase and, if the value of such index decreases, the amount payable on redemption will decrease.]</p> <p><u>[FX Performance Linked Redemption:</u> The cash amount payable on redemption is determined by reference to the performance of the Underlying[s]. If “Put” is selected, if the relevant FX Rate(s) increase in value, the amount payable on redemption will be higher. If “Call” is selected, if the Underlying[s] increase[s] in value, the amount payable on redemption will be lower.]]</p> <p><u>[[Second Cash Settlement Amount:</u></p> <p><u>[[Performance][Gearing]:</u> The cash amount payable on redemption is determined by reference to the value of the Underlying[s] relative to [●]. If the value of the relevant Underlying[s] increases relative to [●], the amount payable on redemption will increase and, if the value of such Underlying[s] decreases, the amount of payable on redemption will decrease.]</p> <p><u>[Inflation Linked Redemption:</u> The cash amount payable on redemption is determined by reference to the change in the level of the Underlying from [●] to [●]. If the value of the inflation index increases over such period, the amount payable on redemption will increase and, if the value of such index decreases, the amount payable on redemption will decrease.]</p> <p><u>[FX Performance Linked Redemption:</u> The cash amount payable on redemption is determined by reference to the performance of the Underlying[s]. If “Put” is selected, if the relevant FX Rate(s) increase in value, the amount payable on redemption will be higher. If “Call” is selected, if the Underlying[s] increase[s] in value, the amount payable on redemption will be lower.]]</p> <p><u>[Asset Amounts:</u> The amount of assets deliverable at maturity will be dependent in part on the final value of the relevant Underlying. The higher the final value, the fewer the number of assets that will be deliverable.]</p> <p>See also C.9 above.</p>
C.16	Expiration or maturity date of the securities:	<p><u>Programme summary:</u></p> <p>Subject to early redemption, the Notes are scheduled to redeem on the Maturity Date specified in the Final Terms.</p> <p><u>Issue specific summary:</u></p> <p>[Subject to early redemption, the Notes are scheduled to redeem on [●].]</p>
C.17	Description of the settlement procedures of the securities:	<p><u>Programme summary:</u></p> <p>Settlement procedures will vary depending on the clearing system for the Notes and local practices in the jurisdiction of the investor. The Notes will be delivered on the issue date either against payment of the issue price or free of payment of the issue price as specified in the relevant Final Terms. The Notes may be cleared and settled through, amongst others, Euroclear Bank SA, Euroclear Bank NV or Clearstream Banking, <i>société anonyme</i>.</p>

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		<p><u>Issue specific summary:</u></p> <p>[The Notes will be delivered on the issue date either against payment of the issue price or free of payment of the issue price as specified in the Final Terms. The Notes will be cleared and settled through [Euroclear Bank NV][Euroclear Bank SA and/or Clearstream Banking, <i>société anonyme</i>][specify other].]</p>
C.18	A description of how the return on derivative securities takes place:	See C.9 and C.10 above.
C.19	Final reference price of the underlying:	The final reference price of the Underlying(s) will be determined by the Calculation Agent in accordance with the conditions.
C.20	A description of the type of the underlying and where information on the underlying can be found:	<p><u>Programme summary:</u></p> <p>The Notes may be linked to a single or a basket of (a) commodities; (b) commodity indices; (c) equities; (d) equity indices; (e) FX rates; (f) funds; or (g) inflation indices (each, an “Underlying”), as specified in the relevant Final Terms. Information regarding the Underlying(s) may be found at the information source specified in the relevant Final Terms and the relevant issue specific summary.</p> <p><u>Issue specific summary:</u></p> <p>[The Notes are linked to [specify single or basket of (a) commodities; (b) commodity indices; (c) equities; (d) equity indices; (e) FX rates; (f) funds; or (g) inflation indices] ([the][each, an] “Underlying”). Further information regarding the Underlying[s] can be found at [specify information source].]</p>
C.21	Indication of the market where the Notes will be traded and for which a prospectus has been prepared:	Please see C.11 above.

Section D – Summary Risk Factors		
Element	Title	
D.2	Key information on the key risks that are specific to the Issuer:	<p>In purchasing the Notes, investors assume the risk that the Issuer may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer’s control. The Issuer has identified a number</p>

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		<p>of factors which could materially adversely affect its business and ability to make payments due under the Notes.</p> <p>These factors include:</p> <ul style="list-style-type: none"> • business and general economic conditions; • credit risk; • country risk; • interest rate and inflation risk; • funding and liquidity risk; • market risk; • currency risk; • operational risk; • legal risk; • tax risk; • systemic risk; • effect of governmental policy and regulation; • risks relating to changes to accounting standards; • bank recovery and resolution regimes; • minimum requirement for own funds and eligible liabilities under the BRRD; • risks relating to the FSB's proposals regarding TLAC; • minimum regulatory capital and liquidity requirements; • replacement of benchmark indices; • credit ratings; • competition; • geopolitical developments; • terrorist acts, other acts of war or hostility, civil unrest, geopolitical, pandemic or other such events; and • key employees.
D.3	Key information on the key risks that are specific to the Notes:	<p>There are also risks associated with the Notes. These include:</p> <ul style="list-style-type: none"> • Market risks: a range of market risks, including: <ul style="list-style-type: none"> • there may be no or only a limited secondary market in the Notes; • an optional redemption feature of Notes is likely to limit their market value[; and] • [any credit rating assigned to the Notes may not adequately reflect all the risks associated with an investment in the Notes]². • Modification without consent: the terms and conditions of the Notes may be modified without the consent of the holder in certain circumstances. • Withholding tax risk: the holders may not receive payment of the full amounts due in respect of the Notes as a result of amounts being withheld by the Issuer in order to comply with applicable laws.

² Delete in issue specific summary if the Notes are not rated.

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		<ul style="list-style-type: none"> • Change in law: investors are exposed to the risk of changes in laws or regulations affecting the value of the Notes. • Exchange rate risk: an investor's investment may be adversely affected by exchange rate movements. • Bail-in risk: Notes may be written-down and/or converted into equity in accordance with the BRRD. • Risks relating to Underlying: Contingent Coupon Notes and/or Notes where the redemption is other than Par or Discount/Premium may be exposed to fluctuations in the value of the Underlying <p><u>Programme summary:</u></p> <ul style="list-style-type: none"> • Interest rate risks: a holder of Fixed Rate Notes is exposed to the risk that the price of such Notes falls as a result of changes in the market interest rate. A holder of Floating Rate Notes, Inverse Floating Rate Notes, CMS Linked Notes, Range Accrual Notes, Variable Rate Notes or Ratchet Notes is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the profitability of Floating Rate Notes, Inverse Floating Rate Notes, CMS Linked Notes, Range Accrual Notes, Variable Rate Notes or Ratchet Notes in advance. • Notes issued at a discount: the market value of Zero Coupon Notes issued at a substantial discount from their principal amount tend to fluctuate more in relation to general changes in interest rates than prices for conventional interest-bearing securities do. Generally, the longer the remaining term of the Notes, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities. <p><u>Issue specific summary:</u></p> <ul style="list-style-type: none"> • Interest rate risks: [a holder of the Notes is exposed to the risk that the price of the Notes falls as a result of changes in the market interest rate.]³ [A holder of the Notes is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the profitability of the Notes in advance.]⁴ • [Notes issued at a discount: the market values of the Notes (having been issued at a substantial discount 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 Notes, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.]⁵ • Risks relating to [specify Underlying]: [Specify risks relating to specific Underlying]
D.6	Risk warning that investors may lose value of entire	<p><u>Programme summary:</u></p> <p>The following shall apply to any Notes where the amount payable on redemption is linked to one or more Underlyings:</p>

³ Include only for Fixed Rate Notes.

⁴ Include only for Floating Rate Notes, CMS Linked Notes, Range Accrual Notes, Variable Rate Notes and Ratchet Notes.

⁵ Include only for Zero Coupon Notes.

Summary of the Programme relating to PD Notes

	investment or part of it:	<p>The capital invested in the Notes may be at risk. Consequently, the amount a prospective investor may receive on redemption of its Notes may be less than the amount invested by it and may be zero.</p> <p>The following applies to all Notes:</p> <p>Investors may lose up to the entire value of their investment if: (a) the investor sells their Notes prior to the scheduled redemption in the secondary market at an amount that is less than the initial purchase price; (b) the Issuer is subject to insolvency or bankruptcy proceedings or some other event which negatively affects the Issuer's ability to repay amounts due under the Notes; (c) the Notes are redeemed early for reasons beyond the control of the Issuer (such as a change of applicable law or market event in relation to the underlying asset(s)), and the amount paid or delivered is less than the initial purchase price; and/or (d) the Notes are subject to certain adjustments or alternative valuations following certain disruptive market events that result in the amount to be paid or delivered being reduced to an amount or value that is less than the initial purchase price.</p> <p><u>Issue specific summary:</u></p> <p>[Investors may lose up to the entire value of their investment if: (a) the investor sells their Notes prior to the scheduled redemption in the secondary market at an amount that is less than the initial purchase price; (b) the Issuer is subject to insolvency or bankruptcy proceedings or some other event which negatively affects the Issuer's ability to repay amounts due under the Notes; (c) the Notes are redeemed early for reasons beyond the control of the Issuer (such as a change of applicable law or market event in relation to the underlying asset(s)), and the amount paid or delivered is less than the initial purchase price; and/or (d) the Notes are subject to certain adjustments or alternative valuations following certain disruptive market events that result in the amount to be paid or delivered being reduced to an amount or value that is less than the initial purchase price.</p> <p><i>(Include for Contingent Coupon Notes or Notes where redemption is other than Par or Discount/Premium)</i> [The capital invested in the Notes is at risk. Consequently, the amount a prospective investor may receive on redemption of its Notes may be less than the amount invested by it and may be [zero][specify floor if applicable].]</p>
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Section E – Offer		
Element	Title	
E.2b	Reasons for the offer and use of proceeds:	<p><u>Programme summary:</u></p> <p>The net proceeds from each issue of Notes will be used by the Issuer in connection with its banking business unless otherwise specified in the relevant Final Terms with respect to a specific Tranche of Notes.</p> <p><u>Issue specific summary:</u></p> <p>[The net proceeds from each issue of Notes will be used by the Issuer [in connection with its banking business][specify other].]</p>
E.3	Terms and Conditions of the Offer:	<p><u>Programme summary:</u></p> <p>The terms and conditions of each offer of Notes will be determined by agreement between the Issuer and the relevant Dealer(s) at the time of issue and specified in the relevant Final Terms. An investor intending to acquire or acquiring any Notes in a Public Offer from an Authorised Offeror other than the Issuer will do so, and offers and sales of such Notes to an investor by such Authorised Offeror will be made in</p>

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	<p>accordance with any terms and other arrangements in place between such Authorised Offeror and such investor including as to price, allocations, expenses and settlement arrangements. The investor must look to the relevant Authorised Offeror for the provision of such information and the Authorised Offeror will be responsible for such information. The Issuer has no responsibility or liability to an investor in respect of such information.</p> <p><u>Issue specific summary:</u></p> <p>[Conditions to which the offer is subject:</p> <p>Description of the application process:</p> <p>Description of possibility to reduce subscriptions:</p> <p>Manner for refunding excess amount paid by applicants:</p> <p>Minimum and/or maximum amount of application:</p> <p>Method and time limit for paying up the securities and for delivery of the Notes:</p> <p>Manner and date on which results of the offer are to be made public:</p>	<p>[Offers of the Notes are conditional on their issue. As between the Authorised Offerors and their customers, offers of the Notes are further subject to conditions as may be agreed between them and/or as specified in the arrangements in place between them.][●]</p> <p>[A prospective Noteholder should contact the applicable Authorised Offeror in the applicable Public Offer Jurisdiction prior to the end of the Offer Period. A prospective Noteholder will subscribe for the Notes in accordance with the arrangements existing between such Authorised Offeror and its customers relating to the subscription of securities generally. Noteholders will not be required to enter into any contractual arrangements directly with the Issuer in connection with the subscription of the Notes.][●]</p> <p>[Not Applicable. The terms of the Public Offer do not provide for any reduction of subscriptions.][●]</p> <p>[Not Applicable. The terms of the Public Offer do not provide for any refunds of excess amounts paid by applicants.][●]</p> <p>[There are no pre-identified allotment criteria. The Authorised Offerors will adopt allotment criteria in accordance with customary market practices and applicable laws and regulations.][●]</p> <p>[Investors will be notified by the relevant Authorised Offeror of their allocations of Notes and the settlement arrangements in respect thereof. The Notes will be issued on the Issue Date against payment to the Issuer of the net subscription moneys.][●]</p> <p>[Investors will be notified by the applicable Authorised Offeror of their allocations of</p>
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Summary of the Programme relating to PD Notes

		<p>Notes and the settlement procedures in respect thereof.][●]</p> <p>Procedure for exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised: [Not Applicable. The terms of the Public Offer do not provide for a procedure for the exercise of any right of pre-emption or negotiability of subscription rights.][●]</p> <p>Whether tranche(s) have been reserved for certain countries: Not Applicable. The terms of the Public Offer do not reserve any tranche(s) for certain countries.</p> <p>Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: [A prospective Noteholder will receive 100 per cent. of the amount of the Notes allocated to it at the end of the Offer Period. Prospective Noteholders will be notified by the applicable Authorised Offeror in accordance with the arrangements in place between such Authorised Offeror and the prospective Noteholders. No dealings in the Notes on a regulated market for the purposes of the MiFID II may take place prior to the Issue Date.][●]</p> <p>Amount of any expenses and taxes specifically charged to the subscriber or purchaser: [Not Applicable. The terms of the Public Offer do not provide for any expenses and/or taxes to be charged to any subscriber and/or purchaser of the Notes.][●]</p> <p>Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place: The Initial Authorised Offerors identified in Part B, paragraph [●] of the Final Terms [and any additional Authorised Offerors who have or obtain the Issuer's consent to use the Base Prospectus in connection with the Public Offer [and who are identified on the Issuer's website as an Authorised Offeror][in the manner described in the Base Prospectus]] (together, the "Authorised Offerors").]</p> <p>[Not Applicable. The Notes are being offered on an exempt basis pursuant to Article 3(2) of the Prospectus Directive. The Issuer has not given its consent for any financial intermediary or other offeror to use the Base Prospectus in connection with any offer of the Notes.]</p>
E.4	Interests of natural and legal persons involved in the issue of the Notes:	<p><u>Programme summary:</u></p> <p>The relevant Dealer(s) may be paid fees in relation to any issue of Notes under the Programme. Any such Dealer and its affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and their respective affiliates in the ordinary course of business.</p> <p><u>Issue specific summary:</u></p>

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		[[So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.][●]]
E.7	Estimated expenses charged to the investor by the Issuer or the offeror:	<p><u>Programme summary:</u></p> <p>There are no expenses charged to the investor by the Issuer or any Authorised Offeror with respect to the Programme generally; however, such expenses may be charged in connection with a specific Tranche of Notes. If so, details will be included in the issue-specific summary attached to the relevant Final Terms.</p> <p><u>Issue specific summary:</u></p> <p>[[There are no expenses charged to the investor by the Issuer][The following expenses are to be charged to the investor by [the Issuer][●].][●]]</p>

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The Issuer believes that the factors described below represent risks inherent in investing in Notes issued under the Programme, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with any Notes for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus (including any documents deemed to be incorporated by reference herein) and reach their own views prior to making any investment decision.

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

Business and general economic conditions

The profitability of Rabobank Group could be adversely affected by a downturn in general economic conditions in the Netherlands or globally. Financial markets are volatile. Factors such as interest rates, exchange rates, inflation, deflation, investor sentiment, the availability and cost of credit, the liquidity of the global financial markets and the level and volatility of equity prices can significantly affect the activity level of customers and the profitability of Rabobank Group. In addition, developments like Brexit (as defined below) could adversely affect the general economic conditions and thereby the profitability of Rabobank Group. Interest rates remained low in 2018. Persistent low interest rates have negatively affected and continue to negatively affect the net interest income of Rabobank Group. An economic downturn, or significantly higher interest rates for customers, could adversely affect the credit quality of Rabobank Group's assets by increasing the risk that a greater number of its customers would be unable to meet their obligations. Moreover, a market downturn in the Dutch or global economy could reduce the value of Rabobank Group's assets and could cause Rabobank Group to incur mark-to-market losses in its trading portfolios or could reduce the fees Rabobank Group earns for managing assets or the levels of assets under management. In addition, a market downturn and increased competition for savings in the Netherlands could lead to a decline in the volume of customer transactions that Rabobank Group executes and, therefore, a decline in customer deposits and the income it receives from commissions and interest. See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Material factors affecting results of operations — General market conditions". Continuing volatility in the financial markets or a protracted economic downturn in Rabobank Group's major markets or Rabobank Group's inability to accurately predict or respond to such developments could have a material adverse effect on Rabobank Group's prospects, business, financial condition and results of operations.

Credit risk

Credit risk is defined as the risk that a bank will suffer economic losses because a counterparty cannot fulfil its financial or other contractual obligations arising from a credit contract. A "credit" is each legal relationship on the basis of which Rabobank Group, in its role as financial services provider, can or will obtain a claim on a debtor by providing a product. In addition to loans and facilities (with or without commitment), credit as a generic term also includes, among other things, guarantees, letters of credit and derivatives. An economic downturn may result in an increase in credit risk and, consequently, loan impairments that are above Rabobank Group's long-term average, which could have a material adverse effect on Rabobank Group's business, financial condition and results of operations.

Country risk

With respect to country risk, a distinction can be made between transfer risk and collective debtor risk. Transfer risk relates to the possibility of foreign governments placing restrictions on funds transfers from debtors in that country to creditors abroad. Collective debtor risk relates to the situation in which a large number of debtors in a country cannot meet their commitments for the same reason (e.g. war, political and social unrest or natural disasters, but also government policy that does not succeed in creating macro-economic and financial stability).

Unpredictable and unexpected events which increase transfer risk or collective debtor risk could have a material adverse effect on Rabobank Group's business, financial condition and results of operations.

Rabobank performs a number of operations in the United Kingdom for its customers, including products and services for international clients in the field of corporate banking, commercial financing and operations relating to global financial markets. The extent, timing and process by which the United Kingdom will exit the European Union ("**Brexit**"), and the longer term economic, legal, political and social framework to be put in place by the United Kingdom and the European Union are unclear and are likely to lead to ongoing political and economic uncertainty and periods of exacerbated volatility in the United Kingdom, wider European markets or other markets in which Rabobank Group operates. The outcome of the Brexit negotiations is still uncertain while the deadline of March 2019 has been extended to 31 October 2019.

In addition, geopolitical tensions such as the trade war between the United States and China, international sanctions on Iran and Russia and other geopolitical tensions may have a material adverse effect on the economic climate and could negatively impact the growth of the global economy.

Any of these factors could have a material adverse effect on Rabobank Group's results of operations and the value of the Notes.

Interest rate and inflation risk

Interest rate risk is the risk, outside the trading environment, of deviations in net interest income and/or the economic value of equity as a result of changes in market interest rates. Interest rate risk results mainly from mismatches between the periods for which interest rates are fixed for loans and funds entrusted. If interest rates increase, the rate for Rabobank Group's liabilities, such as savings, may need to be adjusted immediately. At the same time, the rates on the majority of Rabobank Group's assets, such as mortgages, which have longer interest rate fixation periods, will not change before the end of the fixed rate period. As a result, rising interest rates may have an adverse impact on Rabobank's earnings, although this impact should be mitigated to some extent by higher interest revenues on assets that are funded by non- and low-interest-bearing liabilities (reserves, balances on payment accounts and current accounts). Sudden and substantial changes in interest rates or very low or negative interest rates could have a material adverse effect on Rabobank Group's results of operations. Inflation and expected inflation can influence interest rates. An increase in inflation may: (i) decrease the value of certain fixed income instruments which Rabobank Group holds; (ii) result in surrenders (*afkoop*) of certain savings products with fixed rates below market rates by banking customers of Rabobank Group; (iii) require Rabobank Group to pay higher interest rates on the securities that it issues; and (iv) cause a general decline in financial markets.

Funding and liquidity risk

Liquidity risk is the risk that the bank will not be able to meet all of its payment obligations on time, as well as the risk that the bank will not be able to fund increases in assets at a reasonable price. This could happen if, for instance, customers or professional counterparties suddenly withdraw more funds than expected which cannot be absorbed by the bank's cash resources, by selling or pledging assets in the market or by borrowing funds from third parties. Important factors in preventing this are maintaining an adequate liquidity position and retaining the confidence of institutional market participants and retail customers to maintain the deposit base and access to public money and the capital markets for Rabobank

Group. If these are seriously threatened, this could have a material adverse effect on Rabobank Group's business, financial condition and results of operations.

Market risk

The value of Rabobank Group's trading portfolio is affected by changes in market prices, such as interest rates, equity prices, credit spreads, currencies and commodity prices. Any future worsening of the situation in the financial markets could have a material adverse effect on Rabobank's business, financial condition and results of operations.

Currency risk

Rabobank Group engages in activities that exposes it to currency exchange rate risk ("**FX Risk**"). This risk may originate from trading and non-trading activities, domestically or internationally and consequences will be reflected in the profit and loss statement or in the equity account (through changes in revaluation reserve/translation reserve account). FX Risk is the (dynamic) risk that exchange rates movements could lead to volatility in the bank's cash flows, assets and liabilities, net profits and/or equity. Sudden and substantial changes in the exchange rates of currencies could have a material adverse effect on Rabobank Group's business, financial condition and results of operations.

Operational risk

Operational risk is defined by Rabobank Group as "the risk of losses resulting from inadequate or failed internal processes, people or systems or by external events". Operational risk includes all non-financial risk types. Rabobank Group operates within the current regulatory framework with measuring and managing operational risk, including holding capital for this risk following the "Advanced Measurement Approach", a model used to determine the amount of risk-weighted assets. The operational risk model of Rabobank includes the following elements 1) Internal loss data, 2) External loss data from consortium, 3) Scenario analyses, and 4) Business environment and internal control factors (BEICFs). Events in modern international banking have shown that operational risks can lead to substantial losses. Examples of operational risk incidents are highly diverse: fraud or other illegal conduct, failure of an institution to have policies and procedures and controls in place to prevent, detect and report incidents of non-compliance with applicable laws or regulations, inadequate control processes to manage risks, ineffective implementation of internal controls, claims relating to inadequate products, inadequate documentation, errors in transaction processing, system failures and cyberattacks. The global environment Rabobank is operating in requires constant adjustment to changing circumstances. A number of transitional, remedial and regulatory-driven projects have been recently implemented which may result in an increased risk profile. As a result this may lead to the possible increase of the number of operational risk incidents or additional costs of complying with new regulations which could have a material adverse effect on Rabobank Group's reputation or a material adverse effect on Rabobank Group's business, financial condition and results of operations.

Legal risk

Rabobank Group is subject to a comprehensive range of legal obligations in all countries in which it operates. As a result, Rabobank Group is exposed to many forms of legal risk, which may arise in a number of ways. Rabobank Group faces risk where legal and arbitration proceedings, whether private litigation or regulatory enforcement action, are brought against it. The outcome of such proceedings is inherently uncertain and could result in financial loss. Defending or responding to such proceedings can be expensive and time-consuming and there is no guarantee that all costs incurred will be recovered even if Rabobank Group is successful. Failure to manage these risks could have a negative impact on Rabobank Group's reputation and could have a material adverse effect on Rabobank Group's results of operations. In addition, banking entities generally, including Rabobank Group, are subject to comprehensive regulatory oversight and scrutiny, which may lead to additional regulatory investigations or enforcement actions. These and other regulatory initiatives may result in judgements, settlements, fines or penalties, or cause Rabobank

Group to restructure its operations and activities, any of which could have a negative impact on Rabobank Group's reputation or impose additional operational costs, and could have a material adverse effect on Rabobank Group's results of operations.

In March 2016, the Dutch Minister of Finance appointed an independent committee which on 5 July 2016 published a recovery framework (the "**Recovery Framework**") on the reassessment of Dutch small and medium-sized enterprises ("**SME**") interest rate derivatives. Rabobank announced its decision to take part in the Recovery Framework on 7 July 2016. The final version of the Recovery Framework was published by the independent committee on 19 December 2016. Rabobank is involved in civil proceedings in the Netherlands relating to interest rate derivatives entered into with Dutch business customers. The majority of these concern individual cases. In addition, there is a collective action regarding interest rate derivatives pending before the Court of Appeal (for which a standstill was agreed to, due to the Recovery Framework, and the few remaining out-of-scope customers will be assessed on an individual basis). These actions concern allegations of misinforming clients with respect to interest rate derivatives. Some of these actions also concern allegations in connection with Rabobank's EURIBOR submissions. Rabobank will defend itself against all these claims. Furthermore, there are pending complaints and proceedings against Rabobank regarding interest rate derivatives brought before "Kifid" (Dutch Financial Services Complaints Authority, *Klachteninstituut Financiële Dienstverlening*), which in January 2015 opened a conflict resolution procedure for SME businesses with interest rate derivatives. With respect to the (re-)assessment of the interest rate derivatives of its Dutch SME business customers and the advance payments made, Rabobank recognised at 31 December 2018 a provision of €316 million (2017: €450 million). At year-end 2018 Rabobank provided all qualifying clients clarity on the outcome. At year-end 2018, Rabobank's payments to clients under the Recovery Framework amounted to €532 million.

A negative outcome of potentially significant claims (including proceedings, collective-actions and settlements and including the developments described above), action taken by supervisory authorities or other authorities, legislation, sector-wide measures, and other arrangements for the benefit of clients and third parties could have a negative impact on Rabobank Group's reputation or impose additional operational costs, and could have a material adverse effect on Rabobank Group's prospects, business, financial condition and results of operations. For further information, see "*Description of Business of Rabobank Group – Legal and arbitration proceedings*" on pages 299 to 300 of this Base Prospectus. For relevant specific proceedings, reference is made to pages 169 to 171 of Rabobank Group's audited consolidated financial statements, including the notes thereto, for year ended 31 December 2018, incorporated by reference into this Base Prospectus.

Tax risk – General

Rabobank Group is subject to the tax laws of all countries in which it operates. Tax risk is the risk associated with changes in tax law or in the interpretation of tax law. It also includes the risk of changes in tax rates and the risk of failure to comply with procedures required by tax authorities. Failure to manage tax risks could lead to an additional tax charge. It could also lead to a financial penalty for failure to comply with required tax procedures or other aspects of tax law. If, as a result of a particular tax risk materialising, the tax costs associated with particular transactions are greater than anticipated, it could affect the profitability of those transactions, which could have a material adverse effect on Rabobank Group's business, financial condition and results of operations or lead to regulatory enforcement action or may have a negative impact on Rabobank Group's reputation.

Dutch tax risks related to the new government's approach on tax avoidance and tax evasion

On 10 October 2017, the new Dutch government released its coalition agreement (*Regeerakkoord*) 2017-2021, which includes, among other things, certain policy intentions for tax reform. The Dutch government released its Tax Plan 2019 (*Pakket Belastingplan 2019*) as part of Budget Day 2018 on 18 September 2018 and made certain amendments to the Tax Plan 2019 in memoranda of amendments published on 26 October 2018, which include, among other things, certain legislative proposals based on the policy

intentions as mentioned in the coalition agreement and letter on tax avoidance and tax evasion. Two policy intentions in particular may become relevant within the context of the Dutch tax treatment of the Issuer, the Notes, and/or payments under the Notes.

The first policy intention relates to the introduction of a withholding tax on interest paid to creditors in low tax jurisdictions or non-cooperative jurisdictions as of 2021. A legislative proposal introducing a similar conditional withholding tax on dividends (which has been postponed) and the supporting parliamentary documents thereto mention that, like the conditional dividend withholding tax, this interest withholding tax would apply to certain payments made by a Dutch entity directly or indirectly to a group or related entity (acting in concert with others) in a low tax or non-cooperative jurisdiction. However, it cannot be ruled out that it will have a wider application and, as such, it could potentially be applicable to payments under the Notes. A legislative proposal introducing the conditional withholding tax on interest is still expected to be published in 2019.

The second policy intention relates to the introduction of a thin capitalisation rule for banks and insurers as of 2020 for which a draft legislative proposal has been published and is subject to public consultation. Based on the draft legislative proposal, the thin capitalisation rule would limit the deduction of interest payments on debt instruments if, in broad terms, the leverage ratio of a bank, or the own funds ratio of an insurer, is less than 8 per cent. The draft legislative proposal suggests that this thin capitalisation rule will apply solely to banks and insurers with a licence or notification of the Dutch Central Bank to operate as such in the Netherlands (including the Issuer).

Many aspects of these policy intentions remain unclear. However, if the policy intention relating to the introduction of a conditional withholding tax on interest is implemented it may have an adverse effect on the Issuer and its financial position and may give rise to the Issuer being able to redeem the Notes pursuant a tax call option (subject to the conditions for such tax call option).

Systemic risk

Rabobank Group could be negatively affected by the weakness or the perceived weakness of other financial institutions, which could result in significant systemic liquidity problems, losses or defaults by other financial institutions and counterparties. Financial services institutions that deal with each other are interrelated as a result of trading, investment, clearing, counterparty and other relationships. This risk is sometimes referred to as 'systemic risk' and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges with whom Rabobank Group interacts on a daily basis. Concerns about the creditworthiness of sovereigns and financial institutions in Europe and the United States remain. The large sovereign debts or fiscal deficits of a number of European countries and the United States go hand in hand with concerns regarding the financial condition of financial institutions. Any of the above-mentioned consequences of systemic risk could have an adverse effect on Rabobank Group's ability to raise new funding, its business, financial condition and results of operations.

Effect of governmental policy and regulation

Rabobank Group's businesses and earnings can be affected by the fiscal or other policies and other actions of various governmental and regulatory authorities in the Netherlands, the European Union (also known as the "EU"), the United States and elsewhere. Areas where changes could have an impact include, but are not limited to: consumer protection regulation, the monetary, interest rate, crisis management, asset quality review, recovery and resolution and other policies of central banks and regulatory authorities, changes in government or regulatory policy that may significantly influence investor decisions in particular markets in which Rabobank Group operates, increased capital requirements and changes relating to capital treatment, changes and rules in competition and pricing environments, developments in the financial reporting environment, stress-testing exercises to which financial institutions are subject, implementation of conflicting or incompatible regulatory requirements in different jurisdictions relating to the same products or transactions, or unfavourable developments producing social instability or legal

uncertainty which, in turn, may affect demand for Rabobank Group's products and services. Regulatory compliance risk arises from a failure or inability to comply fully with the laws, regulations or codes applicable specifically to the financial services industry. Non-compliance could lead to fines, public reprimands, damage to reputation, enforced suspension of operations or, in extreme cases, withdrawal of authorisations to operate.

In 2012, the Dutch government introduced a bank tax for all entities that are authorised to conduct banking activities in the Netherlands. The tax is based on the amount of the total liabilities on the balance sheet of the relevant bank as of the end of such bank's preceding financial year, with exemptions for equity, deposits that are covered by a guarantee scheme and for certain liabilities relating to insurance business. The levy on short-term funding liabilities is twice as high as the levy on long-term funding liabilities. Rabobank Group was charged a total of €139 million in bank tax in 2018 (2017: €161 million and 2016: €166 million). In addition in 2018, the bank levy payable by Rabobank in Ireland amounted to €20 million (2017: €7 million and 2016: €4 million) and in Belgium amounted to €11 million in 2018 (2017: €11 million).

Since 2015, Rabobank Group has been required to make yearly contributions to the resolution funds which were established to ensure the efficient application of resolution tools and the exercise of the resolution powers conferred to the SRB (as defined below) by the Regulation (EU) No 806/2014 (the "**SRM Regulation**"). In 2016, the contribution to the Dutch National Resolution Fund (the "**DNRF**") amounted to €180 million. In 2017, the contribution to the Single Resolution Fund, which in large part replaces the DNRF, amounted to €184 million. In 2018, the contribution to the Single Resolution Fund amounted to €190 million. There can be no assurance that additional taxes or levies will not be imposed, which could have a material adverse effect on Rabobank Group's business, financial condition and results of operations.

In November 2015, a new way of financing the Dutch deposit guarantee scheme (the "**Dutch Deposit Guarantee Scheme**"), a pre-funded system that protects bank depositors from losses caused by a bank's inability to pay its debts when due, came into force. As of 2016, banks were required to pay a premium on a quarterly basis. The target size of the scheme is 0.8 per cent. of total guaranteed deposits of all banks in the Netherlands. In 2018, Rabobank Group's contribution to the Dutch Deposit Guarantee Scheme amounted to €118 million compared to €142 million in 2017. Furthermore, the SRM (as defined below) (see the risk factor titled "*Bank recovery and resolution regimes*") and other new European rules on deposit guarantee schemes will have an impact on Rabobank Group in the years to come. All these factors could have a material adverse effect on Rabobank Group's business, financial condition and results of operations.

In February 2013, the European Commission issued a proposal for a financial transactions tax. If the proposal is implemented in its current form, the financial transactions tax would generally be levied, in certain circumstances, on transactions involving certain financial instruments where at least one party is a financial institution and at least one party is established in a participating member state. These participating member states are Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia and Spain (however, Estonia has since stated that it will not participate). If the proposal is implemented, Rabobank Group may be required to pay the financial transactions tax on certain transactions in financial instruments. The proposal requires further approval by the Council of the European Union and will require consultation with other European Union institutions before it may be implemented by the participating member states. Currently, the proposal is still under discussion, given broad opposition in a number of countries as well as outstanding legal issues. The Dutch Parliament has not adopted the proposal but may do so in the future. The financial transactions tax, if implemented, could have a material adverse effect on Rabobank Group's business, financial condition and results of operations.

Since 1 January 2013, the tax deductibility of mortgage loan interest payments for Dutch homeowners has been restricted; interest payments on new mortgage loans can only be deducted if the loan amortises within 30 years on a linear or annuity basis. Moreover, the maximum permissible amount of the value of

the property of a residential mortgage has been reduced from 104 per cent. in 2014, to 103 per cent. in 2015, to 102 per cent. in 2016 and to 101 per cent. in 2017. This maximum was further reduced to 100 per cent. in 2018. In addition to these changes, further restrictions on tax deductibility of mortgage loan interest payments entered into force as of 1 January 2014. The tax rate against which the mortgage interest payments may be deducted (the “**deductibility maximum**”) has been gradually reduced since 1 January 2014 by 0.5 percentage points per year. For taxpayers previously deducting mortgage interest at the 52 per cent. rate (highest income tax rate), the deductibility maximum is set at 49 per cent. in 2019. With effect from 1 January 2020, the deductibility maximum will be reduced by 3 percentage points per year to 37.05 per cent. in 2023. The maximum personal mortgage loan eligible for guarantee by the Dutch Homeownership Guarantee Fund (*Stichting Waarborgfonds Eigen Woningen*), an institution that was founded by the Dutch government in 1993, through the National Mortgage Guarantee Scheme (*Nationale Hypotheek Garantie*) was reduced to €245,000 in 2015, remained unchanged in 2016 and was raised to €247,450 in 2017, to €265,000 in 2018 and to €290,000 in 2019. Changes in governmental policy or regulation with respect to the Dutch housing market could have a material adverse effect on Rabobank Group’s business, financial condition and results of operations.

On 21 July 2010, the United States enacted the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “**Dodd-Frank Act**”), which provides a broad framework for significant regulatory changes that extend to almost every area of U.S. financial regulation. Implementation of the Dodd-Frank Act requires detailed rulemaking by different U.S. regulators, including the Department of the Treasury, the Board of Governors of the Federal Reserve System (the “**Federal Reserve**”), the SEC, the Federal Deposit Insurance Corporation (the “**FDIC**”), the Office of the Comptroller of the Currency (the “**OCC**”), the Commodity Futures Trading Commission (the “**CFTC**”) and the Financial Stability Oversight Council (“**FSOC**”). The Dodd-Frank Act and other post-financial crisis regulatory reforms in the United States have increased costs, imposed limitations on activities and resulted in an increased intensity in regulatory enforcement. In addition, the impact of proposals made by the U.S. Congress and the U.S. regulators for further financial regulatory reform with respect to the Dodd-Frank Act and other post-financial crisis regulatory reforms remains uncertain in some cases. For example, on 24 May 2018, President Trump signed into law a financial services regulatory reform bill that received bipartisan support, the Economic Growth, Regulatory Relief, and Consumer Protection Act (the “**EGRRCPA**”). The EGRRCPA makes certain modifications to post-financial crisis regulatory requirements, including the Dodd-Frank Act, that apply to banking organisations of all sizes. While the EGRRCPA will result in significant modifications to certain aspects of the Dodd-Frank Act and other post-financial crisis regulatory requirements, the general effects of such legislation remain uncertain.

The Dodd-Frank Act provides for regulations regarding, among other things: (i) systemic risk oversight, (ii) bank capital and prudential standards, (iii) the resolution of failing systemically significant financial institutions, (iv) over-the-counter (“**OTC**”) derivatives, (v) the ability of banking entities and their affiliates to engage as principal in proprietary trading activities or to sponsor or invest in or engage in certain transactions with hedge, private equity and other similar funds (the so-called “**Volcker Rule**”) and (vi) consumer and investor protection. Implementation of the Dodd-Frank Act and related final regulations is ongoing and has resulted in significant costs and potential limitations on Rabobank Group’s businesses and could have a material adverse effect on Rabobank Group’s business, financial condition and results of operations.

On 10 December 2013, five U.S. federal financial regulatory agencies adopted final regulations to implement the Volcker Rule. The regulations impose limitations and significant costs across all of Rabobank Group’s subsidiaries and affiliates and their activities in scope for the Volcker Rule. While the regulations contain a number of exceptions and exemptions that may permit Rabobank Group to maintain certain of its trading and fund businesses and operations, particularly those outside of the United States, aspects of those businesses have been modified to comply with the Volcker Rule. Further, Rabobank Group has spent significant resources to develop a Volcker Rule compliance program mandated by the

final regulations and may continue to spend resources as it deems necessary or appropriate, which may be significant, to develop or further develop the Volcker Rule compliance program. The conformance period for most activities and investments under the Volcker Rule ended on 21 July 2015. An extended conformance period for investments and activities related to certain legacy funds ended on 21 July 2017. Rabobank Group has put in place processes under the relevant Volcker Rule compliance program reasonably designed to conform such activities to the Volcker Rule. On 17 July 2018, the relevant U.S. federal agencies released a notice of proposed rulemaking with a request for public comment to amend certain parts of the Volcker Rule. The period to receive comments to the proposal ended on 17 October 2018. In addition, the relevant U.S. federal agencies released a notice of proposed rulemaking on 8 February 2019 to address the EGRRCPA's statutory amendments to certain parts of the Volcker Rule. The comment period for the proposal ended on 11 March 2019, and while such separate rulemaking is pending, the relevant U.S. federal agencies have stated that they will not enforce the Volcker Rule in a manner inconsistent with the amendments under the EGRRCPA.

The Federal Reserve issued a final rule on 18 February 2014 imposing "enhanced prudential standards" with respect to foreign banking organisations ("**FBOs**") such as Rabobank Group. The rule imposes, among other things, liquidity, stress testing, risk management and reporting requirements on Rabobank Group's U.S. operations, which could result in significant costs to Rabobank Group. The final rule became effective with respect to Rabobank Group on 1 July 2016.

In addition, as part of the implementation of the enhanced prudential standards requirement under the Dodd-Frank Act, the Federal Reserve finalised a rule on 14 June 2018 that implements single counterparty credit limits for large bank holding companies, large intermediate holding companies, and large FBOs with respect to their combined U.S. operations. The final rule, which is applicable to the U.S. operations of FBOs with U.S.\$250 billion or more in total global assets, becomes effective with respect to the combined U.S. operations of Rabobank Group on 1 July 2020. Rabobank is in the process of implementing the single counterparty credit limits requirements and it is not possible to give any assurances at this time as to the ultimate scope and nature of any resulting obligations, or the impact they will have on Rabobank Group once implemented. Furthermore, On 8 April 2019, the Federal Reserve issued a notice of proposed rulemaking that revised the framework for applying the enhanced prudential standards applicable to FBOs under Section 165 of the Dodd-Frank Act, as amended by the EGRRCPA, by, among other things, amending standards relating to liquidity, risk management, stress testing, and single-counterparty credit limits. In addition, a separate rulemaking was also issued on 8 April 2019 by the Federal Reserve, the FDIC and the OCC to, among other things, modify the application of capital and liquidity requirements as well as the single counterparty credit limits to the U.S. operations of a FBO. Furthermore, the Federal Reserve has not finalised (but continues to consider) requirements relating to an "early remediation" framework under which the Federal Reserve would implement prescribed restrictions on and penalties against an FBO and its U.S. operations, if the FBO or its U.S. operations do not meet certain requirements.

In the United Kingdom, the Banking Reform Act 2013 received Royal Assent on 18 December 2013. It is a key part of the UK Government's plan to create a banking system that supports the economy, consumers and small businesses. It implements the recommendations of the Independent Commission on Banking, set up by the Government in 2010 to consider structural reform of the UK banking sector. Measures contained in the Banking Reform Act 2013 include the structural separation of the retail banking activities of banks in the United Kingdom from wholesale banking and investment banking activities by the use of a "ring fence".

Pursuant to Regulation EU 1024/2013 conferring specific tasks on the European Central Bank ("**ECB**") for the prudential supervision of credit institutions, the ECB assumed direct responsibility from national regulators for specific aspects of the supervision of approximately 120 major European credit institutions, including Rabobank Group, with effect from 4 November 2014. Under this "Single Supervisory Mechanism", the ECB now has, in respect of the relevant banks, all the powers available to competent

authorities under the CRD IV (as defined below) including (but not limited to) powers of early intervention if a bank breaches its regulatory requirements and powers to require a bank to increase its capital or to implement changes to its legal or corporate structures. All other tasks related to resolution remain with the relevant national authorities or the SRM (as defined below), as applicable (see “*Bank recovery and resolution regimes*” below). The ECB may also carry out supervisory stress tests to support the supervisory review. Such stress tests do not replace the stress tests carried out by the European Banking Authority (the “**EBA**”) with a view to assessing the soundness of the banking sector in the European Union as a whole.

The impact of future regulatory requirements, including Basel III (as defined below) and the EC Capital Proposals, sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”) and such sections of the Code and the regulations thereunder, the Banking Reform Act 2013 and the Dodd-Frank Act will have far-reaching implications and require implementation of new business processes and models and could have a material adverse effect on Rabobank Group’s business, financial condition and results of operations. Compliance with the rules and regulations places ever greater demands on Rabobank Group’s management, employees and information technology.

Risks relating to changes to accounting standards

Rabobank Group’s consolidated financial statements are prepared in accordance with IFRS as adopted by the European Union, which is periodically revised or expanded. Accordingly, from time to time, Rabobank Group is required to adopt new or revised accounting standards issued by recognised bodies, including the International Accounting Standards Board (“**IASB**”). It is possible that future accounting standards which Rabobank Group is required to adopt, could change the current accounting treatment that applies to its consolidated financial statements and that such changes could have a material adverse effect on the Rabobank Group’s results of operations and financial condition and may have a corresponding material adverse effect on capital ratios.

Bank recovery and resolution regimes

Intervention Act

In 2012, the Dutch legislator adopted banking legislation dealing with ailing banks (Special Measures Financial Institutions Act, *Wet bijzondere maatregelen financiële ondernemingen*, the “**Intervention Act**”). The Intervention Act, enacted before the adoption of Directive 2014/59/EU for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms (the “**BRRD**”), contains similar legislation to the rules outlined in BRRD. Pursuant to the Intervention Act, substantial powers were granted to the Dutch Central Bank (“**DNB**”) and the Dutch Minister of Finance enabling them to deal with, *inter alia*, ailing Dutch banks prior to insolvency. The Intervention Act aimed to empower the DNB or the Minister of Finance, as applicable, to commence proceedings leading to: (i) transfer of all or part of the business (including deposits) of the relevant bank to a private sector purchaser; (ii) transfer of all or part of the business of the relevant bank to a “bridge bank”; and (iii) public ownership (nationalisation) of the relevant bank and expropriation of any claims against the bank (including its outstanding debt securities, which may include the Notes). The measures that can be taken by the Minister of Finance may only be used if other measures would not work, would no longer work, or would be insufficient. In addition, to ensure such measures are utilised appropriately the Minister of Finance must consult with the DNB in advance and the Dutch Prime Minister must agree with the decision to intervene. The Minister of Finance must further inform the AFM of his intentions, whereupon the AFM must give an instruction to Euronext Amsterdam to stop the trading in any securities that are expropriated. In the case of expropriation, the beneficiary of the relevant asset may be entitled to compensation for damage that directly and necessarily results from the expropriation. However, there can be no assurance that such compensation will cover all losses of the relevant beneficiary. Subject to certain exceptions, as soon as any of these proceedings had been initiated by the DNB or the Minister of Finance, the relevant counterparties of such bank would not be entitled to invoke events of default or set off their claims against the bank.

The Intervention Act was amended following the adoption and implementation of the BRRD and the SRM Regulation, granting to the DNB powers including resolution tools contemplated by the BRRD, although the powers of the Minister of Finance to e.g. expropriate transfer and modify terms of debt securities (including the Notes) have remained.

BRRD

The BRRD was published in the Official Journal of the European Union on 12 June 2014. The BRRD includes provisions to give regulators resolution powers, *inter alia*, to write down the debt of a failing bank (or to convert such debt into shares and other instruments of ownership) to strengthen its financial position and allow it to continue as a going concern, subject to appropriate restructuring measures being taken. The BRRD was implemented into Dutch law on 26 November 2015.

The BRRD sets out a common European recovery and resolution framework which is composed of three pillars: preparation (by requiring banks to draw up recovery plans and resolution authorities to draw up resolution plans), early intervention powers and resolution tools. Resolution tools include a sale of a business or part of a business, a bridge institution tool, an asset separation tool and a bail-in tool that would enable the write-down and conversion of debt into shares and other instruments of ownership to strengthen the financial condition of the failing bank and allow it to continue as a going concern subject to appropriate restructuring. Such tools allow the resolution authorities to intervene sufficiently early and quickly in case Rabobank Group is likely to fail with the aim of ensuring the continuity of its critical financial and economic functions, while minimising the impact of the failure on the economy and the financial system. In addition, BRRD provides preferential ranking on insolvency for certain deposits that are eligible for protection by deposit guarantee schemes (including the uninsured element of such deposits and, in certain circumstances, deposits made in non-EEA branches of EEA credit institutions). The stated aim of BRRD is, similar to the Dutch Intervention Act, to provide relevant authorities with common tools and powers to address banking crises pre-emptively in order, among other things, to safeguard financial stability and minimise taxpayers' exposure to losses.

SRM Regulation

The SRM Regulation came into force in part on 19 August 2014. The SRM Regulation complements BRRD and establishes uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in a framework of a single resolution mechanism and a single bank resolution fund (the **"Single Resolution Mechanism"** or **"SRM"**). The SRM Regulation establishes a single resolution board (consisting of representatives from the ECB, the European Commission and the relevant national authorities) (the **"SRB"**) that will manage the failing of any bank in the Euro area and in other EU member states participating in the European Banking Union (as defined therein). The provisions of the SRM Regulation relating to the cooperation between the SRB and the national resolution authorities for the preparation of the banks' resolution plans became applicable from 1 January 2015. Under the SRM Regulation, the SRB became fully operational as of 1 January 2015 and as from that date has the powers to collect information and cooperate with the national resolutions authorities for the elaboration of resolution planning. The SRB is also granted the same resolution tools as those set out in the BRRD, including a bail-in tool. The SRM became applicable with effect from 1 January 2016 and the applicable legislation in the Netherlands was implemented on 26 November 2015. In a Dutch context, the DNB is the national resolution authority. While, as Rabobank Group's resolution authority, the SRB is ultimately in charge of the decision to initiate Rabobank Group's resolution, operationally the decision will be implemented in cooperation with the DNB in its capacity as national resolution authority.

Recovery and resolution plans and powers to address impediments to resolvability

Rabobank Group has drawn up a recovery plan. This plan provides for a wide range of measures that could be taken by Rabobank Group for restoring its financial condition in case it significantly deteriorates. The plan is subject to review by the ECB and must be updated annually or after changes in the legal or organisational structure, business or financial situation that could have a material effect on the plan.

Keeping the recovery plan up to date requires monetary and management resources. Recovery measures could include the strengthening of Rabobank Group's capital by issuing capital instruments in a situation of financial stress.

The SRB, in cooperation with the DNB acting in its capacity as the national resolution authority, draws up a resolution plan for Rabobank Group on a yearly basis providing for resolution actions it may take if Rabobank Group is failing or is likely to fail. In drawing up Rabobank Group's resolution plan, the SRB can identify any material impediments to its resolvability. Where necessary, the SRB may require the removal of such impediments. This may lead to mandatory restructuring of Rabobank Group, which could lead to high transaction costs, or could make Rabobank Group's business operations or its funding mix to become less optimally composed or more expensive.

Early intervention measures

If Rabobank Group would infringe or, due to a rapidly deteriorating financial condition, would be likely to infringe capital or liquidity requirements in the near future, the ECB has power to impose early intervention measures on Rabobank Group. A rapidly deteriorating financial condition could, for example, occur in the case of a deterioration of Rabobank Group's liquidity position, or in the case of increasing levels of leverage, non-performing loans or concentrations of exposures. Intervention measures include the power to require changes to the legal or operational structure of Rabobank Group, or its business strategy, and the power to require the Managing Board to convene a meeting of the General Members' Council of Rabobank, failing which the ECB can directly convene such meeting, in both cases with the power of the ECB to set the agenda and require certain decisions to be considered for adoption. Furthermore, if these early intervention measures are not considered sufficient, management may be replaced or a temporary administrator may be installed. A special manager may also be appointed who will be granted management authority over the Issuer instead of its existing executive board members, in order to implement the measures decided on by the ECB.

(Pre-)Resolution measures

If Rabobank were to reach a point of non-viability but not (yet) meet the conditions for resolution, the SRB in close cooperation with the national resolution authority can take pre-resolution measures. These measures include the power to write down capital instruments or convert them into common equity tier 1 capital ("**Common Equity Tier 1 Capital**") instruments.

If Rabobank meets the conditions for resolution, the SRB may take resolution measures. Conditions for resolution are: (i) the ECB or the SRB determines that Rabobank is failing or is likely to fail; (ii) having regard to the circumstances, there is no reasonable prospect that any alternative private sector or supervisory action would, within a reasonable timeframe, prevent the failure of Rabobank; and (iii) the resolution measure is necessary in the public interest.

Rabobank would be considered to be failing or likely to fail, *inter alia*, if it infringes capital or liquidity requirements or Rabobank's liabilities exceed its assets, or Rabobank is unable to pay its debts and liabilities as they fall due, or there are objective elements to support a determination that this will be the case in the near future. The EBA has published final guidelines on the circumstances in which an institution shall be deemed as 'failing or likely to fail' by supervisors and resolution authorities, which became applicable with effect from 1 January 2016. The guidelines set out the objective elements and criteria which should apply when supervisors and resolution authorities make such a determination and further provide guidance on the approach to consultation and exchange of information between supervisors and resolution authorities in such scenarios.

Resolution tools of the SRB include a sale of a business or part of a business, a bridge institution tool, an asset separation tool and a bail-in tool that would enable the write-down and conversion of debt (such as the Notes) into shares and other instruments of ownership to strengthen the financial condition of the failing bank and allow it to continue as a going concern subject to appropriate restructuring. The SRB also has

the power to require the mandatory write-down of capital instruments when a bank enters resolution. If the SRB were to take a resolution measure against Rabobank Group, it will have the power to take full control over Rabobank Group.

When applying the resolution tools and exercising the resolution powers, including the preparation and implementation thereof, the SRB is not subject to: (i) requirements to obtain approval or consent from any person either public or private, including, but not limited to the holders of the Notes or from any creditors; and (ii) procedural requirements to notify any person, including any requirement to publish any notice or prospectus or to file or register any document with any other authority, and including also any notification requirement set out in the terms and conditions governing the Notes, that would otherwise apply by virtue of applicable law, contract, or otherwise. In particular, the SRB can exercise its powers irrespective of any restriction on, or requirement for consent for, transfer of the financial instruments, rights, assets or liabilities in question that might otherwise apply.

In addition, potential investors should refer to the risk factors entitled “*Minimum requirement for own funds and eligible liabilities under the BRRD*”, “*Resolution powers (including powers to write down debt)*” and “*Change of law*”.

The Single Resolution Fund

If a resolution action is taken, Rabobank Group will be eligible for contribution by the Single Resolution Fund. Rabobank Group’s resolution will only be eligible for contribution if the holders of relevant capital instruments and other eligible liabilities have made a contribution to loss absorption (by means of a write-down, conversion or otherwise) and recapitalisation equal to an amount not less than 8 per cent. of Rabobank Group’s total liabilities (including own funds and measured at the time of the resolution action). This increases the likelihood that the SRB will set a high level of MREL for Rabobank Group (as discussed below), which may have an impact on Rabobank Group’s capital and funding costs. Use of resolution funds is also subject to EU state aid rules and requires approval by the European Commission.

The Intervention Act, BRRD, SRM and the EC Capital Proposals (as defined below) may require the Issuer to change its business, e.g. by having to reduce its lending or investments in other operations. Such recovery and resolution regimes may also lead to fewer assets of the Issuer being available to investors for recourse for their claims and may lead to lower credit ratings of the Issuer and increase the Issuer’s cost of funding. Consequently, these recovery and resolution regimes may have a material adverse effect on the Issuer’s business, funding ability, financial position and result of operations.

Minimum requirement for own funds and eligible liabilities under the BRRD

In order to ensure the effectiveness of bail-in and other resolution tools introduced by BRRD, the BRRD requires that with effect from 1 January 2016, all institutions must meet a minimum requirement for own funds and eligible liabilities (“**MREL**”), expressed as a percentage of total liabilities and own funds and set by the relevant resolution authorities. On 23 May 2016, the European Commission adopted regulatory technical standards (“**MREL RTS**”) on the criteria for determining the MREL under the BRRD. The MREL RTS were published in the EU Official Journal on 3 September 2016. The MREL RTS provide for resolution authorities to allow institutions an appropriate transitional period to reach the applicable MREL requirements.

Unlike the Financial Stability Board’s (“**FSB**”) total loss-absorbing capacity (“**TLAC**”) principles, the MREL RTS does not set a minimum EU-wide level of MREL, and the MREL requirement applies to all credit institutions, not just to those identified as being of a particular size or of systemic importance. Each resolution authority is required to make a separate determination of the appropriate MREL requirement for each institution within its jurisdiction.

The MREL requirement for each institution will be determined based on a number of key elements, including a loss absorption amount (which will generally as a minimum equate to the institution’s capital

requirements under CRD IV (as defined below), including applicable buffers), and, in the case of larger institutions, a recapitalisation amount, the amount of recapitalisation needed to implement the preferred resolution strategy identified in the resolution planning process (including to sustain sufficient market confidence in the institution). Other factors to be taken into consideration by resolution authorities when setting the MREL requirement include the extent to which an institution's liabilities are, or are reasonably likely to be, excluded from contributing to loss absorption or recapitalisation; the risk profile and systemic importance of the institution; and the contribution to any resolution that may be made by deposit guarantee schemes and resolution financing arrangements.

On 20 November 2018 and 16 January 2019, the SRB published its 2018 policy statement on MREL, which serves as a basis for setting consolidated MREL targets for banks under the remit of the SRB (including the Issuer). For the 2018 resolution planning cycle, the SRB introduces a series of new features to strengthen banks' resolvability within the European Banking Union, including a refined approach for eligible instruments for consolidated MREL-targets, increased binding subordination requirements and the introduction of binding MREL targets at an individual level. The SRB will continue to develop its MREL policy going forward. After the adoption of the EC Capital Proposals, the SRB has indicated that the SRB policy will need to be adapted to address in particular the TLAC implementation and the new internal MREL requirements. The 2018 SRB MREL policy is part of a multi-year approach for establishing final MREL targets. The SRB has indicated that the 2018 SRB MREL policy is based on the current legal framework but it could review that policy in the course of 2019 on the basis of the publication of the Amended Banking Package in the Official Journal of the European Union.

Items eligible for inclusion in MREL include an institution's Tier 1 and Tier 2 capital (within the meaning of the CRR), along with certain eligible liabilities, meaning under currently applicable MREL requirements (which requirements are subject to change) liabilities which, *inter alia*, are issued and fully paid up, have a maturity of at least one year (or do not give the investor a right to repayment within one year), do not arise from derivatives, and are not excluded from bail-in.

Whilst there are a number of similarities between the MREL requirements and the FSB's TLAC principles, there are also certain differences, including the express requirement that TLAC-eligible instruments should be subordinated to liabilities excluded from counting as TLAC including, among other things, insured deposits (which is not necessarily the case for all MREL eligible liabilities), and the timescales for implementation. In its final draft for the MREL RTS, the EBA stated that it expects the MREL RTS to be "broadly compatible" with the FSB's TLAC principles. While acknowledging some differences, the EBA considered "these differences do not prevent resolution authorities from implementing the MREL for global systemically important banks (**G-SIBs**) consistently with the international framework". Further convergence in the detailed requirements of the two regimes is expected, as also proposed by the EBA in its final report on the implementation and design of the MREL framework of 14 December 2016 and by the European Commission in its EC Capital Proposals. However, it is still uncertain to what extent the regimes will converge and what the final requirements will look like.

In 2018 Rabobank received a binding MREL requirement of 30.96% based on the European Bank Recovery and Resolution Directive ("**BRRD 1**") and the 2017 SREB MREL Policy framework. On the basis of the MREL RTS, it is possible that Rabobank Group may have to issue a significant amount of additional MREL eligible liabilities in order to meet the new requirements within the required timeframes. Moreover, the MREL framework may be subject to substantial change over the coming years, as a result of, amongst other things, the changes envisaged in the EC Capital Proposals (as defined below). As a result, it is not possible to give any assurances as to the ultimate scope, nature, timing, disclosure and consequences of breach of any resulting obligations, or the impact that they will have on Rabobank once implemented. If Rabobank Group were to experience difficulties in raising MREL eligible liabilities, it may have to reduce its lending or investments in other operations which would have a material adverse effect on Rabobank

Group's business, financial position and results of operations. The above requirements and the market's perception of Rabobank Group's ability to satisfy them may adversely affect the market value of the Notes.

Risks relating to the FSB's proposals regarding TLAC

On 9 November 2015, the FSB published its final principles regarding the TLAC of G-SIBs. In order to minimise any impact on financial stability, ensure the continuity of critical functions and avoid exposing taxpayers to loss, resolution authorities may subject a failing bank to a resolution regime and may apply certain resolution tools. These resolution tools include the bail-in tool: the power to write down and/or convert into equity a bank's capital instruments or liabilities for the purpose of absorbing the bank's losses and recapitalising the bank. Application of the bail-in tool requires the availability of sufficient loss absorbing capacity: capital instruments and liabilities eligible for write-down and/or conversion into equity. The FSB's TLAC principles seek to ensure that G-SIBs will have sufficient loss absorbing capacity and include a specific term sheet for TLAC which attempts to define an internationally agreed standard.

The FSB's TLAC principles require all G-SIBs to maintain a minimum (Pillar 1) level of TLAC-eligible instruments of at least 16 per cent. of the resolution group's risk-weighted assets with effect from 1 January 2019 and at least 18 per cent. with effect from 1 January 2022. Minimum TLAC must also be at least 6 per cent. of the Basel III leverage ratio exposures with effect from 1 January 2019, and at least 6.75 per cent. with effect from 1 January 2022. The principles also require G-SIBs to pre-position such loss-absorbing capacity amongst material subsidiaries on an intra-group basis. The term sheet also provides the possibility for resolution authorities to impose an additional bank-specific (Pillar 2) TLAC requirement over and above the common (Pillar 1) minimum. Capital instruments counting towards the capital requirements pursuant to the Regulation 575/2013 of the European Parliament and the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (the "CRR") may also count towards the TLAC requirement. However, the FSB term sheet does not allow the double-counting of capital towards both the TLAC requirement and the CRD IV (as defined below) capital buffers, i.e., it requires that the TLAC requirement should be satisfied before any surplus Common Equity Tier 1 Capital is available to satisfy CRD IV capital buffers.

The TLAC principles provide that TLAC may comprise Tier 1 and Tier 2 capital (within the meaning of the CRR) along with other TLAC-eligible liabilities which can be effectively written down or converted into equity during the resolution of the G-SIB. All TLAC is in principle required to be subordinated to "excluded liabilities", which includes insured deposits and any other liabilities that cannot be effectively written down or converted into equity by the relevant resolution authority.

Work is currently ongoing in the EU to implement the TLAC standard into EU legislation. In particular, the European Commission has proposed to incorporate TLAC into the capital requirements framework, as an extension to the own funds requirements and as part of the EC Capital Proposals, as discussed and defined below (see "*— Minimum regulatory capital and liquidity requirements*" below).

Based on the most recently updated FSB list of G-SIBs published in November 2018, Rabobank is not a G-SIB. However, there can be no assurance that relevant EU or Dutch regulators may not in the future impose comparable requirements on Rabobank or apply the requirements for MREL (see "*— Minimum requirement for own funds and eligible liabilities under the BRRD*" above) in a manner which is consistent with the TLAC requirements applicable for G-SIBs, which could have a material adverse effect on Rabobank Group's business, financial condition and results of operations. Recommendations largely to that effect are included in the EBA's final report on MREL of 14 December 2016 and in the EC Capital Proposals.

Minimum regulatory capital and liquidity requirements

Under CRD IV (as defined below), institutions are required to hold a minimum amount of regulatory capital equal to 8 per cent. of the aggregate total risk exposure amount of Rabobank Group ("**Risk-Weighted Assets**") (of which at least 4.5 per cent. must be Common Equity Tier 1 Capital). In addition to these so-

called minimum or “Pillar 1” “own funds” requirements, the CRD IV Directive (for example, at Article 128 and following) also introduces capital buffer requirements that are in addition to the minimum “own funds” requirements and are required to be met with Common Equity Tier 1 Capital. It provides for five capital buffers: (i) the capital conservation buffer, (ii) the institution-specific countercyclical capital buffer, (iii) the global systemically important institutions buffer (the “**G-SII Buffer**”), (iv) the other systemically important institutions buffer (the “**O-SII Buffer**”) and (v) the systemic risk buffer. When an institution is subject to one of the G-SII Buffer or the O-SII Buffer as well as the systemic risk buffer, either (i) the higher of these buffers applies or (ii) these buffers are cumulative, depending on the location of the exposures which the systemic risk buffer addresses. The capital conservation buffer (2.5 per cent. fully phased-in) and systemic risk buffer (currently 3.0 per cent.) both apply to the Rabobank Group and some or all of the other buffers may be applicable to the Rabobank Group from time to time, as determined by the ECB, the **DNB** or any other competent authority at such time. Any increase in the capital buffer requirements, including an increase of the systemic risk buffer by DNB, may require the Rabobank Group to increase its Common Equity Tier 1 Capital ratio (“**CET1 Ratio**”) and also its overall amount of MREL.

In addition to the “Pillar 1” and capital buffer requirements described above, CRD IV (for example, at Article 104(1)(a)) contemplates that competent authorities may require additional “Pillar 2” capital to be maintained by an institution relating to elements of risks which are not fully captured by the minimum “own funds” requirements (“**additional own funds requirements**”) or to address macro-prudential requirements.

The EBA published guidelines on 19 December 2014 addressed to national supervisors on common procedures and methodologies for the supervisory review and evaluation process (“**SREP**”), which contained guidelines proposing a common approach to determining the amount and composition of additional own funds requirements and which were implemented with effect from 1 January 2016. Under these guidelines, national supervisors should set a composition requirement for the additional own funds requirements to cover certain risks of at least 56 per cent. Common Equity Tier 1 Capital and at least 75 per cent. Tier 1 Capital. The guidelines also contemplate that national supervisors should not set additional own funds requirements in respect of risks which are already covered by capital buffer requirements and/or additional macro-prudential requirements.

In July 2016, the ECB confirmed that SREP will for the first time comprise two elements: Pillar 2 requirements (which are binding and breach of which can have direct legal consequences for banks) (“**P2R**”) and Pillar 2 guidance (with which banks are expected to comply but breach of which does not automatically trigger any legal action) (“**P2G**”). Accordingly, in the capital stack of a bank, the P2G is in addition to (and “sits above”) that bank’s Pillar 1 capital requirement, its P2R and its combined buffer requirement. It follows that if a bank does not meet its P2G, supervisors may specify supervisory measures but it is only if it fails to maintain its combined buffer requirement that the mandatory restrictions on discretionary payments (including payments on its CET1 and additional tier 1 instruments) based on its maximum distributable amount will apply. These changes are also reflected in the EC Capital Proposals. However, there can be no assurance as to the relationship between the “Pillar 2” additional own funds requirements and the restrictions on discretionary payments and as to how and when effect will be given to the EBA’s minimum guidelines and/or the EC Capital Proposals in the Netherlands, including as to the consequences for an institution of its capital levels falling below the minimum, buffer and additional requirements referred to above.

On 15 December 2017, Rabobank published its 2018 ECB capital requirements, determined pursuant to the SREP. The ECB decision requires that Rabobank maintains a total SREP capital requirement of 9.75 per cent. on a consolidated and unconsolidated basis. The requirement consists of an 8 per cent. minimum own funds requirement and a 1.75 per cent. P2R. The total Common Equity Tier 1 Capital minimum requirement is 6.25 per cent., consisting of the minimum Pillar 1 requirement (4.5 per cent.) and the P2R (1.75 per cent.). In addition, Rabobank is required to comply with the combined buffer requirements

consisting of a capital conservation buffer (2.5 per cent. in 2019) and a systemic risk buffer imposed by the DNB of 3 per cent. in 2019 that needs to be applied on top of these Common Equity Tier 1 Capital requirements. This would translate into an aggregate 11.75 per cent. Common Equity Tier 1 Capital requirement for 2019. At the date of this Base Prospectus, Rabobank Group complies with these requirements. See also “*Capital Adequacy*” under the chapter “*Management’s discussion and analysis of financial condition and results of operation*” on pages 326 to 327 of this Base Prospectus. In the Netherlands, the countercyclical capital buffer currently has been set at zero per cent. by the DNB. However, DNB and (in respect of exposures outside the Netherlands) local regulators may set the countercyclical capital buffer at a level other than zero per cent.

The ECB decision also requires that Rabobank maintains a CET1 Ratio of 8.75 per cent. on an unconsolidated basis. This 8.75 per cent. capital requirement is comprised of the minimum Pillar 1 requirement (4.5 per cent.), the P2R (1.75 per cent.) and the capital conservation buffer (2.5 per cent. in 2019).

Rabobank currently intends to maintain an internal management buffer (as described further below) comprising Common Equity Tier 1 Capital over the combined buffer requirement applicable to Rabobank Group. As part of its Strategic Framework 2016-2020, in anticipation of the expected impact of new rules on capital requirements, Rabobank Group aims to increase its CET1 Ratio to a minimum of 14 per cent., by the end of 2020, but there can be no assurance that this target ratio will be maintained. This target could be revised as a result of (regulatory) developments. As at 31 December 2018, the “phased-in” (meaning the CET1 Ratio under the current stage of phase-in capital requirements under the CRR) CET1 Ratio of Rabobank Group was 16.0 per cent. (the fully loaded CET1 Ratio of Rabobank Group as at 31 December 2018 was 16.0 per cent. and the solo CET1 Ratio of Rabobank Group as at 31 December 2018 was 16.0 per cent.). There can be no assurance, however, that Rabobank will continue to maintain such internal management buffer or that any such buffer would be sufficient to protect against a breach of the combined buffer requirement resulting in restrictions on payments on its Common Equity Tier 1 and additional tier 1 instruments.

Rabobank Group is subject to the risk, inherent in all regulated financial businesses, of having insufficient capital resources to meet its minimum regulatory capital requirements, any additional own funds requirements or any capital buffer requirements. Capital requirements may increase if economic conditions or negative trends in the financial markets worsen. Any failure of Rabobank Group to maintain its “Pillar 1” minimum regulatory capital ratios, any “Pillar 2” additional own funds requirements or any capital buffer requirements could result in administrative actions or sanctions, which in turn could have a material adverse impact on Rabobank Group’s results of operations. A shortage of available capital may restrict Rabobank Group’s opportunities.

Under the Basel III regime, capital and liquidity requirements have increased. On 17 December 2009, the Basel Committee on Banking Supervision (the “**Basel Committee**”) proposed a number of fundamental reforms to the regulatory capital framework in its consultative document titled “Strengthening the resilience of the banking sector”. On 16 December 2010 and on 13 January 2011, the Basel Committee issued its final guidance on a number of fundamental reforms to the regulatory capital framework (“**Basel III**”), including new capital requirements, higher capital ratios, more stringent eligibility requirements for capital instruments, a new leverage ratio and liquidity requirements, which are intended to reinforce capital standards and to establish minimum liquidity standards for financial institutions, including building societies.

Basel III has been implemented in the European Economic Area (the “**EEA**”) through the CRR and the Directive of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (the “**CRD IV Directive**”, and together with the CRR, the “**CRD IV**”), which were adopted in June 2013. The CRR entered into force on 1 January 2014 and the CRD IV Directive became effective in the Netherlands on 1 August 2014 when the provisions of the CRD IV were implemented by

legislation amending the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) (“**FMSA**”) and subordinate legislation, although particular requirements will be phased in over a period of time, to be fully effective by various dates up to 31 December 2021. The EBA has proposed and will continue to propose detailed rules through binding technical standards for many areas including, *inter alia*, liquidity requirements and certain aspects of capital requirements.

It is possible that the ECB or the EBA or both may implement Basel III and CRD IV in a manner that is different from that which is currently envisaged, or may impose additional capital and liquidity requirements on Dutch banks.

In December 2017, the Basel Committee finalised the Basel III reforms (also referred to as “Basel IV” by the industry) (the “**Basel III Reforms**”). This reform complements the initial phase of Basel III announced in 2010 (and implemented in CRD IV) as a response to the global financial crisis. The 2017 reform seeks to restore credibility in the calculation of risk-weighted assets (“**RWAs**”) and improve the comparability of banks’ capital ratios. Main features of the reform are:

- revisions to the standardised approaches for calculating credit risk, market risk, credit value adjustments (“**CVA**”) and operational risk;
- constraints on the use of internal model approaches, e.g. by placing limits on certain inputs used to calculate capital requirements under the internal ratings-based (“**IRB**”) approach for credit risk (for metrics such as Probability of Default (“**PD**”) and Loss Given Default (“**LGD**”)) and by removing the use of internal model approaches for certain asset classes and CVA risk and for operational risk;
- the introduction of an output floor, which limits the benefits banks can derive from using internal models to calculate minimum capital requirements. Banks’ calculations of RWAs generated by internal models cannot, in aggregate, fall below 72.5 per cent. of the risk-weighted assets computed by standardised approaches; and
- G-SIBs are subject to higher leverage ratio requirements.

According to the Basel III Reforms, the capital floors and other standards (including a revision of the leverage ratio framework) will become applicable as of 2022 and a transitional regime may apply.

For further information on the Basel III Reforms, see “*Regulation of Rabobank Group — Recent Developments*”.

Of these standards, the introduction of the standardised credit risk RWA (REA) floor is expected to have the most significant impact on the Rabobank Group. The standards for the new standardised credit risk RWA (REA) calculation rules include (i) introduction of new risk drivers, (ii) introduction of higher risk weights and (iii) reduction of mechanistic reliance on credit ratings (by requiring banks to conduct sufficient due diligence, and by developing a sufficiently granular non-ratings-based approach for jurisdictions that cannot or do not wish to rely on external credit ratings). In addition, the standards require banks to apply advanced approaches to risk categories, applying the higher of (i) the RWA (REA) floor based on (new) standardised approaches and (ii) the RWA (REA) floor based on advanced approaches in the denominator of their ratios. The implementation of the standardised RWA (REA) floors is expected to have a significant impact on the calculation of the Rabobank Group’s risk weighted assets due to the substantial difference in RWA (REA) calculated on the basis of advanced approaches and such calculation on the basis of new standardised rules for mortgages, and, to a lesser extent, exposures to corporates.

On 23 November 2016, the European Commission published legislative proposals for amendments to the CRR, the CRD IV Directive, the BRRD, the SRM Regulation and a proposed new directive to facilitate the creation of a new asset class of “non-preferred” senior debt (the “**EC Capital Proposals**”). The EC Capital Proposals cover multiple areas, including the Pillar 2 framework, the leverage ratio, permission for reducing own funds and eligible liabilities, macroprudential tools, creditor/depositor hierarchy, a new category of

“non-preferred” senior debt, the MREL framework and the integration of the TLAC standard into EU legislation as mentioned above. A bill implementing the requirement for senior non-preferred debt in the Netherlands came into force in December 2018.

On 4 December 2018, the EU Council endorsed the agreement between the EU Council Presidency and the EU Parliament on various elements of the EC Capital Proposals. In February 2019, the Committee of Permanent Representatives endorsed the positions agreed with the EU Parliament on all elements of the EC Capital Proposals. The agreed measures address three of the key objectives set out by the EU Council roadmap on completing the banking union agreed in 2016: (i) enhancing the framework for bank resolution, in particular the necessary level and quality of the subordination of liabilities (MREL) to ensure an effective and orderly “bail-in” process, (ii) introducing the possibility for resolution authorities to suspend a bank’s payments and/or contractual obligations when it is under resolution (the so-called “moratorium tool”), in order to help stabilise the bank’s situation and (iii) strengthening bank capital requirements to reduce incentives for excessive risk taking, by including a binding leverage ratio and a binding net stable funding ratio and setting risk sensitive rules for trading in securities and derivatives. In April 2019, the EU Parliament approved the proposals and publication in the Official Journal is anticipated by mid-2019.

Rabobank, N.A. is subject to U.S. capital adequacy standards. Further, under section 171 of the Dodd-Frank Act (the “**Collins Amendment**”), Utrecht-America Holdings, Inc., which holds Rabobank, N.A. and many of Rabobank Group’s U.S. non-bank subsidiaries, became subject to U.S. capital adequacy standards as of 21 July 2015. Those standards require Rabobank Group to maintain capital at the level of Utrecht-America Holdings, Inc. in accordance with U.S. regulatory capital requirements rather than relying on capital maintained at Rabobank Group’s top-level parent company. Compliance with the Collins Amendment limits Rabobank Group’s ability to deploy capital most efficiently in accordance with its subsidiaries’ business needs, and potentially increases the costs of Rabobank Group’s operations and may result in capital deficiencies elsewhere in Rabobank Group.

If the regulatory capital requirements, liquidity restrictions or ratios applied to Rabobank Group are increased in the future (including any amendments arising as a result of the EC Capital Proposals or otherwise), any failure of Rabobank Group to maintain such increased capital and liquidity ratios may result in administrative actions or sanctions, which may have a material adverse effect on Rabobank Group’s business, financial condition and results of operations. For further information regarding Basel III and CRD IV, including their implementation in the Netherlands, please see the section titled “*Regulation of Rabobank Group*”.

Replacement of Benchmark Indices

Interest rate, equity, foreign exchange rate and other types of indices which are deemed to be “benchmarks” are the subject of increased regulatory scrutiny. As discussed further in “*Risks relating to a Particular Issue of Notes under the Programme - Benchmarks regulation and reform*”, reforms such as the discontinuation of LIBOR (or any other reference rate or index), may cause benchmarks to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be fully anticipated, which introduces a number of risks for Rabobank Group.

These risks include (i) legal risks arising from potential changes required to documentation for new and existing transactions; (ii) financial risks arising from any changes in the valuation of financial instruments linked to benchmark rates; (iii) pricing risks arising from how changes to benchmark indices could impact pricing mechanisms on some instruments; (iv) operational risks arising from the potential requirement to adapt IT systems, trade reporting infrastructure and operational processes; and (v) conduct risks arising from the potential impact of communication with customers and engagement during the transition period.

The replacement benchmarks, and the timing of and mechanisms for implementation have not yet been confirmed by benchmark administrators and central banks. Accordingly, it is not currently possible to determine whether, or to what extent, any such changes would affect Rabobank Group. However, the

implementation of alternative benchmark rates may, as a result of one or more of the risks set out in the preceding paragraph, have a material adverse effect on Rabobank Group's business, results of operations, financial condition and prospects.

Credit ratings

Rabobank Group's access to the unsecured funding markets is dependent on its credit ratings.

A downgrading, an announcement of a potential downgrade in its credit ratings or a withdrawal of its credit rating, as a result of a change in a rating agency's view of Rabobank Group, industry outlook, sovereign rating, rating methodology or otherwise, could adversely affect Rabobank Group's access to liquidity alternatives and its competitive position, and could increase the cost of funding or trigger additional collateral requirements all of which could have a material adverse effect on Rabobank Group's prospects, business, financial condition and results of operations.

Competition

All aspects of Rabobank Group's business are highly competitive. Rabobank Group's ability to compete effectively depends on many factors, including its ability to maintain its reputation, the quality of its services and advice, its intellectual capital, product innovation, execution ability, pricing, sales efforts and the talent of its employees. Any failure by Rabobank Group to maintain its competitive position could have a material adverse effect on Rabobank Group's prospects, business, financial condition and results of operations.

Geopolitical developments

Geopolitical developments (such as the impact of the United Kingdom's expected exit from the European Union, trade tensions and sanctions), commodity supply shocks and natural disasters, among other things, can affect the global financial markets. Since the beginning of the 21st century, accounting and corporate governance scandals and financial crises have significantly undermined investor confidence from time to time. The occurrence of any such developments and events could have a material adverse effect on Rabobank Group's business, financial condition and results of operations.

Terrorist acts, other acts of war or hostility, civil unrest, geopolitical, pandemic or other such events

Terrorist acts, other acts of war or hostility, civil unrest, geopolitical, pandemic or other such events and responses to those acts or events may create economic and political uncertainties, which could have a negative impact on Dutch and international economic conditions generally, and more specifically on the business and results of Rabobank Group in ways that cannot necessarily be predicted. The occurrence of any such events could have a material adverse effect on Rabobank Group's business, financial condition and results of operations.

Key employees

Rabobank Group's success depends to a great extent on the ability and experience of its senior management and other key employees. The loss of the services of certain key employees, particularly to competitors, could have a material adverse effect on Rabobank Group's business, financial condition and results of operations. The failure to attract or retain a sufficient number of appropriate employees could significantly impede Rabobank Group's financial plans, growth and other objectives and have a material adverse effect on Rabobank Group's business, financial condition and results of operations.

Section B: Risk Factors Relating to All Notes Issued Under the Programme

B.1 Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme⁶

The Notes may not be a suitable investment for all investors

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

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential Investor's Currency (as defined in "Risk factors related to the market generally — Exchange rate risks and exchange controls");
- (d) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone 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 Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Modification, waivers and substitution

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders, including Noteholders who did not attend and/or vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. The Agency Agreement also provides that a resolution in writing signed by or on behalf of the Noteholders of not less than 75 per cent. in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held.

The Agency Agreement and the Terms and Conditions may be amended by the Issuer and the Fiscal Agent, without the consent of the Noteholders or Couponholders or any other person, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which the Issuer and the Fiscal Agent may mutually deem necessary or desirable and which does not adversely affect the interests of the holders.

⁶ Other risks may exist that are currently not known or that, based on today's knowledge, are not deemed to be material enough to be included in this section.

The Terms and Conditions of the Notes also provide for the substitution of another company as principal debtor under any Notes in place of the Issuer, in the circumstances described in Condition 14(c).

Resolution powers (including powers to write down debt)

The application of the Intervention Act may affect the ownership rights of holders of the Notes. For example, it is possible that the Intervention Act could be used in such a way as to result in debt instruments of the Issuer, such as the Notes, absorbing losses or otherwise affecting the rights of Noteholders at the point of non-viability (see also the risk factor “*Bank recovery and resolution regimes*” above). The taking of any such action or any perceived increased likelihood that such action will be taken may adversely affect the market value of the Notes.

In addition, pursuant to BRRD or the SRM or other resolution or recovery rules (including the EC Capital Proposals) which may in the future be applicable to the Issuer which could be used in such a way as to result in the Notes absorbing losses (“**Statutory Loss Absorption**”), the Notes could become subject to a determination by the DNB or another relevant authority (each a “**Relevant Authority**”) that all or part of the principal amount of the Notes, including accrued but unpaid interest in respect thereof, must be written off or otherwise converted into Common Equity Tier 1 Capital or otherwise be applied to absorb losses (e.g. by application of the bail-in tool) or affecting the rights of Noteholders either in the course of any resolution of the Issuer or, prior thereto, at the point of non-viability. See also the risk factor “*Bank recovery and resolution regimes*” above. Such determination shall not constitute an Event of Default and Noteholders will potentially have limited compensation rights or even no further claims in respect of any amount so written off or otherwise as a result of such Statutory Loss Absorption and Noteholders may have only very limited rights to challenge and/or seek a suspension of any decision of the Relevant Authority to exercise its (pre-)resolution powers or to have that decision reviewed by a judicial or administrative process or otherwise. Subject to certain exceptions, as soon as any of these proposed proceedings have been initiated by the Relevant Authority, as applicable, the relevant counterparties of such bank would not be entitled to invoke events of default or set off their claims against the bank for this purpose.

Any determination that all or part of the principal amount of the Notes will be subject to Statutory Loss Absorption may be inherently unpredictable and may depend on a number of factors which may be outside the Issuer’s control. Accordingly, trading behaviour in respect of Notes which are subject to Statutory Loss Absorption is not necessarily expected to follow trading behaviour associated with other types of securities. Any indication that Notes may become subject to Statutory Loss Absorption could have an adverse effect on the market price or credit rating of the relevant Notes. Potential investors should consider the risk that a Noteholder may lose all of its investment in such Notes, including the principal amount plus any accrued but unpaid interest, if those Statutory Loss Absorption measures were to be taken.

Within the context of the resolution tools, holders of debt securities of a bank (including the Noteholders) subject to resolution could be affected by, *inter alia*, issuer substitution or replacement, transfer of debt, expropriation, modification of terms and/or suspension or termination of listings. As a result of a resolution measure being taken, holders of Notes could lose ownership over the Notes or could become holders of the Notes of an empty entity or a bad bank or their holdings could be severely diluted. The taking of any such action or any perceived increased likelihood that such action will be taken may adversely affect the market value of the Notes.

It is possible that, pursuant to the exercise of any Statutory Loss Absorption measures, further new powers may be given to the Relevant Authority which could be used in such a way as to result in the Notes absorbing losses.

Potential investors should also refer to the risk factors entitled “*Minimum requirement for own funds and eligible liabilities under the BRRD*”, “*Bank recovery and resolution regimes*” and “*Change of law*”.

Change of law

The conditions of the Notes are based on Dutch law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to Dutch, European or any other applicable laws, regulations or administrative practices (including, but not limited to, any such laws, regulations or practices relating to the tax treatment of the Notes) after the date of this Base Prospectus. Such changes in law may include, but are not limited to, the introduction of a variety of statutory resolution and loss-absorption tools which may affect the rights of holders of securities issued by the Issuer, including the Notes. Such tools may include the ability to write off or convert sums otherwise payable on such securities at a time when the Issuer is no longer considered viable by its regulator or upon the occurrence of another trigger (see the risk factors entitled “*Minimum requirement for own funds and eligible liabilities under the BRRD*” and “*Bank recovery and resolution regimes*” above for further details).

No claim against any Underlying

Commodity Linked Notes, Commodity Index Linked Notes, Equity Linked Notes, Equity Index Linked Notes, Fund Linked Notes, FX Linked Notes and Inflation Linked Notes will not represent a claim against any Underlying to which the amount of principal and/or interest payable, or amount of specified assets deliverable on redemption (if applicable), in respect of the Notes is dependent and, in the event that the amount paid by the Issuer or the value of the specified assets delivered on redemption of the Notes is less than the principal amount of the Notes, a Noteholder will not have recourse under a Note to any Underlying.

An investment in Notes linked to one or more Underlyings may entail significant risks not associated with investments in conventional debt securities, including, but not limited to, the risks set out in this section. The amount paid or value of the specified assets delivered by the Issuer on redemption of such Notes may be less than the principal amount of the Notes, together with any accrued interest, and may in certain circumstances be zero.

Potential conflicts of interest in relation to hedging

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

Other potential conflicts of interest

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

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

The Issuer and/or any of its Affiliates may have existing or future business relationships with an issuer or issuers of any Underlying(s) (including, but not limited to, lending, depositary, risk management, advisory and banking relationships), and will pursue actions and take steps that they or it deems necessary or

appropriate to protect their and/or its interests arising therefrom without regard to the consequences for a Noteholder.

Potential U.S. Foreign Account Tax Compliance Act withholding

Pursuant to certain provisions of U.S. law, commonly known as FATCA, withholding may be required on, among other things, (i) certain payments made by “foreign financial institutions” (“**foreign passthru payments**”), (ii) dividend equivalent payments (as described below in “*Potential U.S. withholding on dividend equivalent payments*”) and (iii) payments of gross proceeds from the disposition of securities that generate dividend equivalent payments, in each case, to persons that fail to meet certain certification, reporting, or related requirements. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions (including the Netherlands) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions.

Certain aspects of the application of FATCA to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to foreign passthru payments, are not clear at this time. Proposed U.S. Treasury regulations have been issued that provide for (i) the repeal of the 30 per cent. withholding tax applicable to payments of gross proceeds from the sale or other taxable disposition of Notes that generate dividend equivalent payments and (ii) the extension of the date on which withholding applies to foreign passthru payments to the date that is two years after the date of publication in the U.S. Federal Register of applicable final regulations defining foreign passthru payments. In the preamble to the proposed regulations, the U.S. Treasury Department indicated that taxpayers may rely on these proposed regulations until the issuance of final regulations. Additionally, Notes that are not treated as equity for U.S. federal income tax purposes and that have a defined term generally would be “grandfathered” for purposes of FATCA withholding (i) in respect of foreign passthru payments, if issued on or prior to the date that is six months after the date on which final regulations defining “foreign passthru payments” are filed with the U.S. Federal Register and (ii) in respect of dividend equivalent payments and payments of gross proceeds on Notes that generate dividend equivalent payments, if issued on or prior to the date that is six months after the date on which such Notes are first treated as giving rise to dividend equivalent payments, in each case, unless the Note is materially modified after the relevant grandfathering date (including by reason of a substitution of the Issuer). However, if additional notes (as described under “*General Conditions of the Notes—Further issues*”) that are not distinguishable from grandfathered Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including grandfathered Notes, as subject to withholding under FATCA.

In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes.

Potential U.S. withholding on dividend equivalent payments

Under Section 871(m) of the Code and the U.S. Treasury regulations thereunder (“**Section 871(m)**”), a “dividend equivalent” payment is treated as a dividend from sources within the United States and will be subject to U.S. withholding tax at a rate of 30 per cent. when paid to a non-U.S. person (unless a lower treaty rate on dividends is applicable). A “dividend equivalent” payment generally includes a payment (or deemed payment) that is contingent upon, or determined by reference to, the payment of a U.S.-source dividend under certain financial instruments. An instrument whose economic characteristics are sufficiently similar to those of an underlying or referenced U.S. security that pays U.S.-source dividends under tests provided in applicable U.S. Treasury regulations will generally be subject to the Section 871(m) regime (such an instrument, a “**Specified ELI**”). The tests applicable for determining whether an instrument is a Specified ELI will depend on the terms of the relevant instrument and the date on which the instrument is issued, and may be subject to redetermination in connection with certain modifications of the instrument.

Similarly, if additional Notes of the same series are issued (or deemed issued for U.S. tax purposes, such as certain sales of Notes out of inventory) after the original issue date, the IRS could treat the issue date for determining whether the existing Notes are Specified ELIs as the date of such subsequent sale or issuance. Pursuant to a U.S. Internal Revenue Service notice and U.S. Treasury regulations issued prior to the date of this Prospectus, Section 871(m) will not apply to certain financial instruments issued prior to 1 January 2021 if such financial instruments are not “delta one” transactions. In addition, the Section 871(m) regulations provide certain broadly applicable exceptions to characterisation as Specified ELIs, in particular for certain instruments linked to certain broad-based indices.

Withholding in respect of dividend equivalents will generally be required when cash payments are made under a Specified ELI to a non-U.S. person or upon the date of maturity, lapse or other disposition by the non-U.S. person of the Specified ELI. If the underlying or referenced U.S. security or securities are treated as paying dividends during the term of the Specified ELI, withholding generally will still be required even if the Specified ELI does not provide for payments explicitly linked to such dividends.

As discussed above, FATCA would impose withholding tax at a rate of 30 per cent. on any payments in respect of a Note that are treated as dividend equivalent payments when paid to persons that fail to meet certain certification, reporting, or related requirements. While a payment with respect to a Note could be subject to U.S. withholding under both FATCA and as a result of being treated as a dividend equivalent payment, the maximum rate of U.S. withholding on such payment would not exceed 30 per cent.

Upon the issuance of a series of Notes, the Issuer will state in the Final Terms or on the Bank’s website if it has determined that the Notes are Specified ELIs at the time such Notes are issued, in which case Noteholders should expect to be subject to withholding in respect of any dividend equivalent payments on such Notes. In the event that any withholding would be required pursuant to Section 871(m) with respect to payments on the Notes, no person will be required to pay any additional amounts with respect to amounts so withheld. Additionally, the Issuer may withhold the full 30 per cent. tax on any payment on the Notes in respect of any dividend equivalent arising with respect to such Notes regardless of any exemption from, or reduction in, such withholding otherwise available under applicable law (including, for the avoidance of doubt, where a Noteholder is eligible for a reduced tax rate under an applicable tax treaty with the United States). A Noteholder may be able to claim a refund of any excess withholding provided the required information is timely furnished to the U.S. Internal Revenue Service.

Prospective investors should consult their tax advisers regarding the consequences to them of the potential application of Section 871(m) to the Notes, including their ability to claim reductions in the amount of withholding, or refunds or credits in respect of amounts withheld, under an applicable tax treaty with the United States.

Information reporting obligations

Information relating to the Notes, their holders and beneficial owners may be required to be provided to tax authorities in certain circumstances pursuant to domestic or international reporting and transparency regimes. This may include (but is not limited to) information relating to the value of the Notes, amounts paid or credited with respect to the Notes, details of the holders or beneficial owners of the Notes and information and documents in connection with transactions relating to the Notes. In certain circumstances, the information obtained by a tax authority may be provided to tax authorities in other countries. Some jurisdictions operate a withholding system in place of, or in addition to, such provision of information requirements.

No interest may be payable under the Notes

Potential investors should note that no interest may be paid on the Notes on or prior to their redemption date. An investor in the Notes, in the context of its own financial position, must be capable of holding such Notes to maturity with no income stream in the form of interest payments.

As there may be no periodic payment of interest to the Noteholders, any increase in the value of the Underlying (if any) will not be crystallised until the Notes are redeemed, and the Notes may fall in value at any time prior to redemption.

Section C: Risks Related to the Structure of a Particular Issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors, the most common of which are set out below:

C.1 Risks related to a Particular Issue of Notes under the Programme

Notes subject to optional redemption by the Issuer

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

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

Fixed Rate Notes

The Issuer may issue Fixed Rate Notes. Such Notes will bear interest at a fixed rate of interest, which, unless otherwise specified in the relevant Final Terms, remains constant during the life of the Notes. Any investors holding these Notes will be subject to the risk that any subsequent increases in market interest rates may adversely affect the real return on the Notes (and the value of the Notes).

Even where the terms of the Notes provide that the rate of interest periodically increases, an investor holding such Notes is subject to the risk that such increases in the rate of interest do not keep pace with any increases in market interest rates, with the consequence that the real return on the Notes (and the value of the Notes) will fall.

Where the terms of the Notes provide that the rate of interest periodically decreases, investors are subject to the risk that the revised rate of interest will be below then current market interest rates and, even where market interest rates are falling, the reduction in the rate of interest on the Notes may be greater than any reduction in market interest rates, with the consequence that the real return on the Notes (and the value of the Notes) will fall.

Floating Rate Notes

The Issuer may issue Floating Rate Notes. Such Notes will bear interest at a floating rate of interest, which will be subject to market fluctuations in interest rates. In addition, the floating rate of interest at any time may be lower than the rates on other Notes. If so specified in the relevant Final Terms, the (positive or negative) margin relating to the relevant floating rate of interest may increase (or “step-up”) or decrease (or “step-down”) during the life of the Notes.

If the margin is positive and periodically decreases (or, conversely, if the margin is negative and periodically increases), the real return on the Notes (and the value of the Notes) will fall.

Benchmarks regulation and reform

The London inter-bank offered rate (“**LIBOR**”), the Euro-zone inter-bank offered rate (“**EURIBOR**”) and other interest rates or other types of rates and indices which are deemed to be “benchmarks” are the subject of ongoing regulatory reform (including as a result of the Benchmarks Regulation which entered into force on 1 January 2018). Following the implementation of any such potential reforms, the manner of administration of benchmarks may change, with the result that they may perform differently than in the

past, or benchmarks could be eliminated entirely, or there could be other consequences, including those which cannot be predicted. For example, on 27 July 2017, the United Kingdom's Financial Conduct Authority (the "**FCA**") announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021 (the "**FCA Announcement**"). The FCA Announcement indicated that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. Additionally, in March 2017, the European Money Markets Institute (the "**EMMI**") (formerly EURIBOR-EBF) published a position paper referring to certain proposed reforms to EURIBOR, which reforms aim to clarify the EURIBOR specification, to develop a transaction-based methodology for EURIBOR and to align the relevant methodology with the Benchmarks Regulation, the IOSCO Principles for Financial Benchmarks and other regulatory recommendations. The EMMI has since indicated that there has been a "change in market activity as a result of the current regulatory requirements and a negative interest rate environment" and "under the current market conditions it will not be feasible to evolve the current EURIBOR methodology to a fully transaction-based methodology following a seamless transition path". It is the current intention of the EMMI to develop a hybrid methodology for EURIBOR and on 19 February 2019, following the publication of its second consultation paper on a hybrid methodology for EURIBOR, EMMI released the time series of the "Hybrid Euribor Testing Phase".

The potential elimination of, or the potential changes in the manner of administration of, the LIBOR, EURIBOR or any other benchmark could require an adjustment to the terms and conditions to reference an alternative benchmark, or result in other consequences, including those which cannot be predicted, in respect of any Notes linked to such benchmark (including, but not limited to, Floating Rate Notes, whose interest rates are linked to LIBOR, EURIBOR or any such other benchmark that is subject to reform).

Investors should be aware that, if LIBOR, EURIBOR or any other benchmark were discontinued or otherwise unavailable, the rate of interest on Notes which reference any such benchmark will be determined for the relevant period by the fall-back provisions applicable to such Notes. Depending on the manner in which the relevant benchmark rate is to be determined under the Terms and Conditions of the Notes, this may (i) be reliant upon the provision by reference banks of offered quotations for such rate which, depending on market circumstances, may not be available at the relevant time or (ii) result in the effective application of a fixed rate based on the rate which applied in the previous period when the relevant benchmark was available.

If LIBOR or EURIBOR (or any other Reference Rate) are permanently discontinued, the Issuer may, after using reasonable endeavours to appoint and consult with an Independent Adviser, determine a Successor Rate or Alternative Rate to be used in place of LIBOR or EURIBOR (or such other Reference Rate) where LIBOR or EURIBOR (or such other Reference Rate) have been selected as the Reference Rate to determine the Rate of Interest. The use of any such Successor Rate or Alternative Rate to determine the Rate of Interest may result in Notes linked to or referencing LIBOR or EURIBOR (or such other Reference Rate) performing differently (including paying a lower Rate of Interest) than they would do if LIBOR or EURIBOR (or such other Reference Rate) were to continue to apply in their current form.

Benchmark Events include (i) the Original Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; (ii) a public statement by the administrator of the Original Reference Rate that the Original Reference Rate has been or will be permanently or indefinitely discontinued; (iii) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will be permanently or indefinitely discontinued; (iv) a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences; (v) it becoming unlawful for any Paying Agent, Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the Original Reference Rate; or (vi) a public statement by the supervisor of the administrator of the Original Reference Rate that, in the view of such supervisor, such Reference Rate is no longer representative of an underlying market or the methodology to calculate such

Reference Rate has materially changed. If a Benchmark Event occurs, the Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser. After consulting with the Independent Adviser, the Issuer shall endeavour to determine a Successor Rate or Alternative Rate to be used in place of the Original Reference Rate, despite the continued availability of the Original Reference Rate. The use of any Successor Rate or Alternative Rate to determine the Rate of Interest is likely to result in Notes linked to or referencing the Original Reference Rate performing differently (which may include payment of a lower Rate of Interest) than they would do if the Original Reference Rate were to continue to be referenced. In addition, the market (if any) for Notes linked to any such Successor Rate or Alternative Rate may be less liquid than the market for Notes linked to the Original Reference Rate.

Furthermore, if a Successor Rate or Alternative Rate for LIBOR or EURIBOR (or any other Reference Rate) is determined by the Issuer (following consultation with the Independent Adviser), the Conditions provide that the Issuer may vary the Conditions, as necessary to ensure the proper operation of such Successor Rate or Alternative Rate, without any requirement for consent or approval of the Noteholders.

If a Successor Rate or Alternative Rate is determined by the Issuer (following consultation with the Independent Adviser), the Conditions also provide that an Adjustment Spread will be applied to such Successor Rate or Alternative Rate. The Adjustment Spread is (i) the spread, formula or methodology which is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body (which may include a relevant central bank, supervisory authority or group of central banks/supervisory authorities), (ii) if no such recommendation has been made, or in the case of an Alternative Rate, the spread, formula or methodology which the Issuer, following consultation with the Independent Adviser determines is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate, or (iii) if the Issuer (following consultation with the Independent Adviser) determines that no such spread is customarily applied, the spread, formula or methodology which the Issuer, following consultation with the Independent Adviser, determines and which is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate, as the case may be. While any Adjustment Spread may be expected to be designed to eliminate or minimise any potential transfer of value between counterparties, the application of the Adjustment Spread to the Notes may not do so and may result in the Notes performing differently (which may include payment of a lower interest rate) than they would do if the Original Reference Rate were to continue to apply in its current form.

In addition, if LIBOR or EURIBOR (or any other Reference Rate) are discontinued permanently, and the Issuer, for any reason, is unable to determine any Successor Rate or Alternative Rate, the Rate of Interest may revert to the Rate of Interest applicable as at the last preceding Interest Determination Date before LIBOR or EURIBOR (or such other Reference Rate) was discontinued, and such Rate of Interest will continue to apply until maturity.

Noteholders may not be able to prevent an adjustment to the Rate of Interest from occurring, a change from the Original Reference Rate to a Successor Rate or Alternative Rate and/or the application of an Adjustment Spread proposed by the Issuer. The procedure for any such adjustments described above aims to strike a fair balance between the different interests of the parties involved. However, prospective investors should be aware that the Issuer is liable for the payment of interest due under the Notes (as further described herein) on the one hand and, on the other hand, the Issuer may determine the adjustments described above in case of a Benchmark Event. The interests of the Issuer may therefore deviate from the interests of the Noteholders at such time and it cannot be excluded that this could have a negative impact on the changes made as a result of a Benchmark Event pursuant to changes to the Rate of Interest, or due to the use of a Successor Rate or Alternative Rate and/or an Adjustment Spread and therefore negatively affect the return on investment for Noteholders.

Due to the uncertainty concerning the availability of successor rates and alternative reference rates, the involvement of an Independent Adviser and the possibility that a licence or registration may be required under applicable legislation for establishing and publishing fallback interest rates, the relevant fallback provisions may not operate as intended at the relevant time. In addition, uncertainty as to the continuation of a benchmark, the availability of quotes from reference banks to allow for the continuation of the floating rate or certain reset rates on any Notes, and the rate that would be applicable if the relevant benchmark is discontinued may also adversely affect the trading market and the value of the Notes. At this time, it is not possible to predict what the effect of these developments will be or what the impact on the value of the Notes will be. More generally, any of the above changes or any other consequential changes to LIBOR, EURIBOR or any other “benchmark” as a result of international, national, or other proposals for reform or other initiatives or investigations, or any further uncertainty in relation to the timing and manner of implementation of such changes, could have a material adverse effect on the liquidity and value of, and return on, any Notes based on or linked to a “benchmark”.

The market continues to develop in relation to SONIA as a reference rate

Investors should be aware that the market continues to develop in relation to SONIA as a reference rate in the capital markets and its adoption as an alternative to LIBOR. In particular market participants and relevant working groups are exploring alternative reference rates based on SONIA, including term SONIA reference rates (which seek to measure the market’s forward expectation of an average SONIA rate over a designated term). The market or a significant part thereof may adopt an application of SONIA that differs significantly from that set out in the Terms and Conditions as applicable to Notes referencing a SONIA rate that are issued under this Base Prospectus. Furthermore the Issuer may in future issue Notes referencing SONIA that differ materially in terms of interest determination when compared with any previous SONIA-referenced Notes issued by it under the Programme. The nascent development of Compounded Daily SONIA (as defined in the Terms and Conditions) as an interest reference rate for the Eurobond markets, as well as continued development of SONIA-based rates for such market and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of any SONIA-referenced Notes issued under the Programme from time to time.

Furthermore, interest on Notes which reference Compounded Daily SONIA is only capable of being determined at the end of the relevant Observation Period and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes which reference Compounded Daily SONIA to estimate reliably the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which could adversely impact the liquidity of such Notes. Further, in contrast to LIBOR-based Notes, if Notes referencing Compounded Daily SONIA become due and payable as a result of an event of default under Condition 12, the rate of interest payable for the final Interest Accrual Period in respect of such Notes shall only be determined immediately prior to the date on which the Notes become due and payable and shall not be reset thereafter.

In addition, the manner of adoption or application of SONIA reference rates in the Eurobond markets may differ materially compared with the application and adoption of SONIA in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of SONIA reference rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing Compounded Daily SONIA.

Investors should consider these matters when making their investment decision with respect to any such relevant Notes.

The market continues to develop in relation to SOFR as a reference rate

In connection with SOFR-referenced Notes or in the event SOFR is adopted as an alternative or successor to LIBOR, investors should be aware that the market continues to develop in relation to SOFR as a reference rate in the capital markets and its adoption as an alternative to LIBOR. In April 2018, the FRBNY, in conjunction with the Alternative Reference Rates Committee, a steering committee comprised of large U.S. financial institutions, announced replacement of U.S. LIBOR with a new index calculated by short-term repurchase agreements, backed by U.S. Treasury securities, called SOFR. The first publication of SOFR was released in April 2018.

The selection of SOFR as the alternative reference rate currently presents certain market concerns, because a term structure for SOFR has not yet developed, and there is not yet a generally accepted methodology for adjusting SOFR, which represents an overnight, risk-free rate, so that it will be comparable to LIBOR, which has various tenors and reflects a risk component. The market or a significant part thereof may adopt an application of SOFR that differs significantly from that set out in the Terms and Conditions of the Notes referencing a SOFR rate that are issued pursuant to the Programme. Furthermore, the Issuer may in future issue Notes referencing SOFR that differ materially in terms of interest determination when compared with any previous SOFR-referenced Notes issued by it under the Programme. The continued development of SOFR-based rates for the U.S. market and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of any SOFR-referenced Notes issued under the Programme from time to time.

Investors should consider these matters when making their investment decisions with respect to any such Notes.

The Secured Overnight Financing Rate used to calculate SOFR may be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors

The Secured Overnight Financing Rate is published by the FRBNY and is intended to be a broad measure of the cost of borrowing cash overnight collateralised by Treasury securities. The FRBNY reports that the Secured Overnight Financing Rate includes all trades in the Broad General Collateral Rate, plus bilateral United States Department of the Treasury (the “**Treasury**”) repurchase agreement transactions cleared through the delivery-versus-payment service offered by the Fixed Income Clearing Corporation (the “**FICC**”), a subsidiary of the DTC. The Secured Overnight Financing Rate is filtered by the FRBNY to remove a portion of the foregoing transactions considered to be “specials”.

The FRBNY reports that the Secured Overnight Financing Rate is calculated as a volume-weighted median of transaction-level tri-party repurchase agreement data collected from The Bank of New York Mellon as well as General Collateral Finance repurchase agreement transaction data and data on bilateral Treasury repurchase transactions cleared through the FICC’s delivery-versus-payment service. The FRBNY notes that it obtains information from DTC Solutions LLC, an affiliate of DTC. The FRBNY notes on its publication page for the Secured Overnight Financing Rate that use of the Secured Overnight Financing Rate is subject to important limitations and disclaimers, including that the FRBNY may alter the methods of calculation, publication schedule, rate revision practices or availability of the Secured Overnight Financing Rate at any time without notice.

Because the Secured Overnight Financing Rate is published by the FRBNY based on data received from other sources, the issuing entity has no control over its determination, calculation or publication. There can be no guarantee that the Secured Overnight Financing Rate will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of the investors in the Notes linked to SOFR. If the manner in which the Secured Overnight Financing Rate is calculated is changed, that change may result in a reduction of the amount of interest payable on the Notes and the trading prices of such Notes. If the rate at which interest accrues on any day declines to zero or becomes negative, no interest will be payable on such Notes in respect of that day.

The FRBNY began to publish the Secured Overnight Financing Rate in April 2018. The FRBNY has also begun publishing historical indicative Secured Overnight Financing Rates going back to 2014. Investors should not rely on any historical changes or trends in the Secured Overnight Financing Rate as an indicator of future changes in the Secured Overnight Financing Rate. Also, since the Secured Overnight Financing Rate is relatively new market index, the Notes will likely have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Markets terms for debt securities indexed to the Secured Overnight Financing Rate, such as the spread over the index reflected in interest rate provisions, may evolve over time, and trading prices of the Notes may be lower than those of later-issued indexed debt securities as a result. Similarly, if the Secured Overnight Financing Rate does not prove to be widely used in securities like the Notes, the trading price of the Notes linked to SOFR may be lower than those of Notes linked to indices that are more widely used. Investors in the Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk.

Notes in an Alternative Currency

The Issuer's primary obligation is to make all payments of interest and principal with respect to Notes in the relevant Specified Currency (or, in the case of Dual Currency Interest Notes or Dual Currency Redemption Notes, the currency in which payment is otherwise to be made on such Notes). However, if so specified in the relevant Final Terms, in the event access to the Specified Currency becomes restricted to the extent that, by reason of an Original Currency Unavailability Event (as defined in General Condition 8(g)), it would be impossible, or in the opinion of the Alternative Currency Adjudication Agent, commercially impracticable for the Issuer and/or any of its affiliates to obtain a sufficient amount of the Original Currency in order to satisfy any payment obligation under the Notes in the Original Currency, the Issuer will be entitled to postpone payment by up to the Maximum Days of Postponement after the relevant payment date, and in certain circumstances, make any such payment in the relevant Alternative Currency in the manner set out in General Condition 8(g) and the relevant Final Terms.

Statutory protections for creditors of Rabobank's branches

Rabobank may issue Notes under the Programme through Rabobank Structured Products and pursuant to its other funding programmes it may issue other debt securities through its branches in other jurisdictions. Investors in any such Notes or other debt securities issued by Rabobank's branches may benefit from statutory protections in such jurisdictions, which include the ability of local regulators and authorities to ring fence, or take possession of, Rabobank's assets located in such jurisdiction for the benefit of the creditors of those branches in circumstances where Rabobank is placed in liquidation or there is reason to doubt Rabobank's ability to pay its creditors in full. Accordingly, in any bankruptcy, winding-up or liquidation of Rabobank in the Netherlands, creditors of Notes issued by Rabobank may not have access to any such assets until the claims of the creditors of Rabobank's branches have been satisfied.

Minimum Specified Denomination

In relation to any issue of Bearer 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 that are not integral multiples of such minimum Specified Denomination. Any such holding of Notes that is less than the minimum Specified Denomination may be illiquid and difficult to trade. In such a case, a Noteholder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in its account with the relevant clearing system at the relevant time may not receive a definitive bearer Note in respect of such holding (should Definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a minimum Specified Denomination.

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

C.2 Risks related to Notes denominated in Renminbi

Notes denominated in Renminbi ("**Renminbi Notes**") may be issued under the Programme, Renminbi Notes contain particular risks for potential investors.

Renminbi is not freely convertible. There are significant restrictions on remittance of Renminbi into and outside the PRC which may adversely affect the liquidity of Renminbi Notes

Renminbi is not freely convertible at present. The government of the PRC (the "**PRC Government**") continues to regulate conversion between Renminbi and foreign currencies, including the Hong Kong dollar, despite significant reduction in control by it in recent years over trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items.

Remittance of Renminbi by foreign investors into the PRC for the purposes of capital account items, such as capital contributions, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities and is subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into the PRC for settlement of capital account items are developing gradually.

In respect of the Renminbi foreign direct investments ("**FDI**"), the People's Bank of China ("**PBoC**") promulgated the Administrative Measures on Renminbi Settlement of Foreign Direct Investment (the "**PBoC FDI Measures**") on 13 October 2011 as part of the PBoC's detailed Renminbi FDI accounts administration system. The system covers almost all aspects in relation to FDI, including capital injections, payments for the acquisition of PRC domestic enterprises, repatriation of dividends and other distributions, as well as Renminbi denominated cross-border loans. On 14 June 2012, PBoC issued a circular setting out the operational guidelines for FDI. Under the PBoC FDI Measures, special approval for FDI and shareholder loans from PBoC, which was previously required, is no longer necessary. In some cases, however, post-event filing with PBoC is still necessary.

On 3 December 2013, the Ministry of Commerce of the PRC ("**MOFCOM**") promulgated the Circular on Issues in relation to Cross-border Renminbi Foreign Direct Investment (the "**MOFCOM Circular**"), which became effective on 1 January 2014, to further facilitate FDI by simplifying and streamlining the applicable regulatory framework. Pursuant to the MOFCOM Circular, the appropriate office of MOFCOM and/or its local counterparts will grant written approval for each FDI and specify 'Renminbi Foreign Direct Investment' and the amount of capital contribution in the approval. Unlike previous MOFCOM regulations on FDI, the MOFCOM Circular removes the approval requirement for foreign investors who intend to change the currency of its existing capital contribution from a foreign currency to Renminbi. In addition, the MOFCOM Circular also clearly prohibits the FDI funds from being used for any investment in securities and financial derivatives (except for investment in the PRC listed companies as strategic investors) or for entrustment loans in the PRC.

As the PBoC FDI Measures and the MOFCOM Circular are relatively new circulars, they will be subject to interpretation and application by the relevant authorities in the PRC.

There is no assurance that the PRC Government will continue to gradually liberalise control over cross-border remittance of Renminbi in the future, that any pilot schemes for Renminbi cross-border utilisation will not be discontinued 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 Notes denominated in Renminbi.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the Renminbi Notes and the Issuer's ability to source Renminbi outside the PRC to service Renminbi Notes

As a result of the restrictions by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside of the PRC is limited. Since February 2004, in accordance with arrangements between the PRC central government and the Hong Kong government, licensed banks in Hong Kong may offer limited Renminbi-denominated banking services to Hong Kong residents and specified business customers. The PBoC has also established a Renminbi clearing and settlement system for participating banks in Hong Kong. On July 2010, further amendments were made to the Settlement Agreement on the Clearing of RMB Business (the "**Settlement Agreement**") between the PBoC and Bank of China (Hong Kong) Limited (the "**RMB Clearing Bank**") to further expand the scope of Renminbi business for participating banks in Hong Kong. Pursuant to the revised arrangements, all corporations are allowed to open Renminbi accounts in Hong Kong; there is no longer any limit on the ability of corporations to convert Renminbi; and there will no longer be any restriction on the transfer of Renminbi funds between different accounts in Hong Kong. In addition, the PBoC has now established Renminbi clearing and settlement systems with financial institutions in other major global financial centres (each also a "**RMB Clearing Bank**"), including London, Frankfurt and Singapore to further internationalise the Renminbi.

There are restrictions imposed by PBoC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from PBoC. The Renminbi Clearing Banks only have access to onshore liquidity support from PBoC for the purpose of squaring open positions of participating banks for limited types of transactions and are not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In such cases, the participating banks will need to source Renminbi from outside the PRC to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the settlement agreements will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi outside the PRC. The limited availability of Renminbi outside the PRC may affect the liquidity of the Issuer's Renminbi Notes. To the extent the Issuer is required to source Renminbi in the offshore market to service Renminbi Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.

Investment in the Renminbi Notes is subject to exchange rate risks and the Issuer may delay making payments of interest and principal, or make such payments in another currency in certain circumstances

The value of the Renminbi against the U.S. Dollar and other foreign currencies fluctuates and is affected by changes in the PRC, by international political and economic conditions and by many other factors. All payments of interest and principal will be made with respect to the RMB Notes in Renminbi. As a result, the value of these Renminbi payments in U.S. Dollars or other foreign currencies may vary with the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against the U.S. Dollar or other foreign currencies, the value of investment in U.S. Dollars or other applicable foreign currencies will decline. In August 2015, the PBoC changed the way it calculated the mid-point price of Renminbi against the U.S. Dollar, requiring the market-makers who submit for the PBoC's reference rates to consider the previous day's closing spot rate, foreign exchange demand and supply as well as changes in major currency rates. This change, and other changes such as widening the trading band that may be

implemented, may increase volatility in the value of the Renminbi against foreign currencies. In addition, there may be tax consequences for investors as a result of any foreign currency gains resulting from any investment in Renminbi Notes.

In addition, although the Issuer's primary obligation is to make all payments of interest and principal or other amounts with respect to the Renminbi Notes in Renminbi, in certain circumstances, and if so specified, the terms of the Notes allow the Issuer to delay any such payment and/or make payment in another specified currency, all as provided for in more detail in the Notes (see General Condition 8). As a result, the value of these Renminbi payments may vary with the prevailing exchange rates in the marketplace.

Payments in respect of the Renminbi Notes will only be made to investors in the manner specified in the Renminbi Notes

All payments to investors in respect of the Renminbi Notes will be made solely (a) when Renminbi Notes are represented by a Global Note or a Global Certificate held with the common depositary or common safekeeper, as the case may be, for Clearstream, Luxembourg and Euroclear by transfer to a Renminbi bank account maintained in Hong Kong in accordance with the prevailing rules and regulations, or (b) for so long as the Notes are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with the prevailing rules and regulations. The Issuer cannot be required to make payment by any other means (including in any other currency or in bank notes, by cheque or draft or by transfer to a bank account in the PRC).

Section D: Additional Risk Factors Relating to a Particular Issue of PD Notes or Exempt Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors, the most common of which are set out below:

Automatic Early Redemption

The Issuer may issue Notes with an automatic early redemption feature. If applicable, all the Notes will redeem early on a specified Automatic Early Redemption Date prior to the scheduled maturity date following the occurrence of a specified trigger event. Upon early redemption, the Issuer will pay an amount per Note equal to a specified percentage of the Calculation Amount, together with the Interest Amount (if any) accrued to (but excluding) the Automatic Early Redemption Date. Whether or not the Notes redeem early depends on which formula is specified and the value of the relevant underlying asset(s) (each, an **"Underlying"**) on one or more specified dates. Investors may receive a greater amount but bear the risk that they may receive a lesser amount, to that which would have been paid on the scheduled maturity date in the event that the Notes are redeemed early.

Zero Coupon Notes

The Issuer may issue Zero Coupon Notes. Such Notes will bear no interest and an investor will receive no return on the Notes until redemption. Any investors holding these Notes will be subject to the risk that the amortised yield in respect of the Notes may be less than market rates.

Variable Rate Notes

The Issuer may issue Variable Rate Notes. The rate of interest of such Notes may be varied during the term of the Notes. The relevant Final Terms will specify an initial interest period, together with the Rate of Interest that applies to such period (the **"initial rate"**), and one or more variable interest periods, together with the corresponding rate(s) of interest (each, a **"varied rate"**).

The rates of interest for Variable Rate Notes may be calculated in the same manner as Fixed Rate Notes, Floating Rate Notes, Inverse Floating Rate Notes, CMS Linked Notes, Range Accrual Notes or Zero Coupon Notes.

If “Variation Notice” is specified to apply, the varied rate(s) will apply only if the Issuer provides at least five Business Days’ notice to the Noteholders; otherwise, the initial rate will continue until the next date specified for variation of interest (if any) or to maturity. In making any such election, the Issuer is not obliged to take into account the interests of Noteholders and may exercise its discretion against their interests. If “Variation Notice” is specified not to apply, the basis of interest will automatically change to the varied rate on the date(s) specified in the relevant Final Terms.

The Issuer’s ability to vary the rate of interest will affect the secondary market and the market value of the Notes since the Issuer may be expected to vary the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer varies from a fixed rate to a floating rate, CMS linked rate, range accrual rate or inverse floating rate, the rate of interest on the Variable Rate Notes may be less favourable than the then prevailing rates of interest on comparable Floating Rate Notes, CMS Linked Notes, Range Accrual Notes or, as the case may be, Inverse Floating Rate Notes tied to the same reference rate. In addition, the new floating rate, CMS linked rate, range accrual rate or, as the case may be, inverse floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate, CMS linked rate, range accrual rate or inverse floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on other Notes.

If the Issuer varies the rate of interest to a zero coupon basis, investors will cease to receive any interest for the relevant period and may not receive a premium on redemption, whether or not the Notes were issued at a discount. If the Notes were redeemed early during a Zero Coupon Interest Rate period, the amount received on such early redemption may be calculated in a different manner than if the Notes were redeemed early during another type of interest period.

Inverse Floating Rate Notes

The Issuer may issue Inverse Floating Rate Notes. Such Notes conventionally have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of these Notes are typically more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

CMS Linked Notes

The Issuer may issue CMS Linked Notes. Such Notes will bear interest by reference to the difference between one or more swap rates. The market value of these Notes is typically more volatile than market values of other conventional floating rate debt securities (and with otherwise comparable terms). As such, investors will receive a higher rate of interest when swap rates increase or when spreads between swap rates widen, as the case may be. The Notes may be subject to a floor, in order to guarantee a minimum return for investors or a cap, in order to limit the return for investors.

Where margin (whether positive or negative) is applicable to CMS Linked Notes, this may increase or decrease periodically which may have a positive impact or negative impact on the rate of interest applicable.

Where gearing is applicable to CMS Linked Notes, this will determine the exposure of the Notes to the underlying CMS rate. Any increase in the underlying CMS rate may enhance any returns payable in the Notes and, conversely, any fall in the underlying CMS rate may reduce any returns payable in the Notes.

Range Accrual Notes

The Issuer may issue Range Accrual Notes. The amount of interest payable on such Notes is dependent on the number of days on which a rate of interest is above or below a certain barrier, or within certain barrier(s). If the rate is not above, below or within the barrier(s), as the case may be, on any day during

the relevant period, the amount of interest payable for the relevant interest period will be lower, and may be zero. Range Accrual Notes may not accrue interest for extended periods of time, if at all. Range Accrual Notes may pay significantly less interest than a conventional debt security issued at the same time paying interest linked to the same reference rate. This may have a detrimental effect on the market value of Range Accrual Notes.

Ratchet Notes

The Issuer may issue Ratchet Notes. The term “ratchet” is used to describe a mechanism for re-setting the rate of interest applicable in respect of the Notes for each Interest Period.

A geared floating rate plus margin is subject to a minimum amount and maximum amount that both re-set for each interest period. The maximum amount that is applicable for an interest period re-sets to the rate of interest applicable to the previous interest period (the “**Previous Coupon**”) plus a specified maximum increase over such Previous Coupon. The minimum amount that is applicable for an interest period re-sets to the Previous Coupon plus a specified minimum increase, or maximum decrease, over such Previous Coupon. This minimum amount ensures that the interest applicable for an interest period does not fall below a certain rate of interest relative to the Previous Coupon.

As the maximum rate of interest applicable is determined by reference to the Previous Coupon which is limited to a maximum amount, the rate of interest in a given period may not reflect the full increase in the underlying floating rate of interest.

Contingent Coupon Notes

The Issuer may issue Contingent Coupon Notes. Such Notes bear interest (if any) determined by reference to one or more Underlyings. The Calculation Agent will observe the value of the Underlying(s) either on a single Coupon Observation Date, or over a number of days (comprising a Coupon Observation Period) prior to each Specified Interest Payment Date. The amount of interest (if any) payable in respect of the relevant Interest Period is calculated by reference to such value of the Underlying(s) in accordance with one of the formulae specified in the relevant Final Terms. Investors in such Notes bear the risk of receiving no interest in the event that certain coupon conditions are not met on any Coupon Observation Date.

Contingent Coupon Notes may feature a cap, which will limit the amount of interest payable. Investors in such Notes may not obtain the full benefit in any increase in the performance of the Underlying, whilst still being exposed to any decrease in the performance of the Underlying.

Instalment Notes

The Issuer may issue Instalment Notes (as Exempt Notes). Unless previously redeemed or cancelled, Instalment Notes are partially redeemed by the Instalment Amount specified for an Instalment Date, with the final Instalment Amount being payable at maturity. An investor will remain exposed to the credit risk of the Issuer until the maturity date.

The outstanding nominal amount of each such Note shall be reduced by each Instalment Amount. As such, an investor may receive less interest (if applicable) after each such Instalment Date.

Redemption linked to Underlying

The Issuer may issue Notes where whether the amount received on redemption is either a cash amount or delivery of an amount of assets, and the amount of the same, is dependent on the performance of the Underlying.

Such Notes may feature a cap, which will limit the amount of payable at maturity. Investors in such Notes may not obtain the full benefit in any increase in the performance of the Underlying, whilst still being exposed to any decrease in the performance of the Underlying.

FX Linked Notes

The Issuer may issue FX Linked Notes where the amount of principal and/or interest payable, or amount of assets deliverable on redemption (if applicable), is dependent upon movements in currency exchange rates or is payable in one or more currencies which may be different from the currency in which the Notes are denominated.

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

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

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

FX Linked Notes have a different risk profile to ordinary debt securities. Fluctuations in exchange rates of the relevant currency (or basket of currencies) will affect the nature and value of the investment return on the FX Linked Notes. Furthermore, investors who intend to convert gains or losses from the redemption, exercise or sale of FX Linked Notes into their home currency may be affected by fluctuations in exchange rates between their home currency and the relevant currency (or basket of currencies). The performance of currency values is dependent upon the supply and demand for currencies in the international foreign exchange markets, which are subject to economic factors, including inflation rates in the countries concerned, interest rate differences between the respective countries, economic forecasts, international political factors, currency convertibility and the safety of making financial investments in the currency concerned, speculation and measures taken by governments and central banks, regardless of other market forces.

Where the FX Linked Notes are denominated in an emerging market currency or linked to one or more emerging market currencies, such emerging market currency or currencies can experience significantly more volatility and less certainty with respect to their future levels or the rate of exchange against other currencies than currencies of more developed markets. Emerging market currencies are highly exposed to the risk of a currency crisis happening in the future and this could trigger the need for the Calculation Agent to make adjustments to the terms and conditions of the Notes.

Governments have imposed from time to time, and may in the future impose, exchange controls that could also affect the availability of a relevant currency. Even if there are no actual exchange controls, it is possible that a relevant currency would not be available when payments on the relevant FX Linked Note are due.

Commodity Linked Notes

The Issuer may issue Commodity Linked Notes where the amount of principal and/or interest payable is dependent upon the price or changes in the price of a commodity or basket of commodities or where, depending on the price or change in the price of the commodity or basket of commodities (each a “**Relevant Commodity**”), on redemption the Issuer may be obliged to deliver specified assets.

Potential investors in any such Notes should be aware that, depending on the terms of the Commodity Linked Notes, (a) they may receive no or a limited amount of interest, (b) payment of principal or interest or delivery of any specified assets may occur at a time other than expected and (c) they may lose all or a substantial portion of their investment. In particular, the market relating to each Relevant Commodity may fluctuate rapidly and may be subject to temporary distortions or other market disruptions based on numerous factors, including changes in supply and demand relationships, weather, agriculture, trade, fiscal, monetary and exchange control programmes, domestic and foreign political and economic events and policies, disease, pestilence, technological developments and changes in interest rates, which may be driven by governmental action or inaction or market movements. Such factors may affect each Relevant Commodity in one or more jurisdictions, including factors affecting the exchange(s) or quotation system(s) on which any each Relevant Commodity may be traded.

These changes may not correlate with changes in interest rates, currencies or indices and the timing of changes in the relevant price of each Relevant Commodity 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 price of each Relevant Commodity, the greater the effect on yield.

If the amount of principal and/or interest payable is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in each Relevant Commodity on principal, interest payable or the amount of specified assets deliverable will be magnified.

Commodity Index Linked Notes

The Issuer may issue Commodity Index Linked Notes where the amount of principal and/or interest payable is dependent upon the level, or changes in the level, of an index or a basket of indices (each, a “**Relevant Index**”) composed of commodities and/or commodities futures prices (such components, the “**Index Components**”).

Potential investors in any such Notes should be aware that, depending on the terms of the relevant Notes, (a) they may receive no or a limited amount of interest, (b) payment of principal or interest may occur at a different time from that expected and (c) they may lose all or a substantial portion of their principal investment. In addition, movements in the level of the Relevant Index may be subject to significant fluctuations that may not correlate with changes in the prices of the Index Components, and the timing of changes in the level of the Relevant Index may affect the actual yield to investors, even if the average level is consistent with their expectations.

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

Many economic and market factors may influence the value of Commodity Index Linked Notes. In particular, the market relating to Index Components may fluctuate rapidly and may be subject to temporary distortions or other market disruptions based on numerous factors, including changes in supply and demand relationships, weather, agriculture, trade, fiscal, monetary and exchange control programmes, domestic and foreign political and economic events and policies, disease, pestilence, technological developments and changes in interest rates, which may be driven by governmental action or inaction or market movements.

A number of events may result in the Calculation Agent making adjustments to the Relevant Index, including, *inter alia*:

- (a) the sponsor/owner of the Relevant Index announces that it will make a material change in the methodology for determining the level of such index;
- (b) the sponsor/owner of the Relevant Index permanently cancels such index and the Calculation Agent determines there is no suitable successor; or

- (c) there is a correction in the level of the Relevant Index.

In such cases, the Calculation Agent may have the power to make certain adjustments to the Notes, including making adjustments to the level used in calculating the principal and/or interest under the Notes.

Commodity Index Linked Notes will not represent a claim against or an investment in the commodities or futures comprising the Index Components or in any index sponsor, owner or administrator. The Notes are not in any way sponsored, endorsed or promoted by any index sponsor, owner or administrator, and such companies have no obligation to take into account the consequences of their actions for any Noteholders. Accordingly, such parties may take any actions in respect of a Relevant Index without regard to the interests of the purchasers of the Notes, and any of these actions could adversely affect the market value of the Notes.

Equity Index Linked Notes

The Issuer may issue Equity Index Linked Notes where the amount of principal and/or interest payable is dependent upon the level, or changes in the level, of an index or a basket of indices (each, a “**Relevant Index**”) composed of equity securities (such components, the “**Index Components**”).

Potential investors in any such Notes should be aware that, depending on the terms of the relevant Notes, (a) they may receive no or a limited amount of interest, (b) payment of principal or interest may occur at a different time from that expected and (c) they may lose all or a substantial portion of their principal investment. In addition, movements in the level of the Relevant Index may be subject to significant fluctuations that may not correlate with changes in the prices of the Index Components, and the timing of changes in the level of the Relevant Index may affect the actual yield to investors, even if the average level is consistent with their expectations.

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

Many economic and market factors may influence the value of Equity Index Linked Notes, including, *inter alia*, general economic, financial, political or regulatory conditions and fluctuations in the market and prices of the Index Components.

A number of events may result in the Calculation Agent making adjustments to the Relevant Index, including, *inter alia*:

- (a) the sponsor/owner of the Relevant Index announces that it will make a material change in the methodology for determining the level of such index;
- (b) the sponsor/owner of the Relevant Index permanently cancels such index and the Calculation Agent determines there is no suitable successor; or
- (c) there is a correction in the level of the Relevant Index.

In such cases, the Calculation Agent may have the power to make certain adjustments to the Notes, including making adjustments to the level used in calculating the principal and/or interest under the Notes.

Equity Index Linked Notes will not represent a claim against or an investment in the equity securities comprising the Index Components or in any index sponsor, owner or administrator. The Notes are not in any way sponsored, endorsed or promoted by any index sponsor, owner or administrator, and such companies have no obligation to take into account the consequences of their actions for any Noteholders. Accordingly, such parties may take any actions in respect of a Relevant Index without regard to the interests of the purchasers of the Notes, and any of these actions could adversely affect the market value of the Notes.

Inflation Index Linked Notes

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

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

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

Many economic and market factors may influence the value of Inflation Index Linked Notes including, *inter alia*, general economic, financial, political or regulatory conditions; fluctuations in the prices of various consumer goods and energy resources; and inflation and expectations concerning inflation.

Any such factors may either offset or magnify each other.

A number of events may result in the Calculation Agent making adjustments to the Relevant Index, including, *inter alia*:

- (a) the sponsor/owner of the Relevant Index announces that it will make a material change in the methodology for determining the level of such index;
- (b) the sponsor/owner of the Relevant Index delays or ceases publication of the level of such index;
- (c) the sponsor/owner of the Relevant Index permanently cancels such index and the Calculation Agent determines there is no suitable successor; or
- (d) there is a correction in the level of the Relevant Index.

In such cases, the Calculation Agent may have the power to make certain adjustments to the Notes, including making adjustments to the level used in calculating the principal and/or interest under the Notes.

Inflation Index Linked Notes will not represent a claim against or an investment in the component of the Relevant Index or in any index sponsor, owner or administrator. The Notes are not in any way sponsored, endorsed or promoted by any index sponsor, owner or administrator, and such companies have no obligation to take into account the consequences of their actions for any Noteholders. Accordingly, such parties may take any actions in respect of a Relevant Index without regard to the interests of the purchasers of the Notes, and any of these actions could adversely affect the market value of the Notes.

Equity Linked Notes

The Issuer may issue Notes where the amount of principal and/or interest payable, or amount of assets deliverable on redemption (if applicable), is dependent upon the price or changes in the price of a share or share-like instrument (each, a “**Relevant Equity**”) or basket of Relevant Equities, or where, depending on the price or change in the price of the Relevant Equities, on redemption the Issuer may be obliged to deliver specified assets

Potential investors in any such Notes should be aware that, depending on the terms of the Equity Linked Notes, (a) they may receive no or a limited amount of interest, (b) payment of principal or interest or delivery of any specified assets may occur at a time other than expected and (c) they may lose all or a substantial portion of their investment.

In addition, the movements in the price of each Relevant Equity may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant price of the Equity or Equities may affect the actual yield to investors, even if the average level is consistent with their expectations. The market price of such Notes may be volatile, and may be affected by economic, financial and political events in one or more jurisdictions, including factors affecting the exchange(s) or quotation system(s) on which any such Equities may be traded. In general, the earlier the change in the price of each Relevant Equity, the greater the effect on yield.

If the amount of principal and/or interest payable is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the price of each Relevant Equity on principal, interest payable or the amount of specified assets deliverable will be magnified.

No recourse to or claim against any Equity Issuer

Equity Linked Notes will not represent a claim against or an investment in any Equity Issuer and Noteholders will not have any right of recourse under the Notes to any such company or the Equities. The Notes are not in any way sponsored, endorsed or promoted by any Equity Issuer and such companies have no obligation to take into account the consequences of their actions for any Noteholders. Accordingly, the Equity Issuer may take any actions in respect of such Equity without regard to the interests of the purchasers of the Notes, and any of these actions could adversely affect the market value of the Notes.

Notes linked to ADRs or GDRs

An investment in Notes linked to American Depositary Receipts (“**ADRs**”) or Global Depositary Receipts (“**GDRs**”) (ADRs and GDRs, together, “**Depositary Receipts**”) entails significant risks in addition to those associated with Equity Linked Notes and with investments in a conventional debt security. There are important differences between the rights of holders of Depositary Receipts and the rights of holders of the Equity Issuer represented by such Depositary Receipts. A Depositary Receipt is a security that represents capital stock of the relevant underlying equity issuer. The relevant deposit agreement for the Depositary Receipt sets forth the rights and responsibilities of the depositary (being the issuer of the Depositary Receipt), the underlying equity issuer and holders of the Depositary Receipts 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 Depositary Receipts. Depending on the jurisdiction under which the Depositary Receipts 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 Depositary Receipts 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 in respect of 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 Depositary Receipt loses its rights under the Underlying Equities and the Notes 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 Notes.

Notes linked to Exchange Traded Notes

An investment in Notes linked to Exchange Traded Notes (the “**ETNs**”) entails significant risks in addition to those associated with Equity Linked Notes and with investments in a conventional debt security. There are important differences between the rights of holders of the ETNs and the rights of the holders of Notes linked to ETNs. ETNs are medium-term notes which are issued by the Equity Issuer; ETNs are uncollateralised debt securities linked to the performance of the S&P 500 Short-Term VIX Futures Index (the

“**Underlying Index**”) and have no principal protection; therefore investors bear the additional credit risk of the issuer of the ETNs.

ETNs seek to provide exposure to certain short-term VIX Index futures, because the Chicago Board of Options Exchange Volatility Index® (the “**VIX Index**”) is not a directly investable index. Investors should be aware that the ETNs provide exposure to volatility via the Underlying Index and are not linked to the VIX Index.

The ETNs are intended to track the Underlying Index which is based upon holding rolling long (or short) positions) in futures on the VIX Index; these futures will not necessarily track the performance of the VIX Index.

The price of the ETNs is influenced by many unpredictable factors. These may include economic, financial, political, regulatory, geographical, biological or other events affecting the level of the VIX Index, supply and demand for the ETNs, the time remaining to maturity of the ETNs, interest rates and the perceived creditworthiness of the issuer of the ETNs. Such factors may interrelate in complex ways. For further information about the ETNs, prospective investors should refer to the relevant offering documents relating to the ETNs.

Fund Linked Notes

General

The Issuer may issue Notes where the cash settlement amount/redemption amount and/or interest payable, or amount of assets deliverable on redemption (if applicable), are dependent upon the price or changes in the price of a Fund Interest Unit or where, depending on the price or changes in the price of a Fund Interest Unit, the Issuer has an obligation to deliver specified assets. Accordingly, an investment in Fund Linked Notes may bear similar market risks to a direct fund investment and potential investors should take advice accordingly.

Potential investors in any such Notes should be aware that, depending on the terms of the Fund Linked Notes, (a) they may receive no or a limited amount of interest, (b) payments or delivery of any specified assets may occur at a different time from that expected and (c) they may lose all or a substantial portion of their investment. In addition, the movements in the price of a Fund Interest Unit may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant price of the a Fund Interest Unit 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 price or prices of the Fund Interest Unit, the greater the effect on yield.

Neither the Issuer nor its Affiliates have the ability to control or predict the actions of the Fund Manager and/or the Fund Adviser, as the case may be. The Fund Manager and/or the Fund Adviser is not involved in the offer of the Notes in any way and has no obligation to consider the interests of the Noteholders in taking any corporate actions that might affect the value of the Notes.

The Issuer has no role in the Reference Fund. The Fund Manager and/or the Fund Adviser is responsible for making strategic, investment and other trading decisions in respect of the management of the Reference Fund, consistent with its investment objectives and/or investment restrictions as set out in its constitutive documents. The manner in which a Reference Fund is managed and the timing of such decisions will have a significant impact on the performance of the Reference Fund. Hence, the price which is used to calculate the performance of the Reference Fund is also subject to these risks. Set out below are risks common to any fund or funds and not specific to the Reference Fund. These risks include⁷:

⁷ Other risks may exist that are currently not known or that, based on today's knowledge, are not deemed to be material enough to be included in this section.

- (a) the risk that the share price of one or more of the assets in the Reference Fund's portfolio will fall, or will fail to rise. Many factors can adversely affect an asset's performance, including both general financial market conditions and factors related to a specific asset or asset class;
- (b) general macro-economic or asset class specific factors, including interest rates, rates of inflation, financial instability, lack of timely or reliable financial information or unfavourable political or legal developments;
- (c) asset allocation policies of the Fund Manager and/or the Fund Adviser;
- (d) credit quality and the risk of default of one of the hedge funds or of assets generally held in the Reference Fund;
- (e) the risk that the Reference Fund's investment objectives and/or investment restrictions as set out in its constitutive documents are materially changed or not complied with, or the method of calculating the net asset value is materially changed;
- (f) the risk that the Reference Fund is liquidated, dissolved or otherwise ceases to exist or it or its Fund Manager and/or the Fund Adviser is subject to a proceeding under any applicable bankruptcy, insolvency or other similar law; and
- (g) the risk that the Reference Fund is subject to a fraudulent event.

Prospective investors in the Notes should be aware that the Fund Manager and/or the Fund Adviser will manage the Reference Fund in accordance with the investment objectives of and guidelines applicable to the Reference Fund. Furthermore, the arrangements between the Fund Manager and/or the Fund Adviser and the Reference Fund have, in most cases, not been negotiated at arm's length and it is unlikely that the Fund Manager and/or the Fund Adviser will be replaced or that additional fund managers and/or fund advisers will be retained.

Use of estimates

Potential investors should understand that for certain determinations, the Calculation Agent or the Issuer (as the case may be) may be required to rely on (a) values, that at the time they are required, are only estimated values and (b) information provided by third parties, such as the Fund Adviser or Fund Service Providers, the accuracy of which neither the Issuer nor the Calculation Agent has any control, and as such, they may rely on this information without any obligation to verify or otherwise corroborate it.

Changing value

The value of the Notes may move up or down between the Issue Date and the Maturity Date and an investor in the Notes in the secondary market during that time or on maturity of the Notes may sustain a significant loss. Factors that may influence the value of the Notes include: the value of the Reference Fund; the creditworthiness of the Issuer in respect of the Notes; and those economic, financial, political and regulatory events that affect financial markets generally (including, for example, interest, foreign exchange and yield rates in the market).

The market price of a Fund Interest Unit in the Reference Fund may be volatile and may depend on the time remaining to the redemption date or settlement date (as applicable) and the volatility of the price of a Fund Interest Unit, and may also be affected by the performance of the fund service providers and, in particular, the investment adviser. The price of a Fund Interest Unit may be affected by economic, financial, political and regulatory events that affect financial markets generally (including, for example, factors affecting the exchange(s) or quotation system(s) on which any such Fund Interest Unit may be traded).

Prospective purchasers of the Notes have no rights in respect of the Reference Fund or Fund Interest Units in the Reference Fund

A prospective purchaser of Notes has no rights in respect of the Fund Interest Units in the Reference Fund including, without limitation, the right to receive dividends or other distributions. None of the Issuer or the Agents or any of their respective affiliates has performed any investigation or review of any entities that manage the Reference Fund for the purpose of forming a view as to the merit of an investment linked to the Reference Fund. None of the Issuer, any Agent or any of their respective affiliates has performed or will perform any investigation or review of any entities that manage the Reference Fund from time to time, including any investigation of public filings of such entities, for the purpose of forming a view as to the suitability of an investment linked to the net asset value per Fund Interest Unit and none of them makes any guarantee or express or implied warranty in respect of the Reference Fund, the Fund Manager and/or the Fund Adviser or any other entity. Accordingly, investors should not conclude that the issue by the Issuer of the Notes is any form of investment recommendation or advice by any of the Issuer, any Agent or any of their respective affiliates.

Notes may not be principal protected

The investor should note that the Notes may not be principal protected. On the Maturity Date, the Final Redemption Amount, Cash Settlement Amount or Asset Amount (as the case may be) may be less than the initial investment amount and purchasers of Notes are exposed to full loss of principal.

Partly paid Notes

The Issuer may issue Notes (as Exempt Notes) where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of its investment.

Notes issued at a substantial discount or premium

The Issue Price of Notes specified in the relevant Final Terms may be more than the market value of such Notes as at the Issue Date, and more than the price, if any, at which a Dealer or any other person is willing to purchase the Notes in the secondary market. In particular, where permitted by applicable law, the Issue Price in respect of any Notes may take into account amounts with respect to commissions relating to the issue and sale of such Notes and amounts relating to the hedging of the Issuer's obligations under such Notes, and secondary market prices are likely to exclude such amounts. In addition, pricing models of market participants may differ or produce a different result.

The market values of Notes issued at a substantial discount or premium (such as a Zero Coupon Note) 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.

Physically settled Notes

Equity Linked Notes, Commodity Linked Notes and Fund Linked Notes may be settled on redemption by physical delivery of an amount of the Underlying instead of a cash amount.

If "Physical Delivery" is specified as applicable in the relevant Final Terms, the Issuer will determine the relevant amount of assets which is deliverable to the Noteholder (the "**Asset Amount**") in accordance with the formula specified in the relevant Final Terms. To the extent that the Asset Amount is not a whole number, the Issuer will pay to the Noteholder a cash amount representing the fractional amount, calculated in accordance with the "Residual Cash Amount" provisions.

Settlement Disruption Events

In the case of Notes for which "Physical Delivery" is specified as applicable in the relevant Final Terms, if a Settlement Disruption Event occurs or exists on the Delivery Date, settlement or redemption, as the case

may be, will be postponed until the date on which no Settlement Disruption Event is subsisting. The Issuer, while the Settlement Disruption Event is continuing, also has the right to pay the Disruption Cash Settlement Price in lieu of physical settlement.

Failure to deliver

In the case of Notes for which “Physical Delivery” is specified as applicable in the relevant Final Terms, if following exercise or on the date of redemption, as the case may be, of such Notes it is impossible or impracticable in the opinion of the Calculation Agent to deliver when due some or all of the Relevant Assets where such failure to deliver is due to illiquidity in the market for such Relevant Assets, the Issuer has the right to pay the Failure to Deliver Settlement Price in lieu of delivering some or all of such Affected Relevant Assets.

Issuer’s option to vary settlement

The Issuer may, if so specified in the relevant Final Terms, have the option, in its sole and absolute discretion, to vary settlement and elect to pay Noteholders a Cash Settlement Amount in lieu of delivery of the Asset Amount (composed of physical assets and, if any, the Residual Cash Amount), or vice versa, upon provision of notice to the Noteholders. The method of calculating such alternative settlement amount will be specified in such notice. Such a feature of Notes may limit their market value.

Book-entry interests

The Registered Notes may be represented by one or more Global Certificates. The Global Certificates will be deposited with a custodian on behalf of DTC or its nominee. Except in limited circumstances, holders will not be entitled to receive certificated notes. DTC will maintain records of the beneficial interests in the Global Certificates. Holders will be able to trade their beneficial interests only through DTC or a participant of DTC. The laws of some jurisdictions, including some states in the United States, may require that certain purchasers of securities take physical delivery of such securities in certificated form. The foregoing limitations may impair a holder’s ability to own, transfer or pledge its beneficial interests. A holder of beneficial interests in the Global Certificates in one of these jurisdictions will not be considered the owner or “holder” of the notes.

The Issuer will discharge its payment obligations under the Registered Notes by making payments to the custodian for distribution to the holders of beneficial interests at DTC or a participant of DTC in respect of interests of indirect participants. The Issuer and the initial purchasers of the Registered Notes will not have any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificates. A holder of beneficial interests must rely on the procedures of DTC or DTC’s participants, through which holders hold their interests, to receive payments under the Registered Notes. The Issuer cannot assure holders that the procedures of DTC or DTC’s nominees, participants or indirect participants will be adequate to ensure that holders receive payments in a timely manner.

A holder of beneficial interests in the Global Certificates will not have a direct right under the covenant governing these notes to act upon solicitations the Issuer may request. Instead, holders will be permitted to act only to the extent they receive appropriate proxies to do so from DTC or, if applicable, DTC’s participants or indirect participants. Similarly, if the Issuer defaults on its obligations under the Registered Notes, as a holder of beneficial interests in the Global Certificates, holders will be restricted to acting through DTC or, if applicable, DTC’s participants or indirect participants. The Issuer cannot assure holders that the procedures of DTC or DTC’s nominees, participants or indirect participants will be adequate to allow them to exercise their rights under the Registered Notes in a timely manner.]

Section E: Risk Factors Relating to the Market Generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk⁸:

The PRIIPs Regulation

The Notes will not be offered to retail investors as defined in Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (the “**PRIIPs Regulation**”). The Issuer will not prepare a key information document (as described in the PRIIPs Regulation) with respect to any Note; accordingly, the Notes should not be made available to retail investors (as defined in the PRIIPs Regulation). This may reduce the ability of an investor to on-sell the Notes.

The secondary market generally

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

Notes issued under the Programme may or may not be listed on a stock exchange or regulated market. In cases where Notes are not listed, pricing information may be more difficult to obtain and the liquidity and market prices of such Notes may be adversely affected.

If additional Notes are subsequently issued, the supply of such Notes in the market will increase and may cause the price at which the relevant Notes trade in the secondary market to decline significantly.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor’s financial activities are denominated principally in a currency or currency unit (the “**Investor’s Currency**”) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor’s Currency) and the risk that authorities with jurisdiction over the Investor’s Currency may impose or modify exchange controls. An appreciation in the value of the Investor’s Currency relative to the Specified Currency would decrease (a) the Investor’s Currency-equivalent yield on the Notes, (b) the Investor’s Currency-equivalent value of the principal payable on the Notes and (c) the Investor’s Currency-equivalent market value of the Notes. If the Notes are denominated in a currency other than the currency of the country in which the Noteholder is resident, the Noteholder is exposed to the risk of fluctuations in the exchange rate between the two aforementioned currencies. The Noteholder may also be exposed to a foreign exchange risk if the reference obligation is denominated, or based on prices, in a currency other than the currency in which the relevant Note is denominated. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal at all.

⁸ Other risks may exist that are currently not known or that, based on today’s knowledge, are not deemed to be material enough to be included in this section.

Interest rate risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes. 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 Notes. In addition, any reduction in, or withdrawal of, the credit ratings of the Notes or deterioration in the capital market's perception of Rabobank Group's financial resilience following any such downgrade or withdrawal, could adversely affect the trading price of the Notes.

The credit ratings assigned to the Notes issued under the Programme are a reflection of Rabobank's credit status and, in no way, are a reflection of the potential impact of other factors discussed in this Base Prospectus, or any other factors, on the market value of the Notes. A rating reflects only the views of the relevant rating agency and is not a recommendation to buy, sell or hold the Notes. Accordingly, prospective investors should consult their own financial and legal advisers as to the risks entailed by an investment in such Notes and the suitability of such Notes in light of their particular circumstances.

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 advisers to determine whether and to what extent (a) Notes are legal investments for it, (b) Notes can be used as collateral for various types of borrowing and (c) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

KEY FEATURES OF THE PD NOTES AND DESCRIPTION OF HOW THE UNDERLYINGS MAY AFFECT THE VALUE OF THE NOTES

Interest Features

Fixed Rate Notes

Fixed Rate Notes bear interest at the fixed rate(s) of interest specified in the relevant Final Terms. Unless otherwise specified in the relevant Final Terms, the rate of interest in respect of such Notes will remain constant throughout the term of the Notes and not be subject to variation.

If the relevant Final Terms specify that “Non-Deliverable Currency Interest Feature” is applicable, interest shall be payable in a different currency to the specified currency, as specified in the relevant Final Terms.

Floating Rate Notes

Floating Rate Notes bear interest at a variable rate determined either:

- (a) on the same basis as the floating rate under a notional interest-rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or
- (b) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service.

The (positive or negative) margin (if any) relating to such floating rate will be specified in the relevant Final Terms.

The relevant Final Terms may provide that the margin in respect of any Interest Period may increase or decrease compared with the margin applicable to the preceding Interest Period.

Zero Coupon Notes

Zero Coupon Notes will be offered and sold at a discount to their nominal amount or at par. Zero Coupon Notes do not bear interest and an investor will not receive any return on the Notes until redemption.

Inverse Floating Rate Notes

Inverse Floating Rate Notes bear interest (if any) determined by reference to a floating rate (determined in accordance with paragraph (a) or (b) of “*Floating Rate Notes*” above) or the mathematical difference or sum of two such floating rates (the “**Inverse Rate**”).

The amount of interest is calculated by subtracting the value of the Inverse Rate, as observed on an Interest Determination Date for each Interest Period, from a specified amount, resulting in an interest rate that is inversely proportionate to the floating rate it is based on. As such, investors will receive a higher rate of interest when the floating rate is falling, and a lower rate of interest when the floating rate is rising. The amount of interest payable may be subject to a floor in order to guarantee a minimum return for investors.

INV(1)

The rate of interest applicable in respect of any interest period will be calculated by subtracting from the Margin, the relevant Reference Rate or Floating Rate Option (as the case may be).

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the step above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the step above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

INV(2)

The rate of interest applicable in respect of any interest period will be an inverse rate multiplied by a gearing factor and the result will be subtracted from a margin.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the step above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the step above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

INV(3)

The rate of interest applicable in respect of any interest period will be an inverse rate multiplied by a gearing factor and the result will be subtracted from the rate of interest calculated for the previous interest period.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the step above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the step above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

INV(4)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, the sum of an inverse rate and a margin will be calculated and the result will be multiplied by a gearing factor.
- (b) The rate of interest payable in respect of the relevant interest period will be the difference between the rate of interest calculated for the previous interest period and the resulting amount calculated in paragraph (a) above.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

INV(5)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, an inverse rate multiplied by a gearing factor will be calculated.
- (b) Secondly, the sum of a margin and the rate of interest calculated for the previous interest period will be calculated.
- (c) The rate of interest applicable in respect of the relevant interest period will be the difference between the resulting amount calculated in paragraph (b) above and the resulting amount calculated in paragraph (a) above.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

INV(6)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, an inverse rate will be multiplied by a gearing factor and the result subtracted from a margin.
- (b) Secondly, the sum of another margin and the rate of interest calculated for the previous interest period will be calculated.
- (c) The rate of interest applicable in respect of the relevant interest period will be the greater of the two resulting amounts calculated in paragraphs (a) and (b) above.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

INV(7)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, an inverse rate will be multiplied by a gearing factor and the result subtracted from a margin.
- (b) Secondly, the sum of another margin and the rate of interest calculated for the previous interest period will be calculated.
- (c) The rate of interest applicable in respect of the relevant interest period will be the lesser of the two resulting amounts calculated in paragraphs (a) and (b) above.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum

Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

INV(8)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, an inverse rate will be multiplied by a gearing factor and the result subtracted from a margin.
- (b) Secondly, the sum of another margin and the rate of interest calculated for the previous interest period will be calculated.
- (c) Thirdly, the greater of the two resulting amount calculated in paragraphs (a) and (b) above will be determined.
- (d) Fourthly, the sum of another margin and the rate of interest calculated for the previous interest period will be calculated.
- (e) The rate of interest applicable in respect of the relevant interest period will be the lower of the two resulting amounts calculated in paragraphs (c) and (d) above.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMS Linked Notes

CMS Linked Notes bear interest (if any) at a rate determined by reference to one or more swap rates. The amount of interest payable is proportionate to either a single swap rate, the difference between two such CMS rates or may be calculated in accordance with another of the CMS formulae described below. As such, investors will receive a higher rate of interest when CMS rates increase or when spreads between CMS rates widen, as the case may be. The amount of interest payable may be subject to a floor, in order to guarantee a minimum return for investors. The amount of interest payable may be subject to a cap, which will limit the return for investors.

CMS(1)

The rate of interest applicable in respect of any interest period will be equal to a CMS Rate.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMS(2)

The rate of interest applicable in respect of any interest period will be equal to a CMS Rate plus a margin.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the step above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the step above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMS(3)

The rate of interest applicable in respect of any interest period will be equal to a CMS Rate multiplied by a gearing factor and a margin being added to the result.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the step above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the step above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMS(4)

The rate of interest applicable in respect of any interest period will be equal to a CMS Rate multiplied by a gearing factor.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the step above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the step above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMS(5)

The rate of interest applicable in respect of any interest period will be equal to a CMS Rate plus a margin and the resulting amount being multiplied by a gearing factor.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the step above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the step above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMS(6)

The rate of interest applicable in respect of any interest period will be equal to the difference between two different CMS Rates (also called the “spread” between such rates).

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the step above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the step above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMS(7)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, the difference between two different CMS Rates will be determined and a margin will be added to the result.
- (b) The rate of interest applicable in respect of the relevant interest period will be the product of the resulting amount calculated in paragraph (a) above and a gearing factor.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMS(8)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, the difference between two different CMS Rates will be determined.
- (b) Secondly, the result of paragraph (a) above will be multiplied by a gearing factor.
- (c) The rate of interest applicable in respect of the relevant interest period will be the sum of the resulting amount calculated in paragraph (b) above and a margin.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMS(9)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, a CMS Rate will be multiplied by a gearing factor and a margin will be added to that result.

- (b) Secondly, an applicable rate (which, for the avoidance of doubt, will be a different rate to the CMS Rate) will be multiplied by another gearing factor and another margin will be added to that result.
- (c) The rate of interest applicable in respect of the relevant interest period will be the greater of the two resulting amounts calculated in paragraphs (a) and (b) above.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMS(10)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, a CMS Rate will be multiplied by a gearing factor and a margin will be added to that result.
- (b) Secondly, an applicable rate (which, for the avoidance of doubt, will be a different rate to the CMS Rate) will be multiplied by another gearing factor and another margin will be added to that result.
- (c) The rate of interest applicable in respect of the relevant interest period will be the lesser of the two resulting amounts calculated in paragraphs (a) and (b) above.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMS(11)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, a CMS Rate will be multiplied by a gearing factor and a margin will be added to that result.
- (b) Secondly, another CMS Rate will be multiplied by another gearing factor and another margin will be added to that result.
- (c) The rate of interest applicable in respect of the relevant interest period will be the greater of the two resulting amounts calculated in paragraphs (a) and (b) above.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMS(12)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, a CMS Rate will be multiplied by a gearing factor and a margin will be added to that result.
- (b) Secondly, another CMS Rate will be multiplied by another gearing factor and another margin will be added to that result.
- (c) The rate of interest applicable in respect of the relevant interest period will be the lesser of the two resulting amounts calculated in paragraphs (a) and (b) above.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMS(13)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, a CMS Rate will be multiplied by a gearing factor and a margin will be added to that result.
- (b) Secondly, the greater of the result of the amount calculated in paragraph (a) above and the Minimum Rate of Interest₁ will be determined.
- (c) Thirdly, another CMS Rate will be multiplied by another gearing factor and another margin will be added to that result.
- (d) Fourthly, the greater of the result of the amount calculated in paragraph (c) above and the Minimum Rate of Interest₂ will be determined.
- (e) The rate of interest applicable in respect of the relevant interest period will be the difference between the two resulting amounts calculated in paragraphs (b) and (d) above.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMS(14)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, a CMS Rate will be multiplied by a gearing factor and a margin will be added to that result.
- (b) Secondly, the lower of the result of the amount calculated in paragraph (a) above and the Maximum Rate of Interest₁ will be determined.
- (c) Thirdly, another CMS Rate will be multiplied by another gearing factor and another margin will be added to that result.

- (d) Fourthly, the lower of the result of the amount calculated in paragraph (c) above and the Maximum Rate of Interest₂ will be determined.
- (e) The rate of interest applicable in respect of the relevant interest period will be the difference between the two resulting amounts calculated in paragraphs (b) and (d) above.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMS(15)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, a CMS Rate will be multiplied by a gearing factor and a margin will be added to that result.
- (b) Secondly, the difference between two CMS Rates will be determined and a margin will be added to that result.
- (c) Thirdly, the resulting amount calculated in paragraph (b) above will be multiplied by another gearing factor.
- (d) The rate of interest applicable in respect of the relevant interest period will be the greater of the two resulting amounts calculated in paragraphs (a) and (c) above.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMS(16)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, a CMS Rate will be multiplied by a gearing factor and a margin will be added to that result.
- (b) Secondly, the difference between two CMS Rates will be determined and a margin will be added to that result.
- (c) Thirdly, the resulting amount calculated in paragraph (b) above will be multiplied by another gearing factor.
- (d) The rate of interest applicable in respect of the relevant interest period will be the lesser of the two resulting amounts calculated in paragraphs (a) and (c) above.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMS(17)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) Firstly, (i) a CMS rate will be multiplied by a gearing factor, (ii) a second CMS rate will be multiplied by a second gearing factor, and (iii) the result of each of (i) and (ii) will be added to a margin.
- (b) Secondly, (i) a third CMS rate will be multiplied by a third gearing factor, (ii) a fourth CMS rate will be multiplied by a fourth gearing factor, and (iii) the result of each of (i) and (ii) will be added to a second margin.
- (c) Thirdly, the higher of paragraphs (a) and (b) will be multiplied by a fifth gearing factor, and a third margin will be added to the result.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMS(18)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) Firstly, (i) a CMS rate will be multiplied by a gearing factor, (ii) a second CMS rate will be multiplied by a second gearing factor, and (iii) the result of each of (i) and (ii) will be added to a margin.
- (b) Secondly, (i) a third CMS rate will be multiplied by a third gearing factor, (ii) a fourth CMS rate will be multiplied by a fourth gearing factor, and (iii) the result of each of (i) and (ii) will be added to a second margin.
- (c) Thirdly, the lower of paragraphs (a) and (b) will be multiplied by a fifth gearing factor, and a third margin will be added to the result.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMS(19)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, a margin will be added to a CMS Rate.

- (b) Secondly, the resulting amount calculated in paragraph (a) above will be multiplied by a gearing factor and one will be added to that result.
- (c) Thirdly, the resulting amount calculated in paragraph (b) above will be raised to a power and from that result one will be subtracted.
- (d) The rate of interest applicable in respect of the relevant interest period will be the product of the resulting amount calculated in paragraph (c) above and another gearing factor.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMSRA(1)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, the number of fixing days during the relevant interest period on which the reference rate, floating rate option, or the difference between two reference rates, CMS Rates and/or floating rate options, falls inside or outside the specified range will be calculated, and the result will be divided by the total number of fixing days in the relevant interest period (the resulting fraction being the “**Range Accrual Fraction**”).
- (b) The rate of interest applicable in respect of the relevant interest period will be the product of the Range Accrual Fraction and the Applicable Rate (which rate may be a CMS Rate).

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMSRA(2)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, the number of fixing days during the relevant interest period on which the reference rate or floating rate option, or the difference between two reference rates, CMS Rates and/or floating rate options, falls inside or outside the specified range will be calculated, and the result will be divided by the total number of fixing days in the relevant interest period (the resulting fraction being the “**Range Accrual Fraction**”).
- (b) Secondly, the sum of an Applicable Rate (which may be a CMS Rate) and the margin will be calculated.
- (c) The rate of interest applicable in respect of the relevant interest period will be the product of the Range Accrual Fraction and the resulting amount calculated in paragraph (b) above.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMSRA(3)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, the number of fixing days during the relevant interest period on which the reference rate or floating rate option, or the difference between two reference rates, CMS Rates and/or floating rate options, falls inside or outside the specified range will be calculated, and the result will be divided by the total number of fixing days in the relevant interest period (the resulting fraction being the “**Range Accrual Fraction**”).
- (b) Secondly, an Applicable Rate (which may be a CMS Rate) will be multiplied by a gearing factor, and a margin will be added to that result.
- (c) The rate of interest applicable in respect of the relevant interest period will be the product of the Range Accrual Fraction and the resulting amount calculated in paragraph (b) above.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMSRA(4)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, the number of fixing days during the relevant interest period on which the reference rate or floating rate option, or the difference between two reference rates, CMS Rates and/or floating rate options, falls inside or outside the specified range will be calculated, and the result will be divided by the total number of fixing days in the relevant interest period (the resulting fraction being the “**Range Accrual Fraction**”).
- (b) Secondly, an Applicable Rate (which may be a CMS Rate) will be multiplied by a gearing factor, and a margin will be added to that result.
- (c) Thirdly, the lower of the resulting amount calculated in paragraph (b) above and the Maximum Rate of Interest₁ will be determined.
- (d) The rate of interest applicable in respect of the relevant interest period will be the product of the Range Accrual Fraction and the resulting amount calculated in paragraph (c) above.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum

Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

CMSRA(5)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, the number of fixing days during the relevant interest period on which the reference rate or floating rate option, or the difference between two reference rates, CMS Rates and/or floating rate options, falls inside or outside the specified range will be calculated, and the result will be divided by the total number of fixing days in the relevant interest period (the resulting fraction being the “**Range Accrual Fraction**”).
- (b) Secondly, an Applicable Rate (which may be a CMS Rate) will be multiplied by a gearing factor, and a margin will be added to that result.
- (c) Thirdly, the greater of the resulting amount calculated in paragraph (b) above and the Minimum Rate of Interest₁ will be determined.
- (d) The rate of interest applicable in respect of the relevant interest period will be the product of the Range Accrual Fraction and the resulting amount calculated in paragraph (c) above.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

If the relevant Final Terms specify that “Global Floor Feature” is applicable, then, if on the maturity date the sum of all interest amounts paid up to (and including) the maturity date (the “**Sum of Interest Paid**”) is less than a specified global floor amount (the “**Global Floor Amount**”), an additional amount of interest shall be payable on the maturity date equal to the Global Floor Amount minus the Sum of Interest Paid.

Range Accrual Notes

Range Accrual Notes bear interest (if any) determined by reference to a floating rate (determined in accordance with paragraph (a) or (b) of “*Floating Rate Notes*” above) depending on how many days such floating rate is above or below a specified barrier level or within a specified range during an agreed observation period. If the value of the floating rate breaches the specified barrier level or is outside the specified range on any day during the relevant observation period, the amount of interest payable for the relevant interest period will be lower. If the value of the floating rate breaches the specified barrier level or is outside the specified range throughout the entire observation period, no interest will be payable for the relevant Interest Period.

RAN(1)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, the number of fixing days during the relevant interest period on which the reference rate or floating rate option, or the difference between two reference rates and/or floating rate options, falls inside or outside the specified range will be calculated, and the result will be divided by the total number of fixing days in the relevant interest period (the resulting fraction being the **"Range Accrual Fraction"**).
- (b) The rate of interest applicable in respect of the relevant interest period will be the product of the applicable rate and the Range Accrual Fraction.

If the relevant Final Terms specify that a minimum rate of interest (the **"Minimum Rate of Interest"**) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the **"Maximum Rate of Interest"**) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

RAN(2)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, the number of fixing days during the relevant interest period on which the reference rate or floating rate option, or the difference between two reference rates and/or floating rate options, falls inside or outside the specified range will be calculated, and the result will be divided by the total number of fixing days in the relevant interest period (the resulting fraction being the **"Range Accrual Fraction"**).
- (b) Secondly, the sum of an Applicable Rate and a margin will be calculated.
- (c) The rate of interest applicable in respect of the relevant interest period will be the product of the Range Accrual Fraction and the resulting amount calculated in paragraph (b) above.

If the relevant Final Terms specify that a minimum rate of interest (the **"Minimum Rate of Interest"**) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the **"Maximum Rate of Interest"**) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

RAN(3)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, the number of fixing days during the relevant interest period on which the reference rate or floating rate option, or the difference between two reference rates and/or floating rate options, falls inside or outside the specified range will be calculated, and the result will be divided by the total number of fixing days in the relevant interest period (the resulting fraction being the **"Range Accrual Fraction"**).

- (b) Secondly, an Applicable Rate will be multiplied by a gearing factor and a margin will be added to the result.
- (c) The rate of interest applicable in respect of the relevant interest period will be the product of the Range Accrual Fraction and the resulting amount calculated in paragraph (b) above.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

RAN(4)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, the number of fixing days during the relevant interest period on which the reference rate or floating rate option, or the difference between two reference rates and/or floating rate options, falls inside or outside the specified range will be calculated, and the result will be divided by the total number of fixing days in the relevant interest period (the resulting fraction being the “**Range Accrual Fraction**”).
- (b) Secondly, an Applicable Rate will be multiplied by a gearing factor and a margin will be added to the result.
- (c) Thirdly, the lower of the resulting amount calculated in paragraph (b) above and the Maximum Rate of Interest₁ will be determined.
- (d) The rate of interest applicable in respect of the relevant interest period will be the product of the Range Accrual Fraction and the resulting amount calculated in paragraph (c) above.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

RAN(5)

The rate of interest applicable in respect of any interest period will be calculated as follows:

- (a) First, the number of fixing days during the relevant interest period on which the reference rate or floating rate option, or the difference between two reference rates and/or floating rate options, falls inside or outside the specified range will be calculated, and the result will be divided by the total number of fixing days in the relevant interest period (the resulting fraction being the “**Range Accrual Fraction**”).
- (b) Secondly, an Applicable Rate will be multiplied by a gearing factor, and a margin will be added to the result.

- (c) Thirdly, the greater of the resulting amount calculated in paragraph (b) above and a Minimum Rate of Interest₁ will be determined.
- (d) The rate of interest applicable in respect of the relevant interest period will be the product of the Range Accrual Fraction and the resulting amount calculated in paragraph (c) above.

If the relevant Final Terms specify that a minimum rate of interest (the “**Minimum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is less than such Minimum Rate of Interest, the rate of interest applicable for such interest period will instead be the Minimum Rate of Interest.

If the relevant Final Terms specify that a maximum rate of interest (the “**Maximum Rate of Interest**”) is applicable, then, if the rate resulting from the steps above in an interest period is greater than such Maximum Rate of Interest, the rate of interest applicable for such interest period will instead be the Maximum Rate of Interest.

If the relevant Final Terms specify that “Global Floor Feature” is applicable, then, if on the maturity date the sum of all interest amounts paid up to (and including) the maturity date (the “**Sum of Interest Paid**”) is less than a specified global floor amount (the “**Global Floor Amount**”), an additional amount of interest shall be payable on the maturity date equal to the Global Floor Amount minus the Sum of Interest Paid.

Ratchet Notes

The Issuer may issue Ratchet Notes. The term “**ratchet**” is used to describe the mechanism for re-setting the rate of interest applicable in respect of the Notes each Interest Period.

In an interest period, the maximum rate of interest will be the lesser of (a) a floating rate (which is a rate multiplied by a gearing factor plus a margin) and (b) the rate of interest applicable in respect of the immediately preceding interest period (the “**Previous Coupon**”), multiplied by a second gearing factor plus a second margin. Effectively, the second margin creates a maximum amount that the rate of interest can increase relative to the Previous Coupon.

The minimum rate of interest in any interest period will be the greater of (i) the floating rate mentioned in paragraph (a) above and (ii) the Previous Coupon, multiplied by a second gearing factor and a third margin. Effectively, the third margin sets a minimum increase, or maximum decrease, of rate of interest relative to the Previous Coupon.

In the first interest period, a specified rate will be deemed to represent the Previous Coupon.

The ratchet is achieved by the fact the minimum and maximum amounts of interest are determined relative to the Previous Coupon.

Variable Rate Notes

The Rate of Interest for Variable Rate Notes may be varied during the term of the Notes. The relevant Final Terms will specify an initial interest period, together with the Rate of Interest that applies to such period (the “**initial rate**”), and one or more variable interest periods, together with the corresponding Rate(s) of Interest (each, a “**varied rate**”).

If “Variation Notice” is specified to apply, the varied rate(s) will apply only if the Issuer provides at least five Business Days’ notice to the Noteholders; otherwise, the initial rate will continue until the next date specified for variation of interest (if any) or to maturity. If “Variation Notice” is specified not to apply, the basis of interest will automatically change to the varied rate on the dates specified in the relevant Final Terms.

The rates of interest for Variable Rate Notes may be calculated in the same manner as a Fixed Rate Note, Floating Rate Note, Inverse Floating Rate Note, CMS Linked Note, Range Accrual Note or Zero Coupon Note.

Contingent Coupon Notes

Contingent Coupon Notes bear interest (if any) determined by reference to one or more Underlyings. The Calculation Agent will observe the value of the Underlying(s) either on a single Coupon Observation Date, or over a number of days (comprising a Coupon Observation Period) prior to each Specified Interest Payment Date. The amount of interest (if any) payable per Calculation Amount in respect of the relevant Interest Period is calculated by reference to such value of the Underlying(s) in accordance with one of the following formulae (as specified in the relevant Final Terms):

Conditional Coupon with No Memory – Single Underlying

The Notes bear interest at a specified rate if the value of a Single Underlying is at or above a specified threshold on a single Coupon Observation Date. If the value of the Single Underlying is below the specified threshold on each Coupon Observation Date during the term of the Notes, no interest will be payable in respect of the Notes for the relevant Interest Period.

Conditional Coupon with No Memory and Lock-In Event

The Notes bear interest at a specified rate if the value of the Underlying is greater than or equal to a percentage of the initial value of the Underlying (as specified in the relevant Final Terms) on a single Coupon Observation Date, whereupon interest shall be payable at such specified rate in respect of the relevant Interest Period and all subsequent Interest Periods throughout the life of the Notes (a “**Lock-in Event**”). The Notes bear interest at the same specified rate where a Lock-in Event has not occurred but where the value of the Underlying is greater than or equal to another (lower) specified percentage of the initial value of the Underlying on the relevant Coupon Observation Date, but only in respect of the relevant Interest Period. Otherwise, no interest will be payable in respect of the relevant Interest Period.

Conditional Coupon with No Memory – Worst Performer

The Notes will bear interest at a specified rate of interest if the value of each Underlying in a Basket is at or above a specified threshold on a single Coupon Observation Date. If the value of any one of the Underlyings comprising the Basket is below such specified threshold (i.e. the worst performer) on the relevant Coupon Observation Date, no interest will be payable for the relevant Interest Period.

Conditional Coupon with Memory – Single Underlying

The Notes bear interest at a specified rate if the value of a Single Underlying is at or above a specified level on a single Coupon Observation Date (the “**Coupon Condition**”); otherwise, no interest will be payable in respect of the relevant Interest Period.

Although no interest will be paid on any Specified Interest Payment Date corresponding to an Interest Period in respect of which the Coupon Condition has not been met, the rate of interest will in respect of each successive Interest Period be increased by a factor reflecting the number of previous consecutive Coupon Observation Dates which have occurred where no interest was paid. Accordingly, if on a subsequent Coupon Observation Date the Coupon Condition is met, the amount of interest payable on the relevant Specified Interest Payment Date may be considered to comprise deferred interest for the previous Interest Period in respect of which no interest was paid. If the Coupon Condition is not met on any Coupon Observation Date then no interest will be payable during the term of the Notes.

Conditional Coupon with Memory – Worst Performer

The Notes bear interest (if any) at a specified rate if the value of each Underlying in a Basket is at or above a specified threshold on a single Coupon Observation Date (the “**Coupon Condition**”). If the value of any one or more of the Underlyings comprising the Basket is below such specified threshold (i.e. the worst performer) on the relevant Coupon Observation Date, no interest will be payable for the relevant Interest Period.

Although no interest will be paid on any Specified Interest Payment Date corresponding to an Interest Period in respect of which the Coupon Condition has not been met, the rate of interest will in respect of each successive Interest Period be increased by a factor reflecting the number of previous consecutive Coupon Observation Dates which have occurred where no interest was paid. Accordingly, if on a subsequent Coupon Observation Date the Coupon Condition is met, the amount of interest payable on the relevant Specified Interest Payment Date may be considered to comprise deferred interest for the previous Interest Period in respect of which no interest was paid. If the Coupon Condition is not met on any Coupon Observation Date then no interest will be payable during the term of the Notes.

Range Accrual – Single Underlying

The Notes bear interest (if any) determined by reference to the number of days in a Coupon Observation Period on which the closing value of a Single Underlying is at or above a specified threshold or within a specified range. If the value of such Single Underlying remains below the specified threshold, or outside the specified range throughout the entire Coupon Observation Period, no interest will be payable for the relevant Interest Period.

Range Accrual – Worst Performer

The Notes bear interest (if any) determined by the number of days in a Coupon Observation Period on which the closing value, on any day in the Coupon Observation Period, of the worst performing Underlying in a Basket is at or above a specified threshold or within a specified range. In order to determine which is the worst performing Underlying: first, the performance of each Underlying in a Basket on an observation date or during an observation period is calculated by dividing its final value by its strike value; secondly, the performance of each Underlying is compared and the Underlying with the lowest number will be the “worst performer”.

Bonus Recovery – Single Underlying

If the value of a Single Underlying is at or above a specified threshold on a single Coupon Observation Date, the Notes will bear interest at a rate of interest determined by reference to the increase in value of the Underlying relative to a specified initial value, subject to a minimum specified rate of interest; otherwise, no interest will be payable in respect of the relevant Interest Period.

Bonus Recovery – Worst Performer

If the value of each Underlying in a Basket is at or above a specified threshold on a single Coupon Observation Date, the Notes bear interest at a rate determined by reference to the increase in value of the worst performing Underlying in a Basket relative to the specified initial value of that Underlying, subject to a minimum specified rate of interest. If the value of any one of the Underlyings comprising the Basket falls below such specified threshold (i.e. the worst performer) on the relevant Coupon Observation Date, no interest will be payable in respect of the relevant Interest Period.

Year-on-year Inflation Linked Interest

The Notes bear interest (if any) determined by reference to the change in the level of an inflation index over a one year period, subject to a maximum amount and/or a minimum amount if either or both are specified to apply:

- (a) if neither a “cap” nor a “floor” is specified to apply, the Notes bear interest at a rate determined by reference to the change in the level of an inflation index in respect of the relevant year compared with the level of the inflation index in respect of the immediately preceding year, multiplied by a gearing factor, plus a specified margin. The greater any positive change in the level of the inflation index, the greater the increase in the amount of interest payable, compared with the amount payable in respect of the immediately preceding Interest Period. The greater any negative change in the level of the inflation index, the greater the decrease in the amount of interest payable (which could be zero) compared with the amount payable in respect of the immediately preceding Interest Period;

- (b) if a “cap” is specified to apply, the Notes bear interest determined in the same manner as in paragraph (a) above, subject to a specified maximum amount. An investor would therefore be limited as to the amount it could benefit from a rise in the level of the inflation index, and could also receive no interest in certain circumstances;
- (c) if a “floor” is specified to apply, the Notes bear interest determined in the same manner as in paragraph (a) above, subject to a specified minimum amount. An investor would therefore benefit from a rise in the level of the inflation index, and their exposure to a fall in the level of the inflation index would be limited to a specified level; and
- (d) if both a “cap” and a “floor” are specified to apply, the Notes bear interest determined in the same manner as in paragraph (a) above, subject to both a specified maximum amount and a specified minimum amount. An investor would therefore be limited as to the amount it could benefit from a rise in the level of the inflation index, but would also have its exposure to a fall in the level of the inflation index limited to a specified level.

If the performance of the inflation index yields a negative result, no interest is payable.

Other Periodic Inflation Linked Interest

The Notes bear interest (if any) determined by reference to the change in the level of an inflation index over a specified period subject to a maximum amount and/or a minimum amount if either or both are specified to apply:

- (a) if neither a “cap” nor a “floor” is specified to apply, the Notes will bear interest at a rate of interest determined by reference to the rise or fall in the value of an inflation index relative to a specified initial value, multiplied by a specified factor. Consequently, an investor could benefit from an increase in value in the inflation index, but could also receive no interest if the inflation index decreases in value beyond a certain point;
- (b) if a “cap” is specified to apply, the Notes will bear interest at a rate of interest determined in the same manner as in paragraph (a) above, subject to a specified maximum amount. An investor would be limited as to the amount it could benefit from an increase in value in the inflation index, and could also receive no interest in certain circumstances;
- (c) if a “floor” is specified to apply, the Notes will bear interest at a rate of interest calculated in the same manner as in paragraph (a) above, subject to a specified minimum amount. An investor would benefit from an increase in value in the inflation index, and its exposure to a decrease in value in the inflation index would be limited to a specified level; and
- (d) if both a “cap” and a “floor” are specified to apply, the Notes will bear interest at a rate of interest determined in the same manner as in paragraph (a) above, subject to both a specified maximum amount and a specified minimum amount. An investor would be limited as to the amount it could benefit from an increase in value in the inflation index, but would also have its exposure to a decrease in value in the inflation index limited to a specified value.

If the performance of the inflation index yields a negative result, no interest is payable.

Digital Interest

The Notes bear interest (if any) determined by reference to one of two specified rates, depending on the value of a Single Underlying relative to one or more specified coupon triggers on the relevant Observation Date as follows:

- (a) where “Equal to or less than” is specified to apply, if the value of a Single Underlying is equal to or less than a specified threshold, the Notes will bear interest by reference to one rate of interest; if the value of the Single Underlying is below such specified threshold, a different rate of interest will apply;

- (b) where “Equal to or greater than” is specified to apply, if the value of a Single Underlying is equal to or greater than a specified threshold, the Notes will bear interest by reference to one rate of interest; if the value of the Underlying is below such specified threshold, a different rate of interest will apply; and
- (c) where “Within a range” is specified to apply, if the value of a Single Underlying is equal to either of two specified thresholds or between such thresholds, the Notes will bear interest by reference to one rate of interest; otherwise, a different rate of interest will apply.

FX Linked Interest

FX(1)

The Notes bear interest (if any) determined by reference to the performance of the specified FX Rate multiplied by one specified rate, with a second specified amount being subtracted from the result. The performance of the relevant FX Rate is calculated by dividing its value on a specified date prior to each Specified Interest Payment Date by its initial value.

If a “cap” is specified to apply, the interest amount resulting from the steps above is subject to a specified maximum amount. An investor would therefore be limited as to the amount it could benefit from a rise in the specified FX Rate, and could also receive no interest in certain circumstances.

If a “floor” is specified to apply, the interest amount resulting from the steps above is subject to a specified minimum amount. An investor would therefore benefit from a rise in the level of the specified FX Rate, and their exposure to a fall in the level of the specified FX Rate would be limited to a specified level.

If both a “cap” and a “floor” are specified to apply, the interest amounts resulting from the steps above is subject to both a specified maximum amount and a specified minimum amount. An investor would therefore be limited as to the amount it could benefit from a rise in the level of the specified FX Rate, but would also have its exposure to a fall in the level of the specified FX Rate limited to a specified level.

FX(2)

The Notes bear interest (if any) determined by reference to the performance of the specified FX Rate multiplied by a specified rate. The performance of the relevant FX Rate is calculated by dividing its value on a specified date prior to each Specified Interest Payment Date by its initial value.

If a “cap” is specified to apply, the interest amount resulting from the steps above is subject to a specified maximum amount. An investor would therefore be limited as to the amount it could benefit from a rise in the specified FX Rate, and could also receive no interest in certain circumstances.

If a “floor” is specified to apply, the interest amount resulting from the steps above is subject to a specified minimum amount. An investor would therefore benefit from a rise in the level of the specified FX Rate, and their exposure to a fall in the level of the specified FX Rate would be limited to a specified level.

If both a “cap” and a “floor” are specified to apply, the interest amount resulting from the steps above is subject to both a specified maximum amount and a specified minimum amount. An investor would therefore be limited as to the amount it could benefit from a rise in the level of the specified FX Rate, but would also have its exposure to a fall in the level of the specified FX Rate limited to a specified level.

FX Range Interest

The Notes bear interest (if any) determined by reference to the performance of a specified FX Rate. If the FX Rate is within two specified thresholds, interest is calculated at one specified rate. If the FX Rate is outside such thresholds, interest is calculated at an alternative rate.

Redemption features

Automatic Early Redemption

Where “Automatic Early Redemption” is specified as applicable, all the Notes will redeem early, prior to their stated maturity, on the Automatic Early Redemption Date following the occurrence of a specified trigger event. Upon automatic early redemption, the Issuer will pay an amount per Calculation Amount equal to a specified percentage of the Calculation Amount, together with the Interest Amount (if any) accrued to (but excluding) the Automatic Early Redemption Date.

Autocall – Single Underlying

The Notes will redeem early on a specified date if the value of a Single Underlying is at or above a specified threshold.

Autocall – Worst Performer

The Notes will redeem early on a specified date if the value of each Underlying in a Basket is at or above a specified threshold.

Autocall (Individual Call) – Single Underlying

The Notes will redeem early on a specified date as follows:

- (a) where “Equal to or less than” is specified to apply, if the value of the Single Underlying is determined by the Calculation Agent to be equal to or less than a specified threshold;
- (b) where “Equal to or greater than” is specified to apply, if the value of the Single Underlying is determined by the Calculation Agent to be equal to or greater than a specified threshold; or
- (c) where “Within a range” is specified to apply, if the value of the Single Underlying is determined by the Calculation Agent to be equal to either of two specified thresholds or between such thresholds.

Different thresholds may be specified in the relevant Final Terms of the Notes for different Automatic Early Redemption Dates.

Autocall (Individual Call) – Worst Performer

The Notes will redeem early on the Automatic Early Redemption Date as follows:

- (a) where “Equal to or less than” is specified to apply, if the value of each Underlying in the Basket is determined by the Calculation Agent to be equal to or less than a specified threshold;
- (b) where “Equal to or greater than” is specified to apply, if the value of each Underlying in a Basket is determined by the Calculation Agent to be equal to or greater than a specified threshold; or
- (c) where “Within a range” is specified to apply, if the value of each Underlying in a Basket is determined by the Calculation Agent to be equal to either of two specified thresholds or between such thresholds.

Different thresholds may be specified in the relevant Final Terms for different Automatic Early Redemption Dates.

Redemption at maturity

The amount payable (if any) at maturity is calculated by reference to a specified “Final Redemption Amount” formula, which will determine either (a) a cash amount per Calculation Amount to be paid on the maturity date (either specified in such formula or calculated on the basis of a specified “Cash Settlement Amount” formula) or (b) an amount of assets per Calculation Amount which the Issuer shall deliver to Noteholders, calculated in accordance with a specified “Asset Amount” formula, as the case may be.

Where the Final Redemption Amount is determined by reference to the performance of one or more Underlyings, the final value of the Underlying(s) is calculated as (a) the value of the Underlying(s) on a specific date, (b) such value averaged over a number of specified dates or (c) determined on the basis of the lowest value over a specified period.

Final Redemption Amounts

Redemption at Par/Redemption at Discount/Premium

The Notes will be redeemed at either 100 per cent. per Calculation Amount (“**par**”), or at a specified percentage of, which may be less than (“**discount**”) or greater than (“**premium**”), par.

In the case of Fixed Rate Notes where the Final Redemption Amount is specified as “Redemption at Par”, the Final Redemption Amount shall be payable in a different currency to the Specified Currency if the relevant Final Terms specify “Non-Deliverable Currency Redemption Feature” to be applicable.

Dual Currency Redemption – Single Underlying

A cash amount equivalent to the Calculation Amount will be payable. The currency in which such cash amount is payable will be determined by reference to the increase or decrease in the value of an FX rate. If the FX rate is either (a) equal to or greater than, (b) equal to or less than, (c) greater than or (d) less than a specified threshold, depending on which option is specified in the relevant Final Terms (each, a “**Currency Condition**”), the cash amount will be converted into an alternative currency at an exchange rate as specified in the relevant Final Terms. If the Currency Condition is not met, the cash amount will be payable in the currency in which the Notes are denominated. If “Par” is specified, then the Notes will redeem at par converted at a specified exchange rate.

Dual Currency Redemption – Underlying Performance

A cash amount equivalent to the Calculation Amount will be payable. The currency in which such cash amount is payable will be determined by reference to the increase or decrease in the value of an FX Rate over a specified period (the “**FX Performance**”). If the FX Performance is either (a) equal to or greater than, (b) equal to or less than, (c) greater than or (d) less than a specified threshold, depending on which option is specified in the relevant Final Terms (each, a “**Currency Condition**”), the cash amount will be converted into an alternative currency at an exchange rate as specified in the relevant Final Terms. If the Currency Condition is not met, the cash amount will be payable in the currency in which the Notes are denominated.

Standard Redemption – Single Underlying

If the final value of a Single Underlying is greater than or equal to a specified threshold, the Notes will redeem at par; otherwise, the Notes will redeem in accordance with the Cash Settlement Amount formula or Asset Amount formula, as the case may be, specified in the relevant Final Terms.

Standard Redemption – Lock-in Event and Barrier Condition

If, on the maturity date, a Lock-in Event (as defined under “*Conditional Coupon with No Memory and Lock-in Event*” above) has occurred or the value of the Underlying is greater than or equal to a strike value (as specified in the relevant Final Terms) on the final redemption observation date, the Notes will redeem at par; otherwise, a cash amount (if any) will be payable on redemption calculated by reference to the increase or decrease in the value of the Underlying relative to its initial value, which amount is divided by the initial value of the Underlying.

Standard Redemption – Worst Performer

If the final value of each Underlying in a Basket is greater than or equal to a specified threshold, the Notes will redeem at par; otherwise, the Notes will redeem in accordance with the Cash Settlement Amount formula or Asset Amount formula, as the case may be, specified in the relevant Final Terms.

Standard Redemption – Basket

If the aggregate of the final values of all the Underlyings in a Basket is greater than or equal to a specified threshold, the Notes will redeem at par; otherwise, the Notes will redeem in accordance with the Cash Settlement Amount formula or Asset Amount formula, as the case may be, specified in the relevant Final Terms.

Barrier Redemption – Single Underlying

If the final value of a Single Underlying is greater than or equal to the strike, the Notes will redeem in accordance with the First Cash Settlement Amount formula specified in the relevant Final Terms; if the final value of the Single Underlying is less than the strike and equal to or greater than the barrier, the Notes will redeem at par; if the final value of the Single Underlying is less than the barrier the Notes will redeem in accordance with the Second Cash Settlement Amount formula or Asset Amount formula, as the case may be, specified in the relevant Final Terms.

Barrier Redemption – Worst Performer

If the final value of each Underlying in a Basket is greater than or equal to its strike, the Notes will redeem in accordance with the First Cash Settlement Amount formula specified in the relevant Final Terms; if the worst performing Underlying in such Basket is less than its strike and equal to or greater than its barrier, the Notes will redeem at par; if the final value of any Underlying in the Basket is less than its barrier the Notes will redeem in accordance with the Second Cash Settlement Amount formula or Asset Amount formula, as the case may be, specified in the relevant Final Terms.

Continuous Barrier Redemption – Single Underlying

If the final value of the Single Underlying is greater than or equal to the strike, the Notes will redeem in accordance with the First Cash Settlement Amount formula specified in the relevant Final Terms; if the final value of the Single Underlying is less than the strike and a specified “**Barrier Breach Event**” has not occurred, the Notes will redeem at par; if the final value of the Single Underlying is less than its strike and the Barrier Breach Event has occurred, the Notes will redeem in accordance with the Second Cash Settlement Amount formula or Asset Amount formula, as the case may be, specified in the relevant Final Terms.

The Barrier Breach Event will occur when the value of the Underlying, observed over a specified period, is either less than, less than or equal to, greater than or greater than or equal to a specified barrier level, depending on what options are specified in the relevant Final Terms.

Continuous Barrier Redemption – Worst Performer

If the final value of each Underlying in the Basket is greater than or equal to its strike, the Notes will redeem in accordance with the First Cash Settlement Amount formula specified in the relevant Final Terms; if the final value of any Underlying in the Basket is less than the strike and a specified Barrier Breach Event has not occurred, the Notes will redeem at par; if the final value of any Underlying in the Basket is less than its strike and the Barrier Breach Event has occurred, the Notes they will redeem in accordance with the Second Cash Settlement Amount formula or Asset Amount formula, as the case may be, specified in the relevant Final Terms.

The Barrier Breach Event will occur when the value of the Underlying, observed over a specified period, is either less than, less than or equal to, greater than or greater than or equal to a specified barrier level, depending on what options are specified in the relevant Final Terms.

Cash Settlement Amounts

Redemption at Par

The Notes will be redeemed at 100 per cent. per Calculation Amount (“**par**”).

Redemption at Discount/Premium

The Notes will be redeemed at a specified percentage per Calculation Amount.

If one of the following formulae is specified to apply in respect of the Notes, the amount payable at maturity will be determined by reference to the performance of one or more Underlyings over a period of time. The higher the value of the Single Underlying, or each Underlying in a Basket, as the case may be, relative to its specified initial value, the higher the amount payable at maturity (subject to any applicable maximum amounts as specified below). The lower the value of the Single Underlying, or each Underlying in a Basket, as the case may be, relative to its specified initial value, the lower the amount payable at maturity (subject to any applicable minimum amounts as specified below).

Performance – Single Underlying

On redemption, a cash amount (if any) will be payable calculated by dividing the final value of the Single Underlying by its initial value.

Performance – Worst Performer

On redemption, a cash amount (if any) will be payable calculated by dividing the final value of the worst performing Underlying in the Basket by its initial value.

Performance – Basket

On redemption, a cash amount (if any) will be payable calculated by dividing the aggregate final value of all Underlyings in the Basket by the aggregate initial value.

Gearing Factor – Single Underlying

On redemption, a cash amount (if any) will be payable determined by reference to the increase or decrease in the value of the Single Underlying relative to its specified initial value, which amount is multiplied by a specified geared rate and with a specific amount deducted.

Gearing factor acts as a multiplication factor. Gearing factor will magnify an investor's exposure to the performance of the Underlying: if the Underlying's performance is positive, then this positive performance will be enhanced by the level of gearing factor; conversely, if the Underlying's performance is negative, then this negative performance will be magnified by the level of gearing factor.

Gearing Factor – Worst Performer

On redemption, a cash amount (if any) will be payable determined by reference to the increase or decrease in the value of the worst performing Underlying in a Basket, multiplied by a specified geared rate and with a specific amount deducted.

Gearing factor acts as a multiplication factor. Gearing factor will magnify an investor's exposure to the performance of the relevant Underlying: if the Underlying's performance is positive, then this positive performance will be enhanced by the level of gearing factor; conversely, if the Underlying's performance is negative, then this negative performance will be magnified by the level of gearing factor.

In order to determine which is the worst performing Underlying, first, the performance of each Underlying in a Basket is calculated by dividing its final value by its strike value, and secondly, the performance of each Underlying is compared and the Underlying with the lowest number will be the "worst performer".

Gearing Factor with Cap – Single Underlying

On redemption, a cash amount (if any) will be payable determined by reference to the geared increase or decrease in the value of the Single Underlying relative to its specified initial value, less a specified percentage (the "**Subtrahend**"), subject to a specified cap.

Gearing factor acts as a multiplication factor. Gearing factor will magnify an investor's exposure to the performance of the Underlying: if the Underlying's performance is positive, then this positive performance

will be enhanced by the level of gearing factor; conversely, if the Underlying's performance is negative, then this negative performance will be magnified by the level of gearing factor.

A cap is the maximum amount an investor may receive. If the performance of the Underlying exceeds the level of the cap, then the Notes will not take into account the positive performance of the Underlying that exceeds the level of the cap.

Gearing Factor with Cap – Worst Performer

On redemption, a cash amount (if any) will be payable determined by reference to the geared increase or decrease in the value of the worst performing Underlying in a Basket relative to its specified initial value, less a specified Subtrahend, subject to a specified cap.

Gearing factor acts as a multiplication factor. Gearing factor will magnify an investor's exposure to the performance of the relevant Underlying: if the Underlying's performance is positive, then this positive performance will be enhanced by the level of gearing factor; conversely, if the Underlying's performance is negative, then this negative performance will be magnified by the level of gearing factor.

A cap is the maximum amount an investor may receive. If the performance of the relevant Underlying exceeds the level of the cap, then the Notes will not take into account the positive performance of the Underlying that exceeds the level of the cap.

In order to determine which is the worst performing Underlying, first, the performance of each Underlying in a Basket is calculated by dividing its final value by its strike value, and secondly, the performance of each Underlying is compared and the Underlying with the lowest number will be the "worst performer".

Gearing Factor with Cap and/or Floor – Single Underlying

On redemption, a cash amount (if any) will be payable determined by reference to the geared increase or decrease in the value of the Single Underlying relative to its specified initial value, less a specified Subtrahend, subject to a specified cap.

Gearing factor acts as a multiplication factor. Gearing factor will magnify an investor's exposure to the performance of the Underlying: if the Underlying's performance is positive, then this positive performance will be enhanced by the level of gearing factor; conversely, if the Underlying's performance is negative, then this negative performance will be magnified by the level of gearing factor.

A cap is the maximum amount an investor may receive. If the performance of the Underlying exceeds the level of the cap, then the Notes will not take into account the positive performance of the Underlying that exceeds the level of the cap.

A floor is the minimum amount an investor may receive. If the performance of the Underlying is floored then, if the performance of the Underlying falls below the level of the floor, the Notes will limit the downside exposure of the Underlying to the level of the floor.

Gearing Factor with Cap and/or Floor – Worst Performer

On redemption, a cash amount (if any) will be payable determined by reference to the geared increase or decrease in the value of the worst performing Underlying in a Basket relative to its specified initial value, less a specified Subtrahend, subject to a specified cap.

Gearing factor acts as a multiplication factor. Gearing factor will magnify an investor's exposure to the performance of the relevant Underlying: if the Underlying's performance is positive, then this positive performance will be enhanced by the level of gearing factor; conversely, if the Underlying's performance is negative, then this negative performance will be magnified by the level of gearing factor.

A cap is the maximum amount an investor may receive. If the performance of the relevant Underlying exceeds the level of the cap, then the Notes will not take into account the positive performance of the Underlying that exceeds the level of the cap.

A floor is the minimum amount an investor may receive. If the performance of the relevant Underlying is floored then, if the performance of the Underlying falls below the level of the floor, the Notes will limit the downside exposure of the Underlying to the level of the floor.

In order to determine which is the worst performing Underlying, first, the performance of each Underlying in a Basket is calculated by dividing its final value by its strike value, and, secondly, the performance of each Underlying is compared and the Underlying with the lowest number will be the “worst performer”.

Inflation Index Linked Redemption

On redemption, a cash amount (if any) will be payable determined by reference to the increase or decrease in the value of an inflation index over a specified period, subject to a floor and a cap.

The cap is the maximum amount that an investor may receive. If the performance of the inflation index exceeds the level of the cap, then investors will not participate in the positive performance that exceeds the level of the cap.

The floor is the minimum amount that an investor may receive. If the performance of the inflation index falls below the level of the floor, then investor's exposure to the negative performance will be limited to the level of the floor.

FX Performance Linked Redemption – Single Underlying

On redemption, a cash amount (if any) will be payable determined by reference to the increase or decrease in the value of the rate of exchange of two specified currencies (an “**FX Rate**”), subject to a minimum amount, over a specified period, which amount is multiplied by a specified geared rate. Where “put” is selected, if such FX Rate increases, the cash amount (if any) payable on redemption will be higher. Where “call” is selected, if such FX Rate increases, the cash amount (if any) payable on redemption will be lower.

FX Performance Linked Redemption – Basket

On redemption, a cash amount (if any) will be payable determined by reference to the average of the increase or decrease in the value of a Basket of FX Rates over a specified period. Where “put” is selected, if such exchange rates increase, the cash amount (if any) payable on redemption will be higher. Where “call” is selected, if such exchange rates increase, the cash amount (if any) payable on redemption will be lower.

Asset Amounts

The Asset Amount formula specified will determine the amount of assets that the Issuer shall deliver to Noteholders on redemption (the “**Asset Amount**”). In the event that this amount does not result in whole numbers of assets, any residual amount will be paid in cash.

Single Underlying – No Exchange Rate

The Asset Amount will be determined by reference to the final value of the Single Underlying on the specified Observation Date. The lower the final value of the Underlying, the higher the Asset Amount.

Single Underlying – Exchange Rate for Currencies other than Sterling

The Asset Amount will be determined by reference to the final value of the Single Underlying on the specified Observation Date, taking into account the applicable exchange rate between the specified currency and the currency of the Single Underlying.

Single Underlying – Exchange Rate for Sterling

The Asset Amount will be determined by reference to the final value of the Single Underlying on the specified Observation Date, taking into account the applicable exchange rate between the specified currency and the currency of the Single Underlying, the resulting value of which is then multiplied by 100.

Worst Performer – No Exchange Rate

The Asset Amount will be determined by reference to the final value of the worst performing Underlying in a Basket on the specified Observation Date. The lower the final value, the higher the Asset Amount.

Worst Performer – Exchange Rate for Currencies other than Sterling

The Asset Amount will be determined by reference to the final value of the worst performing Underlying in the Basket on the specified Observation Date, taking into account the applicable exchange rate between the specified currency and the currency of the relevant Underlying.

Worst Performer – Exchange Rate for Sterling

The Asset Amount will be determined by reference to the final value of the worst performing Underlying in the Basket on the specified Observation Date, taking into account the applicable exchange rate between the specified currency and the currency of the relevant Underlying, the resulting value of which is then multiplied by 100.

PUBLIC OFFERS OF NON-EXEMPT PD NOTES IN THE EUROPEAN ECONOMIC AREA

Non-Exempt PD Notes may, subject as provided below, be offered in a Relevant Member State in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to in this Base Prospectus as a **“Public Offer”**.

This Base Prospectus has been prepared on a basis that permits offers that are not made within an exemption from the requirement to publish a prospectus under Article 3.2 of the Prospectus Directive in Belgium, France, Germany, Luxembourg, the Netherlands and the United Kingdom (together, the **“Public Offer Jurisdictions”**). Any person making or intending to make a Public Offer of Non-Exempt PD Notes in a Public Offer Jurisdiction on the basis of this Base Prospectus must do so only with the Issuer’s consent – see *“Consent given in accordance with Article 3.2 of the Prospectus Directive”* below.

If the Issuer intends to make or authorise any Public Offer of Non-Exempt PD Notes to be made in one or more Relevant Member States other than in a Public Offer Jurisdiction, it will prepare a supplement to this Base Prospectus specifying such Relevant Member State(s) and any additional information required by the Prospectus Directive in respect thereof. Such supplement will also set out provisions relating to the Issuer’s consent to use this Base Prospectus in connection with any such Public Offer.

Public Offers may be made by the Authorised Offerors in each of the Public Offer Jurisdictions to any person during the Offer Period. In other EEA countries and in all jurisdictions (including the Public Offer Jurisdictions) outside of the Offer Period, offers will only be made pursuant to an exemption under the Prospectus Directive, as implemented in such countries. All offers of the Notes will be made in compliance with all applicable laws and regulations.

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

Consent given in accordance with Article 3.2 of the Prospectus Directive

In the context of any Public Offer of Notes, the Issuer accepts responsibility, in each of the Public Offer Jurisdictions, for the content of this Base Prospectus in relation to any person (an **“Investor”**) who purchases any Notes in a Public Offer made by a Dealer or an Authorised Offeror (as defined below), where that offer is made during the Offer Period.

Except in the circumstances described below, the Issuer has not authorised the making of any offer by any offeror and the Issuer has not consented to the use of this Base Prospectus by any other person in connection with any offer of the Notes in any jurisdiction. Any offer made without the consent of the Issuer is unauthorised and neither the Issuer nor, for the avoidance of doubt, any Dealer accepts any responsibility or liability in relation to such offer or for the actions of the persons making any such unauthorised offer.

If, in the context of a Public Offer, an Investor is offered Notes by a person which is not an Authorised Offeror, the Investor should check with such person whether anyone is responsible for this Base Prospectus for the purpose of the relevant Public Offer and, if so, who that person is. If an Investor is in any doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents, the Investor should take legal advice.

Consent

The Issuer consents and (in connection with paragraph (D) below) offers to grant its consent, to the use of this Base Prospectus (as supplemented at the relevant time, if applicable) in connection with any Public

Offer of a Tranche of Notes in the Public Offer Jurisdictions specified in the relevant Final Terms during the Offer Period specified in the relevant Final Terms by:

Specific consent

- (A) the Dealer(s) specified in the relevant Final Terms;
- (B) any financial intermediaries specified in the relevant Final Terms;
- (C) any other financial intermediary appointed after the date of the relevant Final Terms and whose name is published on the website of the Issuer (<https://www.rabobank.com/en/home/index.html>) and identified as an Authorised Offeror in respect of the relevant Public Offer; and

General consent

- (D) if General Consent is specified in the relevant Final Terms as applicable, any other financial intermediary which (a) is authorised to make such offers under MiFID II; and (b) accepts such offer by publishing on its website the following statement (with the information in square brackets duly completed with the relevant information) (the “**Acceptance Statement**”):

*“We, [specify name of financial intermediary], refer to the offer of [specify title of Notes] (the “**Notes**”) described in the Final Terms dated [specify date] (the “**Final Terms**”) published by Coöperatieve Rabobank U.A. (Rabobank Structured Products) (the “**Issuer**”). In consideration of the Issuer offering to grant its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Notes in [Belgium, France, Germany, Luxembourg, the Netherlands and the United Kingdom] during the Offer Period in accordance with the Authorised Offeror Terms (as specified in the Base Prospectus), we accept the offer by the Issuer. We confirm that we are authorised under MiFID II to make, and are using the Base Prospectus in connection with, the Public Offer accordingly. Terms used herein and otherwise not defined shall have the same meaning as given to such terms in the Base Prospectus.”*

The “**Authorised Offeror Terms**”, being the terms to which the relevant financial intermediary agrees in connection with using the Base Prospectus, are that the relevant financial intermediary:

- (I) will, and it agrees, represents, warrants and undertakes for the benefit of the Issuer and the relevant Dealer that it will, at all times in connection with the relevant Public Offer:
 - (a) act in accordance with, and be solely responsible for complying with, all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the “**Rules**”) from time to time including, without limitation, Rules relating to both the appropriateness or suitability of any investment in the Non-Exempt PD Notes by any person and disclosure to any potential Investor, and will immediately inform the Issuer and the relevant Dealer if at any time such financial intermediary becomes aware or suspects that it is or may be in violation of any Rules and take all appropriate steps to remedy such violation and comply with such Rules in all respects;
 - (b) comply with the restrictions set out under “*Plan of Distribution*” in this Base Prospectus which would apply as if it were a Dealer;
 - (c) comply with the target market and distribution channels identified under the “MiFID II product governance” legend set out in the applicable Final Terms;
 - (d) ensure that any fee (and any other commissions or benefits of any kind) received or paid by that financial intermediary in relation to the offer or sale of the Non-Exempt PD Notes does not violate the Rules and, to the extent required by the Rules, is fully and clearly disclosed to Investors or potential Investors;

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- (e) hold all licences, consents, approvals and permissions required in connection with solicitation of interest in, or offers or sales of, the Non-Exempt PD Notes under the Rules;
- (f) comply with applicable anti-money laundering, anti-bribery, anti-corruption and “know your client” Rules (including, without limitation, taking appropriate steps, in compliance with such Rules, to establish and document the identity of each potential Investor prior to initial investment in any Non-Exempt PD Notes by the Investor), and will not permit any application for Non-Exempt PD Notes in circumstances where the financial intermediary has any suspicions as to the source of the application moneys;
- (g) retain Investor identification records for at least the minimum period required under applicable Rules, and shall, if so requested, make such records available to the relevant Dealer and the Issuer or directly to the appropriate authorities with jurisdiction over the Issuer and/or the relevant Dealer in order to enable the Issuer and/or the relevant Dealer to comply with anti-money laundering, anti-bribery, anti-corruption and “know your client” Rules applying to the Issuer and/or the relevant Dealer;
- (h) not, directly or indirectly, cause the Issuer or the relevant Dealer to breach any Rule or subject the Issuer or the relevant Dealer to any requirement to obtain or make any filing, authorisation or consent in any jurisdiction;
- (i) immediately give notice to the Issuer and the relevant Dealer if at any time it becomes aware or suspects that it is or may be in violation of any Rules or the terms of this sub-paragraph, and takes all appropriate steps to remedy such violation and comply with such Rules and this sub-paragraph in all respects;
- (j) not give any information other than that contained in this Base Prospectus (as may be amended or supplemented by the Issuer from time to time) or make any representation in connection with the offering or sale of, or the solicitation of interest in, the Notes;
- (k) ensure that no holder of Non-Exempt PD Notes or potential Investor in Non-Exempt PD Notes shall become an indirect or direct client of the Issuer or the relevant Dealer for the purposes of any applicable Rules from time to time, and, to the extent that any client obligations are created by the relevant financial intermediary under any applicable Rules, then such financial intermediary shall perform any such obligations so arising;
- (l) cooperate with the Issuer and the relevant Dealer in providing such information (including, without limitation, documents and records maintained pursuant to paragraph (g) above) upon written request from the Issuer or the relevant Dealer as is available to such financial intermediary or which is within its power and control from time to time, together with such further assistance as is reasonably requested by the Issuer or the relevant Dealer:
 - (i) in connection with any request or investigation by the AFM and/or any relevant regulator of competent jurisdiction in relation to the Non-Exempt PD Notes, the Issuer or the relevant Dealer; and/or
 - (ii) in connection with any complaints received by the Issuer and/or the relevant Dealer relating to the Issuer and/or the relevant Dealer or another Authorised Offeror, including, without limitation, complaints as defined in rules published by the AFM and/or any relevant regulator of competent jurisdiction from time to time; and/or

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- (iii) which the Issuer or the relevant Dealer may reasonably require from time to time in relation to the Non-Exempt PD Notes and/or as to allow the Issuer or the relevant Dealer fully to comply within its own legal, tax and regulatory requirements,

in each case, as soon as is reasonably practicable and, in any event, within any time frame set by any such regulator or regulatory process;

- (m) during the period of the initial offering of the Non-Exempt PD Notes: (i) only sell the Non-Exempt PD Notes at the Issue Price specified in the relevant Final Terms (unless otherwise agreed with the relevant Dealer); (ii) only sell the Non-Exempt PD Notes for settlement on the Issue Date specified in the relevant Final Terms; (iii) not appoint any sub-distributors (unless otherwise agreed with the relevant Dealer and the Issuer); (iv) not pay any fee or remuneration or commissions or benefits to any third parties in relation to the offering or sale of the Non-Exempt PD Notes (unless otherwise agreed with the relevant Dealer); and (v) comply with such other rules of conduct as may be reasonably required and specified by the relevant Dealer;
 - (n) either (i) obtain from each potential Investor an executed application for the Non-Exempt PD Notes, or (ii) keep a record of all requests such financial intermediary (x) makes for its discretionary management clients, (y) receives from its advisory clients and (z) receives from its execution-only clients, in each case, prior to making any order for the Non-Exempt PD Notes on their behalf, and, in each case, maintain the same on its files for so long as is required by any applicable Rules;
 - (o) comply with the conditions to the consent referred to under “*Common conditions to consent*” below and any further requirements relevant to the Public Offer as specified in the relevant Final Terms;
 - (p) make available to each potential Investor in the Non-Exempt PD Notes the Base Prospectus (as supplemented as at the relevant time, if applicable), the relevant Final Terms and any applicable information booklet provided by the Issuer for such purpose, and not convey or publish any information that is not contained in or entirely consistent with this Base Prospectus (as supplemented as at the relevant time, if applicable) and the relevant Final Terms; and
 - (q) if it conveys or publishes any communication (other than the Base Prospectus or any other materials provided to such financial intermediary by or on behalf of the Issuer for the purposes of the relevant Public Offer) in connection with the relevant Public Offer, it will ensure that such communication (i) is fair, clear and not misleading and complies with the Rules, (ii) states that such financial intermediary has provided such communication independently of the Issuer, that such financial intermediary is solely responsible for such communication and that none of the Issuer nor the relevant Dealer accepts any responsibility for such communication and (iii) does not, without the prior written consent of the Issuer or the relevant Dealer (as applicable), use the legal or publicity names of the Issuer or, respectively, the relevant Dealer or any other name, brand or logo registered by an entity within their respective groups or any material over which any such entity retains a proprietary interest, except to describe the Issuer as issuer of the relevant Non-Exempt PD Notes on the basis set out in this Base Prospectus;
- (II) agrees and undertakes to indemnify each of the Issuer and the relevant Dealer (in each case, on behalf of such entity and its respective directors, officers, employees, agents, affiliates and controlling persons) against any losses, liabilities, costs, claims, charges, expenses, actions

or demands (including reasonable costs of investigation and any defence raised thereto and counsel's fees and disbursements associated with any such investigation or defence) which any of them may incur or which may be made against any of them arising out of or in relation to, or in connection with, any breach of any of the foregoing agreements, representations, warranties or undertakings by such financial intermediary, including (without limitation) any unauthorised action by such financial intermediary or failure by such financial intermediary to observe any of the above restrictions or requirements or the making by such financial intermediary of any unauthorised representation or the giving or use by it of any information which has not been authorised for such purposes by the Issuer or the relevant Dealer; and

(III) agrees and accepts that:

- (a) the contract between the Issuer and the financial intermediary formed upon acceptance by the financial intermediary of the Issuer's offer to use the Base Prospectus with its consent in connection with the relevant Public Offer (the "**Authorised Offeror Contract**"), and any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract, shall be governed by, and construed in accordance with, the laws of the Netherlands;
- (b) subject to paragraph (c) below, the competent courts of Amsterdam, the Netherlands have exclusive jurisdiction to settle any dispute arising out of or in connection with the Authorised Offeror Contract (including any dispute relating to any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract) (a "**Dispute**") and the Issuer and the financial intermediary submit to the exclusive jurisdiction of such courts;
- (c) for the purposes of paragraph (III)(b) above and paragraph (d) below, the financial intermediary waives any objection to the competent courts of Amsterdam, the Netherlands on the grounds that they are an inconvenient or inappropriate forum to settle any dispute; and
- (d) to the extent allowed by law, the Issuer and each relevant Dealer may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

The financial intermediaries referred to in paragraphs (B), (C) and (D) above are together referred to herein as the "**Authorised Offerors**".

Any Authorised Offeror falling within paragraph (D) above who wishes to use this Base Prospectus in connection with a Public Offer as set out above is required, for the duration of the relevant Offer Period, to publish on its website the Acceptance Statement.

The consent referred to above relates to Offer Periods occurring within 12 months from the date of this Base Prospectus.

Common conditions to consent

The conditions to the Issuer's consent to use this Base Prospectus in the context of the relevant Public Offer are (in addition to the conditions described in paragraph (D) above if Part B of the relevant Final Terms specifies "General Consent" as "Applicable") that such consent:

- (a) is only valid in respect of the relevant Tranche of Non-Exempt PD Notes;
- (b) is only valid during the Offer Period specified in the relevant Final Terms; and

- (c) only extends to the use of this Base Prospectus to make Public Offers of the relevant Tranche of Non-Exempt PD Notes in one or more of Belgium, France, Germany, Luxembourg, the Netherlands and the United Kingdom, as specified in the relevant Final Terms.

The consent referred to above relates to Offer Periods (if any) occurring within 12 months from the date of this Base Prospectus.

ARRANGEMENTS BETWEEN INVESTORS AND AUTHORISED OFFERORS

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

Public Offers: Issue Price and Offer Price

Non-Exempt PD Notes to be offered pursuant to a Public Offer will be issued by the Issuer at the Issue Price specified in the relevant Final Terms. The Issue Price will be determined by the Issuer in consultation with the relevant Dealer at the time of the relevant Public Offer and will depend, amongst other things, on the interest rate applicable to the Non-Exempt PD Notes and prevailing market conditions at that time. The offer price of such Non-Exempt PD Notes will be the Issue Price or such other price as may be agreed between an Investor and the Authorised Offeror making the offer of the Non-Exempt PD Notes to such Investor. The Issuer will not be party to arrangements between an Investor and an Authorised Offeror, and the Investor will need to look to the relevant Authorised Offeror to confirm the price at which such Authorised Offeror is offering the Non-Exempt PD Notes to such Investor.

DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus is to be read in conjunction with the relevant Final Terms and the following documents which have been previously published or are published simultaneously with this Base Prospectus and that have been approved by the AFM or filed with it and shall be incorporated in, and form part of, this Base Prospectus:

- (a) the articles of association of Rabobank effective from 1 January 2018;
- (b) the Terms and Conditions of Rabobank Structured Products Structured Medium-Term Note programmes dated 1 July 2005, 27 December 2005, 22 December 2006, 24 December 2007, 22 December 2008, 21 December 2009, 22 September 2010, 22 September 2011, 22 June 2012, 30 July 2014, 10 June 2015, 10 June 2016, 12 June 2017 and 13 June 2018;
- (c) the audited consolidated financial statements of Rabobank Group for the years ended 31 December, 2016, 2017 and 2018 (in each case, together with the independent auditor's reports thereon and explanatory notes thereto); and
- (d) the audited unconsolidated financial statements of Coöperatieve Rabobank U.A. for the years ended 31 December 2016, 2017 and 2018 (in each case, together with the independent auditor's reports thereon and explanatory notes thereto);

save that any statement contained in this Base Prospectus or in any of the documents incorporated by reference in, and forming part of, this Base Prospectus shall be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in any document which is subsequently incorporated by reference herein by way of a supplement prepared in accordance with Article 16 of the Prospectus Directive modifies or supersedes such statement.

Any information contained in any of the documents specified above which is not incorporated by reference in this Base Prospectus is either not relevant to investors or is covered elsewhere in this Base Prospectus. Any statements on the Issuer's competitive position included in a document which is incorporated by reference herein and where no external source is identified are based on the Issuer's internal assessment of generally available information.

The Issuer will provide, without charge, to each person to whom a copy of this Base Prospectus is delivered, a copy of the documents incorporated herein by reference unless such documents have been modified or superseded as specified above, in which case the modified or superseding version of such document will be provided. Such documents may be obtained (a) from the Issuer at its registered office set out at the end of this Base Prospectus, (b) by telephoning the Issuer on +31 (0)30 2160000 or (c) from the Issuer's website at www.rabobank.com/en/investors/funding/funding-programmes/index.html. In addition, such documents will be available, without charge, from the principal office of Rabobank (as Euronext Amsterdam Listing Agent) in the Netherlands for Notes listed on Euronext Amsterdam and from the principal office of the Arranger in England and of the Paying Agent in Luxembourg.

Except as set forth above, and as otherwise specified herein, the contents of websites referenced in this Base Prospectus do not form any part of this Base Prospectus.

SUPPLEMENTARY PROSPECTUS

The Issuer has given an undertaking to the Dealer(s) that, if at any time during the duration of the Programme there is a significant new factor, material mistake or inaccuracy relating to information contained in this Base Prospectus which is capable of affecting an assessment by investors of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and the rights attaching to the Notes, the Issuer shall prepare and publish an amendment or supplement to this Base Prospectus or a replacement prospectus for use in connection with any subsequent offering of the Notes and shall supply to each Dealer such number of copies of such supplement hereto as such Dealer may reasonably request.

From time to time, the credit rating agencies may revise their ratings of the Issuer or the Issuer's securities or the outlooks on these ratings. Unless required by applicable law, the Issuer may not prepare a supplement to this Base Prospectus or publish a new prospectus for use in connection with any subsequent offer of the Notes in the event that one or more of these credit rating agencies revise their rating or their outlook on the ratings of the Issuer or the Issuer's securities.

IMPORTANT INFORMATION

Responsibility statement

The Issuer (the “**Responsible Person**”) accepts responsibility for the information contained in this Base Prospectus and the Final Terms for each Tranche of Notes issued under the Programme. To the best of the knowledge and belief of the Responsible Person (which has taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Where information has been sourced from a third party, this information has been accurately reproduced and, as far as the Responsible Person is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Available information under Rule 144A

The Issuer has agreed that, for so long as any Notes issued by it are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act, it will, during any period in which it is neither subject to section 13 or 15(d) of the Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner upon the request of such holder, beneficial owner or prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the Securities Act. The Issuer is not, nor does it intend to become, a reporting company under section 13 or section 15(d) of the Exchange Act. Any such request for information should be directed to the Issuer at its office set out at the end of this Base Prospectus.

Enforceability of judgements

Rabobank is a bank organised under the laws of the Netherlands. All or a substantial portion of the assets of Rabobank and a majority of its directors and executive officers are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon such persons or to enforce against any of them or Rabobank judgements obtained in United States courts, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any State or territory within the United States.

Presentation of financial information

The audited consolidated financial statements for the years ended 31 December 2016, 31 December 2017 and 31 December 2018 incorporated by reference in this Base Prospectus have been prepared in accordance with International Financial Reporting Standards as adopted by the EU pursuant to EU Regulation No 1606/2002 (IFRS) and comply with Part 9 of Book 2 of the Dutch Civil Code. The corresponding summary figures have been derived from the audited consolidated financial statements for the year ended 31 December 2018.

Change in accounting policies and presentation

As a result of changes in accounting policies and presentation, certain figures for Rabobank Group for the years ended 31 December 2016 in this Base Prospectus have been restated. See Rabobank Group audited consolidated financial statements for the years ended 31 December 2017 and 31 December 2018, under note 2.1 “*Other changes in accounting principles and presentation*” for further information.

Key performance indicators and non-IFRS measures

This Base Prospectus presents certain financial measures that are not measures defined under IFRS, including operating results. These non-IFRS financial measures are not measures of financial performance

under IFRS and should not be considered as a replacement for any IFRS financial measure. In addition, such measures, as defined by Rabobank Group, may not be comparable to other similarly titled measures used by other companies, because the above-mentioned non-IFRS financial measures are not defined under IFRS, other companies may calculate them in a different manner than Rabobank Group which limits their usefulness as comparative measures. Rabobank Group believes that these non-IFRS measures are important to understand Rabobank Group's performance and capital position.

This Base Prospectus also presents certain financial measures that are not measures defined under EU IFRS, including regulatory capital, risk-weighted assets and underlying results. As of 2014, capital metrics and risk exposures are reported under the Basel III framework.

Rounding and negative amounts

Certain figures contained in this Base Prospectus, including financial information, have been rounded. Accordingly, in certain instances the sum of the numbers in the text or a column or a row in tables contained in this Base Prospectus may not conform exactly to the total figure given for that column or row.

In tables, negative amounts are shown between brackets. Otherwise, negative amounts are shown by “-” or “negative” before the amount.

Forward-looking statements

This Base Prospectus includes “forward-looking statements” within the meaning of section 27A of the Securities Act and section 21E of the Exchange Act. All statements other than statements of historical facts included in this Base Prospectus, including, without limitation, those regarding the Issuer's financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to the Issuer's products), are forward-looking statements.

Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Issuer or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Issuer's present and future business strategies and the environment in which the Issuer will operate in the future.

Important factors that could cause the Issuer's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, changes or downturns in the Dutch economy or the economies in other countries in which the Issuer conducts business, the impact of fluctuations in foreign exchange rates and interest rates and the impact of future regulatory requirements. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under “*Risk Factors*”.

These forward-looking statements speak only as of the date of this Base Prospectus. Other than as required by law or the rules and regulations of the relevant stock exchange, the Issuer expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Special considerations

Commodity Index Linked Notes, Equity Index Linked Notes and Inflation Index Linked Notes are not in any way sponsored, endorsed, sold or promoted by the Index Sponsor and the Index Sponsor makes no warranty or representation whatsoever, express or implied, either as to the results to be obtained from the use of the relevant index and/or the figure at which the relevant index stands at any particular time on any particular day or otherwise. Each index is calculated by a third party independent from the Issuer and, therefore, the Issuer will not accept any liability for any act or failure to act by the relevant Index Sponsor

in connection with, among other things, the calculation, adjustment, maintenance or cancellation of the relevant index.

Equity Linked Notes are not in any way sponsored, endorsed, sold or promoted by the issuer of the Equities and the issuer of the Equities makes no warranty or representation whatsoever, express or implied, as to the future performance of the Equities.

With respect to any Notes linked to any Underlying(s), the Issuer makes no warranty or representation whatsoever, express or implied, as to the future performance of the relevant Underlying(s) or the value or level derived from a formula or index relating to one or more Underlying(s) or a combination thereof.

The Issuer, including its branches and any group company, is acting solely in the capacity of an arm's length contractual counterparty and not as a purchaser's financial adviser or fiduciary in any transaction unless the Issuer has agreed to do so in writing.

A prospective purchaser may not rely on the Issuer, the Dealer(s) or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above and none of the Issuer nor the Dealer(s) nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective purchaser of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective purchaser with any law, regulation or regulatory policy applicable to it.

GENERAL DESCRIPTION OF THE PROGRAMME

The following general description does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the relevant Final Terms. Words and expressions defined in the Terms and Conditions shall have the same meanings in this general description. The Issuer may agree with any Dealer that Notes may be issued in a form other than that contemplated in the Terms and Conditions in which event (in the case of PD Notes only) a supplement to this Base Prospectus or new Base Prospectus, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

The following general description is qualified in its entirety by the remainder of this Base Prospectus.

Issuer:	Coöperatieve Rabobank U.A. (Rabobank Structured Products)
Description:	Structured Medium-Term Note Programme
Date:	13 June 2019
Size:	Up to EUR 15,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.
Use of Proceeds:	The net proceeds from the issues of the Notes will be used by the Issuer in connection with its banking business, unless otherwise specified in the relevant Final Terms with respect to a specific Tranche of Notes.
Arranger and Dealer(s):	<p>Coöperatieve Rabobank U.A. (in its capacity as Dealer)</p> <p>The Issuer may from time to time terminate the appointment of any Dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References to a “Dealer” is to each person appointed as a dealer in respect of one or more Tranches.</p>
Fiscal Agent:	Deutsche Bank AG, London Branch, if the global notes representing the Notes are or will be deposited with Euroclear or Clearstream, or Coöperatieve Centrale Rabobank U.A., if the global notes representing the Notes are or will be solely deposited with Euroclear Netherlands.
Method of Issue:	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in Series having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in Tranches on the same or different issue dates. The specifics of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first interest payment and nominal amount, will be identical to the terms of other Tranches of the same Series) will be set out in the relevant Final Terms.
Issue Price:	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. Partly Paid Notes may be issued, the issue price of which will be payable in two or more instalments.

Form of Notes:

The Notes may be issued in bearer form only, in bearer form exchangeable for Registered Notes, or in registered form only. Each Tranche of Bearer Notes will initially be represented by a temporary Global Note, without interest coupons, which will be deposited on the issue date with a Common Depositary on behalf of Euroclear and Clearstream, Luxembourg. No interest will be payable in respect of a temporary Global Note, except as described under “*Summary of Provisions Relating to the Notes while in Global Form*”. Interests in a temporary Global Note will be exchangeable for interests in a permanent Global Note or, if so stated in the relevant Final Terms, for Definitive Notes, after the date falling 40 days after the completion of the distribution of the Tranche as certified in writing by the relevant Dealer upon certification as to non-U.S. beneficial ownership. Interests in a permanent Global Note will be exchangeable for Definitive Notes in bearer form as described under “*Summary of Provisions Relating to the Notes while in Global Form*”.

Registered Notes will be represented by Certificates, one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series and may be represented by a Global Certificate. Unrestricted Notes in registered form will initially be represented by an Unrestricted Global Certificate, without interest coupons, which may be deposited on the issue date (a) in the case of a Tranche intended to be cleared through Euroclear and/or Clearstream, Luxembourg, with a Common Depositary on behalf of Euroclear and Clearstream, Luxembourg or (b) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear, Clearstream, Luxembourg and/or DTC or delivered outside a clearing system, as agreed between the Issuer and the relevant Dealer. Restricted Notes in registered form will initially be represented by a Restricted Global Certificate, without interest coupons, which may be deposited on the issue date either (a) with a Common Depositary on behalf of Euroclear and Clearstream, Luxembourg or (b) with a custodian for, and registered in the name of Cede & Co. as nominee for, DTC. Notes which are offered and sold in the United States to “qualified institutional buyers” pursuant to Rule 144A are issued as Restricted Notes or Notes represented by a Restricted Global Certificate.

Beneficial interests in Global Certificates held by Euroclear, Clearstream, Luxembourg and/or DTC will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear, Clearstream, Luxembourg and/or DTC and their participants. See “*Clearing and Settlement*”.

The provisions governing the exchange of interests in a Global Note for another Global Note and Definitive Notes and the exchange of interests in each Global Certificate for individual Certificates are described in “*Summary of Provisions Relating to the Notes while in Global Form*”.

Clearing Systems:	Clearstream, Luxembourg, Euroclear, DTC and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer.
Initial Delivery of Notes:	On or before the Issue Date for each Tranche, the Global Note or Global Certificate may (or, in the case of Notes to be listed on the Luxembourg Stock Exchange, shall) be deposited with a Common Depositary for Euroclear and Clearstream, Luxembourg. Global Notes or Global Certificates relating to Notes that are not listed on the Luxembourg Stock Exchange may also be deposited with any other clearing system or may be delivered outside any clearing system, provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of nominees or a common nominee for such clearing systems.
Currencies:	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealer(s).
Maturities:	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued with any maturity between seven days and perpetuity.
Denomination:	Definitive Notes will be in such denominations as may be specified in the relevant Final Terms, save that individual Certificates will only be available, in the case of Notes initially represented by a Restricted Global Certificate and sold pursuant to Rule 144A, in amounts of U.S.\$100,000 (or its equivalent rounded upwards as agreed between the Issuer and the relevant Dealer(s)), or higher integral multiples of U.S.\$1,000, in certain limited circumstances described in <i>"Summary of Provisions Relating to the Notes while in Global Form"</i> and <i>"Clearing and Settlement"</i> .
Fixed Rate Notes:	Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.
Variable Rate Notes:	Variable Rate Notes will bear fixed rate, floating rate, CMS-linked, range accrual rate, inverse floating rate interest and/or no interest rate at all in respect of the date or dates in each year specified in the relevant Final Terms.
Floating Rate Notes:	Floating Rate Notes will bear interest determined separately for each Series as follows: (a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. (the "ISDA Rate") or (b) by reference to LIBOR, LIBID, LIMEAN, GBP-ISDA-Swap Rate, EURIBOR, EONIA, STIBOR, SONIA, Compounded Daily SOFR, Weighted Average SOFR, CNH HIBOR, EUR-ISDA-EURIBOR-Swap Rate, JPY-ISDA-Swap Rate or USD-ISDA-Swap Rate (or, in the case of Exempt Notes only, such other benchmark as may be specified in the relevant Final Terms) or as adjusted for any applicable margin or (c) in the case of Exempt

Notes only, using any other method of determination as may be specified in the relevant Final Terms. Interest periods will be specified in the relevant Final Terms.

In the case of Notes where the Rate of Interest is determined based upon an ISDA Rate, where the relevant Floating Rate Option is not available or cannot be determined in the manner provided in the 2006 ISDA Definitions, the Floating Rate Option shall be determined by reference to, amongst others, an alternative Floating Rate Option, an alternative screen page, quotes from a specified number of reference banks and/or as otherwise commercially agreed between the relevant parties, in each case in accordance with the detailed procedures set out in the 2006 ISDA Definitions.

Inverse Floating Rate Notes:

Inverse Floating Rate Notes are a type of rate-linked note. The coupon for an Inverse Floating Rate Note has an inverse relationship to its reference rate. For example, as the relevant rate rises the coupon falls, because the relevant rate is deducted from a specified reference point (such as an interest rate or reference rate). Inverse Floating Rate Notes will bear interest calculated as follows: (i) by subtracting from a specified margin, a floating rate of interest calculated in the manner described in sub-paragraphs (i) and (ii) above under the heading "Floating Rate Notes"; (ii) by applying one of the formulae specified in General Condition 5(d); or (iii) in the case of Exempt Notes only, by using any other method of determination as may be specified in the relevant Final Terms.

Range Accrual Notes:

Range Accrual Notes bear interest at a variable rate. The Rate of Interest is only earned on days in each Interest Period when another rate, from which the Rate of Interest is derived (such as LIBOR or EURIBOR), falls within a specified range. The Rate of Interest for each Interest Period is therefore proportional to the number of days during the Interest Period on which the relevant rate falls within the specified range. The range will be specified in the relevant Final Terms.

Payments of interest in respect of Range Accrual Notes issued under the Programme shall be calculated by applying one of the formulae specified in General Condition 5(f) or, in the case of Exempt Notes only, by using any other method of determination as may be specified in the relevant Final Terms.

Zero Coupon Notes:

Zero Coupon Notes may be issued at their nominal amount or at a discount and will not bear interest.

CMS Linked Notes:

CMS Linked Notes are a type of rate-linked note. The variable interest rate for CMS Linked Notes is based on a formula that is tied to the performance of one or more swap rates. Payments of interest in respect of CMS Linked Notes shall be calculated by reference to one or more CMS Rates by applying one of the formulae specified in General Condition 5(e) or, in the case of Exempt Notes only, by using any other method of determination as may be specified in the relevant Final Terms.

Ratchet Notes:	<p>Ratchet Notes bear interest at a specified gearing floating rate plus margin, subject to a minimum amount and a maximum amount both of which are reset in respect of each Interest Period.</p> <p>Payments of interest in respect of Ratchet Notes issued under the Programme shall be calculated by applying the formulae specified in General Condition 5(h) or, in the case of Exempt Notes only, by using any other method of determination as may be specified in the relevant Final Terms.</p>
Dual Currency Interest Notes and Dual Currency Redemption Notes:	<p>Dual Currency Interest Notes may be issued only as Exempt Notes. Payments of interest in respect of Dual Currency Interest Notes will be made in such currencies, and based on such rates of exchange, as may be specified in the relevant Final Terms.</p> <p>Payments of principal in respect of Dual Currency Redemption Notes will be made in such currencies, and based on such rates of exchange, as may be specified in the relevant Final Terms.</p>
Contingent Coupon Notes:	<p>Contingent Coupon Notes bear interest (if any) at a rate determined by reference to one or more Underlyings, as observed on a single date or over a number of days in a specified period.</p> <p>Payments of interest in respect of Contingent Coupon Notes issued under the Programme shall be calculated by applying one of the formulae specified in General Condition 5(j).</p>
Commodity Linked Notes:	<p>Interest and/or redemption amounts in respect of Commodity Linked Notes will be calculated by reference to a single Commodity or Basket of Commodities and in accordance with the relevant formula (e) specified in the relevant Final Terms to be applicable to the Notes. Commodity Linked Notes may be redeemed prior to maturity by payment of a cash amount or at maturity by payment of a cash amount or delivery of assets, in each case determined in accordance with the formula specified in the relevant Final Terms.</p>
Commodity Index Linked Notes:	<p>Interest and/or redemption amounts in respect of Commodity Index Linked Notes will be calculated by reference to a single Commodity Index or Basket of Commodity Indices and in accordance with the relevant formula (e) specified in the relevant Final Terms to be applicable to the Notes. Commodity Index Linked Notes may be redeemed prior to or at maturity by payment of a cash amount, in each case determined in accordance with the formula specified in the relevant Final Terms.</p>
Equity Linked Notes:	<p>Interest and/or redemption amounts in respect of Equity Linked Notes will be calculated by reference to a single Equity or Basket of Equities and in accordance with the relevant formula (e) specified in the relevant Final Terms to be applicable to the Notes. Equity Linked Notes may be redeemed prior to maturity by payment of a cash amount or at maturity by payment of a cash amount or delivery of assets, in each case determined in accordance with the formula specified in the relevant Final Terms.</p>
Equity Index Linked Notes:	<p>Interest and/or redemption amounts in respect of Equity Index Linked Notes will be calculated by reference to a single Equity Index or Basket of Equity Indices and in accordance with the relevant formula</p>

(e) specified in the relevant Final Terms to be applicable to the Notes. Equity Index Linked Notes may be redeemed prior to or at maturity by payment of a cash amount, in each case determined in accordance with the formula specified in the relevant Final Terms.

Fund Linked Notes:

Interest and/or redemption amounts in respect of Fund Linked Notes will be calculated by reference to a single Fund Interest, a number of Fund Interests, a single Reference Fund or a Basket of Reference Funds and in accordance with the relevant formula (e) specified in the relevant Final Terms to be applicable to the Notes. Fund Linked Notes may be redeemed prior to maturity by payment of a cash amount or at maturity by payment of a cash amount or delivery of assets, in each case determined in accordance with the formula specified in the relevant Final Terms.

FX Linked Notes:

Interest and/or redemption amounts in respect of FX Linked Notes will be calculated by reference to an FX Rate or a Basket of FX Rates and in accordance with the relevant formula (e) specified in the relevant Final Terms to be applicable to the Notes. FX Linked Notes may be redeemed prior to or at maturity by payment of a cash amount, in each case determined in accordance with the formula specified in the relevant Final Terms.

Inflation Index Linked Notes:

Interest and/or redemption amounts in respect of Inflation Index Linked Notes will be calculated by reference to an Inflation Index and in accordance with the relevant formula (e) specified in the relevant Final Terms to be applicable to the Notes. Inflation Index Linked Notes may be redeemed prior to or at maturity by payment of a cash amount, in each case determined in accordance with the formula specified in the relevant Final Terms.

Other Notes:

Terms applicable to any other type of Note that the Issuer and any Dealer(s) may agree to issue under the Programme will be set out in the relevant Final Terms. Such Notes may be issued only as Exempt Notes.

Interest Periods and Interest Rates:

The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms.

Redemption:

The Final Terms will specify the basis for calculating the redemption amounts payable, which may be by reference to a stock, index or formula or, in the case of Exempt Notes only, as otherwise specified in the relevant Final Terms.

Redemption by Instalments:

The Final Terms issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.

Optional Redemption:

The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at

	<p>the option of the Issuer (either in whole or in part) and/or the holders and, if so, the terms applicable to such redemption.</p>
Automatic Early Redemption:	<p>The Final Terms issued in respect of each issue of Notes will state whether such Notes are subject to Automatic Early Redemption and, if so, the terms applicable to such early redemption. Any Automatic Early Redemption must be made in whole, but not in part, and the Early Redemption Amount will be calculated in accordance with the relevant formula under General Condition 7(a) specified in the relevant Final Terms to be applicable to the Notes.</p>
Early Redemption:	<p>Except as provided in “Optional Redemption” above, the Notes will be redeemable at the option of the Issuer prior to maturity in whole, but not in part (a) for tax reasons, or (b) where it determines in good faith that the performance of its obligations under the Notes or that any arrangements made to hedge its obligations under the Notes has or will become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof.</p> <p>The Notes will also be redeemed early in whole, but not in part, if (a) in the case of Commodity Linked Notes, Commodity Index Linked Notes, Equity Index Linked Notes, FX Linked Notes or Inflation Index Linked Notes, upon the occurrence of an Additional Disruption Event affecting the relevant Underlying, the Issuer, in its sole and absolute discretion, elects to do so, (b) in the case of Equity Linked Notes, upon the occurrence of a Potential Adjustment Event, Delisting, Merger Event, Tender Offer, Nationalisation, Insolvency or Additional Disruption Event affecting the relevant Equity, Basket of Equities or Equity Issuer(s), as the case may be, the Issuer, in its sole and absolute discretion, elects to do so, or (c) in the case of Fund Linked Notes, upon the occurrence of a Trigger Event, the Calculation Agent determines, in its sole and absolute discretion, that an early redemption is necessary. See the “<i>General Conditions of the Notes — Redemption prior to the Maturity Date</i>” and the Underlying Conditions for further details. In certain circumstances, the Notes may also be redeemed automatically prior to the relevant Maturity Date, as provided further in “Automatic Early Redemption” above and the “<i>General Conditions of the Notes — Redemption prior to the Maturity Date</i>”.</p>
Status of Notes:	<p>The Notes will constitute unsubordinated and unsecured obligations of the Issuer all as described in the “<i>General Conditions of the Notes</i>”.</p>
Withholding Tax:	<p>All payments of principal and interest in respect of the Notes will be made free and clear of withholding taxes of the Netherlands, subject to the exceptions and limitations as described in the “<i>General Conditions of the Notes — Taxation</i>”.</p>
Governing Law:	<p>The laws of the Netherlands.</p>
Listing:	<p>Euronext Amsterdam, the Official List of the Luxembourg Stock Exchange, or as otherwise specified in the relevant Final Terms. As</p>

specified in the relevant Final Terms, a Series of Notes may be unlisted.

Risk Factors:

The purchase of Notes may involve substantial risks and is suitable only for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Notes. A description of the material risks relating to the Notes and to the Issuer is contained under the heading “*Risk Factors*”.

Selling Restrictions:

Australia, Belgium, Canada, European Economic Area, the Republic of France, Hong Kong, Japan, the Netherlands, New Zealand, Singapore, Spain, Switzerland, Taiwan, United Kingdom and United States. See “*Plan of Distribution*”.

For the purposes of Regulation S, Category 2 selling restrictions shall apply.

In the case of Bearer Notes offered to non-U.S. persons and certain eligible U.S. persons, such Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Internal Revenue Code of 1986, as amended (the “**Code**”))) (“**TEFRA D**”) unless (a) the relevant Final Terms states that the Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (“**TEFRA C**”) or (b) the Notes are issued other than in compliance with TEFRA D or TEFRA C but in circumstances in which the Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“**TEFRA**”), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable. In the case of a distribution under Rule 144A, Notes will be issued in registered form, as defined in U.S. Temp. Treas. Reg. §5f.103-1(c).

Transfer Restrictions:

There are restrictions on the transfer of Registered Notes offered and sold pursuant to Rule 144A. See “*Transfer Restrictions*” and “*Plan of Distribution*”.

GENERAL CONDITIONS OF THE NOTES

The following is the text of the terms and conditions of the Notes that, subject to completion in accordance with the provisions of Part A of the relevant Final Terms, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. Either (a) the full text of these General Conditions together with the relevant provisions of Part A of the Final Terms or (b) these General Conditions, as so completed (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes in definitive form or on the Certificates relating to such Registered Notes.

The Notes are issued pursuant to an agency agreement (as further amended or supplemented as at the date of issue of the Notes (the “**Issue Date**”) (the “**Agency Agreement**”) dated 13 June 2019, between the Issuer, Deutsche Bank AG, London Branch as issuing and paying agent (the “**Issuing and Paying Agent**”), Coöperatieve Rabobank U.A. as Euroclear Netherlands fiscal agent (the “**Euroclear Netherlands Fiscal Agent**”) and the other agents named therein (each, a “**Paying Agent**” and together with the Issuing and Paying Agent and the Euroclear Netherlands Fiscal Agent, the “**Paying Agents**”), Deutsche Bank Trust Company Americas as registrar (the “**Registrar**”, which expression shall include any successor registrar), as exchange agent (the “**Exchange Agent**”, which expression shall include any successor exchange agent) and as a transfer agent (together with the Registrar, the “**Transfer Agents**”, which expression shall include any additional or successor transfer agents). The Notes have the benefit of a covenant (as amended or supplemented as at the Issue Date) dated 13 June 2019 executed by the Issuer in relation to the Notes (the “**Covenant**”). The Noteholders, the holders of the interest coupons (the “**Coupons**”) appertaining to interest bearing Notes and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) and the holders of the receipts for the payment of instalments of principal (the “**Receipts**”) relating to Notes of which the principal is payable in instalments (the “**Receiptholders**”) are deemed to have taken notice of and to have accepted all of the provisions of the Agency Agreement applicable to them. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons.

The relevant Final Terms for the Notes (or the relevant provisions thereof) are attached to or endorsed on the Notes which supplement these Terms and Conditions.

Copies of the Agency Agreement, the Covenant and the ISDA Definitions are available for viewing during normal business hours at the specified offices of each of the Paying Agents.

1 Definitions and Interpretation

(a) General Definitions

In these General Conditions, the following terms shall have the meanings set out below:

“**Accrual Range**” has the meaning specified in the relevant Final Terms, and may, if so specified in the relevant Final Terms, be (i) expressed as a range between two percentages (and if the Accrual Rate is equal to the upper or lower limits of such Accrual Range, it shall be deemed to fall inside or outside such Accrual Range as so specified in the relevant Final Terms) or (ii) expressed to be greater than (or, if so specified in the relevant Final Terms, equal to) a specified percentage or (iii) expressed to be less than (or, if so specified in the relevant Final Terms, equal to) a specified percentage.

“**Accrual Rate**” has the meaning (expressed as a percentage) specified in the relevant Final Terms and may, if so specified in the relevant Final Terms, be (x) an absolute value, (y) calculated based on one or more Reference Rates, CMS Rates and/or Floating Rate Options (as the case may be) or (z) a combination of (x) and (y).

"Affiliate" means any entity controlled, directly or indirectly, by the Issuer, any entity that controls, directly or indirectly, the Issuer, or any entity under common control with the Issuer. As used herein **"control"** means the ownership of a majority of the voting power of the entity and **"controlled by"** and **"controls"** shall be construed accordingly.

"Agent" means any of the Paying Agents, the Transfer Agents or the Exchange Agent.

"Alternative Clearing System" means each clearing system specified in the relevant Final Terms.

"Amortisation Yield" means the rate specified in the relevant Final Terms or, which, if none is specified in the relevant Final Terms, shall be such rate as would produce the Amortised Face Amount equal to the Issue Price of the Notes if they were discounted back to their issue price on the Issue Date.

"Amortised Face Amount" means the amount calculated in accordance with General Condition 7(f).

"Asset Amount" means an amount per Calculation Amount in accordance with General Condition 6(d).

"Asset Transfer Notice" means an asset transfer notice in the form set out in the Agency Agreement.

"Authorised Signatories" means any two of the members of the Managing Board.

"Automatic Early Redemption Amount" means the amount per Calculation Amount calculated in accordance with General Condition 7(a).

"Automatic Early Redemption Date" means the date falling the number of Business Days after the relevant Automatic Early Redemption Observation Date as specified in the relevant Final Terms, or, if no such number is specified, the fifth Business Day after the relevant Automatic Early Redemption Observation Date.

"Automatic Early Redemption Observation Date" means the date(s) specified in the relevant Final Terms, subject to adjustment in accordance with the relevant Underlying Conditions.

"Automatic Early Redemption Trigger" means, in respect of an Underlying, the Automatic Early Redemption Trigger corresponding to an Automatic Early Redemption Observation Date specified in the relevant Final Terms.

"Automatic Early Redemption Value" means, in respect of an Underlying and Automatic Early Redemption Observation Date, the percentage specified as such in the relevant Final Terms.

"Averaging Date" means an Initial Averaging Date, a Coupon Averaging Date or a Final Averaging Date, as the case may be.

"Barrier" means, in respect of an Underlying, the value specified in the relevant Final Terms.

"Barrier Breach Event" means either Barrier Breach Event (Observation Period Intra-day), Barrier Breach Event (Observation Period Closing) or Barrier Breach Event (Reference Business Day Closing), as specified in the relevant Final Terms.

"Barrier Breach Event (Observation Period Closing)" means that, in the determination of the Calculation Agent, on any Reference Business Day during the Barrier Observation Period:

- (i) if "Less than" is specified as applicable in the relevant Final Terms, the Reference Value of any Underlying is less than its Barrier;

- (ii) if “Equal to or less than” is specified as applicable in the relevant Final Terms, the Reference Value of any Underlying is equal to or less than its Barrier;
- (iii) if “Equal to or greater than” is specified as applicable in the relevant Final Terms, the Reference Value of any Underlying is equal to or greater than its Barrier; and
- (iv) if “Greater than” is specified as applicable in the relevant Final Terms, the Reference Value of any Underlying is greater than its Barrier.

“Barrier Breach Event (Observation Period Intra-Day)” means that, in the determination of the Calculation Agent, at any time (including, for the avoidance of doubt, during intra-day trading) on any Reference Business Day during the Barrier Observation Period:

- (i) if “Less than” is specified as applicable in the relevant Final Terms, the trading level of the Single Underlying or any Underlying in the Basket, as applicable, is less than the relevant Barrier;
- (ii) if “Equal to or less than” is specified as applicable in the relevant Final Terms, the trading level of the Single Underlying or any Underlying in the Basket, as applicable, is equal to or less than the relevant Barrier;
- (iii) if “Equal to or greater than” is specified as applicable in the relevant Final Terms, the trading level of the Single Underlying or any Underlying in the Basket, as applicable, is equal to or greater than the relevant Barrier; and
- (iv) if “Greater than” is specified as applicable in the relevant Final Terms, the trading level of the Single Underlying or any Underlying in the Basket, as applicable, is greater than the relevant Barrier.

“Barrier Breach Event (Reference Business Day Closing)” means that, in the determination of the Calculation Agent, on any Reference Business Day:

- (i) if “Less than” is specified as applicable in the relevant Final Terms, the Reference Value of the Single Underlying or any Underlying in the Basket, as applicable, is less than its Barrier;
- (ii) if “Equal to or less than” is specified as applicable in the relevant Final Terms, the Reference Value of the Single Underlying or any Underlying in the Basket, as applicable, is equal to or less than its Barrier;
- (iii) if “Equal to or greater than” is specified as applicable in the relevant Final Terms, the Reference Value of the Single Underlying or any Underlying in the Basket, as applicable, is equal to or greater than its Barrier; and
- (iv) if “Greater than” is specified as applicable in the relevant Final Terms, the Reference Value of the Single Underlying or any Underlying in the Basket, as applicable, is greater than its Barrier.

“Barrier Condition” has the meaning specified in General Condition 6(b)(vi)(B).

“Barrier Observation Period” means:

- (i) if “Inc/Inc” is specified as applicable in the relevant Final Terms, the period from, and including, the Barrier Observation Period Start Date to, and including, the Barrier Observation Period End Date;
- (ii) if “Inc/Exc” is specified as applicable in the relevant Final Terms, the period from, and including, the Barrier Observation Period Start Date to, but excluding, the Barrier Observation Period End Date;

- (iii) if “Exc/Inc” is specified as applicable in the relevant Final Terms, the period from, but excluding, the Barrier Observation Period Start Date to, and including, the Barrier Observation Period End Date; and
- (iv) if “Exc/Exc” is specified as applicable in the relevant Final Terms, the period from, but excluding, the Barrier Observation Period Start Date to, but excluding, the Barrier Observation Period End Date.

“Barrier Observation Period End Date” means, in respect of a Barrier Observation Period, the date specified in the relevant Final Terms, subject to adjustment in accordance with the relevant Underlying Conditions.

“Barrier Observation Period Start Date” means, in respect of a Barrier Observation Period, the date specified in the relevant Final Terms, subject to adjustment in accordance with the relevant Underlying Conditions.

“Base Prospectus” means this base prospectus.

“Basket” means a Basket of Commodity Indices, Basket of Commodities, Basket of Equities, Basket of Equity Indices, Basket of FX Rates or Basket of Reference Funds or (each as defined in the relevant Underlying Conditions), as the case may be.

“Basket Final” means the value of the Basket calculated by the Calculation Agent as follows:

$$\text{Basket Final} = \sum_{i=1}^n \text{Weighting}_i \times \text{Final Value}_i$$

where:

- (i) **“Final Value_i”** means the Reference Value of Underlying_i in the Basket calculated by the Calculation Agent on the Final Redemption Observation Date; and
- (ii) **“Weighting_i”** means the Weighting corresponding to Underlying_i as specified in the relevant Final Terms; and
- (iii) **“n”** is the number of Underlyings comprising the Basket.

“Basket Initial” means the value of the Basket specified as such in the relevant Final Terms.

“Basket Strike” means the value of the Basket as specified as such in the relevant Final Terms.

“Bearer Note” means a Note issued in bearer form.

“Broken Amount” means the amount specified as such in the relevant Final Terms.

“Bullion Business Day” has the meaning given to in the Commodity Conditions.

“Business Day” means:

- (i) a day which is both:
 - (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the Financial Centres specified in the relevant Final Terms; and
 - (B) any of (i) in relation to any sum payable in a Specified Currency other than euro or Renminbi, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre(s) of the country of the

relevant Specified Currency (if other than any Financial Centre and which if the Specified Currency is Australian Dollars or New Zealand Dollars shall be Sydney and Wellington, respectively) or (ii) in relation to any sum payable in euro, a TARGET Business Day or (iii) in relation to any sum payable in Renminbi, a day (other than a Saturday, a Sunday or a public holiday) on which commercial banks and foreign exchange markets in Hong Kong are open for business and settlement of payments in Renminbi in Hong Kong; or

- (ii) in respect of Range Accrual Notes, sub-paragraph (i) above or such other meaning specified in the relevant Final Terms.

"Business Day Convention" means any of Floating Rate Convention, Following Business Day Convention, Modified Following Business Day Convention or Preceding Business Day Convention, as the case may be.

"Calculation Agent" means either (i) Deutsche Bank AG, London Branch; (ii) Rabobank, or (iii) any other entity specified as such in the relevant Final Terms.

"Calculation Amount" means an amount per Note specified as such in the relevant Final Terms.

"Call Option" means an early redemption in accordance with General Condition 7(c).

"Cap" means the amount specified as such in the relevant Final Terms.

"Cash Settlement Amount" means an amount per Calculation Amount calculated in accordance with General Condition 6(c).

"Certificate" means a certificate representing a Noteholder's entire holding of Registered Notes of one Series.

"Clearing System Business Day" means Monday to Friday inclusive except 25 December and 1 January.

"Clearstream" means Clearstream Banking, S.A.

"CMS Linked Interest Rate" means a Rate of Interest calculated in accordance with General Condition 5(e).

"CMS Linked Note" means a Note in respect of which the amount of interest payable is calculated by reference to General Condition 5(e).

"CMS Rate", "CMS Rate₁", "CMS Rate₂", "CMS Rate₃" and "CMS Rate₄" means the relevant Reference Rate(s) or Floating Rate Option(s) as specified in the relevant Final Terms, which may, if so specified in the relevant Final Terms, be calculated by reference to the mathematical difference between, or sum of, two Reference Rates or Floating Rate Options, or by applying one of the formulae specified in General Conditions 5(e)(i)(A) to (X) inclusive.

"Commodity" has the meaning given to in the Commodity Conditions.

"Commodity Business Day" has the meaning given to in the Commodity Conditions.

"Commodity Conditions" means the conditions set out in Annex I hereto.

"Commodity Index Linked Note" means a Note in respect of which the amount in respect of interest payable and/or redemption amount payable at maturity is calculated by reference to the Commodity Conditions, insofar as such Commodity Conditions apply in respect of a Commodity Index, as specified in the relevant Final Terms.

“Commodity Linked Note” means a Note in respect of which the amount in respect of interest payable and/or redemption amount payable and/or deliverable at maturity is calculated by reference to the Commodity Conditions, insofar as such Commodity Conditions apply in respect of a Commodity, as specified in the relevant Final Terms.

“Conditional Coupon Note” means a Note in respect of which the amount of interest payable is calculated by reference to General Condition 5(j).

“Contingent Coupon Note” means a Note in respect of which the interest is calculated in accordance with General Condition 5(j).

“Converted Interest Currency” and **“Converted Redemption Currency”** each have the meaning given to it in the Non-Deliverable Currency Feature Conditions.

“Coupon Averaging Date” means, in respect of an Observation Date, each date specified in the relevant Final Terms, subject to adjustment in accordance with the relevant Underlying Conditions.

“Coupon Cap” means the percentage specified as such in the relevant Final Terms.

“Coupon Floor” means the percentage specified as such in the relevant Final Terms.

“Coupon Observation Date” means, in respect of an Interest Period, each date specified as such in the relevant Final Terms, subject to adjustment in accordance with the relevant Underlying Conditions.

“Coupon Observation Period” means:

- (i) if “Inc/Inc” is specified as applicable in the relevant Final Terms, the period from, and including, the Coupon Observation Period Start Date to, and including, the Coupon Observation Period End Date;
- (ii) if “Inc/Exc” is specified as applicable in the relevant Final Terms, the period from, and including, the Coupon Observation Period Start Date to, but excluding, the Coupon Observation Period End Date;
- (iii) if “Exc/Inc” is specified as applicable in the relevant Final Terms, the period from, but excluding, the Coupon Observation Period Start Date to, and including, the Coupon Observation Period End Date; and
- (iv) if “Exc/Exc” is specified as applicable in the relevant Final Terms, the period from, but excluding, the Coupon Observation Period Start Date to, but excluding, the Coupon Observation Period End Date.

“Coupon Observation Period End Date” means, in respect of an Interest Period, the date specified in the relevant Final Terms, subject to adjustment in accordance with the relevant Underlying Conditions.

“Coupon Observation Period Start Date” means, in respect of an Interest Period, the date specified in the relevant Final Terms, subject to adjustment in accordance with the relevant Underlying Conditions.

“Coupon Observation Value” means, in respect of an Underlying:

- (i) if “Reference Value” is specified as applicable in the relevant Final Terms, the Reference Value of such Underlying on the relevant Coupon Observation Date; and
- (ii) if “Averaging” is specified as applicable in the relevant Final Terms, the arithmetic mean of the Reference Values on each Averaging Date.

“Coupon Trigger”, “Coupon Trigger₁” and “Coupon Trigger₂” means, in respect of an Underlying, the amount equal to the percentage of the Initial Value specified in the relevant Final Terms.

“Currency Pair” has the meaning given to it in the FX Conditions.

“Cut-Off Date” means the date specified in the relevant Final Terms.

“Day Count Fraction” means, in respect of the calculation of an amount of interest for any Interest Period:

- (i) if “Actual/Actual (ISDA)” or “Actual/Actual” is specified in the relevant Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if “Actual/Actual – ICMA” is specified in the relevant Final Terms, (i) if the Interest Period is equal to or shorter than the Interest Determination Period during which it falls, the number of days in the Interest Period divided by the product of (A) the number of days in such Interest Determination Period and (B) the number of Interest Determination Periods normally ending in any year; and (ii) if the Interest Period is longer than one Interest Determination Period, the sum of: (A) the number of days in such Interest Period falling in the Interest Determination Period in which it begins divided by the product of (I) the number of days in such Interest Determination Period and (II) the number of Interest Determination Periods normally ending in any year; and (B) the number of days in such Interest Period falling in the next Interest Determination Period divided by the product of (I) the number of days in such Interest Determination Period and (II) the number of Interest Determination Periods normally ending in any year;
- (iii) if “Actual/365 (Fixed)” is specified in the relevant Final Terms, the actual number of days in the Interest Period divided by 365;
- (iv) if “Actual/365 (Sterling)” is specified in the relevant Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date or Specified Interest Payment Date (as applicable) falling in a leap year, 366;
- (v) if “Actual/360” is specified in the relevant Final Terms, the actual number of days in the Interest Period divided by 360;
- (vi) if “30/360”, “360/360” or “Bond Basis” is specified in the relevant Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula based 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 Interest Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

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

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

- (vii) if “30E/360” or “Eurobond Basis” is specified in the relevant Final Terms, the number of days in the Interest 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 Interest Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D₁” is the first calendar day, expressed as a number, of the Interest 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 Interest Period, unless such number would be 31, in which case D₂ will be 30;

- (viii) if “30E/360 (ISDA)” is specified in the relevant Final Terms, the number of days in the Interest 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 Interest Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D₁” is the first calendar day, expressed as a number, of the Interest 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 Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31 and in which case D₂ will be 30.

“Dealer” means, in respect of a Tranche, Coöperatieve Rabobank U.A. and/or such person appointed as dealer.

“Definitive Certificate” means any individual certificate issued in exchange for a Global Certificate.

“Definitive Note” means a definitive Note in bearer form.

“Delivery Date” means the Scheduled Delivery Date, subject to adjustment in accordance with General Condition 9(d).

“Delivery Expenses” means all costs, 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 Asset Amount.

“Disrupted Day” has the meaning given to in the relevant Underlying Conditions.

“Disruption Cash Settlement Price” means an amount equal to the market value of the relevant Note (but not taking into account any interest accrued on such Note as such interest shall be paid pursuant to General Condition 5) on such day as shall be selected by the Issuer in its sole and absolute discretion provided that such day is not more than 15 days before the date on which the Election Notice is given, adjusted to take account fully for any losses, expenses and costs to the Issuer and/or any Affiliate of unwinding or adjusting any underlying or related hedging arrangements (including but not limited to any options or selling or otherwise realising any Relevant Asset or other instruments of any type whatsoever which the Issuer and/or any of its Affiliates may hold as part of such hedging arrangements), all as calculated by the Calculation Agent in its sole and absolute discretion.

“DTC” means the Depository Trust Company and any successor thereto.

“Dual Currency Redemption Note” means a Note in respect of which the Cash Settlement Amount is calculated in accordance with General Condition 6(b)(iii) or 6(b)(iv).

“Early Redemption Amount” means (i) in respect of a Zero Coupon Note, the amount calculated in accordance with General Condition 7(f)(i) and (ii) in respect of any other Note, an amount equal to the fair market value of each Note on the date of redemption as determined by the Calculation Agent in its sole and reasonable discretion, adjusted, if so specified in the relevant Final Terms, to (A) account for Early Redemption Unwind Costs; and/or (B) be payable in the Converted Redemption Currency.

“Early Redemption Unwind Costs” means the amount specified in the relevant Final Terms or, if “Standard Early Redemption Unwind Costs” are specified in the relevant Final Terms, an amount determined by the Calculation Agent in its sole and absolute discretion equal to the sum of (without duplication) all costs, expenses (including loss of funding), tax and duties incurred by the Issuer in connection with the redemption of the Notes and the related termination, settlement or re-establishment of any hedge or related trading position, such amount to be apportioned pro rata per Calculation Amount.

“Equity” has the meaning given to it in the Equity Conditions.

“Equity Conditions” means the conditions set out in Annex II hereto.

“Equity Index Conditions” means the conditions set out in Annex III hereto.

“Equity Index Linked Note” means a Note in respect of which the amount in respect of interest payable and/or redemption amount payable at maturity is determined by reference to the Equity Index Conditions, as specified in the relevant Final Terms.

“Equity Issuer” has the meaning given to it in the Equity Conditions.

“Equity Linked Note” means a Note in respect of which the amount in respect of interest payable and/or redemption amount payable and/or deliverable at maturity is determined by reference to the Equity Conditions, as specified in the relevant Final Terms.

“EUR”, “Euro”, “euro” or “€” means the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on the Functioning of the European Union.

“EURIBOR” means Euro-zone inter-bank offered rate.

“Euroclear” means Euroclear Bank SA/NV.

“Euronext Amsterdam” means Euronext Amsterdam N.V.’s NYSE Euronext in Amsterdam.

“Event of Default” has the meaning given to it in General Condition 12.

“Exchange Act” means U.S. Securities Exchange Act of 1934.

“Exchange Business Day” has the meaning given to it in the relevant Underlying Conditions.

“Exchange Event” means (i) an Event of Default has occurred and is continuing, or (ii) the Issuer has been notified that both Euroclear and Clearstream and/or, if applicable, Euroclear Netherlands and/or, if applicable, any other clearing system has been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has announced an intention permanently to cease business or has in fact done so and no Alternative Clearing System is available.

“Exchange Rate” means the currency exchange rate, expressed as one unit of one currency per the relevant amount of another currency, specified in the relevant Final Terms.

“Exempt Notes” mean Money Market Instruments and unlisted Notes and/or Notes not admitted to trading on any regulated market in the European Economic Area (where such Notes are, in addition, issued with a minimum denomination of at least EUR 100,000 (or its equivalent in any other currency) or otherwise fall within an exemption from the requirement to publish a prospectus under Directive 2003/71/EC, as amended).

“Exercise Notice” has the meaning contained in General Condition 7(d).

“Factor” means the integer specified as such in the relevant Final Terms.

“Failure to Deliver Event” means that, on the Delivery Date, the Calculation Agent determines that it is impossible or impractical to deliver some or all of the Relevant Assets comprising the Asset Amount due to illiquidity in the market for the Relevant Asset or otherwise.

“Failure to Deliver Notice” has the meaning contained in General Condition 9(d)(iii).

“Failure to Deliver Settlement Price” means, in respect of each Calculation Amount, the fair market value of the Affected Relevant Assets on the fifth Business Day prior to the date on which the Failure to Deliver Notice is given as provided above, less the proportionate cost to the Issuer and/or its Affiliates of unwinding or adjusting any underlying or related hedging arrangements in respect of the Notes, all as calculated by the Calculation Agent in its sole and absolute discretion.

“Federal Reserve” means the Board of Governors of the Federal Reserve System.

“Final Averaging Date” means, in respect of an Observation Date, the date specified in the relevant Final Terms, subject to adjustment in accordance with the relevant Underlying Conditions.

“Final Redemption Amount” means an amount per Calculation Amount calculated in accordance with General Condition 6(b).

“Final Redemption Observation Date” means the date specified as such in the relevant Final Terms, subject to adjustment in accordance with the relevant Underlying Conditions.

“Final Redemption Observation Period” means the period from and including the Final Redemption Observation Period Start Date to and including the Final Redemption Observation Period End Date.

“Final Redemption Observation Period End Date” means the date specified as such in the relevant Final Terms, subject to adjustment in accordance with the relevant Underlying Conditions.

“Final Redemption Observation Period Start Date” means the date specified as such in the relevant Final Terms, subject to adjustment in accordance with the relevant Underlying Conditions.

“Final Terms” means the final terms in respect of a Tranche.

“Final Value” means, in respect of an Underlying:

- (i) if “Reference Value” is specified as applicable in the relevant Final Terms, the Reference Value on the Final Redemption Observation Date;
- (ii) if “Averaging” is specified as applicable in the relevant Final Terms, the arithmetic mean of the Reference Value on the Final Averaging Dates; and
- (iii) if “Lookback” is specified as applicable in the relevant Final Terms, the lowest Reference Value observed on any Reference Business Day during the Lookback Period.

“Final Value” means, in respect of each Underlying in a Basket:

- (i) if “Reference Value” is specified as applicable in the relevant Final Terms, the Reference Value on the Final Redemption Observation Date;
- (ii) if “Averaging” is specified as applicable in the relevant Final Terms, the arithmetic mean of the Reference Values on the Final Averaging Dates; and
- (iii) if “Lookback” is specified as applicable in the relevant Final Terms, the lowest Reference Value observed on any Reference Business Day during the Lookback Period.

“Financial Centres” means the financial centres specified in the relevant Final Terms.

“First Cash Settlement Amount” means the Cash Settlement Amount specified in the relevant Final Terms.

“First Interest Period” means the Interest Period from and including the Interest Commencement Date and to, but excluding, the first Interest Payment Date.

“Fiscal Agent” means the Issuing and Paying Agent if the Global Notes are or will be deposited with Euroclear or Clearstream or the Euroclear Netherlands Fiscal Agent if the Global Notes are or will be solely deposited with Euroclear Netherlands.

“Fixed Coupon Amount” shall have the meaning specified in the relevant Final Terms.

“Fixed Interest Rate” means a Rate of Interest calculated in accordance with General Condition 5(a).

“Fixed Rate Note” means a Note in respect of which the amount of interest payable is calculated by reference to General Condition 5(a).

“Fixing Day” means each calendar day during the relevant Interest Period, or such other day or days as may be specified in the relevant Final Terms;

"Floating Interest Rate" means a Rate of Interest calculated in accordance with General Condition 5(b).

"Floating Rate Note" means a Note in respect of which the amount of interest payable is calculated by reference to General Condition 5(b)(iii).

"Floor" means the percentage specified as such in the relevant Final Terms.

"FRBNY" means the Federal Reserve Bank of New York.

"Fund Business Day" has the meaning given to it in the Fund Conditions.

"Fund Conditions" means the conditions set out in Annex IV hereto.

"Fund Linked Note" means a Note in respect of which the amount in respect of interest payable and/or redemption amount payable and/or deliverable at maturity is calculated by reference to the Fund Conditions, as specified in the relevant Final Terms.

"FX Business Day" has the meaning given to it in the FX Conditions.

"FX Conditions" means the conditions set out in Annex V hereto.

"FX Linked Note" means a Note in respect of which the amount in respect of interest payable and/or redemption amount payable at maturity is calculated by reference to the FX Conditions, as specified in the relevant Final Terms.

"FX Reference Date" has the meaning given to it in the FX Conditions.

"Gearing Factor", "Gearing Factor₁", "Gearing Factor₂", "Gearing Factor₃", "Gearing Factor₄" and "Gearing Factor₅" means the factor specified in the relevant Final Terms.

"General Conditions" means the terms and conditions set out in this section headed *"General Conditions of the Notes"*.

"Global Certificate" means either a Restricted Global Certificate or an Unrestricted Global Certificate.

"Global Floor Amount" has the meaning given to it in the Global Floor Feature Conditions.

"Global Floor Feature Conditions" means the conditions set out in Annex VII hereto.

"Global Floor Percentage" has the meaning given to it in the Global Floor Feature Conditions.

"Global Floor Shortfall" has the meaning given to it in the Global Floor Feature Conditions.

"Global Note" means a global Note in bearer form.

"holder" means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered, as the case may be.

"Inflation Index Conditions" means the conditions set out in Annex VI hereto.

"Inflation Index Linked Note" means a Note in respect of which the amount in respect of interest payable and/or redemption amount payable at maturity is calculated by reference to the Inflation Index Conditions, as specified in the relevant Final Terms.

"Initial Averaging Date" means, in respect of an Observation Date, the date specified in the relevant Final Terms, subject to adjustment in accordance with the relevant Underlying Conditions.

"Initial Interest Period" means, in respect of a Variable Rate Note:

- (i) where “Variation Notice” is specified to be not applicable or where the Issuer has elected to notify Noteholders of a variation in the Rate of Interest in accordance with General Condition 5(c)(i), the period from and including the Interest Commencement Date to and excluding the first Variation Date; and
- (ii) otherwise, the period from and including the Interest Commencement Date to and excluding the succeeding Variation Date or the Maturity Date, as the case may be.

“Initial Observation Date” means the date specified as such in the relevant Final Terms.

“Initial Rate of Interest” means, in respect of a Variable Rate Note, the Rate of Interest for the Initial Interest Period will be calculated in accordance with Fixed Interest Rate, Floating Interest Rate, CMS Linked Interest Rate, Inverse Floating Interest Rate or Range Accrual Interest Rate specified to be applicable in the relevant Final Terms.

“Initial Value” means, in respect of an Underlying:

- (i) if “Reference Value” is specified as applicable in the relevant Final Terms, the Reference Value on the Initial Observation Date;
- (ii) if “Specified Value” is specified as applicable in the relevant Final Terms, the number specified in the relevant Final Terms;
- (iii) if “Averaging” is specified as applicable in the relevant Final Terms, the arithmetic mean of the Reference Value on each Initial Averaging Date; and
- (iv) if “Lookback” is specified as applicable in the relevant Final Terms, the lowest Reference Value observed on any Reference Business Day during the Lookback Period.

“Instalment Amount” means, with respect to an Instalment Date, the amount or percentage of the Calculation Amount specified in the relevant Final Terms.

“Instalment Date” means the date specified in the relevant Final Terms, each of which corresponds to an Instalment Amount.

“Instalment Note” means an Exempt Note in respect of which the Final Redemption Amount is payable in two or more instalments, calculated by reference to General Condition 6(a).

“Interest Accrual Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

“Interest Amount” means:

- (i) in respect of an Interest Period, the amount of interest payable per Calculation Amount for that Interest Period and which, in the case of Fixed Rate Notes shall mean the Fixed Coupon Amount and Broken Amount (if applicable) specified in the relevant Final Terms as being payable on the Interest Payment Date ending the Interest Period; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

“Interest Basis” means the method by which interest is calculated, as specified in the relevant Final Terms.

“Interest Commencement Date” means the Issue Date unless otherwise specified in the relevant Final Terms.

“Interest Determination Date” means the date specified in the relevant Final Terms or, if none is so specified, (i) the first day of the relevant Interest Period if the Specified Currency is Sterling, (ii) the day falling two Business Days for the relevant Specified Currency prior to the first day of the relevant Interest Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of the relevant Interest Period if the Specified Currency is euro.

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

“Interest Payment Date” means the date on which interest for the relevant period falls due as specified in the relevant Final Terms.

“Interest Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date or Specified Interest Payment Date, as the case may be, and each successive period beginning on (and including) an Interest Payment Date or Specified Interest Payment Date (as applicable) and ending on (but excluding) the next succeeding Interest Payment Date or Specified Interest Payment Date (as applicable), unless otherwise specified in the relevant Final Terms.

“Interest Period End Date” means the last day of each Interest Period.

“Intervening Period” means such period of time as any person other than the relevant Noteholder shall continue to be registered as the legal owner of any securities or other obligations comprising the Asset Amount.

“Inverse Floating Interest Rate” means a Rate of Interest calculated in accordance with General Condition 5(d).

“Inverse Floating Rate Note” means a Note in respect of which the interest payable is calculated in accordance with General Condition 5(d).

“Inverse Rate” means the relevant Reference Rate or Floating Rate Option as specified in the relevant Final Terms, which may, if so specified in the relevant Final Terms, be calculated by reference to the mathematical difference between, or sum of, two Reference Rates and/or Floating Rate Options, as the case may be

“ISDA Definitions” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc., as amended as at the Issue Date of the first tranche of Notes, unless otherwise specified in the relevant Final Terms.

“ISDA FX Definitions” means 1998 FX and Currency Option Definitions, published by the International Swaps and Derivatives Association, Inc., the Emerging Markets Traders Association and the Foreign Exchange Committee.

“Issue Price” means the issue price of the Notes as specified in the relevant Final Terms.

“Issuer” means Coöperatieve Rabobank U.A. (Rabobank Structured Products).

“LIBOR” means the London inter-bank offered rate.

“Lock-in Event” has the meaning specified in General Condition 5(j)(ii)(A)

“Lookback Period” means each Reference Business Day from (and including) the Lookback Period Start Date to (and including) the Lookback Period End Date.

"Lookback Period End Date" means the date specified as such in the relevant Final Terms.

"Lookback Period Start Date" means the date specified as such in the relevant Final Terms.

"Managing Board" means the managing board of the Issuer.

"Margin", **"Margin₁"** and **"Margin₂"** means the percentage (which may be expressed positively or negatively) specified as such in the relevant Final Terms.

"Maturity Date" means the Scheduled Maturity Date, subject to adjustment in accordance with General Condition 8 and the Underlying Conditions (if applicable).

"Max" means, when followed by two or more amounts and/or calculations inside brackets and each separated by a semi-colon, the higher of such amounts and/or calculations.

"Maximum Rate of Interest" means the maximum rate of interest as specified in the relevant Final Terms.

"Member State" means a member state of the European Union.

"Min" means, when followed by two or more amounts and/or calculations inside brackets and each separated by a semi-colon, the lower of such amounts and/or calculations.

"Minimum Rate of Interest" means the minimum rate of interest as specified in the relevant Final Terms.

"Money Market Instruments" means money market instruments (as defined in Article 1(5) of Directive 93/22/EC) having a maturity of less than 12 months.

"Non-Deliverable Currency Feature Conditions" means the conditions set out in Annex VIII hereto.

"Noteholder" means (i) the several persons who are for the time being holders of outstanding Notes being the bearers thereof save that, in respect of the Notes of any Series, for so long as the Notes or any part of them are represented by a Global Note held on behalf of Euroclear and Clearstream and/or DTC, as applicable, each person (other than Euroclear or Clearstream and/or DTC, as applicable) who is for the time being shown in the records of Euroclear or of Clearstream and/or of DTC, as applicable, as the holder of a particular nominal amount of the Notes of the Series (in which regard any certificate or other document issued by Euroclear, Clearstream, or DTC, as applicable as to the nominal amount of the Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be deemed to be the holder of that nominal amount of Notes (and the holder of the relevant Global Note shall be deemed not to be the holder) for all purposes other than in respect of the payment of principal or interest on the Notes, for which purpose the holder of the relevant Global Note shall be treated by the Issuer and any Paying Agent as the holder of the Notes in accordance with and subject to the terms of the relevant Global Note or (ii) the person in whose name a Registered Note is registered, as the case may be.

"Observation Date" means a Scheduled Observation Date, subject to adjustment in accordance with the relevant Underlying Conditions.

"Observation Time" has the meaning given to it in the FX Conditions, Commodity Conditions, Equity Linked Conditions, Equity Index Conditions and Non-Deliverable Currency Feature Conditions.

"Optional Redemption Amount" means the amount specified in the relevant Final Terms.

"Optional Redemption Date" means the date specified in the relevant Final Terms.

"Partly Paid Note" means an Exempt Note which is payable in one or more instalments, the terms and conditions of which are set out in the relevant Final Terms.

"Payment Day" has the meaning given to it in General Condition 8(f).

"Percentage Rate" means the rate expressed as a percentage specified in the relevant Final Terms.

"Percentage Rate₁" means the rate expressed as a percentage specified in the relevant Final Terms.

"Percentage Rate₂" means the rate expressed as a percentage specified in the relevant Final Terms.

"Power" means the number specified in the relevant Final Terms.

"PrevCpn" means:

- (i) in respect of the First Interest Period, the amount specified as such in the relevant Final Terms; and
- (ii) in respect of any subsequent Interest Period, the Rate of Interest in respect of the immediately preceding Interest Period.

"Previous Coupon" means the Rate of Interest calculated in respect of the immediately preceding Interest Period (if any), or such other Interest Period as may be specified in the relevant Final Terms. In respect of the Interest Period commencing on the Interest Commencement Date, the Previous Coupon shall have the meaning specified in the relevant Final Terms.

"Put Option" means an early redemption option in accordance with General Condition 7(d).

"QIB" means a "qualified institutional buyer" within the meaning of Rule 144A.

"Range Accrual Interest Rate" means a Rate of Interest calculated in accordance with General Condition 5(f).

"Range Accrual Note" means a Note in respect of which the amount of interest payable is calculated by reference to General Condition 5(f).

"Ratchet Note" means a Note in respect of which the amount of interest payable is calculated by reference to General Condition 5(h).

"Rate", **"Rate₁"** and **"Rate₂"** means the rate specified as such in the relevant Final Terms.

"Rate Cut-off Date" means the date that is five Fixing Days prior to the relevant Specified Interest Payment Date (or such other number of Fixing Days as may be specified in the relevant Final Terms).

"Rate of Interest" means the rate of interest applicable from time to time in respect of a Note and that is either specified, or, in respect of Exempt Notes, calculated in accordance with the provisions, in the relevant Final Terms.

"Record Date" has the meaning given to it in General Condition 8(d)(ii).

"Reference Banks" means, in the case of a determination of LIBOR, LIBID, LIMEAN and GBP-ISDA-Swap Rate, the principal London office of four major banks in the London inter-bank market, in the case of a determination of EURIBOR, EONIA or EUR-ISDA-EURIBOR-Swap Rate, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in the case of a determination of STIBOR, the principal London office of four major banks in the Stockholm inter-bank market, in the case of determination of CNH HIBOR, the principal Hong Kong office of four major banks dealing in Renminbi in the Hong Kong inter-bank market, in the case of JPY-ISDA-

Swap Rate, the principal Tokyo office of four major banks in the Tokyo inter-bank market, in the case of USD-ISDA-Swap Rate, the principal New York City office of four major banks in the New York City inter-bank market, in the case of a Reference Rate other than LIBOR, LIBID, LIMEAN, GBP-ISDA-Swap Rate, EURIBOR, EONIA, STIBOR, EUR-ISDA-EURIBOR-Swap Rate, JPY-ISDA-Swap Rate or USD-ISDA-Swap Rate, the principal office of four major banks in such inter-bank market as may be specified in the relevant Final Terms, in each case, selected by the Calculation Agent or as specified in the relevant Final Terms.

“Reference Business Day” means (i) where the Notes are Commodity Linked Notes, a Commodity Business Day or Bullion Business Day, as the case may be, (ii) where the Notes are Commodity Index Linked Notes, Equity Index Linked Notes or Equity Linked Notes, an Exchange Business Day, (iii) where the Notes are Fund Linked Notes, a Fund Business Day (iv) where the Notes are FX Linked Notes, an FX Business Day and (v) in relation to Inflation Index Linked Notes, a Business Day.

“Reference Month” has the meaning given to it in the Inflation Index Conditions.

“Reference Rate” means LIBOR, LIBID, LIMEAN, GBP-ISDA-Swap Rate, EURIBOR, EONIA, SONIA, Compounded Daily SOFR, Weighted Average SOFR, STIBOR, CNH HIBOR, EUR-ISDA-EURIBOR-Swap Rate, JPY-ISDA-Swap Rate or USD-ISDA-Swap Rate or, in the case of Exempt Notes only, such other rate specified as such in the relevant Final Terms.

“Reference Value” has the meaning given to it in the relevant Underlying Conditions.

“Registered Note” means a Note issued in registered form.

“Regulation S” means Regulation S under the Securities Act.

“Relevant Assets” means, in respect of an Asset Amount, the assets specified in the relevant Final Terms.

“Relevant Date” means in respect of any Note, Receipt or Coupon, the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given to the Noteholders that, upon further presentation of the Note, Receipt or Coupon being made in accordance with the Terms and Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

“Relevant FX Screen Page” means the display page so designated on the service specified in the relevant Final Terms (or such other page as may replace that page on that service (or replace such services) for the purposes of displaying an exchange rate comparable to such rate, as determined by the Calculation Agent).

“Relevant Screen Page” means the screen page, section, caption or column or other part of a particular information service specified in the relevant Final Terms (or any successor page, section, caption or column thereto).

“Relevant Time” means the time specified in the relevant Final Terms.

“Renminbi” means the lawful currency of the People’s Republic of China.

“Residual Cash Amount” means, in respect of an Asset Amount, a cash amount in the Specified Currency equivalent to such portion of the Asset Amount which is a fractional amount of a Relevant Asset, rounded to the fourth decimal place, multiplied by the Final Value and converted, if necessary, into the Specified Currency using the Exchange Rate.

“Restricted Global Certificate” means a permanent registered global certificate which will initially represent Registered Notes issued by the Issuer which are sold in the United States to QIBs within the meaning of Rule 144A under the Securities Act.

“Restricted Note” means a Registered Note issued by the Issuer and sold in the United States to “qualified institutional buyers” within the meaning of Rule 144A under the Securities Act.

“Rule 144A” means Rule 144A under the Securities Act.

“Scheduled Delivery Date” means the date specified as such in the relevant Final Terms or, if no such date is specified, the Maturity Date.

“Scheduled Maturity Date” means the date specified as such in the relevant Final Terms.

“Scheduled Observation Date” means a day which, but for being a Disrupted Day, would have been an Initial Observation Date, a Coupon Observation Date, any calendar day during a Coupon Observation Period, a Final Redemption Observation Date, any calendar day during a Final Redemption Observation Period, an FX Reference Date, any calendar day during a Barrier Observation Period, or an Automatic Early Redemption Observation Date, as the case may be.

“Screen Rate Determination” means the manner in which the Rate of Interest is to be determined by reference to General Conditions 5(b)(iii)(B), 5(b)(iii)(C), 5(b)(iii)(D) and 5(b)(iii)(E).

“Second Cash Settlement Amount” means the Cash Settlement Amount specified in the relevant Final Terms.

“Second Currency” means the currency specified in the relevant Final Terms.

“Securities Act” means the U.S. Securities Act of 1933.

“Series” means a Tranche together with any further Tranche(s) which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

“Settlement Basis” means method by which settlement of the Notes occurs, as specified in the relevant Final Terms.

“Settlement Disruption Event” means an event beyond the control of the Issuer (including but not limited to non-delivery of the Asset Amount by a counterparty to an agreement entered into by the Issuer and/or its Affiliates to hedge the Notes) as a result of which, in the sole and reasonable discretion of the Calculation Agent, delivery of the Asset Amount by or on behalf of the Issuer in accordance with General Condition 9 is not practicable.

“Single Underlying” means a Single Commodity, Single Commodity Index, Single Equity, Single Equity Index, Single Reference Fund or Single FX Rate or an Inflation Index (each as defined in the relevant Underlying Conditions), as the case may be.

“Specified Currency” means the currency of the Notes as specified in the relevant Final Terms.

“Specified Denomination” means the denomination of the Notes as specified in the relevant Final Terms.

“Specified Exchange Rate” means the exchange rate specified in the relevant Final Terms.

“Specified Interest Payment Date” means each date specified as such in the relevant Final Terms.

“Specified Period” means the period specified in the relevant Final Terms.

“Specified Time” means the time specified in the relevant Final Terms.

“Strike Rate” means, in respect of an FX Rate, the Spot Rate for the specified value in the relevant Final Terms.

“Strike Value” means, in respect of an Underlying (other than in respect of FX Linked Notes), the value specified in the relevant Final Terms.

“Sub-Unit” means in respect 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 respect of euro, means one cent.

“Subtrahend” means the amount specified in the relevant Final Terms.

“Sum of Interest Paid” has the meaning given to it in the Global Floor Feature Conditions.

“TARGET” means the Trans-European Automated Real-time Gross Settlement Express Transfer System (known as “TARGET2”), which was launched on 19 November 2007, or any successor thereto.

“TARGET Business Day” means a day on which TARGET is operating.

“Terms and Conditions” means these General Conditions, as completed, amended or supplemented by the applicable Underlying Conditions and completed by the relevant Final Terms.

“Trade Date” means the date specified as such in the relevant Final Terms.

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

“Treaty” means the Treaty establishing the European Community, as amended.

“Trigger” means the value specified as such in the relevant Final Terms.

“Underlying” means the Single Underlying or Basket specified to be applicable in the relevant Final Terms.

“Underlying Conditions” means the Commodity Conditions, Equity Conditions, Equity Index Conditions, Fund Conditions, FX Conditions or Inflation Index Conditions, as applicable.

“Underlying Performance” means, in respect of an Underlying:

- (i) the calculation of interest with respect to a Contingent Coupon Note, the Reference Value on the relevant Coupon Observation Date or Reference Business Day, as the case may be, divided by the Strike Value; and
- (ii) the calculation of a Final Redemption Amount, the Final Value divided by the Strike Value.

“Unrestricted Global Certificate” means a permanent registered certificate which will initially represent Registered Notes issued by the Issuer which are sold in an “Offshore Transaction” within the meaning of Regulation S.

“Variable Rate Note” means a Note in respect of which the amount of interest payable is calculated by reference to General Condition 5(c).

“Variation Date” means each date specified in the relevant Final Terms.

“Varied Interest Period” means each period from and including a Variation Date to but excluding the succeeding Variation Date or the Maturity Date, as the case may be.

“Varied Rate of Interest” means, in respect of a Variable Rate Note, the Rate of Interest for the relevant Varied Interest Period will be calculated in accordance with Fixed Interest Rate, Floating

Interest Rate, CMS Linked Interest Rate, Inverse Floating Interest Rate, Range Accrual Interest Rate or Zero Coupon Interest Rate specified to be applicable in the relevant Final Terms.

“Worst Performer” means, in respect of a Basket, the Underlying with the lowest Underlying Performance in the determination of the Calculation Agent, provided that, if the Underlying Performance is the same in respect of two or more Underlyings, the Calculation Agent shall determine the Worst Performer in its sole and absolute discretion.

“Zero Coupon Interest Rate” means a Rate of Interest calculated in accordance with General Condition 5(k).

“Zero Coupon Note” means a Note in respect of which the amount of principal repayable is calculated in accordance with General Condition 5(k).

(b) **Interpretation**

References in these General Conditions to:

- (i) a “Note” means the Global Note, Global Certificate or the relevant Definitive Note or Definitive Certificate which have been issued in exchange for a Global Note or Global Certificate, as the case may be, and references to a Note shall include a Unit (as defined in General Condition 2);
and
- (ii) the “relevant Final Terms” are to the Final Terms (or relevant part thereof) attached to or endorsed on the Notes.

2 Form, Denomination and Title

The Notes are issued as Bearer Notes or as Registered Notes, in each case in the Specified Denomination(s), as specified in the relevant Final Terms.

Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and vice versa.

Notes may be issued in unitised form comprising units (each, a **“Unit”**). The Calculation Amount and Specified Denomination of a Unit shall be the aggregate nominal amount of the Unit as specified in the relevant Final Terms.

Bearer Notes are represented either by Global Notes or by Definitive Notes.

Bearer Notes are serially numbered and, in the case of Definitive Notes, are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Notes that do not bear interest in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Terms and Conditions are not applicable. Any Note, the principal amount of which is redeemable in instalments, is issued with one or more Receipts attached.

Registered Notes will be issued in the form of one or more Certificates without interest coupons, which may be deposited on the issue date either with (a) a common depository on behalf of Euroclear and Clearstream or (b) a custodian for, and registered in the name of a nominee for, DTC.

Save as provided in General Condition 3(b), each Certificate shall represent the entire holding of Registered Notes by the same holder. Notes sold in the United States to qualified institutional buyers pursuant to Rule 144A under the Securities Act will initially be represented by a Restricted Global Certificate in registered form. Notes sold in an “Offshore Transaction” within the meaning of Regulation S will initially be represented by an Unrestricted Global Certificate in registered form.

Title to the Bearer Notes and the Receipts, Coupons and Talons appertaining thereto shall pass by delivery and title to the Registered Notes shall pass by registration in the register (the “**Register**”) which the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement, unless applicable law provides otherwise or provides for additional formalities for transfer of title. Insofar as applicable law requires notification to the debtor for a valid transfer of title to the Registered Notes, the registration of the transfer by the Registrar shall constitute evidence of this notification. Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined above) of any Note, Receipt, Coupon or Talon 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, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear and/or Clearstream, each person (other than Euroclear or Clearstream) who is for the time being shown in the records of Euroclear or of Clearstream as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and the Agents as the holder of such nominal amount of such Notes for all purposes other than in respect of the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note or the registered holder of the relevant Global Certificate shall be treated by the Issuer and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note.

For so long as DTC or its nominee is the registered owner or holder of a Global Certificate, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Global Certificate for all purposes under the Agency Agreement and the Notes except to the extent that in accordance with DTC’s published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

Notes which are represented by a Global Note or Global Certificate, as the case may be, will be transferable only in accordance with the rules and procedures for the time being of DTC, Euroclear and Clearstream, as the case may be. References to DTC, Euroclear and/or Clearstream shall, whenever the context so permits, be deemed to include a reference to Alternative Clearing System and any additional or alternative clearing system as may otherwise be approved by the Issuer and the Fiscal Agent.

3 Transfers of Registered Notes

(a) *Transfer of Registered Notes*

Transfers of beneficial interests in Global Certificates will be effected by DTC, Euroclear or Clearstream, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Global Certificate will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Definitive Certificates or for a beneficial interest in another Global Certificate only in the Specified Denomination and only in accordance with the rules and operating procedures for the time being of DTC, Euroclear or Clearstream, as the case may be, and in accordance with the terms and conditions specified in the Agency Agreement. Transfers of a Global Certificate, registered in the name of a nominee for DTC, shall be limited to transfers of such Global Certificate, in whole but not in part, to another nominee of DTC or to a successor of DTC or such successor’s nominee.

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate (or such other form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer and the Fiscal Agent), duly completed and executed, together with any other evidence as the Registrar or Transfer Agent may reasonably require. Insofar as applicable law requires notification to the debtor for a valid transfer of title to the Registered Notes, the registration of the transfer by the Registrar shall constitute evidence of this notification. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor.

(b) ***Exercise of Options or Partial Redemption in Respect of Registered Notes***

In the case of an exercise of an Issuer's or Noteholder's option, or a partial redemption of, in respect of a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(c) ***Delivery of New Certificates***

Each new Certificate to be issued pursuant to General Condition 3(a) or 3(b) shall be available for delivery within three business days of receipt of the request for exchange, form of transfer or Exercise Notice or surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or the Registrar, as the case may be, to whom delivery or surrender of such request for exchange, form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent (as defined in the Agency Agreement) the costs of such other method of delivery and/or such insurance as it may specify. In this General Condition 3(c), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar, as the case may be.

(d) ***Exchange Free of Charge***

Exchange and transfer of Notes and Certificates on registration, transfer, partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

(e) ***Closed Periods***

No Noteholder may require the transfer of a Registered Note to be registered (a) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (b) during the period of 15 days before any date on which Notes may be called

for redemption by the Issuer at its option pursuant to General Condition 7(c), or (c) after any such Note has been called for redemption.

(f) **Transfers of Interests in Restricted Notes**

Transfers of Restricted Notes or beneficial interests therein may be made:

- (i) to a transferee who takes delivery of such interest through a Restricted Note where the transferee is a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, without certification; or
- (ii) otherwise pursuant to an exemption from, or transaction not subject to, the registration requirements of the Securities Act, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of the United States,

and, in each case, in accordance with any applicable securities laws of any State of the United States or any other jurisdiction.

Upon the transfer, exchange or replacement of Restricted Notes, or upon specific request for removal of the legend, the Registrar shall deliver only Restricted Notes or refuse to remove the legend, as the case may be, unless there is delivered to the Issuer such satisfactory evidence as may reasonably be required by the Issuer, which may include an opinion of U.S. counsel, that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

4 Status of the Notes

The Notes and the Receipts and Coupons relating to them constitute unsubordinated and unsecured obligations of the Issuer ("**Senior Notes**") and such Notes or, as the case may be, Receipts and Coupons shall at all times rank *pari passu* and without any preference among themselves and (subject as aforesaid and to certain statutory exceptions) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer from time to time outstanding, other than those unsecured and unsubordinated obligations having a lower ranking in reliance on article 212rb of the Dutch Bankruptcy Act (*Faillissementswet*) (or any other provision implementing article 108 of Directive 2014/59/EU, as amended by Directive (EU) 2017/2399, in the Netherlands).

5 Interest and Other Calculations

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

Each Fixed Rate Note bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date at the rate equal to the Rate of Interest. The Rate of Interest applicable to an Interest Period may be greater or less than the Rate of Interest applicable to the preceding Interest Period as may be specified in the relevant Final Terms. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) Maturity Date.

The amount of interest payable on each Interest Payment Date in respect of the Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount or, if so specified in the relevant Final Terms, the Broken Amount.

If "Non-Deliverable Currency Interest Feature" is specified as applicable in the relevant Final Terms, the Fixed Coupon Amount and any Broken Amount shall be payable in the Converted Interest Currency in accordance with, and subject to, the Non-Deliverable Currency Feature Conditions.

If interest is required to be calculated for a period other than an Interest Period, such interest shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying such sum by the applicable Day Count Fraction, and rounding the resulting figure to the nearest Sub-Unit of the relevant Specified Currency, half of any such Sub-Unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product (determined in the manner provided above) of the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

(b) **Interest on Floating Rate Notes, Variable Rate Notes, Inverse Floating Rate Notes, CMS Linked Notes, Range Accrual Notes and Ratchet Notes**

(i) **Interest Payment Dates**

Each Floating Rate Note, Variable Rate Note, Inverse Floating Rate Note, CMS Linked Note, Range Accrual Note and Ratchet Note bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date. Such interest will be payable in arrear on either:

- (A) the Specified Interest Payment Date(s) specified in the relevant Final Terms; or
- (B) if no Specified Interest Payment Date(s) is/are specified in the relevant Final Terms, each date (each of which shall, for the purposes of Notes other than Fixed Rate Notes or Conditional Coupon Notes, be an “**Interest Payment Date**”) which falls the number of months or other period specified as the Specified Period in the relevant Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) **Business Day Convention**

If a Business Day Convention is specified in the relevant Final Terms and (I) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (II) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention is:

- (A) in any case where Specified Periods are specified in accordance with General Condition 5(b)(i)(B), specified as the “**Floating Rate Convention**”, such Interest Payment Date (1) in the case of (I) above, shall be the last day that is a Business Day in the relevant month and the provisions of (Y) below shall apply *mutatis mutandis* or (2) in the case of (II) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (X) such Interest Payment Date shall be the first preceding day that is a Business Day and (Y) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the end of the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (B) specified as the “**Following Business Day Convention**”, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (C) specified as the “**Modified Following Business Day Convention**”, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be the first preceding day that is a Business Day; or

- (D) specified as the “**Preceding Business Day Convention**”, such Interest Payment Date shall be the first preceding day that is a Business Day.

(iii) **Rate of Interest for Floating Rate Notes**

The Rate of Interest applicable from time to time in respect of Floating Rate Notes for each Interest Period is determined in accordance with the provisions set out below.

(A) **ISDA Determination for Floating Rate Notes**

Where “ISDA Determination” is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus the Margin (if any). The Margin (if any) applicable to an Interest Period may be greater or less than the Margin applicable to the preceding Interest Period, as may be specified in the relevant Final Terms. For the purposes of this General Condition 5(b)(iii)(A), “**ISDA Rate**” for an Interest Period means a rate equal to the Floating Rate that would be determined by Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (I) the Floating Rate Option is as specified in the relevant Final Terms;
- (II) the Designated Maturity is a period specified in the relevant Final Terms; and
- (III) the relevant Reset Date is the first day of that Interest Period unless otherwise specified in the relevant Final Terms.

For the purposes of this General Condition 5(b)(iii)(A), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

(B) **Screen Rate Determination for Floating Rate Notes not referencing SONIA, Compounded Daily SOFR or Weighted Average SOFR**

- (I) Where “Screen Rate Determination” is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, and unless the Reference Rate in respect of the relevant Series of Floating Rate Notes is specified in the applicable Final Terms as being “SONIA”, “Compounded Daily SOFR” or “Weighted Average SOFR”, the Rate of Interest for each Interest Period will, subject to General Condition 5(n) and as provided below, be either:

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

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page specified as applicable as at 11:00 a.m. (London time) in the case of LIBOR, LIBID, LIMEAN, or GBP-ISDA-Swap Rate 11:00 a.m. (Brussels time) in the case of EURIBOR, EONIA or EUR-ISDA-EURIBOR-Swap Rate, 11.00 a.m. (Stockholm time) in the case of STIBOR, 11.15 a.m. (Hong Kong time) or if, at or around that time it is notified that the fixing will be published at 2.30 p.m. (Hong Kong time), then as of 2.30 p.m. in the case of CNH HIBOR, 3.00 p.m. (Tokyo time) in the case of JPY-ISDA-Swap Rate or 11.00 a.m. (New York City time) in the case of USD-ISDA-Swap Rate, on the Interest Determination Date

in question plus or minus (as specified in the relevant Final Terms) the Margin (if any), all as determined by the Fiscal Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Fiscal Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

- (II) If the Relevant Screen Page is not available or, if General Condition 5(b)(iii)(B)(I)(1) applies and no such offered quotation appears on the Relevant Screen Page, or, if General Condition 5(b)(iii)(B)(I)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, subject as provided below and in General Condition 5(b)(iii)(B)(V), the Calculation Agent shall request, if the Reference Rate is (i) LIBOR, LIBID, LIMEAN or GBP-ISDA-Swap Rate, the principal London office of each of the Reference Banks, (ii) EURIBOR, EONIA or EUR-ISDA-EURIBOR-Swap Rate, the principal Euro-zone office of each of the Reference Banks, (iii) STIBOR, the principal Stockholm office of each of the Reference Banks, (iv) CNH HIBOR, the principal Hong Kong office of each of the Reference Banks, (v) JPY-ISDA-Swap Rate, the principal Tokyo office of each of the Reference Banks, or (vi) USD-ISDA-Swap Rate, the principal New York City office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is (i) LIBOR, LIBID, LIMEAN or GBP-ISDA-Swap Rate, at approximately 11.00 a.m. (London time), (ii) EURIBOR, EONIA or EUR-ISDA-EURIBOR-Swap Rate, at approximately 11.00 a.m. (Brussels time), (iii) STIBOR, at approximately 11.00 a.m. (Stockholm time), (iv) CNH HIBOR, at approximately 11.00 a.m. (Hong Kong time), (v) JPY-ISDA-Swap Rate, at approximately 3.00 p.m. (Tokyo time), or (vi) USD-ISDA-Swap Rate, at approximately 11.00 a.m. (New York City time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent.
- (III) If General Condition 5(b)(iii)(B)(II) applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is (i) LIBOR, LIBID, LIMEAN or GBP-ISDA-Swap Rate, at approximately 11.00 a.m. (London time), (ii) EURIBOR, EONIA or EUR-ISDA-EURIBOR-Swap Rate, at approximately 11.00 a.m. (Brussels time), (iii) STIBOR, at approximately 11.00 a.m. (Stockholm time), (iv) CNH HIBOR, at approximately 11.00 a.m. (Hong Kong time), (v) JPY-ISDA-Swap Rate, at approximately 3.00 p.m. (Tokyo time), or (vi) USD-ISDA-Swap Rate, at approximately 11.00 a.m. (New York City time), on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is (i) LIBOR, LIBID, LIMEAN or GBP-ISDA-Swap Rate,

the London interbank market, (ii) EURIBOR, EONIA, EONIA or EUR-ISDA-EURIBOR-Swap Rate, the Euro-zone inter-bank market, (iii) STIBOR, the Stockholm inter-bank market, (iv) CNH HIBOR, the Hong Kong inter-bank market, (v) JPY-ISDA-Swap Rate, the Tokyo inter-bank market, or (vi) USD-ISDA-Swap Rate, the New York City inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is (i) LIBOR, LIBID, LIMEAN or GBP-ISDA-Swap Rate, at approximately 11.00 a.m. (London time), (ii) EURIBOR, EONIA or EUR-ISDA-EURIBOR-Swap Rate, at approximately 11.00 a.m. (Brussels time), (iii) STIBOR, at approximately 11.00 a.m. (Stockholm time), (iv) CNH HIBOR, at approximately 11.00 a.m. (Hong Kong time), (v) JPY-ISDA-Swap Rate, at approximately 3.00 p.m. (Tokyo time), or (vi) USD-ISDA-Swap Rate, at approximately 11.00 a.m. (New York City time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is (i) LIBOR, LIBID, LIMEAN or GBP-ISDA-Swap Rate, the London inter-bank market, (ii) EURIBOR, EONIA or EUR-ISDA-EURIBOR-Swap Rate, the Euro-zone inter-bank market, (iii) STIBOR, the Stockholm inter-bank market, (iv) CNH HIBOR, the Hong Kong inter-bank market, (v) JPY-ISDA-Swap Rate, the Tokyo inter-bank market, or (vi) USD-ISDA-Swap Rate, the New York City inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph and provided that such failure is not due to the occurrence of a Benchmark Event (as defined in General Condition 5(n)), the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Period). If the Reference Rate cannot be determined because of the occurrence of a Benchmark Event (as defined in General Condition 5(n)), the Reference Rate shall be calculated in accordance with the terms of General Condition 5(n).

- (IV) If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the relevant Final Terms as being other than LIBOR, LIBID, LIMEAN, GBP-ISDA-Swap Rate, EURIBOR, EONIA, STIBOR, CNH HIBOR, EUR-ISDA-EURIBOR-Swap Rate, JPY-ISDA-Swap Rate or USD-ISDA-Swap Rate, the relevant Final Terms may specify that the Rate of Interest in respect of such Notes will be determined either:
 - (A) in accordance with the foregoing procedures in General Conditions 5(b)(iii)(B), 5(b)(iii)(B)(II) and 5(b)(iii)(B)(III), save that references to the relevant Reference Rate, the time at which such Reference Rate shall be observed on the Relevant Screen Page and the location of the Reference Banks shall be amended as may be specified in the relevant Final Terms; or

- (B) in the case of Exempt Notes only, in accordance with such other procedures as may be specified in the relevant Final Terms.
- (V) If so specified in the relevant Final Terms, the fallback provisions set out in General Conditions 5(b)(iii)(B)(V)(A) and 5(b)(iii)(B)(V)(B) shall be applicable (as specified in the relevant Final Terms) (or, in respect of Exempt Notes only, such other fallback provisions as may be specified in the relevant Final Terms shall apply) and, in each case, the provisions of General Conditions 5(b)(iii)(B) and 5(b)(iii)(B)(III) shall not apply:
 - (A) If the Relevant Screen Page is not available or, if General Condition 5(b)(iii)(B)(I)(1) applies and no such offered quotation appears on the Relevant Screen Page, or, if General Condition 5(b)(iii)(B)(I)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, the Calculation Agent shall determine the relevant Reference Rate for that date in its sole discretion, taking into consideration all available information that it in good faith deems appropriate; or
 - (B) If the Relevant Screen Page is not available or, if General Condition 5(b)(iii)(B)(I)(1) applies and no such offered quotation appears on the Relevant Screen Page, or, if General Condition 5(b)(iii)(B)(I)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, the Calculation Agent will request the principal office of five major banks who will provide quotations for such rate using such rate as may be specified in the relevant Final Terms or selected by the Calculation Agent. If five quotations are provided, the rate will be calculated by eliminating the highest (or, in the event of equality, one of the highest) and lowest (or, in the event of equality, one of the lowest) quotations and taking the arithmetic mean of the remaining quotations. If at least three, but fewer than five, quotations are provided, the rate will be the arithmetic mean of the quotations obtained. If fewer than three quotations are provided as requested, the rate will be determined by the Calculation Agent in good faith and in a commercially reasonable manner either by reference to the last published rate or the arithmetic mean of such number of previously published rates selected by the Calculation Agent in its discretion, in each case, for the Reference Rate, on the Relevant Screen Page.
- (VI) Where “Linear Interpolation” is specified in the relevant Final Terms to be applicable in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where “Screen Rate Determination” is specified to be applicable in the relevant Final Terms) or the relevant Floating Rate Option (where “ISDA Determination” is specified to be applicable in the relevant Final Terms), one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available the next longer than the length of the relevant Interest Accrual Period, provided however, that if there is no such rate available for a period of time shorter or,

as the case may be, longer than the relevant Interest Accrual Period, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate,

where “**Applicable Maturity**” means: (a) in relation to “Screen Rate Determination”, the period of time designated in the Reference Rate, and (b) in relation to “ISDA Determination”, the Designated Maturity.

- (VII) The Rate of Interest in respect of Floating Rate Notes may also be determined by application of one or more of the formulae specified in General Condition 5(B)-(H), where the Gearing Factor (as defined therein) is a negative number.

(C) **Screen Rate Determination for Floating Rate Notes referencing SONIA**

- (I) Where “Screen Rate Determination” is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the relevant Series of Floating Rate Notes is specified in the applicable Final Terms as being “SONIA”, the Rate of Interest for an Interest Accrual Period will, subject as provided in General Condition 5(n), be Compounded Daily SONIA with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin.

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

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

where:

“**d**” is the number of calendar days in the relevant Interest Accrual Period;

“**d_o**” is the number of London Banking Days in the relevant Interest Accrual Period;

“**i**” is a series of whole numbers from one to “**d_o**”, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in the relevant Interest Accrual Period to, but excluding, the last London Banking Day in the relevant Interest Accrual Period;

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

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

“**Observation Period**” means, in respect of each Interest Accrual Period, the period from and including the date falling “**p**” London Banking Days prior to the first day of the relevant Interest Accrual Period and ending on, but excluding, the date falling “**p**” London Banking Days prior to the end of such Interest

Accrual Period (or the date falling “p” London Banking Days prior to such earlier date, if any, on which the Notes become due and payable);

“p” means for any Interest Accrual Period, the number of London Banking Days included in the Observation Look-back Period, as specified in the applicable Final Terms, being no less than five London Banking Days;

“**SONIA**_{I-pLBD}” means, in respect of any London Banking Day falling in the relevant Observation Period, the SONIA reference rate for the London Banking Day falling “p” London Banking Days prior to the relevant London Banking Day “i”; and

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

- (II) If, subject to General Condition 5(n), in respect of any London Banking Day in the relevant Observation Period, the Calculation Agent determines that the applicable SONIA reference rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, the SONIA reference rate in respect of such London Banking Day shall be: (i) the Bank of England’s Bank Rate (the “**Bank Rate**”) prevailing at 5.00 p.m. (or, if earlier, close of business) on such London Banking Day; plus (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five days on which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads).
- (III) Where the SONIA reference rate is being determined in accordance with General Condition 5(b)(iii)(C)(III), if the Bank of England publishes guidance as to (i) how the SONIA reference rate is to be determined; or (ii) any rate that is to replace the SONIA reference rate, the Calculation Agent shall, subject to receiving written instructions from the Issuer and to the extent that it is reasonably practicable, follow such guidance in order to determine the SONIA reference rate for any London Banking Day “i” for the purpose of the relevant Series of Notes for so long as the SONIA reference rate is not available or has not been published by the authorised distributors.

To the extent that any amendments or modifications to the General Conditions or the Agency Agreement are required in order for the Calculation Agent to follow such guidance in order to determine SONIA, the Calculation Agent shall have no obligation to act until such amendments or modifications have been made in accordance with the General Conditions and the Agency Agreement.

If the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Calculation Agent, subject to General Condition 5(n), the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) is to be

applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to that last preceding Interest Accrual Period); or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (including applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Accrual Period).

- (IV) As used herein, an “**Interest Accrual Period**” means (i) each Interest Period and (ii) any other period (if any) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, if the relevant Series of Notes becomes due and payable in accordance with General Condition 12, shall be the date on which such Notes become due and payable).

If the relevant Series of Notes becomes due and payable in accordance with General Condition 12, the final Rate of Interest shall be calculated for the Interest Accrual Period to (but excluding) the date on which the Notes become so due and payable, and such Rate of Interest shall continue to apply to the Notes for so long as interest continues to accrue thereon as provided in General Condition 5(p).

(D) **Screen Rate Determination for Floating Rate Notes referencing Compounded Daily SOFR**

Where “Screen Rate Determination” is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the relevant Series of Floating Rate Notes is specified in the applicable Final Terms as being “Compounded Daily SOFR”, the Rate of Interest for an Interest Accrual Period will, subject as provided in General Condition 5(n), be Compounded Daily SOFR plus or minus (as indicated in the applicable Final Terms) the applicable Margin.

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

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

where:

“**d**” is the number of calendar days in the relevant Interest Accrual Period;

“**d_o**” is the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

“**i**” is a series of whole numbers from one to “**d_o**”, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Interest Accrual Period;

“**SOFR_i**” means, for any U.S. Government Securities Business Day “**i**”:

- (1) where in the applicable Final Terms “Lag” is specified as the Observation Method, the SOFR in respect of such U.S. Government Securities Business Day;
- (2) where in the applicable Final Terms “Lock-out” is specified as the Observation Method:
 - a. for any such U.S. Government Securities Business Day that is a SOFR Reset Date, the SOFR in respect of the U.S. Government Securities Business Day immediately preceding such SOFR Reset Date; and
 - b. for any such U.S. Government Securities Business Day that is not a SOFR Reset Date, the SOFR in respect of the U.S. Government Securities Business Day immediately preceding the last SOFR Reset Date of the relevant Interest Period;

“**p**” means:

- (1) where in the applicable Final Terms “Lag” is specified as the Observation Method, the number of U.S. Government Securities Business Days included in the Observation Look-back Period specified in the applicable Final Terms (or, if no such number is specified, five U.S. Government Securities Business Days); and
- (2) where in the applicable Final Terms “Lock-out” is specified as the Observation Method, zero;

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

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

“**SOFR_{i-pUSBD}**” means, in respect of any U.S. Government Securities Business Day falling in the relevant Interest Period, the SOFR for the U.S. Government Securities Business Day falling “**p**” U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day “**i**”.

Unless otherwise defined in these Terms and Conditions or unless the context otherwise requires, in these Terms and Conditions the following words shall have the following meanings:

“**New York City Banking Day**” means any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in New York City;

“**OBFR Index Cessation Date**” means, following the occurrence of an OBFR Index Cessation Event, the date on which the FRBNY (or any successor administrator of the Overnight Bank Funding Rate), ceases to publish the Overnight Bank Funding Rate,

or the date as of which the Overnight Bank Funding Rate may no longer be used, in each case as certified in writing by the Issuer to the Calculation Agent;

“OBFR Index Cessation Event” means the occurrence of one or more of the following events:

- (1) a public statement by the FRBNY (or a successor administrator of the Overnight Bank Funding Rate) announcing that it has ceased or will cease to publish or provide the Overnight Bank Funding Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the Overnight Bank Funding Rate;
- (2) the publication of information which reasonably confirms that the FRBNY (or a successor administrator of the Overnight Bank Funding Rate) has ceased or will cease to provide the Overnight Bank Funding Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the Overnight Bank Funding Rate; or
- (3) a public statement by a regulator or other official sector entity prohibiting the use of the Overnight Bank Funding Rate that applies to, but need not be limited to, fixed income securities and derivatives, to the extent that such public statement has been acknowledged in writing by ISDA as an “OBFR Index Cessation Event” under the 2006 ISDA Definitions as published by ISDA;

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

- (1) the Secured Overnight Financing Rate that appears on the FRBNY’s website at 5:00 p.m. (New York time) on a U.S. Government Securities Business Day;
- (2) if the rate specified in (1) above does not so appear, and a SOFR Index Cessation Date has not occurred, then the Calculation Agent shall use the Secured Overnight Financing Rate published on the FRBNY’s website for the first preceding U.S. Government Securities Business Day on which the Secured Overnight Financing Rate was published on the FRBNY’s website;
- (3) if a SOFR Index Cessation Date has occurred, the Calculation Agent shall calculate SOFR as if references to SOFR were references to the rate that was recommended as (and notified by the Issuer to the Calculation Agent) as being the replacement for the Secured Overnight Financing Rate by the Federal Reserve and/or the FRBNY or a committee officially endorsed or convened by the Federal Reserve and/or the FRBNY for the purpose of recommending a replacement for the Secured Overnight Financing Rate (which rate may be produced by a Federal Reserve Bank or other designated administrator, and which rate may include any adjustments or spreads). If no such rate has been recommended within one U.S. Government Securities Business Day of the SOFR Index Cessation Date, then the rate for any such SOFR Reset Date falling on or after the SOFR Index Cessation Date will be determined as if (i) references to the Secured Overnight Financing Rate were references to the Overnight Bank Funding Rate (published on the FRBNY’s website at or around 5:00 p.m. (New York time) on the relevant New York City Banking Day); (ii) references to U.S. Government Securities Business Day were references to New York City Banking Day, (iii) references to SOFR Index Cessation Event were references to the OBFR Index Cessation Event and (iv) references to SOFR Index Cessation Date were references to OBFR Index Cessation Date

(it being understood that the Overnight Bank Funding Rate for any such SOFR Reset Date will be for trades made on the related Interest Determination Date); and

- (4) if the Calculation Agent is required to use the Overnight Bank Funding Rate in paragraph (3) above and an OBFR Index Cessation Date has occurred, then for any Interest Payment Date after such OBFR Index Cessation Date, the Calculation Agent shall use the short-term interest rate target set by the Federal Open Market Committee and published on the Federal Reserve's website, or if the Federal Open Market Committee does not target a single rate, the mid-point of the short-term interest rate target range set by the Federal Open Market Committee and published on the Federal Reserve's website (calculated as the arithmetic average of the upper bound of the target range and the lower bound of the target range);

"SOFR Index Cessation Date" means following the occurrence of a SOFR Index Cessation Event, the date on which the FRBNY (or any successor administrator of the Secured Overnight Financing Rate), ceases to publish the Secured Overnight Financing Rate, or the date as of which the Secured Overnight Financing Rate may no longer be used, in each case as certified in writing by the Issuer to the Calculation Agent;

"SOFR Index Cessation Event" means the occurrence of one or more of the following events:

- (1) a public statement by the FRBNY (or a successor administrator of the Secured Overnight Financing Rate) announcing that it has ceased or will cease to publish or provide the Secured Overnight Financing Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the Secured Overnight Financing Rate;
- (2) the publication of information which reasonably confirms that the FRBNY (or a successor administrator of the Secured Overnight Financing Rate) has ceased or will cease to provide the Secured Overnight Financing Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the Secured Overnight Financing Rate; or
- (3) a public statement by a regulator or other official sector entity prohibiting the use of the Secured Overnight Financing Rate that applies to, but need not be limited to, fixed income securities and derivatives, to the extent that such public statement has been acknowledged in writing by ISDA as an "SOFR Index Cessation Event" under the 2006 ISDA Definitions as published by ISDA;

"SOFR Reset Date" means each U.S. Government Securities Business Day in the relevant Interest Accrual Period, other than any U.S. Government Securities Business Day during the period from (and including) the day following the relevant Interest Determination Date to (but excluding) the corresponding Interest Payment Date; and

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

(E) Screen Rate Determination for Floating Rate Notes referencing Weighted Average SOFR

Where “Screen Rate Determination” is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the relevant Series of Floating Rate Notes is specified in the applicable Final Terms as being “Weighted Average SOFR”, the Rate of Interest for an Interest Accrual Period will, subject as provided in General Condition 5(n), be Weighted Average SOFR with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin.

“**Weighted Average SOFR**” means, in relation to any Interest Accrual Period, the arithmetic mean of “SOFR_i” in effect during such Interest Accrual Period (each such U.S. Government Securities Business Day, “i”), and will be calculated by the Calculation Agent on each Interest Determination Date by multiplying the relevant “SOFR_i” by the number of days such “SOFR_i” is in effect (i.e. n_i), determining the sum of such products and dividing such sum by the number of calendar days in the relevant Interest Accrual Period.

(c) Interest on Variable Rate Notes

In particular, the following provisions should be considered in addition to the provisions of General Conditions 5(b), 5(g) and 5(i) in determining the interest payable on Variable Rate Notes.

In respect of Variable Rate Notes, the Rate of Interest shall be determined in accordance with the Initial Rate of Interest specified in the relevant Final Terms. The relevant Final Terms may specify one or more Variation Dates upon which the Rate of Interest may instead be calculated in accordance with the Varied Rate(s) of Interest specified in the relevant Final Terms.

- (i) If “Variation Notice” is specified as applicable in the relevant Final Terms, the relevant Varied Rate of Interest will only apply from the relevant Variation Date at the option of the Issuer, having given not less than five Business Days’ notice to Noteholders (or such other notice period as may be specified in the relevant Final Terms) of such variation.
- (ii) If “Variation Notice” is specified as not applicable in the relevant Final Terms, the Varied Rate(s) of Interest will automatically apply on the Variation Date(s) specified in the relevant Final Terms.

(d) Interest on Inverse Floating Rate Notes

In particular, the following provisions should be considered in addition to the provisions of General Conditions 5(b), 5(g) and 5(i) in determining the interest payable on Inverse Floating Rate Notes.

- (i) The Rate of Interest in respect of Inverse Floating Rate Notes for each Interest Period shall be determined by applying one of the following formulae, as specified in the relevant Final Terms, or, in the case of Exempt Notes only, in the manner specified in the relevant Final Terms:
 - (A) If “INV(1)” is specified as applicable in the relevant Final Terms:

Margin - Inverse Rate
 - (B) if “INV(2)” is specified as applicable in the relevant Final Terms:

Margin - (Gearing Factor × Inverse Rate);
 - (C) if “INV(3)” is specified as applicable in the relevant Final Terms:

Previous Coupon - (Gearing Factor × Inverse Rate);

- (D) if “INV(4)” is specified as applicable in the relevant Final Terms:

Previous Coupon - (Gearing Factor × (Inverse Rate + Margin));

- (E) if “INV(5)” is specified as applicable in the relevant Final Terms:

Previous Coupon + Margin - (Gearing Factor × Inverse Rate);

- (F) if “INV(6)” is specified as applicable in the relevant Final Terms:

Max[Previous Coupon + Margin₁; Margin₂ - (Gearing Factor × Inverse Rate)];

- (G) if “INV(7)” is specified as applicable in the relevant Final Terms:

Min[Previous Coupon + Margin₁; Margin₂ - (Gearing Factor × Inverse Rate)]; and

- (H) if “INV(8)” is specified as applicable in the relevant Final Terms:

Min{Previous Coupon + Margin₁; Max[Previous Coupon + Margin₂; Margin₃ - (Gearing Factor × Inverse Rate)]},

where:

“Margin”, “Margin₁”, “Margin₂” and “Margin₃” have the meaning specified in the relevant Final Terms, and may, if so specified in the relevant Final Terms, be (x) an absolute value, (y) calculated based upon one or more Reference Rates and/or Floating Rate Options (as the case may be) or (z) a combination of (x) and (y); and

- (ii) Where “Screen Rate Determination” and/or “ISDA Determination” is/are specified to be applicable in the relevant Final Terms, the relevant provisions of General Condition 5(b)(iii) shall apply as though references to Floating Rate Notes were references to Inverse Floating Rate Notes.

(e) **Interest on CMS Linked Notes**

In particular, the following provisions should be considered in addition to the provisions of General Conditions 5(b), 5(g) and 5(i) in determining the interest payable on CMS Linked Notes.

- (i) The Rate of Interest in respect of CMS Linked Notes for each Interest Period shall be determined by applying one of the following formulae, as specified in the relevant Final Terms, or, in the case of Exempt Notes only, in the manner specified in the relevant Final Terms:

- (A) if “CMS(1)” is specified as applicable in the relevant Final Terms:

CMS Rate;

- (B) if “CMS(2)” is specified as applicable in the relevant Final Terms:

CMS Rate + Margin;

- (C) if “CMS(3)” is specified as applicable in the relevant Final Terms:

Gearing Factor × CMS Rate + Margin;

- (D) if “CMS(4)” is specified as applicable in the relevant Final Terms:

Gearing Factor × CMS Rate;

- (E) if "CMS(5)" is specified as applicable in the relevant Final Terms:

$$\text{Gearing Factor} \times (\text{CMS Rate} + \text{Margin});$$

- (F) if "CMS(6)" is specified as applicable in the relevant Final Terms:

$$\text{CMS Rate}_1 - \text{CMS Rate}_2;$$

- (G) if "CMS(7)" is specified as applicable in the relevant Final Terms:

$$\text{Gearing Factor} \times (\text{CMS Rate}_1 - \text{CMS Rate}_2 + \text{Margin});$$

- (H) if "CMS(8)" is specified as applicable in the relevant Final Terms:

$$\text{Gearing Factor} \times (\text{CMS Rate}_1 - \text{CMS Rate}_2) + \text{Margin};$$

- (I) if "CMS(9)" is specified as applicable in the relevant Final Terms:

$$\text{Max}[\text{Gearing Factor}_1 \times \text{CMS Rate} + \text{Margin}_1; \text{Gearing Factor}_2 \times \text{Applicable Rate} + \text{Margin}_2];$$

- (J) if "CMS(10)" is specified as applicable in the relevant Final Terms:

$$\text{Min}[\text{Gearing Factor}_1 \times \text{CMS Rate} + \text{Margin}_1; \text{Gearing Factor}_2 \times \text{Applicable Rate} + \text{Margin}_2];$$

- (K) if "CMS(11)" is specified as applicable in the relevant Final Terms:

$$\text{Max}[\text{Gearing Factor}_1 \times \text{CMS Rate}_1 + \text{Margin}_1; \text{Gearing Factor}_2 \times \text{CMS Rate}_2 + \text{Margin}_2];$$

- (L) if "CMS(12)" is specified as applicable in the relevant Final Terms:

$$\text{Min}[\text{Gearing Factor}_1 \times \text{CMS Rate}_1 + \text{Margin}_1; \text{Gearing Factor}_2 \times \text{CMS Rate}_2 + \text{Margin}_2];$$

- (M) if "CMS(13)" is specified as applicable in the relevant Final Terms:

$$\text{Max}[\text{Gearing Factor}_1 \times \text{CMS Rate}_1 + \text{Margin}_1; \text{Minimum Rate of Interest}_1] - \text{Max}[\text{Gearing Factor}_2 \times \text{CMS Rate}_2 + \text{Margin}_2; \text{Minimum Rate of Interest}_2];$$

- (N) if "CMS(14)" is specified as applicable in the relevant Final Terms:

$$\text{Min}[\text{Gearing Factor}_1 \times \text{CMS Rate}_1 + \text{Margin}_1; \text{Maximum Rate of Interest}_1] - \text{Min}[\text{Gearing Factor}_2 \times \text{CMS Rate}_2 + \text{Margin}_2; \text{Maximum Rate of Interest}_2];$$

- (O) if "CMS(15)" is specified as applicable in the relevant Final Terms:

$$\text{Max}[\text{Gearing Factor}_1 \times \text{CMS Rate}_1 + \text{Margin}_1; \text{Gearing Factor}_2 \times (\text{CMS Rate}_2 - \text{CMS Rate}_3 + \text{Margin}_2)];$$

- (P) if "CMS(16)" is specified as applicable in the relevant Final Terms:

$$\text{Min}[\text{Gearing Factor}_1 \times \text{CMS Rate}_1 + \text{Margin}_1; \text{Gearing Factor}_2 \times (\text{CMS Rate}_2 - \text{CMS Rate}_3 + \text{Margin}_2)];$$

- (Q) if "CMS(17)" is specified as applicable in the relevant Final Terms:

$$\text{Gearing Factor}_1 \times \text{Max}[\text{Gearing Factor}_2 \times \text{CMS Rate}_1 + \text{Gearing Factor}_3 \times \text{CMS Rate}_2 + \text{Margin}_1; \text{Gearing Factor}_4 \times \text{CMS Rate}_3 + \text{Gearing Factor}_5 \times \text{CMS Rate}_4 + \text{Margin}_2] + \text{Margin}_3;$$

- (R) if “CMS(18)” is specified as applicable in the relevant Final Terms:

$$\text{Gearing Factor}_1 \times \text{Min}[\text{Gearing Factor}_2 \times \text{CMS Rate}_1 + \text{Gearing Factor}_3 \times \text{CMS Rate}_2 + \text{Margin}_1; \text{Gearing Factor}_4 \times \text{CMS Rate}_3 + \text{Gearing Factor}_5 \times \text{CMS Rate}_4 + \text{Margin}_2] + \text{Margin}_3;$$

- (S) if “CMS(19)” is specified as applicable in the relevant Final Terms:

$$\text{Gearing Factor}_1 \times ((1 + \text{Gearing Factor}_2 \times (\text{CMS Rate} + \text{Margin}))^{\text{Power}} - 1);$$

- (T) if “CMSRA(1)” is specified as applicable in the relevant Final Terms:

$$\text{Applicable Rate} \times (n/N);$$

- (U) if “CMSRA (2)” is specified as applicable in the relevant Final Terms:

$$(\text{Applicable Rate} + \text{Margin}) \times (n/N);$$

- (V) if “CMSRA (3)” is specified as applicable in the relevant Final Terms:

$$(\text{Gearing Factor} \times \text{Applicable Rate} + \text{Margin}) \times (n/N);$$

- (W) if “CMSRA (4)” is specified as applicable in the relevant Final Terms:

$$\text{Min}[\text{Gearing Factor} \times \text{Applicable Rate} + \text{Margin}; \text{Maximum Rate of Interest}_1] \times (n/N); \text{ and}$$

- (X) if “CMSRA (5)” is specified as applicable in the relevant Final Terms:

$$\text{Max}[\text{Gearing Factor} \times \text{Applicable Rate} + \text{Margin}; \text{Minimum Rate of Interest}_1] \times (n/N),$$

where:

“**Margin**”, “**Margin₁**”, “**Margin₂**” and “**Margin₃**” have the meanings specified in the relevant Final Terms, and may, if so specified in the relevant Final Terms, be (x) an absolute value, (y) calculated based upon one or more Reference Rates and/or Floating Rate Options (as the case may be) or (z) a combination of (x) and (y);

“**N**” means the total number of Fixing Days in the relevant Interest Period; and

“**n**” means the number of Fixing Days where the Accrual Rate (as specified in the relevant Final Terms) falls inside or outside the Accrual Range (as specified in the relevant Final Terms), provided that:

- (A) for any Fixing Day which is not a Business Day and which falls during the relevant Interest Period, the Accrual Rate for such day will be deemed to be the Accrual Rate as at the immediately preceding Business Day; and
 - (B) for each Fixing Day following the Rate Cut-off Date, the Accrual Rate will be deemed to be the Accrual Rate as at the Rate Cut-off Date.
- (ii) If so specified in the relevant Final Terms, the Rate of Interest which is applicable in respect of one or more Interest Periods may be conditional upon a specified CMS Rate being equal to or greater than a pre-determined rate (the “**Minimum CMS Rate of Interest**”) on the relevant Interest Determination Date. Any such rate shall be specified in the relevant Final Terms.
- (iii) Where “Screen Rate Determination” and/or “ISDA Determination” is/are specified to be applicable in the relevant Final Terms, the relevant provisions of General Condition 5(b)(iii)

shall apply as though references to Floating Rate Notes were references to CMS Linked Notes.

- (iv) If so specified in the relevant Final Terms, the Rate of Interest on CMS Linked Notes in respect of different Interest Periods may be calculated by reference to more than one of the formulae set out in sub-paragraph (i) above.
- (v) If the relevant Final Terms for any CMS Linked Notes specify "Global Floor Feature" as applicable, such CMS Linked Notes shall be subject to the Global Floor Feature Conditions.

(f) **Interest on Range Accrual Notes**

In particular, the following provisions should be considered in addition to the provisions of General Conditions 5(b), 5(g) and 5(i) in determining the interest payable on Range Accrual Notes.

- (i) The Rate of Interest in respect of Range Accrual Notes for each Interest Period shall be determined by applying one of the following formulae, as specified in the relevant Final Terms, or in the case of Exempt Notes only, in the manner specified in the relevant Final Terms:

- (A) if "RAN(1)" is specified as applicable in the relevant Final Terms:

$$\text{Applicable Rate} \times (n/N);$$

- (B) if "RAN(2)" is specified as applicable in the relevant Final Terms:

$$(\text{Applicable Rate} + \text{Margin}) \times (n/N);$$

- (C) if "RAN(3)" is specified as applicable in the relevant Final Terms:

$$(\text{Gearing Factor} \times \text{Applicable Rate} + \text{Margin}) \times (n/N);$$

- (D) if "RAN(4)" is specified as applicable in the relevant Final Terms:

$$\text{Min}[\text{Gearing Factor} \times \text{Applicable Rate} + \text{Margin}; \text{Maximum Rate of Interest}_1] \times (n/N); \text{ and}$$

- (E) if "RAN(5)" is specified as applicable in the relevant Final Terms:

$$\text{Max}[\text{Gearing Factor} \times \text{Applicable Rate} + \text{Margin}; \text{Minimum Rate of Interest}_1] \times (n/N),$$

where:

"Margin", "Minimum Rate of Interest₁" and "Maximum Rate of Interest₁" have the meaning specified in the relevant Final Terms, and may, if so specified in the relevant Final Terms, be (x) an absolute value, (y) calculated based upon one or more Reference Rates and/or Floating Rate Options (as the case may be) or (z) a combination of (x) and (y);

"N" means the total number of Fixing Days in the relevant Interest Period; and

"n" means the number of Fixing Days where:

- (A) the Accrual Rate falls inside or outside the Accrual Range; or
- (B) where Range Accrual Condition₁ and Range Accrual Condition₂, as specified in the relevant Final Terms, are satisfied; or
- (C) where Range Accrual Condition₁, Range Accrual Condition₂ and Range Accrual Condition₃, as specified in the relevant Final Terms, are satisfied,

provided that:

- (1) for any Fixing Day which is not a Business Day and which falls during the relevant Interest Period, the Accrual Rate for such day will be deemed to be the Accrual Rate as at the immediately preceding Business Day; and
- (2) for each Fixing Day following the Rate Cut-off Date, the Accrual Rate will be deemed to be the Accrual Rate as at the Rate Cut-off Date; and

“Range Accrual Condition₁”, “Range Accrual Condition₂” and “Range Accrual Condition₃” means where:

(A)

- (1) $\text{Reference Rate}_1 > \text{Accrual Rate}_1$; or
 - (2) $\text{Reference Rate}_1 \geq \text{Accrual Rate}_1$;
- and/or
- (3) $\text{Reference Rate}_1 < \text{Accrual Rate}_2$; or
 - (4) $\text{Reference Rate}_1 \leq \text{Accrual Rate}_2$;

or

(B)

- (1) $(\text{Gearing Factor}_1 \times \text{Floating Rate}_1) - (\text{Gearing Factor}_2 \times \text{Floating Rate}_2) > \text{Accrual Rate}_1$; or
 - (2) $(\text{Gearing Factor}_1 \times \text{Floating Rate}_1) - (\text{Gearing Factor}_2 \times \text{Floating Rate}_2) \geq \text{Accrual Rate}_1$;
- and/or
- (3) $(\text{Gearing Factor}_1 \times \text{Floating Rate}_1) - (\text{Gearing Factor}_2 \times \text{Floating Rate}_2) < \text{Accrual Rate}_2$; or
 - (4) $(\text{Gearing Factor}_1 \times \text{Floating Rate}_1) - (\text{Gearing Factor}_2 \times \text{Floating Rate}_2) \leq \text{Accrual Rate}_2$,

in each case, as specified in the relevant Final Terms.

- (ii) Where “Screen Rate Determination” and/or “ISDA Determination” is/are specified to be applicable in the relevant Final Terms, the relevant provisions of General Condition 5(b)(iii) shall apply as though references to Floating Rate Notes were references to Range Accrual Notes.
- (iii) If the relevant Final Terms for any Range Accrual Notes specify “Global Floor Feature” as applicable, such Range Accrual Notes shall be subject to the Global Floor Feature Conditions.

(g) **Minimum Rates of Interest and/or Maximum Rates of Interest**

If the relevant Final Terms specify a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of General Condition 5(a), 5(b)(iii), 5(c), 5(d), 5(e) or 5(f) is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the relevant Final Terms specify a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of General Condition 5(a), 5(b)(iii), 5(c), 5(d), 5(e) or 5(f) is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(h) **Interest on Ratchet Notes**

In particular, the following provisions should be considered in addition to the provisions of General Conditions 5(b) and 5(i) in determining the interest payable on Ratchet Notes.

The Rate of Interest in respect of Ratchet Notes for each Interest Period shall be determined as follows or, in the case of Exempt Notes only, in the manner specified in the relevant Final Terms:

$$\text{Max}[\text{Min}\{\text{Gearing Factor}_1 \times (\text{Floating Interest Rate} + \text{Margin}), \text{Gearing Factor}_2 \times (\text{PrevCpn} + \text{Margin}_1)\}, \text{Gearing Factor}_2 \times (\text{PrevCpn} + \text{Margin}_2)]$$

(i) **Calculation of Interest Amounts for Notes other than Fixed Rate Notes or Contingent Coupon Notes**

In respect of Floating Rate Notes, Variable Rate Notes, Inverse Floating Rate Notes, CMS Linked Notes, Range Accrual Notes and Ratchet Notes, the Fiscal Agent will calculate the amount of interest payable per Calculation Amount for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest Sub-Unit of the relevant Specified Currency, half of any such Sub-Unit being rounded upwards or otherwise in accordance with applicable market convention, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Period shall equal the Interest Amount (or be calculated in accordance with such formula).

(j) **Interest on Contingent Coupon Notes**

Each Contingent Coupon Note bears interest on its outstanding nominal amount from (and including) the Interest Commencement Date. The Interest Amount payable in respect of an Interest Period will be an amount in the Specified Currency determined by the Calculation Agent on the relevant Coupon Observation Date or, where a Coupon Observation Period is specified to apply, the relevant Coupon Observation Period End Date, as the case may be, in accordance with the provisions set out below. The Interest Amount shall be payable in arrear on the Specified Interest Payment Date in respect of the relevant Coupon Observation Date or Coupon Observation Period End Date, as the case may be, as specified in the relevant Final Terms.

(i) **Conditional Coupon with No Memory – Single Underlying**

If “Conditional Coupon with No Memory – Single Underlying” is specified as applicable in the relevant Final Terms, then:

- (A) if, on the relevant Coupon Observation Date, the Reference Value of the Underlying is, in the determination of the Calculation Agent, equal to or greater than the Coupon Trigger, the Interest Amount shall be calculated as follows:

$$\text{Calculation Amount} \times \text{Rate}; \text{ and}$$

- (B) if, on the relevant Coupon Observation Date, the Reference Value of the Underlying is, in the determination of the Calculation Agent, less than the Coupon Trigger, the Interest Amount shall be zero.

(ii) **Conditional Coupon with No Memory and Lock-In Event**

If “Conditional Coupon with No Memory and Lock-In Event” is specified as applicable in the relevant Final Terms, then:

- (A) if, on the relevant Coupon Observation Date, or on any prior Coupon Observation Date, the Reference Value of the Underlying is (or was), in the determination of the Calculation Agent, equal to or greater than the percentage (the “**Lock-in Percentage**”) of the Initial Value as specified in the relevant Final Terms (a “**Lock-in Event**”); or
- (B) if, on the relevant Coupon Observation Date, the Reference Value of the Underlying is, in the determination of the Calculation Agent, equal to or greater than the Coupon Trigger (a “**Trigger Event**”),

the Interest Amount payable shall be calculated as follows:

Calculation Amount × Rate; and

- (C) if, on the relevant Coupon Observation Date, neither a Lock-in Event nor a Trigger Event has occurred, the relevant Interest Amount shall be zero.

In the event that the first Interest Period is either a long or a short Interest Period, the relevant Final Terms shall specify a Day Count Fraction to be applied to the formula set out in (B) above.

(iii) **Conditional Coupon with No Memory – Worst Performer**

If “Conditional Coupon with No Memory – Worst Performer” is specified as applicable in the relevant Final Terms, then:

- (A) if, on the relevant Coupon Observation Date, the Reference Value of each Underlying is, in the determination of the Calculation Agent, equal to or greater than its Coupon Trigger, the Interest Amount shall be calculated as follows:

Calculation Amount × Rate; and

- (B) if, on the relevant Coupon Observation Date, the Reference Value of any Underlying is, in the determination of the Calculation Agent, less than its Coupon Trigger, the Interest Amount shall be zero.

(iv) **Conditional Coupon with Memory – Single Underlying**

If “Conditional Coupon with Memory – Single Underlying” is specified as applicable in the relevant Final Terms, then:

- (A) if, on the relevant Coupon Observation Date, the Reference Value of the Underlying is, in the determination of the Calculation Agent, equal to or greater than the Coupon Trigger, the Interest Amount shall be calculated as follows:

(Calculation Amount × Rate × N) - NCP; and

- (B) if, on the relevant Coupon Observation Date, the Reference Value of the Underlying is, in the determination of the Calculation Agent, less than the Coupon Trigger, the Interest Amount shall be zero,

where:

“**N**” means, in respect of a Coupon Observation Date, the number of Coupon Observation Dates that have occurred in the period from the Issue Date to (and including) such Coupon Observation Date; and

“**NCP**” means, in respect of a Coupon Observation Date, the sum of all Interest Amounts paid prior to such Coupon Observation Date.

(v) **Conditional Coupon with Memory – Worst Performer**

If “Conditional Coupon with Memory – Worst Performer” is specified as applicable in the relevant Final Terms, then:

- (A) if, on the relevant Coupon Observation Date, the Reference Value of each Underlying in the Basket is, in the determination of the Calculation Agent, equal to or greater than its Coupon Trigger, the Interest Amount shall be calculated as follows:

(Calculation Amount × Rate × N) - NCP; and

- (B) if, on the relevant Coupon Observation Date, the Reference Value of any Underlying is, in the determination of the Calculation Agent, less than its Coupon Trigger, the Interest Amount shall be zero,

where:

“**N**” means, in respect of a Coupon Observation Date, the number of Coupon Observation Dates that have occurred in the period from the Issue Date to (and including) such Coupon Observation Date; and

“**NCP**” means, in respect of a Coupon Observation Date, the sum of all Interest Amounts paid prior to such Coupon Observation Date.

(vi) **Range Accrual – Single Underlying**

If “Range Accrual – Single Underlying” is specified as applicable in the relevant Final Terms, the Interest Amount shall be calculated as follows:

Calculation Amount × Rate × (n/N),

where:

“**n**” means, in respect of a Coupon Observation Period, the number of Reference Business Days during such Coupon Observation Period on which the Reference Value is, in the determination of the Calculation Agent, equal to or greater than the Coupon Trigger; and

“**N**” means, in respect of a Coupon Observation Period, the total number of Reference Business Days during such Coupon Observation Period.

(vii) **Range Accrual – Worst Performer**

If “Range Accrual – Worst Performer” is specified as applicable in the relevant Final Terms, the Interest Amount shall be calculated as follows:

Calculation Amount × Rate × (n/N),

where:

“**n**” means, in respect of a Coupon Observation Period, the number of Reference Business Days during such Coupon Observation Period on which the Reference Value of the Worst Performer is, in the determination of the Calculation Agent, equal to or greater than its Coupon Trigger; and

“**N**” means, in respect of a Coupon Observation Period, the total number of Reference Business Days during such Coupon Observation Period.

(viii) **Bonus Recovery – Single Underlying**

If “Bonus Recovery – Single Underlying” is specified as applicable in the relevant Final Terms, then:

- (A) if, on the relevant Coupon Observation Date, the Reference Value of the Underlying is, in the determination of the Calculation Agent, equal to or greater than the Coupon Trigger, the Interest Amount shall be calculated as follows:

Calculation Amount × Max (Rate; Bonus Coupon Rate); and

- (B) if, on the relevant Coupon Observation Date, the Reference Value of the Underlying is, in the determination of the Calculation Agent, less than the Coupon Trigger, the Interest Amount shall be zero,

where:

“**Bonus Coupon Rate**” means an amount, expressed as a percentage, calculated in accordance with the following formula:

$$[(\text{Coupon Observation Value} / \text{Initial Value}) - 1] \times 100 \text{ per cent.}$$

(ix) **Bonus Recovery – Worst Performer**

If “Bonus Recovery – Worst Performer” is specified as applicable in the relevant Final Terms, then:

- (A) if, on the relevant Coupon Observation Date, the Reference Value of each Underlying is, in the determination of the Calculation Agent, equal to or greater than its Coupon Trigger, the Interest Amount shall be calculated as follows:

Calculation Amount × Max[Rate; Bonus Coupon Rate]; and

- (B) if, on the relevant Coupon Observation Date, the Reference Value of any Underlying is, in the determination of the Calculation Agent, less than its Coupon Trigger, the Interest Amount shall be zero,

where:

“**Bonus Coupon Rate**” means an amount, expressed as a percentage, calculated in accordance with the following formula:

$$[(\text{Coupon Observation Value of the Worst Performer} / \text{Initial Value of the Worst Performer}) - 1] \times 100 \text{ per cent.}$$

(x) **Year-on-year Inflation Linked Interest**

If “Year-on-year Inflation Linked Interest” is specified as applicable in the relevant Final Terms, then:

- (A) if “Applicable Formula” is specified as “Not Applicable” in the relevant Final Terms, the Interest Amount shall be calculated as follows:

Calculation Amount × Gearing Factor × ((Index_i - Index_{i-1})/Index_{i-1}) + Margin;

- (B) if “Applicable Formula” is specified as “Cap” in the relevant Final Terms, the Interest Amount shall be calculated as follows:

Calculation Amount × Min[Gearing Factor × ((Index_i - Index_{i-1})/Index_{i-1}); Coupon Cap] + Margin;

- (C) if “Applicable Formula” is specified as “Floor” in the relevant Final Terms, the Interest Amount shall be calculated as follows:

$$\text{Calculation Amount} \times \text{Max}[\text{Gearing Factor} \times ((\text{Index}_i - \text{Index}_{i-1})/\text{Index}_{i-1}); \text{Coupon Floor}] + \text{Margin}; \text{ and}$$

- (D) if “Applicable Formula” is specified as “Cap and Floor” in the relevant Final Terms, the Interest Amount shall be calculated as follows:

$$\text{Calculation Amount} \times \text{Min}[\text{Max}[\text{Gearing Factor} \times ((\text{Index}_i - \text{Index}_{i-1})/\text{Index}_{i-1}); \text{Coupon Floor}]; \text{Coupon Cap}] + \text{Margin},$$

where:

“**Index_i**” means the Reference Value for the Reference Month prior to the relevant Specified Interest Payment Date; and

“**Index_{i-1}**” means the Reference Value for the immediately preceding Reference Month.

(xi) **Other Periodic Inflation Linked Interest**

If “Other Periodic Inflation Linked Interest” is specified as applicable in the relevant Final Terms, then:

- (A) if “Applicable Formula” is specified as “Not Applicable” in the relevant Final Terms, the Interest Amount shall be an amount in the Specified Currency calculated as follows:

$$\text{Calculation Amount} \times \text{Rate} \times (\text{Index}_i / \text{Index}_0);$$

- (B) if “Applicable Formula” is specified as “Cap” in the relevant Final Terms, the Interest Amount shall be an amount in the Specified Currency calculated as follows:

$$\text{Calculation Amount} \times \text{Min}[\text{Rate} \times (\text{Index}_i / \text{Index}_0); \text{Coupon Cap}];$$

- (C) if “Applicable Formula” is specified as “Floor” in the relevant Final Terms, the Interest Amount shall be an amount in the Specified Currency calculated as follows:

$$\text{Calculation Amount} \times \text{Max}[\text{Rate} \times (\text{Index}_i / \text{Index}_0); \text{Coupon Floor}];$$

- (D) if “Applicable Formula” is specified as “Cap and Floor” in the relevant Final Terms, the Interest Amount shall be an amount in the Specified Currency calculated as follows:

$$\text{Calculation Amount} \times \text{Min}[\text{Max}[\text{Rate} \times (\text{Index}_i / \text{Index}_0); \text{Coupon Floor}]; \text{Coupon Cap}],$$

where:

“**Index₀**” means the Reference Value for the Reference Month specified in the relevant Final Terms; and

“**Index_i**” means the Reference Value for the Reference Month prior to the relevant Specified Interest Payment Date.

(xii) **Digital Interest**

If “Digital Interest” is specified as applicable in the relevant Final Terms:

- (A) if “Applicable Formula” is specified as “Equal to or less than” in the relevant Final Terms, then:

- (I) if, on such Coupon Observation Date, the Reference Value of the Underlying is, in the determination of the Calculation Agent, equal to or less than the Coupon Trigger, the Interest Amount shall be an amount in the Specified Currency calculated as follows:

$$\text{Calculation Amount} \times \text{Rate}_1; \text{ and}$$

- (II) if, on such Coupon Observation Date, the Reference Value of the Underlying is, in the determination of the Calculation Agent, greater than the Coupon Trigger, the Interest Amount shall be an amount in the Specified Currency calculated as follows:

$$\text{Calculation Amount} \times \text{Rate}_2$$

- (B) if “Applicable Formula” is specified as “Equal to or greater than” in the relevant Final Terms, then:

- (I) if, on such Coupon Observation Date, the Reference Value of the Underlying is, in the determination of the Calculation Agent, equal to or greater than the Coupon Trigger, the Interest Amount shall be an amount in the Specified Currency calculated as follows:

$$\text{Calculation Amount} \times \text{Rate}_1; \text{ and}$$

- (II) if, on such Coupon Observation Date, the Reference Value of the Underlying is, in the determination of the Calculation Agent, less than the Coupon Trigger, the Interest Amount shall be an amount in the Specified Currency calculated as follows:

$$\text{Calculation Amount} \times \text{Rate}_2$$

- (C) if “Applicable Formula” is specified as “Within a Range” in the relevant Final Terms, then:

- (I) if, on such Coupon Observation Date, the Reference Value of the Underlying is, in the determination of the Calculation Agent, equal to or greater than Coupon Trigger₁ and equal to or less than Coupon Trigger₂, the Interest Amount shall be an amount in the Specified Currency calculated as follows:

$$\text{Calculation Amount} \times \text{Rate}_1; \text{ and}$$

- (II) if, on such Coupon Observation Date, the Reference Value of the Underlying is, in the determination of the Calculation Agent, less than Coupon Trigger₁ or greater than Coupon Trigger₂, the Interest Amount shall be an amount in the Specified Currency calculated as follows:

$$\text{Calculation Amount} \times \text{Rate}_2.$$

(xiii) ***FX Linked Interest***

If “FX Linked Interest” is specified as applicable in the relevant Final Terms, then:

- (A) if “Applicable Formula” is specified as “FX₁ – No Cap/Floor” in the relevant Final Terms, the Interest Amount shall be calculated as follows:

$$\text{Calculation Amount} \times [\text{Rate}_1 \times (\text{FX}_n/\text{FX}_0) - \text{Rate}_2];$$

- (B) if “Applicable Formula” is specified as “FX₁ – Cap” in the relevant Final Terms, the Interest Amount shall be calculated as follows:

Calculation Amount × Min[Rate₁ × (FX_n/FX_o) - Rate₂; Coupon Cap];

- (C) if “Applicable Formula” is specified as “FX₁ – Floor” in the relevant Final Terms, the Interest Amount shall be calculated as follows:

Calculation Amount × Max[Rate₁ × (FX_n/FX_o) - Rate₂; Coupon Floor];

- (D) if “Applicable Formula” is specified as “FX₁ – Cap and Floor” in the relevant Final Terms, the Interest Amount shall be calculated as follows:

Calculation Amount × Min[Max[Rate₁ × (FX_n/FX_o) - Rate₂; Coupon Floor]; Coupon Cap];

- (E) if “Applicable Formula” is specified as “FX₂– No Cap/Floor” in the relevant Final Terms, the Interest Amount shall be calculated as follows:

Calculation Amount × [Rate₁ × (FX_n/FX_o)];

- (F) if “Applicable Formula” is specified as “FX₂– Cap” in the relevant Final Terms, the Interest Amount shall be calculated as follows:

Calculation Amount × Min[Rate₁ × (FX_n/FX_o); Coupon Cap];

- (G) if “Applicable Formula” is specified as “FX₂– Floor” in the relevant Final Terms, the Interest Amount shall be calculated as follows:

Calculation Amount × Max[Rate₁ × (FX_n/FX_o); Coupon Floor];

- (H) if “Applicable Formula” is specified as “FX₂– Cap and Floor” in the relevant Final Terms, the Interest Amount shall be calculated as follows:

Calculation Amount × Min[Max[Rate₁ × (FX_n/FX_o); Coupon Floor]; Coupon Cap],

where:

“**Base Currency**” has the meaning given in the FX Conditions;

“**FX_n**” means (i) if “Bid Rate” is specified in the relevant Final Terms, the bid rate of the relevant FX Rate published on the Relevant Screen Page on the FX Determination Date or (ii) if “Mid Rate” is specified in the relevant Final Terms, the arithmetic mean of the bid and offered rate of the relevant FX Rate published on the Relevant FX Screen Page on the FX Determination Date, each at such time as may be specified in the relevant Final Terms;

“**FX_o**” has the meaning specified in the relevant Final Terms;

“**FX Determination Date**” means the day which is 10 Business Days prior to each Interest Payment Date (or such other date as may be specified in the relevant Final Terms);

“**FX Rate**” has the meaning given in the FX Conditions;

“**Rate₁**” and “**Rate₂**” refer to the Rates of Interest specified in the relevant Final Terms and may, if so specified in the relevant Final Terms, be (x) an absolute value, (y) calculated based upon one or more Reference Rates or Floating Rate Options (as may be specified in the relevant Final Terms) or (z) a combination of (x) and (y); and

“**Reference Currency**” has the meaning given in the FX Conditions.

(xiv) **FX Range Interest**

If “FX Range Interest” is specified to be applicable in the relevant Final Terms, the Interest Amount shall be calculated as follows:

- (A) if the Spot Rate is less than the Maximum Currency Rate or greater than the Minimum Currency Rate at any time during the Observation Period:

Calculation Amount x Rate₁; and

- (B) if the Spot Rate is equal to or greater than the Maximum Currency Rate or equal to or less than the Minimum Currency Rate at any time during the Observation Period:

Calculation Amount x Rate₂,

where:

“**Maximum Currency Rate**” has the meaning specified in the relevant Final Terms;

“**Minimum Currency Rate**” has the meaning specified in the relevant Final Terms;

“**Observation Period**” means each Interest Period, or such other period as may be specified in the relevant Final Terms; and

“**Spot Rate**” has the meaning given in the FX Conditions.

(k) **Zero Coupon Notes**

Zero Coupon Notes do not bear interest.

As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in General Condition 7(f)(i)).

(l) **Dual Currency Interest**

If “Dual Currency Interest” is specified to apply in the relevant Final Terms (such Notes, “**Dual Currency Interest Notes**”), interest may be payable in more than one currency and shall be determined in the manner set out in the relevant Final Terms. Dual Currency Interest Notes may only be issued as Exempt Notes.

(m) **Interest on Partly Paid Notes**

Partly Paid Notes may only be issued as Exempt Notes. In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the relevant Final Terms.

(n) **Benchmark discontinuation**

(i) **Independent Adviser**

If a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, the Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, to advise the Issuer in determining a Successor Rate, failing which an Alternative Rate (in accordance with Condition 5(n)(ii)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 5(n)(iv)).

In making such determination, an Independent Adviser appointed pursuant to this Condition 5(n) shall act in good faith and in a commercially reasonable manner and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Fiscal Agent, the Paying Agents, the Noteholders or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition 5(n).

(ii) *Successor Rate or Alternative Rate*

If the Issuer, following consultation with the Independent Adviser (only if such Independent Adviser has been appointed by the Issuer) and acting in a commercially reasonable manner, determines that:

- (A) there is a Successor Rate, then such Successor Rate shall and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the further operation of this Condition 5(n)); or
- (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the further operation of this Condition 5(n)).

(iii) *Adjustment Spread*

The Adjustment or the formula or methodology for determining, the Adjustment Spread, shall be applied to the Successor Rate or the Alternative Rate (as the case may be).

(iv) *Benchmark Amendments*

If any Successor Rate or Alternative Rate and in either case the applicable Adjustment Spread is determined in accordance with this Condition 5(n) and the Issuer, following consultation with the Independent Adviser determines (i) that amendments to these Conditions and/or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5(n)(v), without any requirement for the consent or approval of Noteholders, vary these Conditions and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 5(n)(iv), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(v) *Notices, etc.*

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this General Condition 5(n) will be notified promptly by the Issuer to the Fiscal Agent and the Calculation Agent and, in accordance with General Condition 14, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Fiscal Agent of the same, the Issuer shall deliver to the Fiscal Agent a certificate signed by two Authorised Signatories of the Issuer:

- (A) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate (iii) the applicable Adjustment Spread and (iv) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this General Condition 5(n); and
- (B) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Fiscal Agent shall display such certificate at its offices for inspection by the Noteholders at all reasonable times during normal business hours.

The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any)) be binding on the Issuer, the Fiscal Agent, the Calculation Agent, the Paying Agents and the Noteholders.

(vi) *Survival of Original Reference Rate*

Without prejudice to the obligations of the Issuer under General Condition 5(n) (i), (ii), (iii) and (iv), the Original Reference Rate and the fallback provisions provided for in General Conditions 5(b)(iii)(B)(II) and 5(b)(iii)(B)(III) will continue to apply unless and until the Calculation Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread (if applicable) and Benchmark Amendments, in accordance with General Condition 5(n)(v).

(vii) *Definitions:*

As used in this General Condition 5(n):

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

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

“Alternative Rate” means an alternative to the Reference Rate which the Issuer determines in accordance with General Condition 5(n)(ii) has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same Specified Currency as the Notes.

“Benchmark Amendments” has the meaning given to it in General Condition 5(n)(iv).

“Benchmark Event” means:

- (A) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist; or
- (B) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (C) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (D) a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences; or
- (E) it has become unlawful for any Paying Agent, the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the Original Reference Rate; or
- (F) a public statement by the supervisor of the administrator of the Original Reference Rate that, in the view of such supervisor, such Reference Rate is no longer representative of an underlying market or the methodology to calculate such Reference Rate has materially changed,

provided that in the case of sub-paragraphs (B), (C) and (D) above, the Benchmark Event shall occur on the date of the cessation of publication of the Original Reference Rate, the discontinuation of the Original Reference Rate, or the prohibition of use of the Original Reference Rate, as the case may be, and not the date of the relevant public statement.

“Independent Adviser” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under General Condition 5(n)(i).

“Original Reference Rate” means either (i) the originally-specified Reference Rate used to determine the Rate of Interest (or any component part thereof) on the Notes, (ii) the 6-month LIBOR rate, (iii) the 6-month EURIBOR rate, (iv) the 3-month LIBOR rate, (v) the 12-month CNH HIBOR rate, (vi) the Floating Leg or (vii) any Successor Rate or Alternative Rate which replaces the Original Reference Rate pursuant to the operation of this General Condition 5(n), as applicable.

“Relevant Nominating Body” means, in respect of a Reference Rate:

- (A) the central bank for the currency to which the Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate; or

- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the Reference Rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate, (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

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

(o) **Calculation and Determination of Interest**

(i) *Determination of the Rate of Interest*

The Fiscal Agent, in the case of Floating Rate Notes, Inverse Floating Rate Notes, Variable Rate Notes, Range Accrual Notes, CMS Linked Notes, Ratchet Notes and Dual Currency Notes or the Calculation Agent, in the case of Contingent Coupon Notes, will, at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period in accordance with the relevant provisions of this General Condition 5. In the case of Contingent Coupon Notes, the Calculation Agent will notify the Fiscal Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

(ii) *Specified Denomination not equal to Calculation Amount*

Where the Specified Denomination is a multiple of the Calculation Amount, the amount of interest payable shall be the product of the Interest Amount (determined in the manner provided above) in respect of the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding. In the case of Contingent Coupon Notes, the Calculation Agent will notify the Fiscal Agent of the amount of interest payable on the Notes in respect of each Specified Denomination for the relevant Interest Period as soon as practicable after calculating the same.

(iii) *Notification of Rate of Interest and Interest Amounts for Notes other than Fixed Rate Notes*

The Fiscal Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Paying Agents and any stock exchange on which the Notes other than Fixed Rate Notes are for the time being listed and notice thereof to be published in accordance with General Condition 17 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Notes are for the time being listed and to the Noteholders in accordance with General Condition 17. For the purposes of this General Condition 5(o)(iii), the expression **“London Business Day”** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in London.

(iv) *Certificates to be Final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this General Condition 5, whether by the Fiscal Agent or, if applicable, the Calculation Agent,

shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Fiscal Agent, the Calculation Agent (if applicable), the other Paying Agents and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders, the Receiptholders or the Couponholders shall attach to the Fiscal Agent or the Calculation Agent (if applicable) in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(p) **Accrual of Interest**

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (i) the date on which all amounts due in respect of such Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Fiscal Agent and notice to that effect has been given to the Noteholders in accordance with General Condition 17.

6 Redemption at the Maturity Date

(a) **Redemption of Instalment Notes**

- (i) Unless previously redeemed, purchased and cancelled as provided in General Condition 7, each Instalment Note shall be partially redeemed on each Instalment Date at the related Instalment Amount. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.
- (ii) Unless previously redeemed, purchased and cancelled as provided below, each Note shall be fully redeemed on the Maturity Date at its final Instalment Amount.

(b) **Final Redemption Amounts (excluding Instalment Notes)**

Unless previously redeemed or purchased and cancelled as provided in General Condition 7, each Note (other than an Instalment Note) will be redeemed by the Issuer on the Maturity Date calculated in accordance with the following provisions:

(i) **Redemption at Par**

If “Redemption at Par” is specified as applicable in the relevant Final Terms, the Final Redemption Amount will be an amount in the Specified Currency (subject as provided below) calculated as follows:

$$\text{Calculation Amount} \times 100 \text{ per cent.}$$

If, in respect of any Fixed Rate Notes, “Non-Deliverable Currency Redemption Feature” is specified as applicable in the relevant Final Terms, the Final Redemption Amount shall be payable in the Converted Redemption Currency in accordance with, and subject to, the Non-Deliverable Currency Feature Conditions.

(ii) **Redemption at Discount/Premium**

If “Redemption at Discount/Premium” is specified as applicable in the relevant Final Terms, the Final Redemption Amount will be an amount in the Specified Currency calculated at follows:

$$\text{Calculation Amount} \times \text{Factor}$$

(iii) **Dual Currency Redemption – Single Underlying**

If “Dual Currency Redemption – Single Underlying” is specified as applicable in the relevant Final Terms, the Cash Settlement Amount shall be determined as follows:

- (A) if “Applicable Formula” is specified as “Equal to or less than” in the relevant Final Terms:
 - (I) where the FX Underlying Rate is equal to or less than the Trigger, the Cash Settlement Amount will be an amount equal to the Calculation Amount in the Second Currency converted at the Specified Exchange Rate; and
 - (II) where the FX Underlying Rate is greater than the Trigger, the Cash Settlement Amount will be an amount equal to the Calculation Amount in the Specified Currency;
- (B) if “Applicable Formula” is specified as “Equal to or greater than” in the relevant Final Terms:
 - (I) where the FX Underlying Rate is equal to or greater than the Trigger, the Cash Settlement Amount will be an amount equal to the Calculation Amount in the Second Currency converted at the Specified Exchange Rate; and
 - (II) where the FX Underlying Rate is less than the Trigger, the Cash Settlement Amount will be an amount equal to the Calculation Amount in the Specified Currency;
- (C) if “Applicable Formula” is specified as “Less than” in the relevant Final Terms:
 - (I) where the FX Underlying Rate is less than the Trigger, the Cash Settlement Amount will be an amount equal to the Calculation Amount in the Second Currency converted at the Specified Exchange Rate; and
 - (II) where the FX Underlying Rate is equal to or greater than the Trigger, the Cash Settlement Amount will be an amount equal to the Calculation Amount in the Specified Currency;
- (D) if “Applicable Formula” is specified as “Greater than” in the relevant Final Terms:
 - (I) where the FX Underlying Rate is greater than the Trigger, the Cash Settlement Amount will be an amount equal to the Calculation Amount in the Second Currency converted at the Specified Exchange Rate; and
 - (II) where the FX Underlying Rate is equal to or less than the Trigger, the Cash Settlement Amount will be an amount equal to the Calculation Amount in the Specified Currency, and
- (E) if “Applicable Formula” is specified as “Par” in the relevant Final Terms, the Cash Settlement Amount will be an amount equal to the Calculation Amount in the Second Currency converted at the Specified Exchange Rate,

where:

“FX Underlying Rate” means the Reference Value of the Underlying on the Final Redemption Observation Date.

(iv) **Dual Currency Redemption - Performance**

If “Dual Currency Redemption – Performance” is specified as applicable in the relevant Final Terms, the Cash Settlement Amount shall be determined as follows:

- (A) if “Applicable Formula” is specified as “Equal to or less than” in the relevant Final Terms:
 - (I) where the FX Underlying Performance is equal to or less than the Trigger, the Cash Settlement Amount will be an amount equal to the Calculation Amount in the Second Currency converted at the Specified Exchange Rate; and
 - (II) where the FX Underlying Performance is greater than the Trigger, the Cash Settlement Amount will be an amount equal to the Calculation Amount in the Specified Currency;
- (B) if “Applicable Formula” is specified as “Equal to or greater than” in the relevant Final Terms:
 - (I) where the FX Underlying Performance is equal to or greater than the Trigger, the Cash Settlement Amount will be an amount equal to the Calculation Amount in the Second Currency converted at the Specified Exchange Rate; and
 - (II) where the FX Underlying Performance is less than the Trigger, the Cash Settlement Amount will be an amount equal to the Calculation Amount in the Specified Currency;
- (C) if “Applicable Formula” is specified as “Less than” in the relevant Final Terms:
 - (I) where the FX Underlying Performance is less than the Trigger, the Cash Settlement Amount will be an amount equal to the Calculation Amount in the Second Currency converted at the Specified Exchange Rate; and
 - (II) where the FX Underlying Performance is equal to or greater than the Trigger, the Cash Settlement Amount will be an amount equal to the Calculation Amount in the Specified Currency;
- (D) if “Applicable Formula” is specified as “Greater than” in the relevant Final Terms:
 - (I) where the FX Underlying Performance is greater than the Trigger, the Cash Settlement Amount will be an amount equal to the Calculation Amount in the Second Currency converted at the Specified Exchange Rate; and
 - (II) where the FX Underlying Performance is equal to or less than the Trigger, the Cash Settlement Amount will be an amount equal to the Calculation Amount in the Specified Currency; and
- (E) if “Applicable Formula” is specified as “Par” in the relevant Final Terms, the Cash Settlement Amount will be an amount equal to the Calculation Amount in the Second Currency converted at the Specified Exchange Rate,

where:

"FX Underlying Performance" means the Reference Value of the Underlying on the Initial Observation Date divided by the Reference Value of the Underlying on the Final Redemption Observation Date.

(v) **Standard Redemption – Single Underlying**

If "Standard Redemption – Single Underlying" is specified as applicable in the relevant Final Terms:

- (A) if the Final Value of the Underlying is, in the determination of the Calculation Agent, equal to or greater than the Strike Value, the Final Redemption Amount will be an amount in the Specified Currency calculated as follows:

$$\text{Calculation Amount} \times 100 \text{ per cent.};$$

- (B) if the Final Value of the Underlying is, in the determination of the Calculation Agent, less than the Strike Value, then:

- (I) if "Cash Settlement" is specified as the Settlement Basis in the relevant Final Terms, the Final Redemption Amount will be the Cash Settlement Amount specified in the relevant Final Terms; and
- (II) if "Physical Delivery" is specified as the Settlement Basis in the relevant Final Terms, the Final Redemption Amount will be the Asset Amount specified in the relevant Final Terms.

(vi) **Standard Redemption – Lock-In Event and Barrier Condition**

If "Standard Redemption – Lock-In Event and Barrier Condition" is specified as applicable in the relevant Final Terms:

- (A) if, on any Coupon Observation Date prior to the Maturity Date, the Reference Value of the Underlying was, in the determination of the Calculation Agent, equal to or greater than the percentage of the Initial Value as specified in the relevant Final Terms (a **"Lock-in Event"**); or
- (B) if the Final Value is, in the determination of the Calculation Agent, equal to or greater than the Strike Value (the **"Barrier Condition"**),

the Final Redemption Amount will be an amount in the Specified Currency calculated as follows:

$$\text{Calculation Amount} \times 100 \text{ per cent.}; \text{ and}$$

- (C) if, neither (i) a Lock-in Event has occurred, nor (ii) the Barrier Condition has been met, the Final Redemption Amount will be an amount in the Specified Currency calculated as follows:

$$\text{Calculation Amount} \times [100 \text{ per cent.} + \text{Min } (0 \text{ per cent., } (\text{Final Value} - \text{Initial Value}) / \text{Initial Value})]$$

(vii) **Standard Redemption – Worst Performer**

If “Standard Redemption – Worst Performer” is specified as applicable in the relevant Final Terms:

- (A) if the Final Value of each Underlying is, in the determination of the Calculation Agent, equal to or greater than its Strike Value, the Final Redemption Amount will be an amount in the Specified Currency calculated as follows:

Calculation Amount × 100 per cent.;

- (B) if the Final Value of any Underlying is, in the determination of the Calculation Agent, less than the Strike Value, then:
- (I) if “Cash Settlement” is specified as the Settlement Basis in the relevant Final Terms, the Final Redemption Amount will be the Cash Settlement Amount specified in the relevant Final Terms; and
- (II) if “Physical Delivery” is specified as the Settlement Basis in the relevant Final Terms, the Final Redemption Amount will be the Asset Amount specified in the relevant Final Terms.

(viii) **Standard Redemption – Basket**

If “Standard Redemption – Basket” is specified as applicable in the relevant Final Terms:

- (A) if the Basket Final is equal to or greater than Basket Strike, the Final Redemption Amount will be the First Cash Settlement Amount specified in the relevant Final Terms; and
- (B) if the Basket Final is less than the Basket Strike, the Final Redemption Amount will be the Second Cash Settlement Amount specified in the relevant Final Terms.

(ix) **Barrier Redemption – Single Underlying**

If “Barrier Redemption – Single Underlying” is specified as applicable in the relevant Final Terms:

- (A) if the Final Value of the Underlying is, in the determination of the Calculation Agent, equal to or greater than the Strike Value, the Final Redemption Amount will be the First Cash Settlement Amount specified in the relevant Final Terms;
- (B) if the Final Value of the Underlying is, in the determination of the Calculation Agent, less than the Strike Value and equal to or greater than the Barrier, the Final Redemption Amount will be calculated as follows:

Calculation Amount × 100 per cent.; and

- (C) if the Final Value of the Underlying is, in the determination of the Calculation Agent, less than the Barrier then:
- (I) if “Cash Settlement” is specified as the Settlement Basis in the relevant Final Terms, the Final Redemption Amount will be the Second Cash Settlement Amount specified in the relevant Final Terms; and
- (II) if “Physical Delivery” is specified as the Settlement Basis in the relevant Final Terms, the Final Redemption Amount will be the Asset Amount specified in the relevant Final Terms.

(x) **Barrier Redemption – Worst Performer**

If “Barrier Redemption – Worst Performer” is specified as applicable in the relevant Final Terms:

- (A) if the Final Value of each Underlying is, in the determination of the Calculation Agent, equal to or greater than its Strike Value, the Final Redemption Amount will be the First Cash Settlement Amount specified in the relevant Final Terms;
- (B) if the Final Value of the Worst Performer is, in the determination of the Calculation Agent, less than its Strike Value and equal to or greater than its Barrier, the Final Redemption Amount will be calculated as follows:

Calculation Amount × 100 per cent.; and

- (C) if the Final Value of any Underlying is, in the determination of the Calculation Agent, less than the Barrier, then:
 - (I) if “Cash Settlement” is specified as the Settlement Basis in the relevant Final Terms, the Final Redemption Amount will be the Second Cash Settlement Amount specified in the relevant Final Terms; and
 - (II) if “Physical Delivery” is specified as the Settlement Basis in the relevant Final Terms, the Final Redemption Amount will be the Asset Amount specified in the relevant Final Terms.

(xi) **Continuous Barrier Redemption – Single Underlying**

If “Continuous Barrier Redemption – Single Underlying” is specified as applicable in the relevant Final Terms:

- (A) if the Final Value of the Underlying is, in the determination of the Calculation Agent, equal to or greater than the Strike Value, the Final Redemption Amount will be the First Cash Settlement Amount specified in the relevant Final Terms; and
- (B) if the Final Value of the Underlying is, in the determination of the Calculation Agent, less than the Strike Value and:
 - (I) a Barrier Breach Event has not occurred, the Final Redemption Amount will be calculated as follows:

Calculation Amount × 100 per cent.; and

- (II) a Barrier Breach Event has occurred, then:
 - (1) if “Cash Settlement” is specified as the Settlement Basis in the relevant Final Terms, the Final Redemption Amount will be the Second Cash Settlement Amount specified in the relevant Final Terms; and
 - (2) if “Physical Delivery” is specified as the Settlement Basis in the relevant Final Terms, the Final Redemption Amount will be the Asset Amount, calculated in accordance with the Asset Amount specified in the relevant Final Terms.

(xii) **Continuous Barrier Redemption – Worst Performer**

If “Continuous Barrier Redemption – Worst Performer” is specified as applicable in the relevant Final Terms:

- (A) if the Final Value of each Underlying is, in the determination of the Calculation Agent, equal to or greater than the Strike Value, the Final Redemption Amount will be the First Cash Settlement Amount specified in the relevant Final Terms; and
- (B) if the Final Value of any Underlying is, in the determination of the Calculation Agent, less than the Strike Value and:

- (I) a Barrier Breach Event has not occurred, the Final Redemption Amount will be calculated as follows:

Calculation Amount × 100 per cent.; and

- (II) a Barrier Breach Event has occurred, then:
 - (1) if “Cash Settlement” is specified as the Settlement Basis in the relevant Final Terms, the Final Redemption Amount will be the Second Cash Settlement Amount specified in the relevant Final Terms; and
 - (2) if “Physical Delivery” is specified as the Settlement Basis in the relevant Final Terms, the Final Redemption Amount will be the Asset Amount specified in the relevant Final Terms.

(c) **Cash Settlement Amounts**

(i) **Redemption at Par**

If “Redemption at Par” is specified as applicable in the relevant Final Terms, the Cash Settlement Amount will be an amount in the Specified Currency calculated as follows:

Calculation Amount × 100 per cent.

(ii) **Redemption at Discount/Premium**

If “Redemption at Discount/Premium” is specified as applicable in the relevant Final Terms, the Cash Settlement Amount will be an amount in the Specified Currency calculated as follows:

Calculation Amount × Factor

(iii) **Performance – Single Underlying**

If “Performance – Single Underlying” is specified as applicable in the relevant Final Terms, the Cash Settlement Amount shall be an amount in the Specified Currency calculated as follows:

Calculation Amount × (Final Value/Strike Value)

(iv) **Performance – Worst Performer**

If “Performance – Worst Performer” is specified as applicable in the relevant Final Terms, the Cash Settlement Amount shall be an amount in the Specified Currency calculated as follows:

Calculation Amount × (Final Value of the Worst Performer/Strike Value of the Worst Performer)

(v) **Performance – Basket**

If “Performance – Basket” is specified as applicable in the relevant Final Terms, the Cash Settlement Amount shall be an amount in the Specified Currency calculated as follows:

Calculation Amount × (Basket Final/Basket Initial)

(vi) **Gearing – Single Underlying**

If “Gearing – Single Underlying” is specified as applicable in the relevant Final Terms, the Cash Settlement Amount shall be an amount in the Specified Currency calculated as follows:

$$\text{Calculation Amount} \times [\text{Percentage Rate}_1 + \text{Gearing Factor} \times \text{Max}[0 \text{ per cent.}; (\text{Final Value}/\text{Initial Value}) - \text{Percentage Rate}_2]]$$

(vii) **Gearing – Worst Performer**

If “Gearing – Worst Performer” is specified as applicable in the relevant Final Terms, the Cash Settlement Amount shall be an amount in the Specified Currency calculated as follows:

$$\text{Calculation Amount} \times [\text{Percentage Rate}_1 + \text{Gearing Factor} \times \text{Max}[0 \text{ per cent.}; (\text{Final Value of the Worst Performer}/\text{Initial Value of the Worst Performer})] - \text{Percentage Rate}_2]]$$

(viii) **Gearing with Cap – Single Underlying**

If “Gearing with Cap – Single Underlying” is specified as applicable in the relevant Final Terms, the Cash Settlement Amount shall be an amount in the Specified Currency calculated as follows:

$$\text{Calculation Amount} \times \text{Min}[\text{Cap}; \text{Gearing Factor} \times (\text{Final Value}/\text{Initial Value} - \text{Subtrahend})]$$

(ix) **Gearing with Cap – Worst Performer**

If “Gearing with Cap – Worst Performer” is specified as applicable in the relevant Final Terms, the Cash Settlement Amount shall be an amount in the Specified Currency calculated as follows:

$$\text{Calculation Amount} \times \text{Min}[\text{Cap}; \text{Gearing Factor} \times (\text{Final Value of the Worst Performer}/\text{Initial Value of the Worst Performer} - \text{Subtrahend})]$$

(x) **Gearing with Cap and/or Floor – Single Underlying**

If “Gearing with Cap and/or Floor – Single Underlying” is specified as applicable in the relevant Final Terms, the Cash Settlement Amount shall be an amount in the Specified Currency calculated as follows:

$$\text{Calculation Amount} \times \text{Max}[\text{Floor}; \text{Min}(\text{Cap}; \text{Final Value}/\text{Initial Value} - \text{Subtrahend})]$$

(xi) **Gearing with Cap and/or Floor – Worst Performer**

If “Gearing with Cap and/or Floor – Worst Performer” is specified as applicable in the relevant Final Terms, the Cash Settlement Amount shall be an amount in the Specified Currency calculated as follows:

$$\text{Calculation Amount} \times \text{Max}[\text{Floor}; \text{Min}(\text{Cap}; \text{Final Value of the Worst Performer}/\text{Initial Value of the Worst Performer} - \text{Subtrahend})]$$

(xii) **Inflation Index Linked Redemption**

If “Inflation Index Linked Redemption” is specified as applicable in the relevant Final Terms, the Cash Settlement Amount shall be an amount in the Specified Currency calculated as follows:

$$\text{Max}[\text{Min}[\text{Calculation Amount} \times (\text{Index}_i/\text{Index}_0); \text{Maximum Redemption Amount}]; \text{Minimum Redemption Amount}]$$

where:

“**Index_i**” means the level of the Underlying during the Reference Month prior to the Final Redemption Observation Date;

“**Index₀**” means the level of the Underlying during the Reference Month prior to the Issue Date;

“**Maximum Redemption Amount**” means the amount specified as such in the relevant Final Terms; and

“**Minimum Redemption Amount**” means the amount specified as such in the relevant Final Terms.

(xiii) **FX Performance Linked Redemption – Single Underlying**

If “FX Performance Linked Redemption – Single Underlying” is specified as applicable in the relevant Final Terms, the Cash Settlement Amount shall be an amount in the Specified Currency calculated as follows:

$$\text{Calculation Amount} \times [100 \text{ per cent.} + \text{Gearing Factor} \times \text{Max}(0; \text{FX Underlying Performance})]$$

where:

“**Fixing Rate**” means the Spot Rate for the Currency Pair, expressed as the amount of Reference Currency per one unit of the Base Currency, as determined by reference to the relevant FX Price Source on the Observation Date at the Observation Time; and

“**FX Underlying Performance**” means an amount calculated by the Calculation Agent as follows:

(A) where the Specified Currency is the same as the Base Currency and:

(I) if “Put” is specified as applicable in the relevant Final Terms:

$$(\text{Strike Rate} - \text{Fixing Rate})/\text{Fixing Rate}$$

(II) if “Call” is specified as applicable in the relevant Final Terms:

$$(\text{Fixing Rate} - \text{Strike Rate})/\text{Fixing Rate};$$

(B) where the Specified Currency is not the same as the Base Currency and:

(I) if “Put” is specified as applicable in the relevant Final Terms:

$$(\text{Strike Rate} - \text{Fixing Rate})/\text{Strike Rate}$$

(II) if “Call” is specified as applicable in the relevant Final Terms:

$$(\text{Fixing Rate} - \text{Strike Rate})/\text{Strike Rate};$$

(xiv) **FX Performance Linked Redemption – Basket**

If “FX Performance Linked Redemption – Basket” is specified as applicable in the relevant Final Terms, the Cash Settlement Amount shall be an amount in the Specified Currency calculated as follows:

$$\text{Calculation Amount} \times (100 \text{ per cent.} + \text{FX Underlying Performance})$$

where:

“**Fixing Value_i**” means, the Spot Rate for a Currency Pair, expressed as the amount of Reference Currency per one unit of the Base Currency, as determined by reference to the relevant FX Price Source on the Observation Date at the Observation Time; and

“**FX Underlying Performance**” means:

(A) where the Specified Currency is the same as the Base Currency and

(I) if “**Put**” is specified as applicable in the relevant Final Terms:

$$\sum_{i=1}^n W_i \times \text{Max} \left[\frac{(\text{Strike Value}_i - \text{Fixing Value}_i)}{\text{Fixing Value}_i}; 0 \right]$$

(II) if “**Call**” is specified as applicable in the relevant Final Terms:

$$\sum_{i=1}^n W_i \times \text{Max} \left[\frac{(\text{Fixing Value}_i - \text{Strike Value}_i)}{\text{Fixing Value}_i}; 0 \right]$$

(B) where the Specified Currency is not the Base Currency and

(I) if “**Put**” is specified as applicable in the relevant Final Terms:

$$\sum_{i=1}^n W_i \times \text{Max} \left[\frac{(\text{Strike Value}_i - \text{Fixing Value}_i)}{\text{Strike Value}_i}; 0 \right]$$

(II) if “**Call**” is specified as applicable in the relevant Final Terms:

$$\sum_{i=1}^n W_i \times \text{Max} \left[\frac{(\text{Fixing Value}_i - \text{Strike Value}_i)}{\text{Strike Value}_i}; 0 \right]$$

where:

“**n**” means an integer equal to the number of Currency Pairs that comprise the Basket; and

“**W_i**” means, in respect of a Currency Pair, the Weighting of such Currency Pair.

(d) **Asset Amount**

(i) **Single Underlying**

If “Asset Amount” is specified as “Single Underlying” in the relevant Final Terms and:

(A) if “Exchange Rate” is specified to be “Not Applicable” in the relevant Final Terms, the Asset Amount will be calculated as follows:

Calculation Amount/Final Value

(B) if “Exchange Rate” is specified as “Applicable” in the relevant Final Terms and the Specified Currency is not Sterling, the Asset Amount will be calculated as follows:

Calculation Amount × (Exchange Rate/Final Value)

(C) if “Exchange Rate” is specified as “Applicable” in the relevant Final Terms and the Specified Currency is Sterling, the Asset Amount will be calculated as follows:

((Calculation Amount × Exchange Rate)/Final Value) × 100

(ii) **Worst Performer**

If “Asset Amount” is specified as “Worst Performer” in the relevant Final Terms and:

- (A) if “Exchange Rate” is specified as “Not Applicable” in the relevant Final Terms, the Asset Amount will be calculated as follows:

Calculation Amount/Final Value of the Worst Performer

- (B) if “Exchange Rate” is specified as “Applicable” in the relevant Final Terms and the Specified Currency is not Sterling, the Asset Amount will be calculated as follows:

Calculation Amount × (Exchange Rate/Final Value of the Worst Performer)

- (C) if “Exchange Rate” is specified as “Applicable” in the relevant Final Terms and the Specified Currency is Sterling, the Asset Amount will be calculated as follows:

$$\frac{((\text{Calculation Amount} \times \text{Exchange Rate})/\text{Final Value of the Worst Performer}) \times 100}{100}$$

7 Redemption prior to the Maturity Date

(a) Automatic Early Redemption

If “Automatic Early Redemption” is specified as applicable in the relevant Final Terms, the Issuer has the obligation to redeem all, but not some only, of the Notes, on the Automatic Early Redemption Date at the Automatic Early Redemption Amount calculated in accordance with the provisions set out below. The Automatic Early Redemption Amount will be paid in the Specified Currency on the immediately succeeding Automatic Early Redemption Date, together with the Interest Amount (if any) accrued to (but excluding) such Automatic Early Redemption Date.

- (i) If “Autocall – Single Underlying” is specified as applicable in the relevant Final Terms:

If, on the relevant Automatic Early Redemption Observation Date, the Reference Value of the Underlying is, in the determination of the Calculation Agent, equal to or greater than the Automatic Early Redemption Trigger, the Automatic Early Redemption Amount will be calculated as follows:

Calculation Amount × Automatic Early Redemption Value

- (ii) If “Autocall – Worst Performer” is specified as applicable in the relevant Final Terms:

If on the relevant Automatic Early Redemption Observation Date, the Reference Value of each Underlying is greater than or equal to its Automatic Early Redemption Trigger, the Automatic Early Redemption Amount will be calculated as follows:

Calculation Amount × Automatic Early Redemption Value

- (iii) If “Autocall (Individual Call) – Single Underlying” is specified as applicable in the relevant Final Terms:

- (A) if “Equal to or less than” is specified as applicable in the relevant Final Terms:

If the Reference Value of the Underlying on the relevant Automatic Early Redemption Observation Date is, in the determination of the Calculation Agent, equal to or less than the Automatic Early Redemption Trigger corresponding to the relevant Automatic Early Redemption Date, the Automatic Early Redemption Amount will be calculated as follows:

Calculation Amount × Automatic Early Redemption Value

- (B) when “Equal to or greater than” is specified as applicable in the relevant Final Terms:

If the Reference Value of the Underlying on the relevant Automatic Early Redemption Observation Date is, in the determination of the Calculation Agent, greater than or equal to the Automatic Early Redemption Trigger corresponding to the relevant Automatic Early Redemption Date, the Automatic Early Redemption Amount will be calculated as follows:

Calculation Amount × Automatic Early Redemption Value

- (C) when “Within a Range” is specified as applicable in the relevant Final Terms:

If the Reference Value of the Underlying on the relevant Automatic Early Redemption Observation Date is, in the determination of the Calculation Agent, equal to or less than the Automatic Early Redemption Trigger 1 and equal to or greater than Automatic Early Redemption Trigger 2, the Automatic Early Redemption Amount will be calculated as follows:

Calculation Amount × Automatic Early Redemption Value

- (iv) If “Autocall (Individual Call) – Worst Performer” is specified as applicable in the relevant Final Terms:

- (A) if “Equal to or less than” is specified as applicable in the relevant Final Terms:

If the Reference Value of each Underlying on the relevant Automatic Early Redemption Observation Date is, in the determination of the Calculation Agent, equal to or less than its Automatic Early Redemption Trigger corresponding to such Automatic Early Redemption Observation Date, the Automatic Early Redemption Amount will be calculated as follows:

Calculation Amount × Automatic Early Redemption Value

- (B) if “Equal to or greater than” is specified as applicable in the relevant Final Terms:

If the Reference Value of each Underlying on the relevant Automatic Early Redemption Observation Date is, in the determination of the Calculation Agent, greater than or equal to its Automatic Early Redemption Trigger corresponding to such Automatic Early Redemption Observation Date, the Automatic Early Redemption Amount will be calculated as follows:

Calculation Amount × Automatic Early Redemption Value

- (C) if “Within a Range” is specified as applicable in the relevant Final Terms:

If the Reference Value of each Underlying on the relevant Automatic Early Redemption Observation Date is, in the determination of the Calculation Agent, equal to or less than the Automatic Early Redemption Trigger 1 and equal to or greater than Automatic Early Redemption Trigger 2, the Automatic Early Redemption Amount calculated as follows:

Calculation Amount × Automatic Early Redemption Value

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

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time on any Interest Payment Date, Specified Interest Payment Date or, if so specified in the relevant Final Terms, at any time, on giving not less than 30 nor more than 45 days’ notice to the Noteholders (or such other period of notice specified in the relevant Final Terms), at the Early Redemption Amount

(as described in General Condition 7(f))) (together with interest accrued to the date fixed for redemption) if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in General Condition 10 as a result of any change in, or amendment to, the laws or regulations of the Netherlands or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the Notes; and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days (or such other period as may be specified in the relevant Final Terms) prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Before the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal or tax advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

(c) *Redemption at the Option of the Issuer*

- (i) If “Call Option” is specified in the relevant Final Terms, the Issuer may, on giving not less than 15 nor more than 30 days’ irrevocable notice to Noteholders (or such other notice period as may be specified in the relevant Final Terms), redeem all or, if so provided, some of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount specified in the relevant Final Terms (which may be the Early Redemption Amount (as described in General Condition 7(f))) together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed, as specified in the relevant Final Terms and no greater than the Maximum Redemption Amount to be redeemed, as specified in the relevant Final Terms.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this General Condition 7.

- (ii) In the case of a partial redemption, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange requirements.

(d) *Redemption at the Option of Noteholders*

If “Put Option” is specified in the relevant Final Terms, the Issuer shall, at the option of the holder of a Note, upon such holder giving not less than 15 nor more than 30 days’ notice to the Issuer (or such other notice period as may be specified in the relevant Final Terms), redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount specified in the relevant Final Terms (which may be the Early Redemption Amount (as described in General Condition 7(f))) together with interest accrued to the date fixed for redemption.

To exercise such option, the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any

Transfer Agent at its specified office, together with a duly completed option exercise notice (“**Exercise Notice**”) in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(e) **Redemption for Illegality**

In the event that the Issuer determines in good faith that the performance of the Issuer’s obligations under the Notes or that any arrangements made to hedge the Issuer’s obligations under the Notes has or will become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, the Issuer, having given not less than 10 nor more than 30 days’ notice to Noteholders, in accordance with General Condition 17 (which notice shall be irrevocable), may, on expiry of such notice redeem all, but not some only, of the Notes, each Note being redeemed at the Early Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption.

(f) **Early Redemption Amounts**

(i) **Zero Coupon Notes**

- (A) The Early Redemption Amount payable in respect of a Zero Coupon Note shall be the Amortised Face Amount, calculated as provided below, of such Note.
- (B) Subject to the provisions of General Condition 7(f)(i)(C), the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate (expressed as a percentage) equal to the Amortisation Yield compounded annually.
- (C) If the Early Redemption Amount in respect of any such Note upon its redemption pursuant to General Condition 7(b), General Condition 7(e) or upon it becoming due and payable as provided in General Condition 12 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note and defined in General Condition 7(f)(i)(B), except that such paragraph shall have effect as though the reference therein to the date on which the Notes become due and payable were replaced by a reference to the Relevant Date. The calculation of the Amortised Face Amount in accordance with General Condition 7(f)(i)(B) shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Notes on the Maturity Date together with any interest that may accrue in accordance with General Condition 5(p).

Where such calculation is made for a period less than one year, it shall be made on the basis of the Day Count Fraction specified in the relevant Final Terms.

(ii) **Other Notes**

For the purposes of General Conditions 7(b), 7(e) and 12, the Notes will be redeemed at the Early Redemption Amount, unless (in respect of Exempt Notes) otherwise specified in the relevant Final Terms.

(g) **Instalments**

Instalment Notes will be partially redeemed on each Instalment Date at the related Instalment Amount. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date. In the case of early redemption, the Early Redemption Amount will be determined pursuant to General Condition 7(f).

(h) **Partly Paid Notes**

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this General Condition 7 and the conditions specified in the relevant Final Terms.

(i) **Purchases**

The Issuer and any of its subsidiaries may at any time purchase Notes (provided that, in the case of Definitive Notes, all unmatured Receipts and Coupons and unexchanged Talons relating thereto are purchased therewith) at any price in the open market or otherwise. If purchases are made by tender, tenders must be available to all Noteholders alike. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation.

(j) **Cancellation**

All Notes which are redeemed will forthwith be cancelled (together with, in the case of Definitive Notes, all unmatured Receipts, Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and Notes purchased and cancelled pursuant to General Conditions 7(h) and 7(i) above (together with, in the case of Definitive Notes, all unmatured Receipts, Coupons and Talons cancelled therewith) shall be forwarded to the Fiscal Agent and cannot be reissued or resold.

(k) **Late Payment on Notes on which no interest is Due**

If the redemption amount payable in respect of a Note on which no interest is due upon redemption of such Note or upon its becoming due and repayable as provided in General Condition 12 is improperly withheld or refused, the amount of interest due and payable on such outstanding amount, which has become due and repayable, shall be EONIA, from and including the fifth day after the day on which the redemption amount payable on such Note has become due until but excluding the earlier of:

- (i) the date on which all amounts due in respect of such Note have been paid; and
- (ii) five days after the date on which the full amount of moneys payable in respect of such Notes has been received by the Fiscal Agent and notice to that effect has been given to the Noteholders in accordance with General Condition 17.

8 Payments(a) **Method of Payment**

Subject as provided below:

- (i) payments in a currency other than euro and Renminbi will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with, or, at the option and responsibility of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified

Currency is Australian Dollars or New Zealand Dollars, shall be Sydney or Wellington, respectively);

- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option and responsibility of the payee, by a euro cheque; and
- (iii) payments in Renminbi will be made by transfer to a Renminbi account maintained by or on behalf of the Noteholder.

All payments are subject in all cases to any fiscal or other regulations applicable thereto (whether by operation of law or agreement of the Issuer or its Agents) and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements.

(b) ***Presentation of Definitive Notes, Receipts and Coupons***

Payments of principal in respect of Bearer Notes represented by Definitive Notes will (subject as provided below) be made in the manner provided in General Condition 8(a) only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Definitive Notes, and payments of interest (if any) in respect of Definitive Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Coupon, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Payments of instalments of principal (if any) in respect of Definitive Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in General Condition 8(a) against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner provided in General Condition 8(a) only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Definitive Notes in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the Definitive Note to which it appertains. Receipts presented without the Definitive Note to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any Definitive Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Fixed Rate Notes should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons failing to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the relevant due date in respect of such principal (whether or not such Coupon would otherwise have become void under General Condition 11) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no Coupons will be issued in respect thereof.

Upon the date on which any Definitive Note becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for Coupons shall be made in respect thereof.

If the due date for redemption of any Definitive Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant Definitive Note.

(c) ***Payments in respect of Global Notes***

Payments of principal and interest (if any) in respect of Bearer Notes represented by any Global Note will (subject as provided below) be made in the manner specified above in relation to Definitive Notes and otherwise in the manner specified in the relevant Global Note against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made against presentation or surrender of any Global Note, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by the Paying Agent to which it was presented or surrendered and such record shall be prima facie evidence that the payment in question has been made.

(d) ***Payments in respect of Registered Notes***

- (i) Payments of principal (which for the purposes of this General Condition 8(d) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in General Condition 8(d)(ii).
- (ii) Interest (which for the purpose of this General Condition 8(d) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of the Clearing System Business Day prior to the due date for payment thereof (the “**Record Date**”). For the purpose of this General Condition 8(d), “**DTC business day**” means any day on which DTC is open for business. Payments of interest on each Registered Note shall be made in the relevant currency by cheque drawn on a bank mailed to the holder (or to the first-named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency specified by the payee with a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to TARGET or, in the case of Renminbi, by transfer to the registered account maintained by or on behalf of the Noteholder with a bank in Hong Kong, details of which appear on the Register at the close of business on the fifth Business Day before the due date for payment and, in the case of Japanese yen, the transfer shall be to a non-resident Japanese yen account with a bank in Japan (in the case of payment to a non-resident of Japan).
- (iii) Payments through DTC: Registered Notes, if specified in the relevant Final Terms, will be issued in the form of one or more Global Certificates and may be registered in the name of, or in the name of a nominee for, DTC. Payments of principal and interest in respect of Registered Notes denominated in U.S. Dollars will be made in accordance with General Conditions 8(d)(i) and 8(d)(ii). Payments of principal and interest in respect of Registered Notes registered in the name of, or in the name of a nominee for, DTC and denominated in a Specified Currency other than U.S. Dollars will be made or procured to be made by the Fiscal Agent in the Specified Currency in accordance with the following provisions. The

amounts in such Specified Currency payable by the Fiscal Agent or its agent to DTC in respect of Registered Notes held by DTC or its nominee will be received from the Issuer by the Fiscal Agent who will make payments in such Specified Currency by wire transfer of same day funds to the designated bank account in such Specified Currency of those DTC participants entitled to receive the relevant payment who have made an irrevocable election to DTC, in the case of interest payments, on or prior to the third DTC business day after the Record Date for the relevant payment of interest and, in the case of payments or principal, at least 12 DTC business days prior to the relevant payment date, to receive that payment in such Specified Currency. The Fiscal Agent, after the Exchange Agent has converted amounts in such Specified Currency into U.S. Dollars, will cause the Exchange Agent to deliver such U.S. Dollar amount in same day funds to DTC for payment through its settlement system to those DTC participants entitled to receive the relevant payment who did not elect to receive such payment in such Specified Currency. The Agency Agreement sets out the manner in which such conversions are to be made.

(e) ***General Provisions Applicable to Payments***

The holder of a Global Note or Global Certificate shall be the only person entitled to receive payments in respect of Notes represented by such Global Note or Global Certificate and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note or Global Certificate in respect of each amount so paid. Each of the persons shown in the records of DTC, Euroclear or Clearstream as the beneficial holder of a particular nominal amount of Notes represented by such Global Note or Global Certificate must look solely to DTC, Euroclear or Clearstream, as the case may be, for his share of each payment so made by, or on behalf of, the Issuer to, or to the order of, the holder of such Global Note or Global Certificate.

Notwithstanding the foregoing provisions of this General Condition 8, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. Dollars, such U.S. Dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. Dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;
- (ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. Dollars;
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer; and
- (iv) in the case of any payment in respect of a Note represented by a Global Certificate that is denominated in a Specified Currency other than U.S. Dollars and registered in the name of DTC or its nominee and in respect of which an accountholder of DTC (with an interest in such Global Certificate) has elected to receive part of such payment in U.S. Dollars, a day on which commercial banks are not authorised or required by law or regulation to be closed in New York City.

(f) ***Payment Day***

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until either:

- (i) the next following Payment Day; or
- (ii) the next following Payment Day, unless it would thereby fall into the next calendar month, in which event such date for payment (or for any interest or other sum in respect of such payment) shall be brought forward to the immediately preceding Payment Day. If, however, due to any reasonably unforeseen circumstances, any such adjusted payment date proves not to be a Payment Day, such that the payment date falls in the next calendar month, the holder shall not be entitled to payment (nor to any interest or other sum in respect of such payment) until the next following Payment Day.

The relevant Final Terms shall specify whether General Condition 8(f)(i) or 8(f)(ii) is applicable. If neither General Condition is specified in the relevant Final Terms, General Condition 8(f)(i) shall apply.

For these purposes, “**Payment Day**” means any day which is:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
 - (A) the relevant place of presentation; and
 - (B) each Financial Centre specified in the relevant Final Terms; and
- (ii) either (I) in relation to any sum payable in a Specified Currency other than euro or Renminbi, a day on which commercial banks and foreign exchange markets settle payment and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation and any Financial Centre and which, if the Specified Currency is Australian Dollars or New Zealand Dollars, shall be Sydney and Wellington, respectively), (II) in relation to any sum payable in euro, a day on which TARGET is operating or (III) in relation to any sum payable in Renminbi, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets are open for business and settlement of payments in Renminbi in Hong Kong.

(g) **Payment of Alternative Currency Equivalent**

Where Alternative Currency Equivalent is specified in the relevant Final Terms as being applicable to a Series of Notes, and (following a written request from the Issuer) the Alternative Currency Adjudication Agent determines that, by reason of an Original Currency Unavailability Event, it would be impossible, or in the opinion of the Alternative Currency Adjudication Agent, commercially impracticable for the Issuer and/or any of its affiliates to obtain a sufficient amount of the Original Currency in order to satisfy any payment obligation under the Notes in the Original Currency, the Issuer will be entitled to postpone payment by up to the Maximum Days of Postponement after the relevant payment date (or, if earlier, until the date on which the Original Currency Unavailability Event ceases to occur).

If, following the expiry of the Maximum Days of Postponement, the Alternative Currency Adjudication Agent is of the opinion that the Original Currency Unavailability Event is continuing and as a result of which it is impossible, or in the opinion of the Alternative Currency Adjudication Agent, commercially impracticable for the Issuer and/or any of its affiliates to obtain a sufficient amount of the Original Currency in order to satisfy the relevant payment obligation in the Original Currency, the Issuer shall make payment in the Alternative Currency as soon as is commercially reasonable thereafter. The applicable exchange rate will be determined by the Alternative Currency Calculation

Agent in its sole and absolute discretion, acting in good faith and in a commercially reasonable manner.

No additional interest or other sum is payable in respect of any postponement pursuant to this General Condition 8(g) and any payment made by the Issuer under such circumstances in the Alternative Currency shall constitute valid payment and shall not constitute an Event of Default under General Condition 12.

Upon the occurrence of an Original Currency Unavailability Event and the Alternative Currency Adjudication Agent making a determination that, by reason of such Original Currency Unavailability Event, it would be impossible, or in the opinion of the Alternative Currency Adjudication Agent, be commercially impracticable for the Issuer to satisfy its payment obligations in respect of the Notes when due in the Original Currency, the Issuer shall give notice as soon as practicable to Noteholders in accordance with General Condition 17 stating the occurrence of the Original Currency Unavailability Event, giving details thereof and the action proposed to be taken in relation thereto.

In making a determination in respect of any Original Currency Unavailability Event, neither the Issuer nor the Alternative Currency Adjudication Agent shall have regard to any interests arising from circumstances particular to individual Noteholders (whatever their number), and, in particular, but without limitation, shall not have regard to the consequences of any such determination for individual Noteholders (whatever their number) resulting from them being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and no Noteholder shall be entitled to claim from the Issuer, the Alternative Currency Adjudication Agent or any other person any indemnification or payment in respect of any tax consequences of any such determination upon individual Noteholders.

For the purposes of this General Condition 8(g):

“Alternative Currency” means the currency specified as such in the relevant Final Terms (or any lawful successor currency to that currency), or, if no Alternative Currency is specified in the relevant Final Terms, U.S. Dollars;

“Alternative Currency Adjudication Agent” means the Alternative Currency Adjudication Agent specified in the relevant Final Terms (or any lawful successor thereto);

“Alternative Currency Calculation Agent” means the Alternative Currency Calculation Agent specified in the relevant Final Terms (or any lawful successor thereto);

“Maximum Days of Postponement” means the number of Business Days specified as such in the relevant Final Terms;

“Original Currency” means the Specified Currency; and

“Original Currency Unavailability Event” means, in respect of any payment obligation under the Notes, that the Original Currency is not available on the foreign exchange markets due to (i) the imposition of exchange controls, (ii) the Original Currency’s replacement or disuse or (iii) other circumstances beyond the Issuer’s control, in each case as a result of which it is impossible, or in the opinion of the Alternative Currency Adjudication Agent, commercially impracticable for the Issuer and/or any of its affiliates to obtain a sufficient amount of the Original Currency in order to satisfy such payment obligation.

9 Physical Delivery

(a) Conditions to Physical Delivery

If “Physical Delivery” is specified as applicable in the relevant Final Terms, the Asset Amount composed of the Relevant Assets together with the Residual Cash Amount, if applicable, will be

delivered at the risk of the Noteholder on the Delivery Date, provided that the Asset Transfer Notice is delivered in respect of such Note as follows:

- (i) if such Note is represented by a Global Note, the relevant Noteholder must deliver or have delivered to Euroclear or Clearstream (as applicable), with a copy to the Issuer, not later than the close of business in each place of receipt on the Cut-Off Date, a duly completed Asset Transfer Notice; and
- (ii) if such Note is a Definitive Note, the relevant Noteholder must deliver such Note to any Paying Agent, with a copy to the Issuer, not later than the close of business in each place of receipt on the Cut-Off Date, a duly completed Asset Transfer Notice.

Delivery of the Asset Amount in respect of each Note shall be made at the risk of the relevant Noteholder in such commercially reasonable manner as the Calculation Agent shall in its sole discretion determine and notify to the person designated by the Noteholder in the relevant Asset Transfer Notice.

In relation to each Note which is to be redeemed by delivery of the Asset Amount, the Asset Amount will be delivered at the risk of the relevant Noteholder, in the manner provided above, on the Delivery Date.

Where the Asset Amount is, in the determination of the Issuer, is not capable of being delivered as an amount of whole units of the Relevant Assets, the Noteholders will receive (i) an Asset Amount composed of the nearest number (rounded down) of whole units of Relevant Assets capable of being delivered by the Issuer (taking into account that a Noteholder's entire holding may be aggregated at the Issuer's discretion for the purpose of delivering the Asset Amounts), and the Residual Cash Amount. Payment will be made in such manner as shall be notified to the Noteholders in accordance with General Condition 17.

(b) ***Asset Transfer Notice***

Forms of the Asset Transfer Notice may be obtained during normal business hours from the specified office of any Paying Agent.

An Asset Transfer Notice may only be delivered (i) if such Note is represented by a Global Note, in such manner as is acceptable to Euroclear or Clearstream, as the case may be, or (ii) if such Note is a Definitive Note, in writing or by tested telex.

If the Note is a Definitive Note, it must be delivered together with the duly completed Asset Transfer Notice.

An Asset Transfer Notice must:

- (i) specify the name and address of the relevant Noteholder, the person from whom the Issuer may obtain details for the delivery of the Asset Amount and any details required for delivery of the Asset Amount set out in the relevant Final Terms;
- (ii) in the case of Notes represented by a Global Note, specify the nominal amount of Notes which are the subject of such notice and the number of the Noteholder's account at Euroclear or Clearstream, as the case may be, to be debited with such Notes and irrevocably instruct and authorise Euroclear or Clearstream, as the case may be, to debit the relevant Noteholder's account with such Notes on or before the Delivery Date;
- (iii) include an undertaking to pay all Delivery Expenses and, in the case of Notes represented by a Global Note, an authority to debit a specified account of the Noteholder at Euroclear or Clearstream, as the case may be, in respect thereof and to pay such Delivery Expenses;

- (iv) specify an account to which dividends (if any) payable pursuant to this General Condition 9(b) or any other cash amounts specified in the relevant Final Terms as being payable are to be paid;
- (v) certify, *inter alia*, that the beneficial owner of each Note is not a U.S. person (as defined in the Asset Transfer Notice) or a person who purchased such Note for resale to U.S. persons, that the Note is not being redeemed within the United States or on behalf of a U.S. person and no cash, securities 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; and
- (vi) authorise the production of such notice in any applicable administrative or legal proceedings.

No Asset Transfer Notice may be withdrawn after receipt thereof by Euroclear or Clearstream or a Paying Agent, as the case may be, as provided above. After delivery of Asset Transfer Notice, the relevant Noteholder may not transfer the Notes which are the subject of such notice.

In the case of Notes represented by a Global Note, upon receipt of such notice, Euroclear or Clearstream, as the case may be, shall verify that the person specified therein as the Noteholder is the holder of the specified nominal amount of Notes according to its books.

Failure properly to complete and deliver an Asset Transfer Notice may result in such notice being treated as null and void. Any determination as to whether such Asset Transfer Notice has been properly completed and delivered as provided in these Terms and Conditions shall be made, in the case of Notes represented by a Global Note, by Euroclear or Clearstream, as the case may be, after consultation with the Issuer and shall be conclusive and binding on the Issuer and the relevant Noteholder and, in the case of Definitive Notes, by the relevant Paying Agent, after consultation with the Issuer, and shall be conclusive and binding on the Issuer and the relevant Noteholder.

(c) ***Delivery Expenses***

All Delivery Expenses arising from the delivery of the Asset Amount in respect of such Notes shall be for the account of the relevant Noteholder and no delivery of the Asset Amount shall be made until all Delivery Expenses have been paid to the satisfaction of the Issuer by the relevant Noteholder.

After delivery of the Asset Amount and for the Intervening Period, none of the Issuer, the Calculation Agent nor any other person shall at any time (A) be under any obligation to deliver or procure delivery to any Noteholder of any letter, certificate, notice, circular or any other document or, except as provided herein, payment whatsoever received by that person in respect of such securities or obligations, (B) be under any obligation to exercise or procure exercise of any or all rights attaching to such securities or obligations or (C) be under any liability to a Noteholder in respect of any loss or damage which such Noteholder may sustain or suffer as a result, whether directly or indirectly, of that person being registered during such Intervening Period as legal owner of such securities or obligations.

(d) ***Settlement disruption***

(i) ***Failure to deliver Asset Transfer Notice***

If a Noteholder fails to give an Asset Transfer Notice as provided in General Condition 9(a), not later than the close of business in each place of receipt on the Cut-off Date, then the Delivery Date shall be a date as soon as practicable after the Scheduled Delivery Date, as selected in the sole and absolute discretion of the Calculation Agent, at the risk of such Noteholder. For the avoidance of doubt, in such circumstances such Noteholder shall not be entitled to any payment, whether of interest or otherwise, as a result of such Delivery Date

falling after the Scheduled Delivery Date and no liability in respect thereof shall attach to the Issuer.

(ii) **Settlement Disruption Event**

If, prior to the delivery of the Asset Amount in accordance with this General Condition 9, a Settlement Disruption Event is subsisting, then the Delivery Date in respect of such Note shall be postponed until the date on which no Settlement Disruption Event is subsisting and notice thereof shall be given to the relevant Noteholder, in accordance with General Condition 17. Such Noteholder shall not be entitled to any payment, whether of interest or otherwise, on such Note as a result of any delay in the delivery of the Asset Amount pursuant to this General Condition 9(d)(ii). Where delivery of the Asset Amount has been postponed as provided in this General Condition 9(d)(ii), the Issuer shall not be in breach of these Terms and Conditions and no liability in respect thereof shall attach to the Issuer.

For so long as delivery of the Asset Amount in respect of any Note is not practicable by reason of a Settlement Disruption Event, then, in lieu of physical settlement and notwithstanding any other provision hereof, the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Note by payment to the relevant Noteholder of the Disruption Cash Settlement Price not later than on the third Business Day following the date that the notice of such election (the “**Election Notice**”) is given to the Noteholders in accordance with General Condition 17. Payment of the Disruption Cash Settlement Price will be made in such manner as shall be notified to the Noteholders in accordance with General Condition 17.

For the purposes of the Notes (A) the Issuer shall be under no obligation to register or procure the registration of any Noteholder or any other person as the registered shareholder or registered holder, as the case may be, in the register of members or holders of any Equity Issuer and (B) any interest, dividend or other distribution in respect of any Asset Amount will be payable to the party that would receive such interest, dividend or other distribution according to market practice for a sale of the relevant Equity executed on the Delivery Date and to be delivered in the same manner as the Asset Amount. Any such interest, dividend or other distribution to be paid to a Noteholder shall be paid to the account specified in the relevant Asset Transfer Notice.

(iii) **Illiquidity Events**

If, in the opinion of the Calculation Agent, a Failure to Deliver Event has occurred, then:

- (A) subject to this General Condition 9, any Relevant Assets which are not affected by the Failure to Deliver Event (the “**Affected Relevant Assets**”) will be delivered pro rata on the originally designated Delivery Date in accordance with this General Condition 9(d); and
- (B) in respect of any Affected Relevant Assets, in lieu of physical delivery and notwithstanding any other provision hereof, the Issuer may elect in its sole discretion, to pay to the Noteholder the Failure to Deliver Settlement Price on the fifth Business Day following the date on which the Failure to Deliver Notice is given to the Noteholders in accordance with General Condition 17. Payment of the Failure to Deliver Settlement Price will be made in such manner as shall be notified to the Noteholders in accordance with General Condition 17. The Issuer shall give notice (such notice a “**Failure to Deliver Notice**”) as soon as reasonably practicable to the Noteholders in accordance with General Condition 17 that the provisions of this General Condition 9(d)(iii) apply;

(iv) **Variation of settlement method**

In respect of a Tranche, if the relevant Final Terms indicate that the Issuer has an option to vary settlement in respect of such Notes, the Issuer may at its sole discretion elect (i) to pay the relevant Noteholders a Cash Settlement Amount in lieu of the Asset Amount that would otherwise have been deliverable, or (ii) deliver to the Noteholders an Asset Amount in lieu of the Cash Settlement Amount that would have otherwise been payable. Notification of such election, including the method by which such Cash Settlement Amount or Asset Amount, as the case may be, shall be calculated, will be given to Noteholders in accordance with General Condition 17.

10 Taxation

All payments of principal and interest in respect of the Notes, the Receipts and the Coupons by or on behalf of the Issuer to the Paying Agent shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Netherlands or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts (the “**Additional Amounts**”) as shall result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no Additional Amounts shall be payable with respect to any Note, Receipt or Coupon:

- (a) presented for payment in the Netherlands;
- (b) held by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Netherlands in respect of such Note, Receipt or Coupon by reason of such holder having some connection with the Netherlands other than by reason only of holding such Note, Receipt or Coupon or the receipt of the relevant payment in respect thereof;
- (c) by or on behalf of a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that a third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Note (or the Certificate representing it), Receipt or Coupon is presented for payment;
- (d) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such Additional Amounts on presenting the same for payment on the expiry of such period of 30 days; or
- (e) if the Issuer and the relevant Dealer(s) in respect of any issue as set forth in in the relevant Final Terms provide in the relevant Final Terms that the Notes are “Domestic Notes” for the purpose of this General Condition 10.

Notwithstanding any other provision of these General Conditions, any amounts to be paid on the Notes by or on behalf of the Issuer, will be paid net of any deduction or withholding (a) imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a “**FATCA Withholding**”) or (b) imposed as a result of the application of the provisions of Section 871(m) of the Code or any U.S. Treasury regulations or other administrative guidance published thereunder, or any successor or substitute legislation or provision of law (“**871(m) Withholding**”). In addition, in determining the amount of 871(m) Withholding imposed with respect to any amounts to be paid

on the Notes, the Issuer shall be entitled to withhold on any “dividend equivalent” (as defined for purposes of Section 871(m) of the Code) at the highest rate applicable to such payments regardless of any exemption from, or reduction in, such withholding otherwise available under applicable law. Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding or 871(m) Withholding.

As used in these Conditions, “**Relevant Date**” in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate), Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Terms and Conditions to (a) “principal” shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts, Automatic Early Redemption Amounts and all other amounts in the nature of principal payable pursuant to General Conditions 6 and 7 or any amendment or supplement to it, (b) “interest” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to General Condition 5 or any amendment or supplement to it and (c) “principal” and/or “interest” shall be deemed to include any Additional Amounts that may be payable under this General Condition 10.

11 Prescription

Claims against the Issuer for payment of principal or interest in respect of the Notes, Receipts and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within five years from the date on which such payment first becomes due.

12 Events of Default

If any of the following events (each, an “**Event of Default**”) occurs, the holder of any Note may, by written notice to the specified office of each of the Fiscal Agent and the Issuer, declare such Note to be forthwith due and payable, whereupon the Early Redemption Amount of such Note together (if applicable) with accrued interest to the date of payment shall become immediately due and payable, unless such Event of Default shall have been remedied prior to the receipt of such notice by the Issuer:

- (a) default by the Issuer is made for more than 30 days in the payment of interest or principal in respect of any of the Notes; or
- (b) the Issuer fails to perform or observe any of its other obligations under the Notes and such failure continues for the period of 60 days next following the service on the Issuer of notice requiring the same to be remedied; or
- (c) the Issuer becomes bankrupt, an administrator is appointed, or an order is made or an effective resolution is passed for the winding-up, liquidation or administration of the Issuer (except for the purposes of a reconstruction or merger the terms of which have previously been approved by a meeting of Noteholders); or
- (d) the Issuer compromises with its creditors generally or such measures are officially decreed; or
- (e) the Issuer ceases to carry on the whole or a substantial part of its business (except for the purposes of a reconstruction or merger the terms of which have previously been approved by a meeting of the Noteholders).

13 Agents

The Issuing and Paying Agent, the Euroclear Netherlands Fiscal Agent, the Registrar, the Paying Agents, the Transfer Agents, the Exchange Agent and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed on pages 523 and 524.

The Issuing and Paying Agent, the Euroclear Netherlands Fiscal Agent, the Registrar, the Paying Agents, the Transfer Agents, the Exchange Agent and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder, Receipholder or Couponholder.

The Issuer reserves the right at any time to vary or terminate the appointment of the Issuing and Paying Agent, the Euroclear Netherlands Fiscal Agent, the Registrar, any other Paying Agent, any Transfer Agent, the Exchange Agent or the Calculation Agent and to appoint additional or other Paying Agents or Transfer Agents provided that the Issuer shall at all times maintain:

- (a) an Issuing and Paying Agent;
- (b) a Euroclear Netherlands Fiscal Agent;
- (c) a Registrar in relation to Registered Notes;
- (d) one or more Calculation Agent(s) where the Terms and Conditions so require;
- (e) a Transfer Agent(s) in relation to Registered Notes;
- (f) if and for so long as the Notes are listed on any stock exchange which rules require the appointment of a Paying Agent in any particular place, a Paying Agent having its specified office in the place required by the rules of such stock exchange; and
- (g) so long as any of the Registered Notes payable in a Specified Currency other than U.S. Dollars are held through DTC or its nominee, there will at all times be an Exchange Agent with a specified office in New York City.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Notes denominated in U.S. Dollars in the circumstances described in General Condition 8 or for payment of exchanged amounts under General Condition 8(d)(ii) for Notes denominated in Specified Currencies other than U.S. Dollars.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

All determinations and calculations made by the Calculation Agent shall be made by it in its sole discretion and in good faith, acting reasonably and on an arm's-length basis. All such determinations and calculations so made shall be final and binding (save in the case of manifest error) on all parties. The Calculation Agent shall have no liability or responsibility to any person in relation to the determinations or calculations provided in connection herewith, except in the case of wilful default or bad faith. Any delay, deferral or forbearance by the Calculation Agent in the performance or exercise of any of its obligations or its discretion under the Notes, including, without limitation, the giving of any notice by it to any person, shall not affect the validity or binding nature of any later performance or exercise of such obligation or discretion, and neither the Calculation Agent nor the Issuer shall, in the absence of wilful misconduct and gross negligence, bear any liability in respect of, or consequent upon, any such delay, deferral or forbearance.

14 Meeting of Noteholders, Modifications and Substitutions

(a) *Meetings of Noteholders*

The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in

the Agency Agreement) of a modification of any of these Terms and Conditions. Such a meeting may be convened by the Issuer or Noteholders holding not less than 10 per cent. in nominal amount of the Notes of any Series for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of the Maturity Date or redemption of any of the Notes, any Instalment Date or any date for payment of interest or interest amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any interest amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest is shown in the relevant Final Terms, to reduce any such Minimum and/or Maximum Rate of Interest, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment of the Notes or (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or any adjournment of such meeting or the majority required to pass the Extraordinary Resolution, in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in principal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on all Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Receiptholders and Couponholders.

The Agency Agreement provides that a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

These Terms and Conditions may be amended by the Issuer (with the agreement, not to be unreasonably withheld, of the Fiscal Agent) (i) for the purposes of curing any ambiguity, or for curing, correcting or supplementing any defective provision contained therein, (ii) in any manner which the Issuer may deem necessary or desirable and which shall not materially adversely affect the interests of the Noteholders, Receiptholders and Couponholders, (iii) correcting any manifest error, or (iv) if the amendment or modification is of a formal, minor or technical nature or is made to comply with mandatory provisions of law, in each case, without the consent of the Noteholder, Receiptholder or Couponholder. Any such amendment or modification shall be binding on the Noteholders, Receiptholders and Couponholders and such amendment or modification shall be notified to the Noteholders in accordance with General Condition 17 as soon as practicable (but failure to give such notice, or non-receipt thereof, shall not affect the validity of such amendment or modification).

The consent or approval of the Noteholders shall not be required in the case of amendments to the Conditions pursuant to General Condition 5(n) to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes or for any other variation of these Conditions and/or the Agency Agreement required to be made in the circumstances described in General Condition 5(n), where the Issuer has delivered to the Fiscal Agent a certificate pursuant to General Condition 5(n)(v).

These Terms and Conditions may be amended, modified or varied in relation to any Series of Exempt Notes by the terms of the relevant Final Terms in relation to such Series.

(b) **Modification and Waiver**

The Issuer shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of, or any failure to comply with, the Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders.

The Agency Agreement and the Terms and Conditions may be amended by the Issuer and the Fiscal Agent, without the consent of any Paying Agent, the Calculation Agent or any holder, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which the Issuer and the Fiscal Agent may mutually deem necessary or desirable and which does not adversely affect the interests of the holders.

(c) **Substitution of the Issuer**

(i) The Issuer or any previous substitute of the Issuer under this General Condition 14 may, and the Noteholders, Receiptholders and the Couponholders hereby irrevocably agree in advance that the Issuer or any previous substitute of the Issuer under this General Condition 14 may without any further prior consent of any Noteholder at any time, substitute any company (incorporated in any country in the world) controlling, controlled by or under common control with, the Issuer as the principal debtor in respect of the Notes or undertake its obligations in respect of the Notes through any of its branches (any such company or branch, the **"Substitute Debtor"**), provided that:

- (A) such documents shall be executed by the Substitute Debtor and the Issuer or any previous substitute as aforesaid as may be necessary to give full effect to the substitution (together the **"Documents"**) and (without limiting the generality of the foregoing) pursuant to which the Substitute Debtor shall undertake in favour of each Noteholder to be bound by these Terms and Conditions and the provisions of the Agency Agreement as fully as if the Substitute Debtor had been named in the Notes and the Agency Agreement as the principal debtor in respect of the Notes in place of the Issuer or any previous substitute as aforesaid and pursuant to which the Issuer shall irrevocably and unconditionally guarantee in favour of each Noteholder the payment of all sums payable by the Substitute Debtor as such principal debtor (such guarantee of the Issuer herein referred to as the **"Substitution Guarantee"**);
- (B) the Documents shall contain a warranty and representation by the Substitute Debtor and the Issuer that (I) the Substitute Debtor and the Issuer have obtained all necessary governmental and regulatory approvals and consents for such substitution and for the giving by the Issuer of the Substitution Guarantee in respect of the obligations of the Substitute Debtor, that the Substitute Debtor has obtained all necessary governmental and regulatory approvals and consents for the performance by the Substitute Debtor of its obligations pursuant to the Documents and that all such approvals and consents are in full force and effect and (II) the obligations assumed by the Substitute Debtor and the Substitution Guarantee given by the Issuer are each valid and binding in accordance with their respective terms and enforceable by each Noteholder and that, in the case of the Substitute Debtor undertaking its obligations in respect of the Notes through a branch, the Notes remain the valid and binding obligations of such Substitute Debtor; and
- (C) General Condition 12 shall be deemed to be amended so that it shall also be an Event of Default under the said General Condition if the Substitution Guarantee shall cease to be valid or binding on or enforceable against the Issuer.

- (ii) Upon the Documents becoming valid and binding obligations of the Substitute Debtor and the Issuer and subject to notice having been given in accordance with General Condition 14(c)(iv), the Substitute Debtor shall be deemed to be named in the Notes and Coupons as the principal debtor in place of the Issuer as issuer (or of any previous substitute under these provisions) and the Notes and Coupons shall thereupon be deemed to be amended to give effect to the substitution. The execution of the Documents together with the notice referred to in General Condition 14(c)(iv) shall, in the case of the substitution of any other company as principal debtor, operate to release the Issuer as issuer (or such previous substitute as aforesaid) from all of its obligations as principal debtor in respect of the Notes and Coupons.
- (iii) The Documents referred to in General Condition 14(c)(i) shall be deposited with and held by the Fiscal Agent for so long as any Notes remain outstanding and for so long as any claim made against the Substitute Debtor or the Issuer by any Noteholder, Receiptholder and Couponholder in relation to the Notes or the Documents shall not have been finally adjudicated, settled or discharged. The Substitute Debtor and the Issuer acknowledge the right of every Noteholder to the production of the Documents for the enforcement of any of the Notes, Receipts and Coupons or the Documents.
- (iv) Not later than 15 Business Days after the execution of the Documents, the Substitute Debtor shall give notice thereof to the Noteholders and Euronext Amsterdam in accordance with General Condition 17. A supplement to the Base Prospectus concerning the substitution of the Issuer shall be prepared.
- (v) For the purposes of this General Condition 14, the term “**control**” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether by contract or through the ownership, directly or indirectly, of voting shares in such company which, in the aggregate, entitle the holder thereof to elect a majority of its directors, and includes any company in like relationship to such first-mentioned company, and for this purpose “**voting shares**” means shares in the capital of a company having under ordinary circumstances the right to elect the directors thereof, and “**controlling**”, “**controlled**” and “**under common control**” shall be construed accordingly.

15 Replacement of Notes, Certificates, Receipts, Coupons and Talons

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange regulations, at the specified office of the Fiscal Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

16 Further Issues

The Issuer may, from time to time, without the consent of the Noteholders or Couponholders, create and issue further notes which have the same terms and conditions as the Notes (except for the Issue Price, nominal amount, the Issue Date and the first Interest Payment Date) and so that the same shall be consolidated and form a single Series with such Notes, and references in these Terms and Conditions to “Notes” shall be construed accordingly.

17 Notices

Notices to the holders of Registered Notes, including the Rule 144A Notes, shall be published in accordance with the procedure set out in this General Condition 17 for Bearer Notes and shall be mailed to them at their respective addresses in the Register and shall be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing.

All notices regarding Notes will be deemed to be validly given if published (a) on the website of the Issuer and (b) in respect of the Rule 144A Notes, in the Wall Street Journal. Information about the Issuer may be published on www.rabobank.com under “Investor relations” and “Press Room”. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any other stock exchange or another relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading. 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.

Until such time as any Definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream and/or DTC, be substituted for such publication in such website and/or newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream and/or DTC, for communication by them to the Noteholders and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or another relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by the rules of that stock exchange or another relevant authority.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together with the relevant Note or Notes, with the Fiscal Agent or the Registrar, as the case may be. Whilst any of the Notes are represented by a Global Note, such notice may be given by any accountholder to the Fiscal Agent through Euroclear and/or Clearstream or Euroclear Netherlands or DTC, as the case may be, in such manner as the Fiscal Agent or the Registrar and Euroclear and/or Clearstream or Euroclear Netherlands or DTC, as the case may be, may approve for this purpose.

18 Governing Law and Jurisdiction

(a) **Governing Law**

The Notes, the Receipts, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with the Notes, the Receipts, the Coupons and the Talons are and shall be governed by the laws of the Netherlands.

(b) **Jurisdiction**

The competent courts of Amsterdam, the Netherlands and the United States Federal and New York State courts sitting in New York City, the Borough of Manhattan are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with any Notes, Receipts, Coupons or Talons and, accordingly, any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons (including a dispute relating to any non-contractual obligations arising out of or in connection with any Notes, Receipts, Coupon or Talons) (“**Proceedings**”) may be brought in such courts. These submissions are made for the benefit of each of the holders and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction.

(c) **Service of Process**

The Issuer irrevocably appoints its New York branch at 245 Park Avenue, New York, New York 10167, United States of America as its agent in New York to receive, for it and on its behalf, service

of process in any Proceedings in New York. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by the Issuer). If for any reason such process agent ceases to be able to act as such or no longer has an address in New York City, the Issuer irrevocably agrees to appoint a substitute process agent and shall immediately notify Noteholders of such appointment in accordance with General Condition 17. Nothing shall affect the right to serve process in any manner permitted by law.

ANNEX I: COMMODITY LINKED NOTES AND COMMODITY INDEX LINKED NOTES

1 Incorporation and Interpretation

If “Commodity Linked Notes” or “Commodity Index Linked Notes” are specified as applicable in the relevant Final Terms, the terms and conditions applicable to such Commodity Linked Notes shall comprise (a) the General Conditions and (b) these Commodity Conditions, which will be subject to completion by the relevant Final Terms. In the event of any inconsistency between the General Conditions and these Commodity Conditions, these Commodity Conditions shall prevail.

2 Definitions Applicable to Commodity Linked Notes and Commodity Index Linked Notes

(a) **General**

“**Additional Disruption Event**” means any of Change in Law, Hedging Disruption or Increased Cost of Hedging, in each case if specified as applicable in the relevant Final Terms.

“**Basket of Commodities**” means a basket composed of the Commodities specified in the relevant Final Terms in the Weightings specified in the relevant Final Terms, subject to adjustment in accordance with Commodity Condition 5.

“**Basket of Commodity Indices**” means a basket composed of the Commodity Indices specified in the relevant Final Terms in the Weightings specified in the relevant Final Terms.

“**Bullion**” means Gold, Silver, Platinum or Palladium, as the case may be.

“**Bullion Business Day**” means, in respect of any Commodity Linked Notes for which the Commodity is Bullion, any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London and New York and in the location where payment is to be made.

“**Bullion Reference Dealers**” means, in respect of any Bullion for which the relevant Commodity Reference Price is “Commodity Reference Dealers”, the four major dealers that are the members of the LBMA specified in the relevant Final Terms or, if no such Bullion Reference Dealers are specified, as selected by the Calculation Agent, in each case, acting through their principal London offices.

“**Calculation Agent Determination**” means that the Calculation Agent will determine the Reference Value (or a method for determining the Reference Value), taking into consideration the latest available quotation for the relevant Commodity Reference Price and any other information that in good faith it deems relevant.

“**CBOT**” means the Chicago Board of Trade, or its successor.

“**Change in Law**” means that, on or after the Trade Date of any Notes, (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law) or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction (including, without limitation, the Commodity Futures Trading Commission or any relevant exchange or trading facility) of any applicable law or regulation (including any action taken by a taxing authority), the Issuer and/or any of its Affiliates determines in good faith that (A) it has become illegal to hold, acquire or dispose of, or to enter into transactions on or relating to, a Commodity or Index Component, as the case may be, (including without limitation, futures contracts) or (B) it will incur a materially increased cost in performing its obligations under such Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefits or other adverse effect on its tax position).

"COMEX" means the COMEX Division, or its successor, of the New York Mercantile Exchange, Inc. or its successor.

"Commodity" means, in respect of a Commodity Linked Note, the commodity or commodities specified in the relevant Final Terms which may include a Commodity Description.

"Commodity Business Day" means (i) in respect of a Commodity (provided the Commodity is not Bullion), if the Commodity Reference Price is a price announced or published by an Exchange, a day that is (or, but for the occurrence of a Market Disruption Event, would have been), a day on which 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 respect of a Commodity (provided the Commodity is not Bullion), if 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 Market Disruption Event, would have published) a price.

"Commodity Index" means, in respect of a Commodity Index Linked Note, an index composed of two or more Index Components, as specified in the relevant Final Terms.

"Commodity Reference Dealers" means that, in respect of a Commodity Reference Price, the price for a Pricing Date will be determined on the basis of quotations provided by Reference Dealers or Bullion Reference Dealers, as applicable, on that Pricing Date of that day's Specified Price for a Unit of the relevant Commodity for delivery on the Delivery Date, if applicable. If four quotations are provided as requested, the price for that Pricing Date will be the arithmetic mean of the Specified Prices for that Commodity provided by each Reference Dealer or Bullion Reference Dealer, as applicable, without regard to the Specified Prices having the highest and lowest values. If exactly three quotations are provided as requested, the price for that Pricing Date will be the Specified Price provided by the relevant Reference Dealer or Bullion Reference Dealer that remains after disregarding the Specified Prices having the highest and lowest values. For this purpose, if more than one quotation has the same highest value and lowest value, then the Specified Price of one of such quotations shall be disregarded. If fewer than three quotations are provided, it will be deemed that the price for the Pricing Date cannot be determined.

"Commodity Reference Price" means, in respect of a Commodity, the Specified Price per Commodity Unit of the Commodity stated in the Relevant Currency for delivery on the Delivery Date and published by the Price Source.

"Commodity Unit" means, in respect of a Commodity Reference Price, the unit of measure of the relevant Commodity as specified in the relevant Final Terms.

"Default Disruption Fallback" means, if specified as applicable in the relevant Final Terms, that the following Disruption Fallbacks apply in the following order:

- (i) Delayed Publication or Announcement and Postponement (each to operate concurrently with the other and each subject to a period of the applicable Maximum Days of Disruption; provided, however, that the price determined by Postponement shall be the Commodity Reference Price only if Delayed Publication or Announcement does not yield a Relevant Price within the period of the applicable Maximum Days of Disruption); and
- (ii) Calculation Agent Determination.

"Delayed Publication or Announcement" means, in respect of an Affected Commodity, that the Commodity Reference Price for the relevant Pricing Date will be determined based on the Specified Price in respect of the original day scheduled as such Pricing Date that is published or announced by the relevant Price Source retrospectively on the first succeeding Commodity Business Day or Bullion Business Day, as applicable, on which the relevant Market Disruption Event ceases to exist,

unless that Market Disruption Event continues to exist (measured from and including the original day that would otherwise have been the Pricing Date) or the Commodity Reference Price continues to be unavailable for two consecutive Commodity Business Days or Bullion Business Days, as applicable. In that case, the next Disruption Fallback specified in the relevant Final Terms will apply. If, as a result of a delay pursuant to Delayed Publication or Announcement, a Commodity Reference Price is unavailable to determine the Final Redemption Amount by the date falling two Business Days prior to the Scheduled Maturity Date, then the Maturity Date will be delayed by the same number of Commodity Business Days or Bullion Business Days, as the case may be, as was the determination of each Commodity Reference Price, provided that the Maturity Date shall not be any earlier than the second Business Day after the date that the Reference Value of the Affected Commodity is determined in accordance with the provisions hereof.

“Delivery Date” means, in respect of a Commodity Reference Price, the Nearby Month of expiration of the relevant Futures Contract or the relevant date or month for delivery of the Commodity (which must be a date or month reported or capable of being determined from information reported in or by the relevant Price Source) as follows:

- (i) if a date is, or a month and year are, specified in the relevant Final Terms, that date or that month and year; and
- (ii) if a Nearby Month is specified in the relevant Final Terms, the month of expiration of the relevant Futures Contract,

in each case as determined by the Calculation Agent.

“Disappearance of Commodity Reference Price” means, in respect of a Commodity, (i) the permanent discontinuation of trading in the relevant Futures Contract on the relevant Exchange; (ii) the disappearance of, or of trading in, the relevant Commodity; or (iii) the disappearance or permanent discontinuance or unavailability of the relevant Commodity Reference Price, notwithstanding the availability of the related Price Source or the status of trading in the relevant Futures Contract or Commodity.

“Disrupted Day” means:

- (i) in respect of Commodity Linked Notes, a day on which a Market Disruption Event occurs; and
- (ii) in respect of Commodity Index Linked Notes:
 - (A) where the relevant Commodity Index is not specified in the relevant Final Terms as being a Multi-Exchange Index, any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred; or
 - (B) where the relevant Commodity Index is specified in the relevant Final Terms as being a Multi-Exchange Index, any Scheduled Trading Day on which (I) the Index Sponsor fails to publish the level of the Commodity Index (provided that such failure may instead constitute an Index Adjustment Event for the Commodity Index, if so determined by the Calculation Agent in its sole and absolute discretion), (II) a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or (III) a Market Disruption Event has occurred.

“Disruption Fallback” means, in respect of Commodity Linked Notes, any of Fallback Reference Dealers, Fallback Reference Price, Postponement, Calculation Agent Determination and Delayed Publication or Announcement, specified to be applicable in the relevant Final Terms and, unless Default Disruption Fallback is specified applicable, in the order specified in the relevant Final Terms.

“Early Closure” means the closure on any Exchange Business Day of the relevant Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such 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) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange system for execution at the Observation Time on such Exchange Business Day.

“EURONEXT LIFFE” means Euronext B.V. London International Financial Futures and Options Exchange or its successor.

“Exchange” means, in respect of a Commodity Reference Price, the exchange or principal trading market specified in the definition of Commodity Reference Price in the relevant Final Terms.

“Exchange Business Day” means:

- (i) where the relevant Commodity Index is not a Multi-Exchange Index, any Scheduled Trading Day on which each Exchange and each 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) where the relevant Commodity Index is a Multi-Exchange Index, any Scheduled Trading Day on which (A) the Index Sponsor publishes the level of the Commodity Index and (B) each Related Exchange is open for trading during its regular trading session, notwithstanding the Related Exchange closing prior to the Scheduled Closing Time.

“Fallback Reference Dealers” means, in respect of an Affected Commodity, that the Reference Value will be determined in accordance with Commodity Reference Dealers.

“Fallback Reference Price” means, in respect of an Affected Commodity, that the Calculation Agent will determine the Reference Value based on the price for the relevant Pricing Date of the first alternate Reference Value, if any, specified in the relevant Final Terms that is not subject to a Market Disruption Event.

“Futures Contract” means, in respect of a Specified Price, the contract for future delivery of a contract size in respect of the relevant Delivery Date relating to the Commodity referred to in that Reference Value.

“Hedging Disruption” means that the Issuer and/or any of its Affiliates is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the commodity or other price risk of the Issuer issuing and performing its obligations in respect of the Notes or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

“ICE” means the IntercontinentalExchange™ or its successor.

“Increased Cost of Hedging” means that the Issuer and/or any of its Affiliates 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 (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the commodity or other price risk of the Issuer issuing and performing its obligations in respect of the Notes or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging.

“Index Component” means a commodity or futures contract comprising a Commodity Index.

"Index Exchange" means:

- (i) where the relevant Commodity Index is not a Multi-Exchange Index, each exchange or quotation system specified as such for such Commodity Index in the relevant Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Index Components has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the Index Components on such temporary substitute exchange or quotation system as on the original Exchange); and
- (ii) where the relevant Commodity Index is a Multi-Exchange Index, in relation to each Index Component, the principal trading exchange on which such Index Component is principally traded, as determined by the Calculation Agent.

"Index Sponsor" means, in respect of a Commodity Index, the corporation or other entity that (i) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Commodity Index and (ii) announces (directly or through an agent) the level of such Commodity Index on a regular basis during each Scheduled Trading Day, which as of the Issue Date is the index sponsor specified for such Commodity Index in the relevant Final Terms.

"LBMA" means the London Bullion Market Association or its successor.

"LME" means The London Metal Exchange Limited or its successor.

"LPPM" means the London Platinum and Palladium Market or its successor.

"Market Disruption Event" means:

- (i) in respect of a Commodity, the occurrence or existence of (A) a Price Source Disruption, (B) a Trading Disruption, (C) a Disappearance of Commodity Reference Price, (D) a Tax Disruption, (E) a Material Change in Content or (F) a Material Change in Formula;
- (ii) in respect of a Commodity Index, where the relevant Commodity Index is not a Multi-Exchange Index:
 - (A) the occurrence or existence at any time during the one-hour period that ends at the relevant Observation Time of:
 - (I) any suspension of or limitation imposed on trading by the relevant Index Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Index Exchange or Related Exchange or otherwise:
 - (1) on any relevant Index Exchange(s) relating to Index Components that comprise 20 per cent. or more of the level of the relevant Commodity Index; or
 - (2) in futures or options contracts relating to the relevant Commodity Index on any relevant Related Exchange; or
 - (II) any event (other than an event described in paragraph (B) below) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (1) to effect transactions in, or obtain market values for, on any relevant Index Exchange(s), Index Components that comprise 20 per cent. or more of the level of the relevant Commodity Index, or (2) to effect

transactions in, or obtain market values for, futures or options contracts relating to the relevant Commodity Index on any relevant Related Exchange,

which in either case the Calculation Agent determines is material; or

- (B) the closure on any Exchange Business Day of any relevant Index Exchange(s) relating to Index Components that comprise 20 per cent. or more of the level of the relevant Commodity Index or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Index Exchange(s) or such Related Exchange(s), 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 Index Exchange(s) or such Related Exchange(s) on such Exchange Business Day or, if earlier, (II) the submission deadline for orders to be entered into the Index Exchange or Related Exchange system for execution at the Observation Time on such Exchange Business Day.

For the purposes of determining whether a Market Disruption Event in respect of a Commodity Index exists at any time, if a Market Disruption Event occurs in respect of an Index Component included in the Commodity Index at any time, then the relevant percentage contribution of that Index Component to the level of the Commodity Index shall be based on a comparison of (A) the portion of the level of the Commodity Index attributable to that Index Component and (B) the overall level of the Commodity Index, in each case immediately before the occurrence of such Market Disruption Event; and

- (iii) In respect of a Commodity Index, where the relevant Commodity Index is a Multi-Exchange Commodity Index:

- (A) the occurrence or existence, in respect of any Index Component, of:
 - (I) a Trading Disruption in respect of such Index Component, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Observation Time in respect of the Exchange on which such Index Component is principally traded; or
 - (II) an Exchange Disruption in respect of such Index Component, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Observation Time in respect of the Exchange on which such Index Component is principally traded; or
 - (III) an Early Closure in respect of such Index Component which the Calculation Agent determines is material; and

the aggregate of all Index Components in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of the Commodity Index; or

- (B) the occurrence or existence, in each case in respect of futures or option contracts relating to the Commodity Index, of (I) a Trading Disruption, or (II) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the Observation Time in respect of the Related Exchange or (III) an Early Closure.

For the purposes of determining whether a Market Disruption Event exists in respect of a Multi-Exchange Index exists at any time, if an Early Closure, an Exchange Disruption or a Trading Disruption occurs in respect of an Index Component or a Market Disruption Event occurs in respect of such Index Component included in the Commodity Index at any time,

then the relevant percentage contribution of that Index Component to the level of the Commodity Index shall be based on a comparison of (A) the portion of the level of the Commodity Index attributable to that Index Component and (B) the overall level of the Commodity Index, in each case using the official opening weightings as published by the relevant Index Sponsor as part of the market “opening data” immediately before the occurrence of such Market Disruption Event, Early Closure, Exchange Disruption or Trading Disruption, as the case may be, in respect of such Index Component.

“Material Change in Content” means, in respect of a Commodity, the occurrence since the Trade Date of a material change in the content, composition or constitution of the Commodity or relevant Futures Contract.

“Material Change in Formula” means, in respect of a Commodity, the occurrence since the Trade Date of a material change in the formula for or method of calculating the relevant Commodity Reference Price.

“Maximum Days of Disruption” means, in respect of a Commodity, the consecutive maximum number of Disrupted Days, as specified in the relevant Final Terms or, if not so specified, two Commodity Business Days or Bullion Business Days (as the case may be) (measured from and including the original day that would have been the relevant Pricing Date).

“Multi-Exchange Index” means a Commodity Index specified as such in the relevant Final Terms.

“Nearby Month” when preceded by a numerical adjective, means, in respect of a Delivery Date and/or Pricing Date, as applicable, the month of expiration of the Futures Contract identified by that numerical adjective, so that: (i) “First Nearby Month” means the month of expiration of the first Futures Contract to expire following that date; (ii) “Second Nearby Month” means the month of expiration of the second Futures Contract to expire following that date; and, for example, (iii) “Sixth Nearby Month” means the month of expiration of the sixth Futures Contract to expire following that date.

“Observation Time” means:

- (i) where the relevant Commodity Index is not a Multi-Exchange Index, the Observation Time specified in the relevant Final Terms or, if no Observation Time is specified, the Scheduled Closing Time on the relevant Exchange on the relevant date in relation to each Commodity Index to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Observation Time is after the actual closing time for its regular trading session, then the Observation Time shall be such actual closing time; and
- (ii) where the relevant Commodity Index is a Multi-Exchange Index, (A) for the purposes of determining whether a Market Disruption Event has occurred: (x) in respect of an Index Component, the Scheduled Closing Time on the Exchange in respect of such Index Component and (y) in respect of any options contracts or futures contracts on the relevant Commodity Index, the close of trading on the Related Exchange, and (B) in all other circumstances, the time at which the official closing level of the Commodity Index is calculated and published by the Index Sponsor. If, for the purposes of sub-paragraph (A) above, the relevant Exchange closes prior to its Scheduled Closing Time and the specified Observation Time is after the actual closing time for its regular trading session, then the Observation Time shall be such actual closing time.

“Postponement” means, in respect of a Commodity, that the relevant Pricing Date will be deemed, for purposes of the application of this Disruption Fallback, to be the first succeeding Commodity Business Day or Bullion Business Day, as applicable, on which the Market Disruption Event ceases to exist, unless that Market Disruption Event continues to exist for two consecutive Commodity

Business Days or Bullion Business Days, as applicable (measured from and including the original day that would otherwise have been the Pricing Date). In that case, the next applicable Disruption Fallback specified in the relevant Final Terms will apply. If, as a result of a postponement pursuant to this provision, a Commodity Reference Price is unavailable to determine the Final Redemption Amount by the date falling two Business Days prior to the Scheduled Maturity Date, then the Maturity Date will be postponed by the same number of Commodity Business Days or Bullion Business Days, as the case may be, as was the determination of each Commodity Reference Price, provided that the Maturity Date shall not be any earlier than the second Business Day after the date that the Commodity Reference Price of the Affected Commodity is determined in accordance with the provisions of these Commodity Conditions.

"Price Materiality Percentage" means the percentage (if any) specified in the relevant Final Terms.

"Price Source" means, in respect of a Commodity, the publication (or such other origin of reference, including an Exchange) containing (or reporting) the Commodity Reference Price (or prices from which the Commodity Reference Price is calculated) specified in the relevant Final Terms.

"Price Source Disruption" means, in respect of a Commodity, (i) the failure of the relevant Price Source to announce or publish the relevant Reference Value (or the information necessary for determining the Reference Value of such Commodity), (ii) the temporary or permanent discontinuance or unavailability of the Price Source, (iii) if the Reference Value is specified as "Commodity Reference Dealers", the failure to obtain at least three quotations as requested from the relevant Reference Dealers or (iv) if a Price Materiality Percentage is specified in the relevant Final Terms, 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.

"Pricing Date" means any Observation Date or any Averaging Date.

"Reference Dealers" means the four leading dealers in the relevant market selected by the Calculation Agent.

"Reference Value" means:

- (i) in respect of a Commodity, an amount equal to the price determined on any day for the specified Commodity Reference Price on the relevant date as determined by or on behalf of the Calculation Agent or if, in the opinion of the Calculation Agent, no such price can be determined for the specified Commodity Reference Price at such time, the price for the specified Commodity Reference Price shall be the Calculation Agent's good faith estimate of the price for the specified Commodity Reference Price; and
- (ii) in respect of a Commodity Index, the official level of the Commodity Index published by the Index Sponsor on the relevant date, in each case, as determined by the Calculation Agent or, if no such level can be determined at the relevant time, the Calculation Agent's estimate in good faith of the level of the Commodity Index at the relevant time.

"Related Exchange" means, in relation to a Commodity Index, each exchange or quotation system specified as such in relation to such Commodity Index in the relevant Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Commodity Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Commodity Index on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where "All Exchanges" is specified as the Related Exchange in the relevant Final Terms, "Related Exchange" shall mean each exchange or quotation system where trading has a material effect (as determined

by the Calculation Agent) on the overall market for futures or options contracts relating to such Commodity Index.

“Relevant Currency” means, in respect of a Commodity Reference Price, the currency specified in the relevant Final Terms.

“Relevant Price” means, for any Pricing Date, the price, expressed as a price per Commodity Unit determined in respect of that day for the specified Commodity Reference Price.

“Scheduled Closing Time” means, in respect of an Index Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Index Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside the regular trading session hours.

“Scheduled Trading Day” means:

- (i) where the relevant Commodity Index is not a Multi-Exchange Index, any day on which an Index Exchange is scheduled to be open for trading for its respective regular trading sessions; and
- (ii) where the relevant Commodity Index is not a Multi-Exchange Index, any day (A) on which the Index Sponsor is scheduled to publish the level of that Commodity Index and (B) each Related Exchange is scheduled to be open for trading for its respective regular trading sessions.

“Single Commodity” means, if specified as the Underlying in the relevant Final Terms, that the Notes relate to a single Commodity.

“Single Commodity Index” means, if specified as the Underlying in the relevant Final Terms, that the Notes relate to a single Commodity Index.

“Specified Price” means, in respect of a Commodity Reference Price, any of the following prices (which must be a price reported in or by, or capable of being determined from information reported in or by, the relevant Price Source), as specified in the relevant Final Terms (and, if applicable, as of the time so specified): (i) the high price; (ii) the low price; (iii) the average of the high price and the low price; (iv) the closing price; (v) the opening price; (vi) the bid price; (vii) the asked price; (viii) the average of the bid price and the asked price; (ix) the settlement price; (x) the official settlement price; (xi) the official price; (xii) the morning fixing; (xiii) the afternoon fixing; (x) the spot price or (xiv) any other price specified in the relevant Final Terms.

“Tax Disruption” means, in respect of a Commodity, 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 or 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 Reference Value on the day that would otherwise be a Pricing Date from what it would have been without that imposition, change or removal.

“Trade Date” means the date specified as such in the relevant Final Terms.

“Trading Disruption” means, in respect of a Commodity, the material suspension of, or the material limitation imposed on, trading in the relevant Futures Contract or such Commodity on the relevant Exchange. For these purposes:

- (i) a suspension of the trading in the relevant Futures Contract or Commodity on any Commodity Business Day or Bullion Business Day, as applicable, shall be deemed to be material only if:

- (A) all trading in the relevant Futures Contract or the Commodity is suspended for the entire Pricing Date; or
 - (B) all trading in the relevant Futures Contract or the Commodity is suspended subsequent to the opening of trading on the Pricing Date, trading does not recommence prior to the regularly scheduled close of trading in such Futures Contract or such Commodity on such Pricing Date and such suspension is announced less than one hour preceding its commencement; and
- (ii) a limitation of trading in the relevant Futures Contract or Commodity on any Commodity Business Day or Bullion Business Day, as applicable, shall be deemed to be material only if the relevant Exchange establishes limits on the range within which the price of the relevant Futures Contract or Commodity may fluctuate and the closing or settlement price of the relevant Futures Contract or Commodity on such day is at the upper or lower limit of that range.

“Valid Date” shall mean a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in respect of an Observation Date, does not or is not deemed to occur.

“Weighting” means, in respect of a Commodity, the proportion, expressed as a percentage, of such Commodity or to the Basket of Commodities and, in respect of a Commodity Index, the proportion, expressed as a percentage, of such Commodity Index to the Basket of Commodity Indices, as specified in the relevant Final Terms.

(b) **Commodity Descriptions**

Each of the following shall be a **“Commodity Description”**:

“Aluminium – COMEX” means high grade primary aluminium complying with the contract specifications of COMEX relating to good delivery and fineness from time to time in effect.

“Aluminium – LME” means high grade primary aluminium complying with the contract specifications of the LME relating to good delivery and fineness from time to time in effect.

“Copper – COMEX” means high grade copper complying with the contract specifications of COMEX relating to good delivery and fineness from time to time in effect.

“Copper – LME” means high grade copper complying with the Copper Grade A contract specifications of the LME relating to good delivery and fineness from time to time in effect.

“Corn” means deliverable grade corn complying with the contract specifications of the CBOT relating to good delivery and fineness from time to time in effect.

“Gold” means gold bars or unallocated gold complying with the rules of the LBMA relating to good delivery and fineness from time to time in effect.

“Natural Gas – HENRY HUB – NYMEX” means natural gas complying with the Henry Hub Natural Gas futures contract specifications of NYMEX relating to good delivery and fineness from time to time in effect.

“Natural Gas – NYMEX” means natural gas complying with the contract specifications of NYMEX relating to good delivery and fineness from time to time in effect.

“NYMEX” means the NYMEX Division, or its successor, of the New York Mercantile Exchange, Inc. or its successor.

“Oil – Brent” means Brent crude oil complying with the contract specifications of ICE relating to good delivery and fineness from time to time in effect.

“Oil – WTI” means West Texas Intermediate light sweet crude oil complying with the contract specifications of NYMEX relating to good delivery and fineness from time to time in effect.

“Palladium” means palladium ingots or plate or unallocated palladium complying with the rules of the LPPM relating to good delivery and fineness from time to time in effect.

“Platinum” means platinum ingots or plate or unallocated platinum complying with the rules of the LPPM relating to good delivery and fineness from time to time in effect.

“Silver” means silver bars or unallocated silver complying with the rules of the LBMA relating to good delivery and fineness from time to time in effect.

“Sugar – LIFFE” means deliverable grade white sugar complying with the contract specifications of EURONEXT LIFFE relating to good delivery and fineness from time to time in effect.

“Sugar – NYBOT” means deliverable grade cane sugar complying with the contract specifications of NYBOT relating to good delivery and fineness from time to time in effect.

3 Adjustments to Observation Dates

(a) **Commodity Linked Notes**

In respect of Commodity Linked Notes, if an Observation Date is not a Commodity Business Day or Bullion Business Day, as the case may be, such Observation Date will be deemed to be the immediately succeeding Commodity Business Day or Bullion Business Day, as the case may be, unless “Disrupted Day” is specified as applicable in the relevant Final Terms and, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day:

- (i) where the Notes relate to a Single Commodity, the Observation Date shall be a date determined by the Calculation Agent, in its sole and absolute discretion, in accordance with the Disruption Fallbacks; and
- (ii) where the Notes relate to a Basket of Commodities, the Observation Date for each Commodity not affected by the occurrence of a Disrupted Day shall be the Scheduled Observation Date, and the Observation Date for each Commodity affected by the occurrence of a Disrupted Day shall be a date determined by the Calculation Agent, in its sole and absolute discretion, in accordance with the first applicable Disruption Fallback specified in the relevant Final Terms (each an **“Affected Commodity”**).

(b) **Commodity Index Linked Notes**

In respect of Commodity Index Linked Notes, if an Observation Date is not a Scheduled Trading Day, such Observation Date will be deemed to be the immediately succeeding Scheduled Trading Day, as the case may be, unless “Disrupted Day” is specified as applicable in the relevant Final Terms and, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day:

- (i) where the Notes relate to a Single Commodity Index, the relevant Observation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the Scheduled Observation Date is a Disrupted Day. In that case the eighth Scheduled Trading Day shall be deemed to be the Observation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (ii) where the Notes relate to a Basket of Commodity Indices, the Observation Date for each Commodity Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Observation Date, and the Observation Date for each Commodity Index affected by the occurrence of a Disrupted Day (each an **“Affected Commodity Index”**) shall be the first

succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Commodity Index unless each of the eight Scheduled Trading Days immediately following the Scheduled Observation Date is a Disrupted Day relating to the Affected Commodity Index. In that case the eighth Scheduled Trading Day shall be deemed to be the Observation Date for the Affected Commodity Index, notwithstanding the fact that such day is a Disrupted Day.

4 Adjustments to Averaging Dates

If the Calculation Agent determines that any Averaging Date is a Disrupted Day:

- (a) if “Omission” is specified in the relevant Final Terms, such Averaging Date will be deemed not to be an Averaging Date for purposes of determining the relevant Reference Value, provided that, if through the operation of this provision there would not be an Averaging Date in respect of an Observation Date, Commodity Condition 4(b) will apply for the purposes of determining the Reference Value for the final Averaging Date in respect of such Observation Date as if such final Averaging Date were an Observation Date that was a Disrupted Day;
- (b) if “Postponement” is specified in the relevant Final Terms, this Commodity Condition 4(b) will apply for the purpose of determining the relevant Reference Value for that Averaging Date as if such Averaging Date were an Observation Date that was a Disrupted Day and “Postponement” was the only specified Disruption Fallback, irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a date that already is or is deemed to be an Averaging Date; and
- (c) if “Modified Postponement” is specified in the relevant Final Terms, then:
 - (i) where the Notes relate to a Single Commodity or Single Commodity Index, the relevant Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Observation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date then (A) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date), and (B) the Calculation Agent shall, where practicable, determine the Reference Value for that Averaging Date in accordance with Commodity Condition 4(b); or
 - (ii) where the Notes relate to a Basket of Commodities or Basket of Commodity Indices, the Averaging Date for each Commodity not affected by the occurrence of a Disrupted Day shall be the date specified in the relevant Final Terms as an Averaging Date, and the Averaging Date for each Commodity or Commodity Index affected by the occurrence of a Disrupted Day (each an “**Affected Commodity/Commodity Index**”) shall be the first succeeding Valid Date in relation to such Affected Commodity/Commodity Index. If the first succeeding Valid Date in respect of the Affected Commodity/Commodity Index has not occurred as of the Observation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date would have been the final Averaging Date, then (A) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date) in respect of the Affected Commodity/Commodity Index, and (B) the Calculation Agent shall determine the Reference Value for that Averaging Date in accordance with Commodity Condition 4(b).

5 Additional Disruption Events, Adjustments for Commodity Linked Notes in respect of Commodities in European Currencies, Correction of Reference Value and Adjustments to a Commodity Index

(a) Additional Disruption Events

If Additional Disruption Events are specified as applicable in the relevant Final Terms, then, if an Additional Disruption Event occurs:

- (i) the Calculation Agent will determine, in its sole and absolute discretion, the appropriate adjustment, if any, to be made to any one or more of the General Conditions relating to interest and/or redemption and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the relevant Final Terms, and/or remove and/or substitute the relevant Commodity, 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 General Condition 17, the Issuer, in its sole and absolute 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 General Condition 17 stating the occurrence of the Additional Disruption Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

(b) Adjustments for Commodity Linked Notes in respect of Commodities quoted in European Currencies

In respect of Commodity Linked Notes relating to Commodities originally quoted, listed and/or dealt as of the Trade Date in a currency of a member state of the European Union that has not adopted the single currency in accordance with the Treaty, if such Commodities are at any time after the Trade Date quoted, listed and/or dealt exclusively in euro on the relevant Exchange and/or Price Source, then the Calculation Agent will adjust any one or more of the Final Redemption Amount and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the relevant Final Terms as the Calculation Agent determines in its sole and absolute discretion to be appropriate to preserve the economic terms of the Notes. The Calculation Agent will make any conversion necessary for purposes of any such adjustment as of the Observation Time at an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of the Observation Time. No adjustments under this Commodity Condition 5(b) will affect the currency denomination of any payment obligation arising out of the Notes.

(c) Correction of the Reference Value

If the Calculation Agent determines, in respect of any Reference Value, that the price published or announced and used or to be used by the Calculation Agent in any calculation or determination made or to be made in respect of the Notes is subsequently corrected and the correction is published or announced by the person responsible for that publication or announcement within three Business Days after the original publication or announcement, the Calculation Agent will determine, in its sole and absolute discretion, the amount (if any) that is payable following that correction, and whether any adjustment to the Terms and Conditions is required to account for such correction. If the Calculation Agent determines that an adjustment to the Terms and Conditions is required, the Issuer will, as soon as reasonably practicable, adjust the Terms and Conditions to account for such correction.

(d) **Adjustments to a Commodity Index**

(i) Successor Commodity Index Sponsor Calculates and Reports a Commodity Index

If a relevant Commodity Index is (A) not calculated and announced by the Commodity Index Sponsor but is calculated and announced by a successor sponsor (the “**Successor Index Sponsor**”) acceptable to the Issuer or (B) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Commodity Index, then in each case that index (the “**Successor Index**”) will be deemed to be the Commodity Index.

(ii) Modification and Cessation of Calculation of a Commodity Index

If on or prior to a Pricing Date (A) the relevant Index Sponsor makes a material change in the formula for that Commodity Index (other than a modification prescribed in that formula or method to maintain that Commodity Index in the event of changes in constituent commodities and weightings and other routine events), or (B) the Index Sponsor permanently cancels a relevant Commodity Index or (C) the Index Sponsor fails to calculate and announce a relevant Commodity Index and there is no Successor Index Sponsor or Successor Index then the Calculation Agent may at its option (in the case of (A)) and shall (in the case of (B) and (C)) (such events (A), (B) and (C) to be collectively referred to as “**Commodity Index Adjustment Events**”) calculate the Commodity Reference Value using in lieu of the published price or level for that Commodity Index as at the relevant determination date as determined by the Calculation 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 futures contracts 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).

(iii) Corrections to a Commodity Index

If the price or level of a relevant Commodity Index published on any Pricing Date (or, if different, the day on which the price or level for that Pricing Date would, in the ordinary course, be published by the Price Source) by the relevant Index Sponsor or (if applicable) the relevant Successor Index Sponsor and which is utilised for any calculation or determination made for the purposes of the Commodity Linked Notes (a “**Relevant Calculation**”) is subsequently corrected and the correction (the “**Corrected Index Level**”) published by the relevant Index Sponsor or (if applicable) the relevant Successor Index Sponsor no later than two Business Days prior to the date of payment of any amount to be calculated by reference to the Relevant Calculation then such Corrected Index Level shall be deemed to be the relevant level for such Commodity Index on such Pricing Date (or, if different, the day on which the price or level for that Pricing Date would, in the ordinary course, be published by the Price Source) and the Calculation Agent shall use such Corrected Index Level in determining the relevant price or level.

ANNEX II: EQUITY LINKED NOTES

1 Incorporation and Interpretation

If “Equity Linked Notes” are specified as applicable in the relevant Final Terms, the terms and conditions applicable to such Equity Linked Notes shall comprise (a) the General Conditions and (b) these Equity Conditions, which will be subject to completion by the relevant Final Terms. In the event of any inconsistency between the General Conditions and these Equity Conditions, these Equity Conditions shall prevail.

2 Definitions Applicable to Equity Linked Notes

“**Additional Disruption Event**” means any of Change in Law, Hedging Disruption or Increased Cost of Hedging, Insolvency Filing, in each case if specified as applicable in the relevant Final Terms.

“**Basket of Equities**” means a basket composed of the Equities specified in the relevant Final Terms in the Weighting specified in the relevant Final Terms, subject to adjustment in accordance with Equity Condition 5.

“**Change in Law**” means that, on or after the Trade Date of any Notes (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 and/or any of its Affiliates determines in good faith that (i) it has become illegal to hold, acquire or dispose of Equities relating to its hedge position in respect of such Notes or (ii) it will incur a materially increased cost in performing its obligations under such Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefits or other adverse effect on its tax position).

“**Clearance System**” means, in respect of an Equity where physical delivery is applicable, the principal domestic clearance system customarily used for settling trades in such Equity or any successor to such clearance system as determined by the Calculation Agent, or such other clearance system specified in the relevant Final Terms or any successor to such clearance system as determined by the Calculation Agent.

“**Clearance System Business Days**” means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of a Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions.

“**DA Equity**” or “**DA Equities**” means the share(s) or other securities which are the subject of the Deposit Agreement.

“**DA Equity Issuer**” means the issuer of the DA Equities.

“**Delisting**” means, in respect of any relevant Equities, the Exchange announces that, pursuant to the rules of such Exchange, such Equities cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any member state of the European Union).

“**Deposit Agreement**” means, in relation to the Equities, the agreements or other instruments constituting the Equities, as from time to time amended or supplemented in accordance with their terms.

“**Depository**” means, where the relevant Final Terms specifies that either the “Partial Lookthrough Depository Receipt Provisions” or the “Full Lookthrough Depository Receipt Provisions” shall apply to an Equity, the issuer of the Equities or any successor issuer of the Equities from time to time.

“Disrupted Day” means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

“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 relevant Final Terms (in respect of Exempt Notes), Exchange Disruption, Market Disruption Event and Trading Disruption, that the following changes shall be made to such definition or provision where provided for in these Equity Conditions: (a) all references to “Equities” shall be deleted and replaced with the words “Equities and/or the Underlying Equities”; and (b) all references to “Equity Issuer” shall be deleted and replaced with the words “Equity Issuer or DA Equity Issuer, as appropriate”.

“Early Closure” means the closure on any Exchange Business Day of the relevant Exchange or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange or Related Exchange(s) at least one hour prior to the earlier of (a) the actual closing time for the regular trading session on such Exchange or Related Exchange(s) on such Exchange Business Day and (b) the submission deadline for orders to be entered into the relevant Exchange or Related Exchange system for execution at the relevant Observation Time on such Exchange Business Day.

“Equity” means each share or share-like instrument specified in the relevant Final Terms, subject to adjustment in accordance with Equity Condition 5.

“Equity Issuer” means, in respect of an Equity, the issuer of such Equity.

“ETN Early Redemption” means on or after the Trade Date of the Notes, the Equities are redeemed in full prior to their scheduled maturity date for any reason in accordance with the terms and conditions of the Equities.

“ETN Event of Default” means on or after the Trade Date of the Notes, any event of default occurs under the terms and conditions of the Equities.

“Exchange” means, in respect of an Equity, each exchange or quotation system specified as such for such Equity in the relevant Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Equity has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Equity on such temporary substitute exchange or quotation system as on the original Exchange).

“Exchange Business Day” means any Scheduled Trading Day on which each Exchange and each 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.

“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 (a) to effect transactions in, or obtain market values for, the Equities on the Exchange, or (b) to effect transactions in, or obtain market values for, futures or options contracts relating to the Equities on any relevant Related Exchange.

“Hedging Disruption” means that the Issuer and/or any of its Affiliates 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 in respect of the 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 and/or any of its Affiliates 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 equity or other price risk of

the Issuer issuing and performing its obligations in respect of the Notes, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s) provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging.

“Insolvency” means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of, or any analogous proceeding affecting, an Equity Issuer (a) all the Equities of that Equity Issuer are required to be transferred to a trustee, liquidator or other similar official or (b) holders of the Equities of that Equity Issuer become legally prohibited from transferring them.

“Insolvency Filing” means that the Equity Issuer institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a 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 Equity Issuer shall not be deemed an Insolvency Filing.

“Market Disruption Event” means, in respect of an Equity, the occurrence or existence of (a) a Trading Disruption, (b) Exchange Disruption which in either case the Calculation Agent determines is material, at any time during the one-hour period that ends at the relevant Observation Time, as the case may be, or (c) an Early Closure.

“Merger Date” means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

“Merger Event” means, in respect of any relevant Equities, any (a) reclassification or change of such Equities that results in a transfer of or an irrevocable commitment to transfer all of such Equities outstanding to another entity or person, (b) consolidation, amalgamation, merger or binding share exchange of an Equity Issuer, with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Equity Issuer is the continuing entity and which does not result in a reclassification or change of all of such Equities 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 Equities of the Equity Issuer that results in a transfer of or an irrevocable commitment to transfer all such Equities (other than such Equities owned or controlled by such other entity or person), or (d) consolidation, amalgamation, merger or binding share exchange of the Equity Issuer or its subsidiaries with or into another entity in which the Equity Issuer is the continuing entity and which does not result in a reclassification or change of all such Equities outstanding but results in the outstanding Equities (other than Equities owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Equities immediately following such event, in each case if the Merger Date is on or before the Observation Date or, if the Notes are to be redeemed by delivery of Equities, the Maturity Date.

“Nationalisation” means that all the Equities or all or substantially all the assets of an Equity Issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

“Observation Time” means the Scheduled Closing Time on the relevant Exchange on the relevant date in relation to each Equity to be valued or such other time specified in the relevant Final Terms. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Observation Time is after the actual closing time for its regular trading session, then the Observation Time shall be such actual closing time.

“Potential Adjustment Event” means any of the following:

- (a) a subdivision, consolidation or reclassification of relevant Equities (unless resulting in a Merger Event), or a free distribution or dividend of any such Equities to existing holders by way of bonus, capitalisation or similar issue;
- (b) a distribution, issue or dividend to existing holders of the relevant Equities specified in the relevant Final Terms of (i) such Equities, (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of an Equity Issuer equally or proportionately with such payments to holders of such Equities, (iii) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Equity Issuer as a result of a spin-off or other similar transaction or (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 Calculation Agent;
- (c) an extraordinary dividend (determined by the Calculation Agent, in its sole and absolute discretion, whether such dividend is extraordinary);
- (d) a call by an Equity Issuer in respect of relevant Equities that are not fully paid;
- (e) a repurchase by an Equity Issuer or any of its subsidiaries of relevant Equities whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or
- (f) in respect of an Equity Issuer, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Equity Issuer, pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; and
- (g) any other event having, in the opinion of the Calculation Agent, a dilutive, concentrative or other effect on the theoretical value of the relevant Equities.

“Reference Value” means, in respect of an Equity:

- (a) if “Opening” is specified in the relevant Final Terms, the official opening price of the Equity published or announced by the Exchange on the relevant date;
- (b) if “Closing” is specified in the relevant Final Terms, the official closing price of the Equity published or announced by the Exchange on the relevant date; and
- (c) if “Specified Time” is specified in the relevant Final Terms, the official price of the Equity at the Specified Time published or announced by the Exchange on the relevant date,

in each case, as determined by the Calculation Agent or, if no such price can be determined at the relevant time, the Calculation Agent’s estimate in good faith of the level of the Equity at the relevant time.

“Related Exchange” means, in relation to an Equity, each exchange or quotation system specified as such in relation to such Equity in the relevant Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Equity has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Equity on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where “All Exchanges” is specified as the Related Exchange in the relevant Final Terms, “Related Exchange” shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Equity.

“Replacement DRs” means depositary receipts other than the Equities over the same DA Equities.

“Scheduled Closing Time” means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside the regular trading session hours.

“Scheduled Trading Day” means any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

“Settlement Cycle” means, in respect of an Equity, the period of Clearance System Business Days following a trade in such Equities on the Exchange in which settlement will customarily occur according to the rules of the Exchange and, in respect of an Exchange-traded contract that relates to such Equity, the period of Exchange Business Days following a trade in such Exchange-traded contract on the Exchange in which settlement will customarily occur according to the rules of such Exchange.

“Single Equity” means, if specified as the Underlying in the relevant Final Terms, that the Notes relate to a single Equity.

“Tender Offer” means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Equity Issuer, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

“Trading Disruption” means any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (a) relating to the Equity on the Exchange, or (b) in futures or options contracts relating to the Equity on any relevant Related Exchange.

“Valid Date” shall mean a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in respect of an Observation Date does not or is not deemed to occur.

“Weighting” means in relation to an Equity, the proportion, expressed as a percentage, of such Equity to the Basket of Equities, as specified in the relevant Final Terms.

3 Adjustments to Observation Dates

If an Observation Date is not a Scheduled Trading Day, such Observation Date will be deemed to be the immediately succeeding Scheduled Trading Day unless “Disrupted Day” is specified as applicable in the relevant Final Terms and, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day:

- (a) where the Notes relate to a Single Equity, the relevant Observation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the Scheduled Observation Date is a Disrupted Day. In that case the eighth Scheduled Trading Day shall be deemed to be the Observation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (b) where the Notes relate to a Basket of Equities, the Observation Date for each Equity not affected by the occurrence of a Disrupted Day shall be the Scheduled Observation Date, and the Observation Date for each Equity affected by the occurrence of a Disrupted Day (each an **“Affected Equity”**) shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Equity unless each of the eight Scheduled Trading Days immediately following the Scheduled Observation Date is a Disrupted Day relating to the Affected Equity. In that case the

eighth Scheduled Trading Day shall be deemed to be the Observation Date for the Affected Equity, notwithstanding the fact that such day is a Disrupted Day.

4 Adjustments to Averaging Dates

If “Disrupted Day” is specified as applicable in the relevant Final Terms, and if the Calculation Agent determines that any Averaging Date is a Disrupted Day:

- (a) if “Omission” is specified in the relevant Final Terms, such Averaging Date will be deemed not to be an Averaging Date for purposes of determining the relevant Reference Value, provided that, if through the operation of this provision there would not be an Averaging Date in respect of an Observation Date, Equity Condition 3 will apply for the purposes of determining the Reference Value for the final Averaging Date in respect of such Observation Date as if such final Averaging Date were an Observation Date that was a Disrupted Day;
- (b) if “Postponement” is specified in the relevant Final Terms, Equity Condition 3 will apply for the purpose of determining the relevant Reference Value for that Averaging Date as if such Averaging Date were an Observation Date that was a Disrupted Day, irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a date that already is or is deemed to be an Averaging Date; and
- (c) if “Modified Postponement” is specified in the relevant Final Terms, then:
 - (i) where the Equity Linked Notes relate to a Single Equity, the relevant Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Observation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date then (A) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date), and (B) the Calculation Agent shall, where practicable, determine the Reference Value for that Averaging Date in accordance with Equity Condition 3; and
 - (ii) where the Notes relate to a Basket of Equities, the Averaging Date for each Equity not affected by the occurrence of a Disrupted Day shall be the date specified in the relevant Final Terms as an Averaging Date, and the Averaging Date for each Equity affected by the occurrence of a Disrupted Day (each an “**Affected Equity**”) shall be the first succeeding Valid Date in relation to such Affected Equity. If the first succeeding Valid Date in respect of the Affected Equity has not occurred as of the Observation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date would have been the final Averaging Date, then (A) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date) in respect of the Affected Equity, and (B) the Calculation Agent shall determine the Reference Value for that Averaging Date in accordance with Equity Condition 3.

5 Potential Adjustment Events, Delisting, Merger Event, Tender Offer, Nationalisation and Insolvency, Additional Disruption Events and Adjustments for Equity Linked Notes in respect of Equities quoted in European Currencies

- (a) Following the declaration by an Equity Issuer of the terms of any Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting, concentrative or other effect on the theoretical value of the Equities and, if so:

- (i) the Calculation Agent will determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of the General Conditions relating to interest and/or redemption and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the relevant Final Terms, and/or remove and/or substitute the affected Equity, 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 the relevant Equity), and determine the effective date of that adjustment; or
- (ii) by giving notice to Noteholders in accordance with General Condition 17, the Issuer in its sole and absolute discretion may redeem all, but not some only, of the Notes, each Note being redeemed at the Early Redemption Amount.

If the provisions of Equity Condition 5(a)(i) apply, the Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Equities traded on that options exchange.

Upon the making of an adjustment pursuant to Equity Condition 5(a)(i) by the Calculation Agent, the Issuer shall, as soon as practicable thereafter, give notice to Noteholders in accordance with General Condition 17 stating any adjustments made, together with brief details of the Potential Adjustment Event, provided that any failure to give such notice will not affect the validity of such adjustment.

- (b) Following the occurrence of a Delisting, Merger Event, Nationalisation, Insolvency or a Tender Offer, in each case, in relation to an Equity:
 - (i) the Calculation Agent will determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of the General Conditions relating to interest and/or redemption and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the relevant Final Terms, and/or remove and/or substitute the affected Equity, to account for the Delisting, Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, and determine the effective date of that adjustment; or
 - (ii) by giving notice to Noteholders in accordance with General Condition 17, the Issuer in its sole and absolute discretion may redeem all, but not some only, of the Notes, each Note being redeemed at the Early Redemption Amount.

If the provisions of Equity Condition 5(b)(i) apply, the Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the Delisting, Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, made by an options exchange to options on the Equities traded on that options exchange.

Upon the occurrence (if applicable) of a Delisting, Merger Event, Tender Offer, Nationalisation or Insolvency, the Issuer shall, as soon as practicable thereafter, give notice to Noteholders in accordance with General Condition 17 stating the occurrence of the Delisting, Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, giving details thereof and the action proposed to be taken in relation thereto, provided that any failure to give such notice will not affect the validity of any such action to be taken.

- (c) If Additional Disruption Events are specified as applicable in the relevant Final Terms, then, if an Additional Disruption Event occurs:
 - (i) the Calculation Agent will determine, in its sole and absolute discretion, the appropriate adjustment, if any, to be made to any one or more of the General Conditions relating to

interest and/or redemption and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the relevant Final Terms, and/or remove and/or substitute the affected Equity, 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 General Condition 17, the Issuer, in its sole and absolute 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 General Condition 17 stating the occurrence of the Additional Disruption Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

(d) ***Adjustments for Equity Linked Notes in respect of Equities quoted in European Currencies***

In respect of Equity Linked Notes relating to Equities originally quoted, listed and/or dealt as of the Trade Date in a currency of a member state of the European Union that has not adopted the single currency in accordance with the Treaty, if such Equities are at any time after the Trade Date quoted, listed and/or dealt exclusively in euro on the relevant Exchange or, where no Exchange is specified in the relevant Final Terms, the principal market on which those Equities are traded, then the Calculation Agent will adjust any one or more of the Final Redemption Amount and/or the Asset Amount and/or the Strike Value and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the relevant Final Terms as the Calculation Agent determines in its sole and absolute discretion to be appropriate to preserve the economic terms of the Notes. The Calculation Agent will make any conversion necessary for purposes of any such adjustment as of the Observation Time at an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of the Observation Time. No adjustments under this Equity Condition 5(d) will affect the currency denomination of any payment obligation arising out of the Notes.

- (e) If “ETN Event of Default” or “ETN Early Redemption Event” is specified as applicable in the relevant Final Terms, then, following the occurrence of an ETN Event of Default or ETN Early Redemption, as applicable, in each case, in relation to the Equity:

- (i) the Calculation Agent will determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of the General Conditions relating to interest and/or redemption and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the relevant Final Terms, and/or remove and/or substitute the affected Equity, to account for the ETN Event of Default or ETN Early Redemption, as applicable, as the case may be, and determine the effective date of that adjustment; or
- (ii) by giving notice to Noteholders in accordance with General Condition 17, the Issuer in its sole and absolute discretion may redeem all, but not some only, of the Notes, each Note being redeemed at the Early Redemption Amount.

If the provisions of Equity Condition 5(e)(i) apply, the Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the ETN Event of Default or ETN Early Redemption, as applicable, as the case may be, made by an options exchange to options on the Equities traded on that options exchange.

Upon the making of an adjustment pursuant to Equity Condition 5(e)(i) by the Calculation Agent, the Issuer shall, as soon as practicable thereafter, give notice to Noteholders in accordance with General Condition 17 stating any adjustments made, together with brief details of the ETN Event of Default or ETN Early Redemption, as applicable, provided that any failure to give such notice will not affect the validity of such adjustment.

(f) **Correction of the Reference Value**

In the event that any price or level published by an Exchange which is utilised for any calculation or determination made under the Notes is subsequently corrected, the Calculation Agent will in its sole and absolute discretion, adjust the terms of the Notes to account for such correction, provided that such correction is published and made available to the public by the relevant Exchange during a period following original publication equal in duration to the period in which a trade in the Equity would customarily settle according to the rules of such Exchange, and further provided, that such publication of such correction is made sufficiently (in the sole and absolute discretion of the Calculation Agent) in advance of the Maturity Date or the Specified Interest Payment Date to make such adjustment prior to the Maturity Date or the relevant Specified Interest Payment Date, as the case may be.

6 Partial Lookthrough Depositary Receipt Provisions

- (a) Where the relevant Final Terms specify that the “Partial Lookthrough Depositary Receipt Provisions” shall apply to an Equity, then the provisions set out in this Equity Condition 6 shall apply, and, in relation to such Equity, the other provisions of this Equity Condition 6 shall be deemed to be amended and modified as set out in this Equity Condition 6.

- (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 Equities and/or DA Equities (unless resulting in a Merger Event), or a free distribution or dividend of any such Equities and/or DA Equities to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of the relevant Equities and/or DA Equities of (A) such Equities and/or DA Equities, (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of an Equity Issuer or DA Equity Issuer, as appropriate, equally or proportionately with such payments to holders of such Equities and/or DA Equities, (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Equity Issuer or DA Equity 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 Calculation Agent;
- (iii) an extraordinary dividend (determined by the Calculation Agent, in its sole and absolute discretion, whether such dividend is extraordinary);
- (iv) a call by an Equity Issuer or DA Equity Issuer, as appropriate, in respect of relevant Equities and/or DA Equities that are not fully paid;
- (v) a repurchase by an Equity Issuer or DA Equity Issuer, as appropriate, or any of its subsidiaries of relevant Equities and/or DA Equities whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) in respect of an Equity Issuer or DA Equity 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 Equity Issuer or DA Equity 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 Calculation 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 Calculation Agent, a diluting, concentrative or other effect on the theoretical value of the relevant Equities and/or DA Equities; and
- (viii) the making of any amendment or supplement to the terms of the Deposit Agreement,

provided that an event under paragraphs (i) to (vii) (inclusive) above in respect of DA Equities shall not constitute a Potential Adjustment Event unless, in the opinion of the Calculation Agent, such event has a diluting or concentrative effect on the theoretical value of the Equities.”

- (c) If the Calculation Agent determines that:

- (i) an event under paragraphs (i) to (vii) (inclusive) of the definition of “Potential Adjustment Event” has occurred in respect of any DA Equities; or
- (ii) an event under paragraph (viii) of the definition of “Potential Adjustment Event” has occurred, the Calculation Agent will determine whether such Potential Adjustment Event has an economic effect on the Notes,

and, in each case, the Calculation 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 Terms and Conditions and/or the relevant Final Terms as the Calculation Agent determines appropriate to account for (A) in respect of an event under paragraphs (i) to (vii) (inclusive) of the definition of “Potential Adjustment Event”, the diluting or concentrative effect on the theoretical value of the Equities, and (B) in respect of an event under paragraph (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 Equity), following the Potential Adjustment Event. The Calculation Agent may (among other factors) have reference to any adjustment made by the Depositary under the Deposit Agreement.

If the Calculation 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 Calculation Agent in its sole and absolute 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 of such Notes.

- (d) The definitions of “Merger Event” and “Tender Offer” shall be amended in accordance with the DR Amendment.
- (e) If the Calculation Agent determines that a Merger Event or Tender Offer has occurred in respect of any DA Equity, then, where the Calculation Agent makes an adjustment to these Terms and Conditions and/or the relevant Final Terms in connection with a Merger Event or Tender Offer, the Calculation 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 DA Equity if such DA Equities are immediately re-listed, re-traded or re-quoted on an exchange or quotation system regardless of the location of such exchange or quotation system.
- (h) If the Calculation Agent determines that a Nationalisation or Insolvency has occurred in respect of an Equity or the Depositary, then, notwithstanding anything to the contrary herein, the Calculation Agent may determine that the affected Equity be substituted with Replacement DRs and may make

any appropriate adjustments to the terms of these Terms and Conditions and/or the relevant Final Terms. In such case, the Issuer shall not redeem the Notes early and, following such replacement, references to Equities herein shall be replaced by references to such Replacement DRs, and the Calculation Agent will determine the effective date of any adjustments.

- (i) If the Calculation Agent determines that a Delisting of Equities has occurred or if the Depositary announces that the Deposit Agreement is (or will be) terminated, then, notwithstanding anything to the contrary herein, the Calculation Agent may determine that the affected Equity be substituted with Replacement DRs or the DA Equities and may make any appropriate adjustments to the terms of these Terms and Conditions and/or the relevant Final Terms. In such case, the Issuer shall not redeem the Notes early and, following such replacement, references to Equities herein shall be replaced by references to such Replacement DRs or the DA Equities, as applicable, and the Calculation 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 Equity Condition 6 in accordance with the DR Amendment, if the event described in such provision occurs in respect of the DA Equities or the DA Equity Issuer, then the consequence of such event shall be interpreted consistently with the DR Amendment and such event.

7 Full Lookthrough Depositary Receipt Provisions

- (a) Where the relevant Final Terms specify that the "Full Lookthrough Depositary Receipt Provisions" shall apply to an Equity, then the provisions set out in this Equity Condition 7 shall apply, and, in relation to such Equity, the other provisions of this Equity Condition 7 shall be deemed to be amended and modified as set out in this Equity Condition 7.
- (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 Equities and/or DA Equities (unless resulting in a Merger Event), or a free distribution or dividend of any such Equities and/or DA Equities to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of the relevant Equities and/or DA Equities specified in the relevant Final Terms of (A) such Equities and/or DA Equities, (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of an Equity Issuer or DA Equity Issuer, as appropriate, equally or proportionately with such payments to holders of such Equities and/or DA Equities, (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Equity Issuer or DA Equity 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 Calculation Agent;
- (iii) an extraordinary dividend (determined by the Calculation Agent, in its sole and absolute discretion, whether such dividend is extraordinary);
- (iv) a call by an Equity Issuer or DA Equity Issuer, as appropriate, in respect of relevant Equities and/or DA Equities that are not fully paid;

- (v) a repurchase by an Equity Issuer or DA Equity Issuer, as appropriate, or any of its subsidiaries of relevant Equities and/or DA Equities whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) in respect of an Equity Issuer or DA Equity 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 Equity Issuer or DA Equity 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 Calculation 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 Calculation Agent, a diluting, concentrative or other effect on the theoretical value of the relevant Equities and/or DA Equities; and
- (viii) the making of any amendment or supplement to the terms of the Deposit Agreement,

provided that an event under paragraphs (i) to (vii) (inclusive) above in respect of DA Equities shall not constitute a Potential Adjustment Event unless, in the opinion of the Calculation Agent, such event has a diluting or concentrative effect on the theoretical value of the Equities.”

(c) If the Calculation Agent determines that:

- (i) an event under paragraphs (i) to (vii) (inclusive) of the definition of “Potential Adjustment Event” has occurred in respect of any DA Equities; or
- (ii) an event under paragraph (viii) of the definition of “Potential Adjustment Event” has occurred, the Calculation Agent will determine whether such Potential Adjustment Event has an economic effect on the Notes;

and, in each case, the Calculation 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 Terms and Conditions and/or the relevant Final Terms as the Calculation Agent determines appropriate to account for (A) in respect of an event under paragraphs (i) to (vii) (inclusive) of the definition of “Potential Adjustment Event”, the diluting or concentrative effect on the theoretical value of the Equities, and (B) in respect of an event under paragraph (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 Equity) following the Potential Adjustment Event. The Calculation Agent shall (among other factors) have reference to any adjustment made by the Depositary under the Deposit Agreement.

If the Calculation 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 Calculation Agent in its sole and absolute 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 of such Notes.

- (d) The definitions of “Merger Event” and “Tender Offer” shall be amended in accordance with the DR Amendment.
- (e) If the Calculation Agent determines that a Merger Event or Tender Offer has occurred in respect of an DA Equities, then, where the Calculation Agent makes an adjustment to these Terms and Conditions and/or the relevant Final Terms in connection with a Merger Event or Tender Offer, the

Calculation 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 Calculation Agent determines that a Nationalisation or Insolvency has occurred in respect of an Equity or the Depositary, then, notwithstanding anything to the contrary herein, the Calculation Agent may determine that the affected Equity be substituted with Replacement DRs and may make any appropriate adjustments to the terms of these Terms and Conditions and/or the relevant Final Terms. In such case, the Issuer shall not redeem the Notes early and, following such replacement, references to Equities herein shall be replaced by references to such Replacement DRs, and the Calculation Agent will determine the effective date of any adjustments.
- (h) If the Calculation Agent determines that a Delisting of Equities has occurred or if the Depositary announces that the Deposit Agreement is (or will be) terminated, then notwithstanding anything to the contrary herein, the Calculation Agent may determine that the affected Equity be substituted with Replacement DRs or the DA Equities and may make any appropriate adjustments to the terms of these Terms and Conditions and/or the relevant Final Terms. In such case, the Issuer shall not redeem the Notes early, and following such replacement, references to Equities herein shall be replaced by references to such Replacement DRs or the DA Equities, as applicable, and the Calculation Agent will determine the effective date of any adjustments.
- (i) The definition of any Additional Disruption Event specified as applicable in the relevant Final Terms 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 DA Equities are traded, as determined by the Calculation 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 Equity Condition 7 in accordance with the DR Amendment, if the event described in such provision occurs in respect of the DA Equities or the DA Equity Issuer, then the consequence of such event shall be interpreted consistently with the DR Amendment and such event.

ANNEX III: EQUITY INDEX LINKED NOTES

1 Incorporation and Interpretation

If “Equity Index Linked Notes” are specified as applicable in the relevant Final Terms, the terms and conditions applicable to such Equity Index Linked Notes shall comprise (a) the General Conditions and (b) these Equity Index Conditions and the General Conditions, which will be subject to completion by the relevant Final Terms. In the event of any inconsistency between the General Conditions and these Equity Index Conditions, these Equity Index Conditions shall prevail.

2 Definitions Applicable to Equity Index Linked Notes

“Additional Disruption Event” means any of Change in Law, Hedging Disruption or Increased Cost of Hedging, in each case if specified as applicable in the relevant Final Terms.

“Basket of Equity Indices” means a basket composed of the Equity Indices specified in the relevant Final Terms in the Weighting specified in the relevant Final Terms, subject to adjustment in accordance with Equity Index Condition 5.

“Change in Law” means that, on or after the Trade Date of any Notes (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 and/or any of its Affiliates determines in good faith that (i) it has become illegal to hold, acquire or dispose of shares that comprise the Equity Index relating to its hedge position in respect of such Notes or (ii) it will incur a materially increased cost in performing its obligations under such Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefits or other adverse effect on its tax position).

“Component Security” means each security comprising an Equity Index.

“Disrupted Day” means:

- (a) where the relevant Equity Index is not specified in the relevant Final Terms as being a Multi-Exchange Index, any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred; and
- (b) where the relevant Equity Index is specified in the relevant Final Terms as being a Multi-Exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor fails to publish the level of the Equity Index (provided that such failure may instead constitute an Index Adjustment Event for the Equity Index, if so determined by the Calculation Agent in its sole and absolute discretion), (ii) a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or (iii) a Market Disruption Event has occurred.

“Early Closure” means the closure on any Exchange Business Day of the relevant Exchange in respect of a Component Security or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange or Related Exchange(s), at least one hour prior to the earlier of (a) the actual closing time for the regular trading session on such Exchange or Related Exchange(s) on such Exchange Business Day and (b) the submission deadline for orders to be entered into the relevant Exchange or Related Exchange system for execution at the relevant Observation Time on such Exchange Business Day.

“Equity Index” means an equity index specified in the relevant Final Terms, subject to adjustment in accordance with Equity Index Condition 5, and related expressions shall be construed accordingly.

“Exchange” means:

- (a) where the relevant Equity Index is not a Multi-Exchange Index, each exchange or quotation system specified as such for such Equity Index in the relevant Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the securities comprising such Equity Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the securities comprising such Equity Index on such temporary substitute exchange or quotation system as on the original Exchange); and
- (b) means, where the relevant Equity Index is a Multi-Exchange Index, in relation to each component security of that Equity Index, the principal stock exchange on which such Component Security is principally traded, as determined by the Calculation Agent.

“Exchange Business Day” means:

- (a) where the relevant Equity Index is not a Multi-Exchange Index, any Scheduled Trading Day on which each Exchange and each 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.
- (b) where the relevant Equity Index is a Multi-Exchange Index, any Scheduled Trading Day on which (A) the Index Sponsor publishes the level of the Equity Index and (B) each Related Exchange is open for trading during its regular trading session, notwithstanding the Related Exchange closing prior to the Scheduled Closing Time; and

“Exchange Disruption” means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for: (a) any Component Security on the Exchange in respect of such Component Security; or (b) futures or option contracts relating to the Equity Index on any Related Exchange.

“Hedging Disruption” means that the Issuer and/or any of its Affiliates 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 index or other price risk of the Issuer issuing and performing its obligations in respect of the 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 and/or any of its Affiliates 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 equity index or other price risk of the Issuer issuing and performing its obligations in respect of the Notes, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging.

“Index Sponsor” means, in relation to an Equity Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Equity Index and (b) announces (directly or through an agent) the level of such Equity Index on a regular basis during each Scheduled Trading Day, which as of the Issue Date is the index sponsor specified for such Equity Index in the relevant Final Terms.

“Market Disruption Event” means, in respect of an Equity Index:

- (a) where the relevant Equity Index is not a Multi-Exchange Index:

- (i) the occurrence or existence at any time during the one-hour period that ends at the relevant Observation Time of:
 - (A) any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise:
 - (I) on any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Equity Index; or
 - (II) in futures or options contracts relating to the relevant Equity Index on any relevant Related Exchange; or
 - (B) any event (other than an event described in paragraph (ii) below) 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, on any relevant Exchange(s) securities that comprise 20 per cent. or more of the level of the relevant Equity Index, or (II) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Equity Index on any relevant Related Exchange,

which in either case the Calculation Agent determines is material; or

- (ii) the closure on any Exchange Business Day of any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Equity Index or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one hour prior to the earlier of (A) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day or, if earlier, (B) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Observation Time on such Exchange Business Day.

For the purposes of determining whether a Market Disruption Event in respect of an Equity Index exists at any time, if a Market Disruption Event occurs in respect of a security included in the Equity Index at any time, then the relevant percentage contribution of that security to the level of the Equity Index shall be based on a comparison of (i) the portion of the level of the Equity Index attributable to that security and (ii) the overall level of the Equity Index, in each case immediately before the occurrence of such Market Disruption Event.

- (b) where the relevant Equity Index is specified as being a Multi-Exchange Index:
 - (i) the occurrence or existence, in respect of any Component Security, of:
 - (A) a Trading Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Observation Time in respect of the Exchange on which such Component Security is principally traded; or
 - (B) an Exchange Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Observation Time in respect of the Exchange on which such Component Security is principally traded; or
 - (C) an Early Closure in respect of such Component Security which the Calculation Agent determines is material; and

the aggregate of all Component Securities in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of the Equity Index; or

- (ii) the occurrence or existence, in each case in respect of futures or option contracts relating to the Equity Index, of (A) a Trading Disruption, or (B) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the Observation Time in respect of the Related Exchange or (C) an Early Closure.

For the purposes of determining whether a Market Disruption Event exists in respect of a Multi-Exchange Index exists at any time, if an Early Closure, an Exchange Disruption or a Trading Disruption occurs in respect of a Component Security or a Market Disruption Event occurs in respect of such Component Security included in the Equity Index at any time, then the relevant percentage contribution of that Component Security to the level of the Equity Index shall be based on a comparison of (i) the portion of the level of the Equity Index attributable to that Component Security and (ii) the overall level of the Equity Index, in each case using the official opening weightings as published by the relevant Index Sponsor as part of the market "opening data" immediately before the occurrence of such Market Disruption Event, Early Closure, Exchange Disruption or Trading Disruption, as the case may be, in respect of such Component Security.

"Multi-Exchange Index" means an Equity Index specified as such in the relevant Final Terms.

"Observation Time" means:

- (a) where the relevant Equity Index is not a Multi-Exchange Index, the Observation Time specified in the relevant Final Terms or, if no Observation Time is specified, the Scheduled Closing Time on the relevant Exchange on the relevant date in relation to each Equity Index to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Observation Time is after the actual closing time for its regular trading session, then the Observation Time shall be such actual closing time; and
- (b) where the relevant Equity Index is a Multi-Exchange Index, (i) for the purposes of determining whether a Market Disruption Event has occurred: (A) in respect of a Component Security, the Scheduled Closing Time on the Exchange in respect of such Component Security and (B) in respect of any options contracts or futures contracts on the relevant Equity 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 Equity Index is calculated and published by the Index Sponsor. If, for the purposes of subparagraph (i) above, the relevant Exchange closes prior to its Scheduled Closing Time and the specified Observation Time is after the actual closing time for its regular trading session, then the Observation Time shall be such actual closing time.

"Reference Value" means, in respect of an Equity Index:

- (a) if "Opening" is specified in the relevant Final Terms, the official opening level of the Equity Index published by the Index Sponsor on the relevant date;
- (b) if "Closing" is specified in the relevant Final Terms, the official closing level of the Equity Index published by the Index Sponsor on the relevant date; and
- (c) if "Specified Time" is specified in the relevant Final Terms, the official level of the Equity Index at the Specified Time published by the Index Sponsor on the relevant date,

in each case, as determined by the Calculation Agent or, if no such level can be determined at the relevant time, the Calculation Agent's estimate in good faith of the level of the Equity Index at the relevant time.

“Related Exchange” means, in relation to an Equity Index, each exchange or quotation system specified as such in relation to such Equity Index in the relevant Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Equity Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Equity Index on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where “All Exchanges” is specified as the Related Exchange in the relevant Final Terms, “Related Exchange” shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Equity Index.

“Scheduled Closing Time” means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

“Scheduled Trading Day” means:

- (a) where the relevant Equity Index is not a Multi-Exchange Index, any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions; and
- (b) where the relevant Equity Index is a Multi-Exchange Index (i) any day on which the Index Sponsor is scheduled to publish the level of that Equity Index and (ii) each Related Exchange is scheduled to be open for trading for its regular trading session.

“Single Equity Index” means, if specified as the Underlying in the relevant Final Terms, that the Notes relate to a single Equity Index.

“Trading Disruption” means any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise: (a) relating to any Component Security on the Exchange; or (b) in futures or options contracts relating to the Equity Index on any Related Exchange.

“Valid Date” shall mean a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in respect of an Observation Date does not or is not deemed to occur.

“Weighting” means in relation to an Equity Index, the proportion, expressed as a percentage, of such Equity Index to the Basket of Equity Indices, as specified in the relevant Final Terms.

3 Adjustments to Observation Dates

If an Observation Date is not a Scheduled Trading Day, such Observation Date will be deemed to be the immediately succeeding Scheduled Trading Day unless “Disrupted Day” is specified as applicable in the relevant Final Terms and, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day:

- (a) where the Notes relate to a Single Equity Index, the relevant Observation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the Scheduled Observation Date is a Disrupted Day. In that case the eighth Scheduled Trading Day shall be deemed to be the Observation Date, notwithstanding the fact that such day is a Disrupted Day; and
- (b) where the Notes relate to a Basket of Equity Indices, the Observation Date for each Equity Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Observation Date, and the Observation Date for each Equity Index affected by the occurrence of a Disrupted Day (each an

“**Affected Equity Index**”) shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Equity Index unless each of the eight Scheduled Trading Days immediately following the Scheduled Observation Date is a Disrupted Day relating to the Affected Equity Index. In that case the eighth Scheduled Trading Day shall be deemed to be the Observation Date for the Affected Equity Index, notwithstanding the fact that such day is a Disrupted Day.

4 Adjustments to Averaging Dates

If “Disrupted Day” is specified as applicable in the relevant Final Terms, and if the Calculation Agent determines that any Averaging Date is a Disrupted Day:

- (a) if “Omission” is specified in the relevant Final Terms, such Averaging Date will be deemed not to be an Averaging Date for purposes of determining the relevant Reference Value, provided that, if through the operation of this provision there would not be an Averaging Date in respect of an Observation Date, Equity Index Condition 3 will apply for the purposes of determining the Reference Value for the final Averaging Date in respect of such Observation Date as if such final Averaging Date were an Observation Date that was a Disrupted Day;
- (b) if “Postponement” is specified in the relevant Final Terms, Equity Index Condition 3 will apply for the purpose of determining the relevant Reference Value for that Averaging Date as if such Averaging Date were an Observation Date that was a Disrupted Day, irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a date that already is or is deemed to be an Averaging Date; and
- (c) if “Modified Postponement” is specified in the relevant Final Terms, then:
 - (i) where the Equity Index Linked Notes relate to a single Equity Index, the relevant Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Observation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date then (A) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date), and (B) the Calculation Agent shall, where practicable, determine the Reference Value for that Averaging Date in accordance with Equity Index Condition 3; or
 - (ii) where the Notes relate to a Basket of Equity Indices, the Averaging Date for each Equity Index not affected by the occurrence of a Disrupted Day shall be the date specified in the relevant Final Terms as an Averaging Date, and the Averaging Date for each Equity Index affected by the occurrence of a Disrupted Day (each an “**Affected Equity Index**”) shall be the first succeeding Valid Date in relation to such Affected Equity Index. If the first succeeding Valid Date in respect of the Affected Equity Index has not occurred as of the Observation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date would have been the final Averaging Date, then (A) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date) in respect of the Affected Equity Index, and (B) the Calculation Agent shall determine the Reference Value for that Averaging Date in accordance with Equity Index Condition 3.

5 Adjustments to an Equity Index and Additional Disruption Events

(a) **Successor Index Sponsor Calculates and Reports an Equity Index**

If a relevant Equity Index is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent, or (ii) replaced by a successor equity index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Equity Index, then in each case that equity index (the “**Successor Index**”) will be deemed to be the Equity Index.

(b) **Modification and Cessation of Calculation of an Equity Index**

If (A) on or prior to the Observation Date the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Equity Index or in any other way materially modifies that Equity Index (other than a modification prescribed in that formula or method to maintain that Equity Index in the event of changes in constituent stock and capitalisation, contracts or any other routine events) (an “**Index Modification**”) or permanently cancels the Equity Index and no Successor Index exists (an “**Index Cancellation**”), or (B) on the Observation Date, the Index Sponsor or (if applicable) the successor Index Sponsor fails to calculate and announce a relevant Equity Index (an “**Equity Index Disruption**” and, together with an Index Modification and an Index Cancellation, each an “**Index Adjustment Event**”), then:

- (i) the Calculation Agent will determine if such Index Adjustment Event has a material effect on the Notes and, if so, to calculate the Reference Value using, in lieu of a published level for that Equity Index, the level for that Equity Index as at the Observation Time on the Observation Date as determined by the Calculation Agent in accordance with the formula for and method of calculating that Equity Index last in effect prior to the change, failure or cancellation, but using only those securities that comprised that Equity Index immediately prior to that Index Adjustment Event; or
- (ii) by giving notice to Noteholders in accordance with General Condition 17, the Issuer, in its sole and absolute discretion, may redeem all, but not some only, of the Notes, each Note being redeemed at the Early Redemption Amount.

(c) **Additional Disruption Events**

If Additional Disruption Events are specified as applicable in the relevant Final Terms, then, if an Additional Disruption Event occurs:

- (i) the Calculation Agent will determine, in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of the General Conditions relating to interest and/or redemption and/or Weighting and/or any of the other terms of these Terms and Conditions and/or the relevant Final Terms, and/or remove and/or substitute the affected Equity 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 General Condition 17, the Issuer, in its sole and absolute 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 General Condition 17 stating the occurrence of the Additional Disruption Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

(d) **Notice**

Upon the occurrence of an Index Adjustment Event, the Calculation Agent shall give notice as soon as practicable to Noteholders in accordance with General Condition 17 giving details of the action proposed to be taken in relation thereto. Without limiting the obligations of the Calculation Agent to give notice to Noteholders as set forth in the preceding sentence, failure by the Calculation Agent to notify the Noteholders of the occurrence of an Index Adjustment Event and/or Additional Disruption Event shall not affect the validity of the occurrence and effect of such Index Adjustment Event and/or Additional Disruption Event.

(e) **Correction of the Reference Value**

In the event that any price or level published by the Index Sponsor which is utilised for any calculation or determination made under the Notes is subsequently corrected, the Calculation Agent will, in its sole and absolute discretion, adjust the terms of the Notes to account for such correction, provided that such correction is published and made available to the public by the Index Sponsor during a period following original publication equal in duration to the period in which a trade in futures or options contracts relating to the Equity Index on the relevant Related Exchange would customarily settle according to the rules of such Related Exchange or, if there are multiple Related Exchanges in respect of the Equity Index, the longest such period, and further provided, that such publication of such correction is made sufficiently (in the sole and absolute discretion of the Calculation Agent) in advance of the Maturity Date or the relevant Specified Interest Payment Date to make such adjustment prior to the Maturity Date or the relevant Specified Interest Payment Date, as the case may be.

ANNEX IV: FUND LINKED NOTES

1 Incorporation and Interpretation

If “Fund Linked Notes” are specified as applicable in the relevant Final Terms, the terms and conditions applicable to such Fund Linked Notes shall comprise (a) the General Conditions and (b) these Fund Conditions, which will be subject to completion by the relevant Final Terms. In the event of any inconsistency between the General Conditions and these Fund Conditions, these Fund Conditions shall prevail.

2 Definitions Applicable to Fund Linked Notes

“**Additional Fund Documents**” has the meaning given to it in the relevant Final Terms.

“**Basket of Reference Funds**” means a basket composed of Reference Funds as specified in the relevant Final Terms, in the Weightings specified in the relevant Final Terms.

“**Cut-Off Period**” means, in respect of any date, the period specified as such in the relevant Final Terms or, if no such period is specified, a period of one calendar year ending on the first anniversary of such date; provided that, if a Final Cut-Off Date is specified in the relevant Final Terms, then any Cut-Off Period that would otherwise end after such Final Cut-Off Date shall end on such Final Cut-Off Date.

“**Disrupted Day**” means, in respect of a Fund Business Day, the occurrence or continuation of the following events as determined by the Calculation Agent in its sole and absolute discretion:

- (a) a failure by the Reference Fund to publish the Fund Interest Price of the relevant Fund Interest in respect of that Fund Business Day (provided that the Fund Interest Price was scheduled to be published on such Fund Business Day in accordance with the Fund Documents);
- (b) the Calculation Agent determining in good faith and a commercially reasonable manner that the Fund Interest Price of the relevant Fund Interest is inaccurate;
- (c) the inability of a holder of Fund Interests to subscribe for, or redeem, Fund Interests for value on that Fund Business Day (provided that such Fund Business Day is a day for which subscriptions or redemptions are scheduled to be permissible in accordance with the Fund Documents); or
- (d) a postponement or failure of a Reference Fund to make any payment in respect of the redemption of Fund Interests on any day for which such payment is scheduled to be made (in accordance with the Fund Documents).

“**Final Cut-Off Date**” means the date specified as such in the relevant Final Terms.

“**Fund Administrator**” means any person specified as such in the relevant Final Terms or, if no person is so specified, the fund administrator, adviser, trustee or similar person with the primary administrative responsibilities for such Reference Fund according to the Fund Documents.

“**Fund Adviser**” means any person specified as such in the relevant Final Terms or, if no person is so specified, any person appointed in the role of discretionary investment manager or non-discretionary investment adviser (including a non-discretionary investment adviser to a discretionary investment manager or to another non-discretionary adviser) for such Reference Fund.

“**Fund Business Day**” means any day specified as such in the relevant Final Terms or, if no such day is specified, any day that the Reference Fund or the primary Fund Administrator acting on behalf of the Reference Fund is open for business.

“**Fund Documents**” means, in respect of any Fund Interest, the constitutive and governing documents, subscription agreements and other agreements of the related Reference Fund specifying the terms and

conditions relating to such Fund Interest and any Additional Fund Documents, in each case, as amended from time to time.

“Fund Interest” means an interest issued to or held by an investor in a fund, pooled investment vehicle or any other interest identified as such in the relevant Final Terms.

“Fund Interest Price” means, on any Fund Business Day, the price of one Fund Interest in the Specified Currency as at that Fund Business Day, which shall be equal to the available official net asset value of a Fund Interest for that Fund Business Day, as either notified to the Calculation Agent by the relevant Fund Adviser or published by or on behalf of the Reference Fund, less (a) any applicable costs, expenses or taxes that would be incurred by a Hypothetical Investor in redeeming such Fund Interest and (b) such other fees as are specified as “Redemption Fees” in the relevant Final Terms, in both cases, as determined by the Calculation Agent in its sole and absolute discretion.

“Fund Interest Unit” means, in respect of a Fund Interest in a Reference Fund, a share of such Fund Interest or, if Fund Interests in such Reference Fund are not denominated as shares, a notional unit of account of ownership of such Fund Interest in such Reference Fund in the amount specified in the relevant Final Terms; provided that if no such amount is so specified, then the entire amount of Fund Interest in which the Hypothetical Investor is deemed to invest on the Trade Date shall be a single Fund Interest Unit.

“Fund Manager” means any person specified as such in the relevant Final Terms or, if no person is so specified, any person appointed in the role of discretionary or non-discretionary investment manager (including a non-discretionary investment manager to a discretionary investment manager or to another non-discretionary adviser) for such Reference Fund.

“Fund Service Provider” means, in respect of any Reference Fund, any person who is appointed to provide services, directly or indirectly, for that Reference Fund, whether or not specified in the Fund Documents, including any Fund Adviser, Fund Administrator, operator, management company, depositary, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent, domiciliary agent and any other person specified as such in the relevant Final Terms.

“Hedging Party” means, unless otherwise specified in the relevant Final Terms, the Issuer, any of its Affiliates or agent or any special purpose vehicle.

“Hypothetical Investor” means a hypothetical or actual investor (as determined by the Calculation Agent in the context of the relevant situation) in Fund Interests which is deemed to have the benefits and obligations, as provided in the relevant Fund Documents, of an investor holding Fund Interests at the relevant time. The Hypothetical Investor may be deemed by the Calculation Agent to be resident or organised in any jurisdiction, and to be, without limitation, the Calculation Agent or any Hedging Party (as determined by the Calculation Agent in the context of the relevant situation).

“Redemption Proceeds” means, in respect of the relevant number of Fund Interest Units or amount of any Fund Interest, the redemption proceeds, as determined by the Calculation Agent, that would be paid by the related Reference Fund to a Hypothetical Investor who, as of the relevant time, redeems such amount of such Fund Interest; provided that (a) any such proceeds that would be paid in property other than cash shall be valued by the Calculation Agent 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, the Hypothetical Investor shall be deemed to have elected cash payment, except as otherwise specified in the relevant Final Terms.

“Reference Fund” means, in respect of a Fund Interest, the issuer of, or other legal arrangement giving rise to, the relevant Fund Interest, as specified in the relevant Final Terms.

“Reference Value” means, on any Fund Business Day, the price of one Fund Interest in the Specified Currency as at that Fund Business Day, which shall be equal to the available official net asset value of a

Fund Interest for that Fund Business Day, as either notified to the Calculation Agent by the relevant Fund Adviser or published by or on behalf of the Reference Fund, less (a) any applicable costs, expenses or taxes that would be incurred by a Hypothetical Investor in redeeming such Fund Interest and (b) such other fees as are specified as “Redemption Fees” in the relevant Final Terms, in both cases, as determined by the Calculation Agent in its sole and absolute discretion.

“**Removal Value**” means the Redemption Proceeds minus (a) all expenses and costs incurred by a Hypothetical Investor in connection with (i) redemption of all Fund Interest Units in the relevant Reference Fund and (ii) subscription for Fund Interest Units in the Successor Reference Fund and (b) a spread and cost of funding.

“**Single Reference Fund**” means, if specified as the Underlying in the relevant Final Terms, that the Notes relate to a single Reference Fund.

“**Trading Agreement**” means a trading agreement entered into between the Reference Fund, the Calculation Agent and the Fund Manager and/or Fund Adviser.

“**Valid Date**” means a Fund Business Day which the Calculation Agent determines is not a Disrupted Day and on which another Averaging Date in respect an Observation Date does not or is not deemed to occur.

“**Weighting**” means in relation to a Reference Fund, the proportion, expressed as a percentage, of such Reference Fund to the Basket of Reference Funds, as specified in the relevant Final Terms.

3 Adjustments in relation to a Trigger Event

Each of the following events in respect of a Reference Fund, as determined by the Calculation Agent in its sole and absolute discretion, constitutes a “**Trigger Event**”:

- (a) all the Fund Interests or all or substantially all the assets of a Reference Fund are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof (a “**Nationalisation**”);
- (b) by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Reference Fund, (A) all the Fund Interests of that Reference Fund are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Fund Interests of that Reference Fund become legally prohibited from transferring or redeeming them (an “**Insolvency**”);
- (c) the Reference Fund or a Fund Service Provider:
 - (i) is dissolved or has a resolution passed for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger);
 - (ii) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
 - (iii)
 - (A) 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
 - (B) 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 paragraph (A) above and either:

- (I) results in a judgment of insolvency or bankruptcy or the entry of an order of relief or the making of an order for its winding-up or liquidation; or
 - (II) is not dismissed, discharged, stayed or restrained in each case within 15 days of the institution and presentation thereof;
- (iv) 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;
- (v) 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
- (vi) causes or is subject to any event in respect of it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (i) to (v) (inclusive) above (all of which shall be termed, a **"Fund Insolvency Event"**);
- (d) in respect of any Reference Fund, (i) the resignation, termination or replacement of its Fund Adviser or any Fund Service Provider, (ii) the resignation, termination, death or replacement of any key person specified in the relevant Final Terms or (iii) any change in the personnel of the Fund Adviser or any Fund Service Provider which the Calculation Agent considers material (a **"Key Person Event"**);
- (e) any actual or anticipated material breach or violation of any strategy or investment guidelines stated in the Fund Documents that is reasonably likely to affect the value of such Fund Interest or the rights or remedies of any holders thereof (in each case as determined by the Calculation Agent in its sole and absolute discretion) (a **"Strategy Breach"**);
- (f) the cancellation, suspension or revocation of the registration or approval of any Fund Interest of the related Reference Fund or any Fund Service Provider by any governmental, legal or regulatory entity with authority over such Reference Fund or Fund Service Provider;
- (g) any change in the legal, tax, accounting or regulatory treatments of the relevant Reference Fund or any Fund Service Provider that is reasonably likely to have an adverse effect on the value of the relevant Fund Interest or on any investor therein (as determined by the Calculation Agent in its sole and absolute discretion);
- (h) the related Reference Fund or any of its Fund Service Providers becomes subject to any investigation, proceeding or litigation by any relevant governmental, legal or regulatory authority involving the alleged violation of applicable law for any activities relating to or resulting from the operation of such Reference Fund or such Fund Service Provider (all of paragraphs (f) to (h) shall be termed **"Regulatory Action"**);
- (i) in respect of any Fund Interest, (A) the occurrence of any event affecting such Fund Interest that, in the determination of the Calculation Agent, would make it impossible or impracticable for the Calculation Agent to determine the value of such Fund Interest, and such event continues for at least the time period specified in the relevant Final Terms or, if no such time period is specified, the foreseeable future, or (B) any failure of the related Reference Fund to deliver, or cause to be delivered, (I) information that such Reference Fund has agreed to deliver, or cause to be delivered

to the Calculation Agent or (II) information that has been previously delivered to the Calculation Agent, in accordance with such Reference Fund's, or its authorised representative's, normal practice and that the Calculation Agent deems necessary to monitor such Reference Fund's compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to such Fund Interests (a "**Reporting Disruption**");

- (j) any material change or modification of the related Fund Documents or investment procedures (including, but not limited to, the Reference Fund's (A) strategy, (B) investment guidelines, (C) liquidity, where such a change in liquidity results in an increase in volatility, (D) types of investments in which the Reference Fund invests, their liquidity, term, credit risk and diversification and (E) accounting currency), in each case as compared with those prevailing on the Issue Date that could reasonably be expected to affect the value of such Fund Interest or the rights or remedies of any holders thereof, in each case as determined by the Calculation Agent and as compared with those prevailing on the Issue Date (a "**Fund Modification**");
- (k) any event or circumstance that results or is likely to result in a Hypothetical Investor being unable, or it being impractical, to purchase, redeem for cash, hold or transfer Fund Interest Units, including, but not limited to, the suspension by the Reference Fund of Fund Interest Units subscriptions or redemptions and compulsory redemptions;
- (l) a Hypothetical Investor is subject to new or more onerous restrictions on its ability to subscribe for, transfer or redeem, Fund Interest Units (including, but not limited to, the imposition of, or increase in, fees or charges in relation to redemptions, subscriptions or transfers of Fund Interest Units) or a change in the voting rights attached to the Fund Interest Units, in each case as compared with those (if any) applicable to the Hypothetical Investor on the Issue Date;
- (m) a Hypothetical Investor is prevented, due to circumstances beyond its control, from remitting (i) subscription moneys and/or redemption proceeds in respect of the Fund Interest Units; or (ii) any payments relating to any over-the-counter derivative transaction(s) linked to the Fund Interest Units (all of paragraphs (k) to (m) shall be termed a "**Fund Hedging Disruption**");
- (n) a Hedging Party would incur:
 - (i) a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) to acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk relating to any Fund Interest Unit as a result of entering into and performing its obligations in respect of the issue of a security similar to the Notes, and any costs associated with unwinding any hedge positions relating to a security similar to the Notes; and
 - (ii) an increase in charges or fees imposed by the Reference Fund on any investor's ability to redeem Fund Interest Units, in whole or in part, or any existing or new investor's ability to make new or additional investments in the Fund Interest Units (both of paragraphs (n)(i) and (n)(ii) shall be termed an "**Increased Cost of Hedging**");
- (o) on or after the Issue Date, due to the:
 - (i) adoption of or any change in any applicable law or regulation (including, without limitation, any tax law); or
 - (ii) promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority),

the Calculation Agent determines that (I) it has become illegal to hold, acquire or dispose of Fund Interests or (II) the Issuer will incur a materially increased cost in performing its obligations under the Notes (including, without limitation, due to any adverse effect on its tax position) (a **"Change in Law"**);

- (p) the Fund Administrator or the Reference Fund fails, for any reason other than of a technical or operational nature, to calculate and announce the official Fund Interest Price within the number of days specified in the relevant Final Terms of the date on which such Fund Interest Price was originally scheduled to be announced (a **"NAV Disruption Event"**);
- (q) any legal action, suit or proceeding has been taken or brought, or is threatened or pending, against the Reference Fund or any of its Fund Service Providers which, if resolved against the Reference Fund or Fund Service Provider has, or would have, a material adverse effect on the reputation of the Reference Fund and/or the price of its Fund Interest Units (a **"Legal Action"**);
- (r) a Reference Fund fails to satisfy the requirements of the Calculation Agent's initial and ongoing due diligence process and other internal control procedures (as such procedures may be amended from time to time) (a **"Due Diligence Failure"**);
- (s) (A) the Reference Fund and/or the Fund Manager and/or the Fund Adviser fails to execute a Trading Agreement, if required by the Calculation Agent, or (B) any breach, violation or termination by the Reference Fund and/or the Fund Manager and/or the Fund Adviser of the Trading Agreement (a **"Trading Agreement Event"**);
- (t) the official Fund Interest Price of the Fund Interest Units has decreased by an amount equal to or greater than the percentage amount specified in the relevant Final Terms during the period specified in the relevant Final Terms (a **"NAV Trigger Event"**);
- (u) the aggregate nominal amount of the Notes minus the nominal amount of the Notes repurchased and/or cancelled by the Issuer at any time is less than USD 200,000 (or such other amount as specified in the relevant Final Terms) or its equivalent in the Specified Currency (the **"Minimum Outstanding Amount of Notes"**);
- (v) a material alteration of the stated benchmark of the Reference Fund, as specified in the relevant Final Terms (a **"Benchmark Change"**);
- (w) in respect of any Fund Interests, any (i) reclassification or change of such Fund Interests that results in a transfer of or an irrevocable commitment to transfer all or any of such Fund Interests outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of a Reference Fund with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Reference Fund is the continuing entity and which does not result in a reclassification of or change to any Fund Interests), (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 Fund Interests of any particular Reference Fund that results in a transfer of or an irrevocable commitment to transfer all such Fund Interests (other than such Fund Interests owned or controlled by such other entity or person) or (iv) consolidation, amalgamation, merger or binding share exchange of a Reference Fund or any subsidiaries thereof with or into another entity in which such Reference Fund is the continuing entity and which does not result in a reclassification of or change to all Fund Interests outstanding of such Reference Fund but results in such outstanding Fund Interests (other than the Fund Interests owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Fund Interests immediately following such event (an **"Organisational Change"**);

- (x) the aggregate net asset value of assets managed by the Fund Adviser on behalf of the Reference Fund falls below EUR 200,000,000 (or such other amount as specified in the relevant Final Terms) or its equivalent in the Specified Currency (an “**Assets Under Management Trigger**”);
- (y) a subdivision, consolidation or reclassification of the relevant number of Fund Interest Units or 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;
- (z) a distribution, issue or dividend to existing holders of the relevant Fund Interest of (i) an additional amount of such Fund Interest, (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Reference Fund equally or proportionately with such payments to holders of such Fund Interest, (iii) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Reference 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 Calculation Agent;
- (aa) an extraordinary dividend (determined by the Calculation Agent, in its sole and absolute discretion, to be extraordinary);
- (bb) a repurchase by the Reference 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 that is consistent with the Fund Documents;
- (cc) any other event that the Calculation Agent determines may have a dilutive or concentrative effect on the theoretical value of the relevant Fund Interest Units or amount of Fund Interest (all of subparagraphs (y) to (cc) shall be termed “**Potential Adjustment Events**”);
- (dd) any event or circumstance (whether or not in accordance with the constitutive documents and investment guidelines of the Reference Fund) in respect of the Reference Fund which mandatorily obliges a Hypothetical Investor to sell or otherwise dispose of any Fund Interests (a “**Compulsory Disposal Event**”);
- (ee) the currency of denomination of the Fund Interests is amended and/or the net asset value of the Fund Interests is no longer calculated in the currency that applied when the same first became invested in (whether directly or indirectly) by the Issuer (a “**Currency Change**”);
- (ff) any gate, suspension, or side pocketing imposed on Fund Interests by the Reference Fund or any impairment to the actual or documented liquidity terms of (i) the Fund Interests or (ii) any other similar fund managed by the same manager as manages the Reference Fund, as determined in the sole and absolute discretion of the Calculation Agent (a “**Liquidity Impairment**”); and/or
- (gg) significant market, trading or exchange disruption and/or crisis in the major financial markets (a “**General Disruption**”).

Following the occurrence of a Trigger Event (and regardless of whether or not such event is then continuing) in respect of a Reference Fund (such Reference Fund being the “**Affected Reference Fund**”), its Fund Adviser or any of its Fund Service Providers, the Calculation Agent may, in its sole and absolute discretion, take one or more of the following actions (each a “**Permitted Action**”):

- (a) (i) make such adjustments to any variable, calculation methodology, valuation, settlement, payment terms or any other terms relating to the Terms and Conditions as the Calculation Agent determines appropriate to account for the economic effect on the Notes of such Trigger Event and (ii) determine the effective date of such adjustments;

- (b) (i) select a replacement fund (the **“Successor Reference Fund”**) which the Calculation Agent determines, in its sole and absolute discretion, has a similar strategy, style, liquidity as the relevant Reference Fund and (ii) select the appropriate date (the **“Substitution Date”**) for the notional replacement of the Affected Fund by the Successor Reference Fund.

Following any such selection, (i) the Successor Reference Fund shall replace the Affected Reference Fund on the Substitution Date, (ii) references herein to the Reference Fund shall be deemed to be references to the Successor Reference Fund with effect from the Substitution Date and (iii) the Calculation Agent shall, in good faith, make such adjustments as it determines to be necessary, if any, to any variable, calculation methodology, valuation, settlement, payment terms or any other terms and conditions in relation to the Notes to reflect such substitution; and/or

- (c) (i) make such adjustments to any variable, calculation methodology, valuation, settlement, payment terms or any other terms of the Terms and Conditions as the Calculation Agent determines are necessary to reflect a notional liquidation of all Fund Interests (with the timing of such notional liquidation being the same timing as would be the case on an actual liquidation of Fund Interests) and a notional investment of the Removal Value in a notional zero coupon bond or such other money market instruments, determined by the Calculation Agent in its sole and absolute discretion, for the remainder of the term of the Notes and (ii) determine the effective date of the notional liquidation of the Fund Interests.

Notwithstanding that the Calculation Agent may have previously determined not to take a Permitted Action or has already taken a Permitted Action, it may decide to adopt an additional or different Permitted Action in respect of the same Trigger Event. In such respect, the Calculation Agent may make such adjustments to any variable, calculation methodology, valuation, settlement, payment terms or any other terms of the Terms and Conditions or relating to the Notes as the Calculation Agent determines appropriate to account for the carrying out of the additional or different Permitted Action. Following the occurrence of a Trigger Event, if the Calculation Agent determines, in its sole and absolute discretion, that it is necessary to do so, the Issuer shall, as soon as reasonable practicable thereafter, give notice to Noteholders in accordance with General Condition 17, and redeem all, but not some only, of the Notes, each Note being redeemed at the Early Redemption Amount.

For the avoidance of doubt, where there is more than one Trigger Event in occurrence at the same time, these provisions apply separately to each such occurrence. The Calculation Agent has no obligation to actively monitor or determine whether or not any of the above Trigger Events has occurred and will not be required to, and will not be responsible for any failure to, make any determination, waiver, declaration or decision whatsoever in relation to a Trigger Event. For the avoidance of doubt, neither the Issuer nor the Calculation Agent shall be responsible for any loss, underperformance or opportunity cost suffered or incurred by Noteholders or any other person in connection with the Notes as a result thereof.

Upon making an adjustment pursuant to the above, the Calculation Agent shall give notice as soon as practicable to the Noteholders in accordance with General Condition 17 stating the adjustment and giving brief details of the Trigger Event, provided that any failure to give such notice will not affect the validity of such adjustment.

4 Adjustments to Observation Dates

If the Calculation Agent determines, in its sole and absolute discretion, that any Observation Date on which the Fund Interest Price is to be determined is a “Disrupted Day” and Disrupted Day is specified as applicable in the relevant Final Terms, then:

- (a) where the Notes relate to a Single Reference Fund, the relevant Observation Date shall be the first succeeding Fund Business Day that is not a Disrupted Day, unless each of the Fund Business Days falling in the Cut-Off Period is a Disrupted Day. In that case, (i) the final Fund Business Day of the

Cut-Off Period shall be deemed to be such Observation Date and (ii) the Calculation Agent shall determine the Fund Interest Price of the relevant Fund Interest as its good faith estimate of the Fund Interest Price that would have prevailed, but for the occurrence of a Disrupted Day, on the final Fund Business Day of the Cut-Off Period; and

- (b) where the Notes relate to a Basket of Reference Funds, the relevant Observation Date for each Reference Fund not affected by the occurrence of a Disrupted Day shall be the Scheduled Observation Date and the Observation Date for each Reference Fund affected by the occurrence of a Disrupted day (each, an “**Affected Reference Fund**”) shall be the first succeeding Fund Business Day that is not a Disrupted Day, unless each of the Fund Business Days falling in the Cut-Off Period is a Disrupted Day. In that case, in respect of each such Affected Reference Fund, (i) the final Fund Business Day of the Cut-Off Period shall be deemed to be the relevant Observation Date and (ii) the Calculation Agent shall determine the Fund Interest Price of the relevant Fund Interest as its good faith estimate of the Fund Interest Price that would have prevailed but for the occurrence of a Disrupted day on the final Fund Business Day of the Cut-Off Period.

5 Adjustments to Averaging Dates

If the Calculation Agent determines that any Averaging Date is a Disrupted Day and “Disrupted Day” is specified as applicable in the relevant Final Terms:

- (a) if “Omission” is specified in the relevant Final Terms, then such Averaging Date shall be deemed not to be an Averaging Date for the purposes of determining the Fund Interest Price of the relevant Fund Interest. If through the operation of this provision there would not be an Averaging Date, Fund Condition 4 will apply for the purposes of determining the Fund Interest Price of the relevant Fund Interest for the final Averaging Date, as if such final Averaging Date were an Observation Date that was a Disrupted Day;
- (b) if “Postponement” is specified in the relevant Final Terms, Fund Condition 4 will apply for the purposes of determining the Fund Interest Price for the relevant Fund Interest for that Averaging Date as if such Averaging Date were an Observation Date that was a Disrupted Day, irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a date that already is or is deemed to be an Averaging Date; or
- (c) if “Modified Postponement” is specified in the relevant Final Terms, then:
 - (i) where the Notes relate to a Single Reference Fund, the relevant Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the final Fund Business Day of the Cut-Off Period for that original date that, but for the occurrence of another Averaging Date, or Disrupted Day, would have been the final Averaging Date, then (a) that final Fund Business Day of the Cut-Off Period shall be deemed to be the relevant Averaging Date, irrespective of whether such day is already an Averaging Date, and (b) the Calculation Agent shall determine the Fund Interest Price of the relevant Fund Interest for that Averaging Date with its good faith estimate of such Fund Interest Price that would have prevailed, but for the occurrence of a Disrupted Day, on that deemed Averaging Date; and
 - (ii) where the Notes relate to a Basket of Reference Funds, the Averaging Date for each Fund Interest not affected by the occurrence of a Disrupted Day shall be the date specified in the relevant Final Terms as an Averaging Date and the Averaging Date for any Fund Interest affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the final Fund Business Day of the Cut-Off Period for that original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date, then (a) that final Fund Business Day of the Cut-Off Period shall be deemed to be the relevant Averaging Date, irrespective of

whether such day is already an Averaging Date, and (b) the Calculation Agent shall determine the Fund Interest Price of the relevant Fund Interest for that Averaging Date with its good faith estimate of such Fund Interest Price that would have prevailed, but for the occurrence of a Disrupted Day, on that deemed Averaging Date.

6 Notice

Upon the making of any determinations by the Calculation Agent under Fund Conditions 4 and/or 5, the Issuer shall, as soon as reasonably practicable thereafter, give notice to Noteholders in accordance with General Condition 17 of the occurrence of a Disrupted Day on any day that, but for the occurrence or continuance of a Disrupted Day, would have been an Averaging Date or an Observation Date, as the case may be; provided that any failure to give such notice will not affect the validity of the occurrence and the effect of such Disrupted Day on the Notes.

ANNEX V: FX LINKED NOTES

1 Incorporation and Interpretation

If “FX Linked Notes” are specified as applicable in the relevant Final Terms, the terms and conditions applicable to such FX Linked Notes shall comprise (a) the General Conditions and (b) these FX Conditions, which will be subject to completion by the relevant Final Terms. In the event of any inconsistency between the General Conditions and these FX Conditions, these FX Conditions shall prevail.

2 Definitions Applicable to FX Linked Notes

“**Additional Disruption Event**” means any of Change in Law, Hedging Disruption or Increased Cost of Hedging, in each case if specified as applicable in the relevant Final Terms.

“**Affected FX Rate**” means an FX Rate which, in the determination of the Calculation Agent, is affected by the occurrence of a Disruption Event.

“**Base Currency**” means the currency specified as such in the relevant Final Terms.

“**Basket of FX Rates**” means a basket composed of the FX Rates specified in the relevant Final Terms in the Weightings specified in the relevant Final Terms, subject to any adjustment in accordance with FX Conditions 6, 7 and 8.

“**Calculation Agent FX Determination**” means that the Calculation Agent will determine the relevant FX Rate(s) (or a method for determining such FX Rate(s), taking into consideration all available information that in good faith it deems relevant.)

“**Currency Pair**” means the Reference Currency and the Base Currency.

“**Currency-Reference Dealers**” means, in respect of an FX Rate which is affected by the occurrence of a Disrupted Day, that the Calculation Agent will request each of the FX Reference Dealers to provide a quotation of its rate at which it will buy one unit of the Base Currency in units of the Reference Currency at the applicable Reference Time on such Disrupted Day. If, for any such rate, at least four quotations are provided, the highest and the lowest quotations will be disregarded and the relevant rate will be the arithmetic mean of the remaining quotations. If fewer than four but at least two quotations are provided, then the FX rate shall be the arithmetic mean of the quotations. If only one quotation is available, the Calculation Agent shall determine that such quotation shall be the FX Rate. If no such quotation is available or if the Calculation Agent determines in its sole discretion that no suitable FX Reference Dealers are available, the next Disruption Fallback shall apply.

“**Disrupted Day**” means a day on which the Calculation Agent, in its sole discretion, determines that a Disruption Event has occurred.

“**Disruption Event**” means any of Inconvertibility Event or Price Source Disruption.

“**Disruption Fallback**” means Calculation Agent FX Determination, Currency-Reference Dealers or Fallback Reference Price, in the order specified in the relevant Final Terms.

“**Fallback Reference Date**” means, in respect of an FX Reference Date, the date specified in the relevant Final Terms or, if no date is specified, the second Business Day prior to the next following date upon which any payment may have to be made by the Issuer by reference to the FX Rate on such day.

“**Fallback Reference Price**” means, in respect of an Affected FX Rate, that the Calculation Agent will determine the FX Rates(s) pursuant to the first of the alternative FX Price Sources specified in the relevant Final Terms.

“FX Business Day” means, in respect of an FX Rate, each day (other than Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange in accordance with the practice of the foreign exchange market) in (a) the principal financial centre of the Reference Currency and (b) the FX Financial Centres.

“FX Financial Centres” means, in respect of each FX Rate, the financial centre(s) specified in the relevant Final Terms.

“FX Price Source” means, in respect of each FX Rate, the price source(s) specified in the relevant Final Terms for such FX Rate or, if the relevant rate is not published or announced by such FX Price Source at the relevant time, the successor or alternative price source or page/publication for the relevant rate as determined by the Calculation Agent in its sole and absolute discretion.

“FX Rate” means, in respect of any relevant day, the exchange rate of one currency for another currency expressed as a number of units of the Reference Currency (or fractional amounts thereof) per unit of the Base Currency (and, if the relevant Final Terms specify a Number of FX Settlement Days, for settlement in the Number of FX Settlement Days reported and/or calculated and/or published by the FX Rate Sponsor), which appears on the FX Price Source at approximately the applicable Observation Time on such day, or such other rate specified or otherwise determined as specified in the relevant Final Terms.

“FX Rate Sponsor” means, in respect of an FX Rate, the entity specified as such in the relevant Final Terms.

“FX Reference Date” means an Observation Date or Averaging Date, as the case may be.

“FX Reference Dealers” means, in respect of an FX Rate:

- (a) if “Standard” is specified in the relevant Final Terms, the four leading dealers in the relevant foreign exchange market, as determined by the Calculation Agent; and
- (b) if “Modified” is specified in the relevant Final Terms, the five leading banks in the currency and foreign exchange markets, as determined by the Calculation Agent,

or otherwise specified or determined as specified in the relevant Final Terms.

“Inconvertibility Event” means, in respect of an FX Rate, the occurrence of an event which affects the convertibility of the relevant Reference Currency into the Base Currency.

“Number of FX Settlement Days” means the number specified as such in the relevant Final Terms.

“Observation Time” means the time specified as such in the relevant Final Terms.

“Price Source Disruption” means it becomes impossible or otherwise impracticable to obtain the FX Rate on the FX Reference Date (or, if different, the day on which rates for that FX Reference Date would, in the ordinary course, be published or announced by the relevant FX Price Source).

“Reference Currency” means, in respect of an FX Rate, the currency specified as such in the relevant Final Terms.

“Reference Time” means the time specified as such in the relevant Final Terms or, if no such time is specified, in respect of an FX Rate, the time with reference to which the FX Rate Sponsor calculates the closing rate of such FX Rate or, in each case, such other time as the Calculation Agent may select and as notified to Noteholders by the Issuer in accordance with General Condition 17.

“Reference Value” means the FX Rate.

“Single FX Rate” means, if specified as the Underlying in the relevant Final Terms, that the Notes relate to a single FX Rate.

“Specified Rate” has the meaning given to it in the ISDA FX Definitions.

“Spot Rate” has the meaning given to it in the ISDA FX Definitions.

“Valid Date” means a FX Business Day that is not a Disrupted Day and on which another Averaging Date in respect of an Observation Date does not or is not deemed to occur.

“Weighting” means, in relation to an FX Rate, the proportion, expressed as a percentage, of such FX Rate to the Basket of FX Rates, as specified in the relevant Final Terms.

3 Adjustments to Observation Dates

If an Observation Date is not an FX Business Day, such Observation Date will be deemed to be the immediately succeeding FX Business Day unless “Disrupted Day” is specified as applicable in the relevant Final Terms and, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day:

- (a) where the FX Linked Notes relate to a single FX Rate, the Calculation Agent shall determine such FX Rate on such Observation Date in accordance with the first applicable Disruption Fallback (applied in accordance with its terms); and
- (b) where the FX Linked Notes relate to a Basket of FX Rates, for each FX Rate that the Calculation Agent determines is not an Affected FX Rate, the Observation Date shall be the Scheduled Observation Date and, for each Affected FX Rate, the Calculation Agent shall determine such Affected FX Rate in accordance with the first applicable Disruption Fallback (applied in accordance with its terms).

4 Adjustments to Averaging Dates

If “Disrupted Day” is specified as applicable in the relevant Final Terms, and if the Calculation Agent determines that any Averaging Date is a Disrupted Day:

- (a) if “Omission” is specified as applicable then, such Averaging Date will be deemed not to be a relevant Averaging Date for the purposes of determining any amount payable under the FX Linked Notes or making any other determination thereunder, provided that, if through the operation of this provision there would not be any Averaging Dates, then the final Averaging Date will be deemed to be the sole Averaging Date, and the Calculation Agent shall determine the FX Rate on such sole Averaging Date in accordance with the first applicable Disruption Fallback (applied in accordance with its terms).
- (b) if “Postponement” is specified in the relevant Final Terms, FX Condition 3 will apply for the purpose of determining the relevant Reference Value for that Averaging Date as if such Averaging Date were an Observation Date that was a Disrupted Day, irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a date that already is or is deemed to be an Averaging Date; or
- (c) if “Modified Postponement” is specified in the relevant Final Terms, then:
 - (i) where the FX Linked Notes relate to a Single FX Rate, the relevant Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Observation Time on the eighth FX Business Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date then (A) that eighth FX Business Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date), and (B) the Calculation Agent shall, where practicable, determine the Reference Value for that Averaging Date in accordance with FX Condition 3; or

- (ii) where the Notes relate to a Basket of FX Rates, the Averaging Date for each FX Rate not affected by the occurrence of a Disrupted Day shall be the date specified in the relevant Final Terms as an Averaging Date, and the Averaging Date for each FX Rate affected by the occurrence of a Disrupted Day (each an “**Affected FX Rate**”) shall be the first succeeding Valid Date in relation to such Affected FX Rate. If the first succeeding Valid Date in respect of the Affected FX Rate has not occurred as of the Observation Time on the eighth FX Business Day immediately following the original date that, but for the occurrence of another Averaging Date would have been the final Averaging Date, then (A) that eighth FX Business Day shall be deemed to be the Averaging Date (irrespective of whether that eighth FX Business Day is already an Averaging Date) in respect of the Affected FX Rate, and (B) the Calculation Agent shall determine the Reference Value for that Averaging Date in accordance with FX Condition 3.

5 Fallback Reference Date

Notwithstanding any other terms of these FX Conditions, if a Fallback Reference Date is specified in the relevant Final Terms to be applicable to any FX Reference Date (any such date being, for the purposes of this FX Condition 5, an “**FX Relevant Date**”) for an FX Rate (for the purposes of this FX Condition 5, an “**Affected FX Rate**”), and, following adjustment of such FX Relevant Date in accordance with FX Condition 3 or FX Condition 4, as the case may be, the FX Relevant Date would otherwise fall after the specified Fallback Reference Date in respect of such Affected FX Rate, then such Fallback Reference Date shall be deemed to be such FX Relevant Date for such Affected FX Rate.

If such Fallback Reference Date is not an FX Business Day or is a Disrupted Day in respect of such Affected FX Rate, as the case may be, then the Calculation Agent shall determine its good faith estimate of the value for such Affected FX Rate on such Fallback Reference Date.

6 Corrections to Published and Displayed Rates

- (a) In any case where an FX Rate is based on information obtained from the Reuters Monitor Money Rates Service, or any other financial information service, the FX Rate will be subject to the corrections, if any, to that information subsequently displayed by that source within one hour of the time when such rate is first displayed by such source, unless the Calculation Agent determines in its sole and absolute discretion that it is not practicable to take into account such correction.
- (b) Notwithstanding FX Condition 6(a), in any case where the FX Rate is based on information published or announced by any governmental authority in a relevant country, the FX Rate will be subject to the corrections, if any, to that information subsequently published or announced by that source within five days of the relevant FX Reference Date, unless the Calculation Agent determines in its sole and absolute discretion that it is not practicable to take into account such correction.

7 Successor Currency

Where the relevant Final Terms specify that “Successor Currency” is applicable in respect of an FX Rate, then:

- (a) each Reference Currency will be deemed to include any lawful successor currency to the Reference Currency (the “**Successor Currency**”);
- (b) if the Calculation Agent determines that, on or after the Issue Date but on or before any relevant date under the FX Linked Notes on which an amount may be payable, a country has lawfully eliminated, converted, redenominated or exchanged its currency in effect on the Issue Date or any Successor Currency, as the case may be (the “**Original Currency**”), for a Successor Currency, then, for the purposes of calculating any amounts of the Original Currency or effecting settlement thereof, any Original Currency amounts will be converted to the Successor Currency by multiplying

the amount of Original Currency by a ratio of Successor Currency to Original Currency, which ratio will be calculated on the basis of the exchange rate set forth by the relevant country of the Original Currency for converting the Original Currency into the Successor Currency on the date on which the elimination, conversion, redenomination or exchange took place, as determined by the Calculation Agent. If there is more than one such date, the date closest to such relevant date will be selected (or such other date as may be selected by the Calculation Agent in its sole and absolute discretion); and

- (c) notwithstanding FX Condition 7(b) above, the Calculation Agent may (to the extent permitted by the applicable law), in good faith and in a commercially reasonable manner, select such other exchange rate or other basis for the conversion of an amount of the Original Currency to the Successor Currency and, will make such adjustment(s) that it determines to be appropriate, if any, to any variable, calculation methodology, valuation, settlement, payment terms or any other terms in respect of the FX Linked Notes to account for such elimination, conversion, redenomination or exchange of the Reference Currency.

8 Rebasing of FX Linked Notes

If the relevant Final Terms specify that “Rebasing” is applicable, then, if, on or prior to any FX Reference Date or any other relevant date, the Calculation Agent is unable to obtain a value for an FX Rate (because the Reference Currency and/or Base Currency ceases to exist, or for any other reason other than a temporary disruption, as determined by the Calculation Agent), the Calculation Agent may rebase the FX Linked Notes against another foreign exchange rate determined by the Calculation Agent, in its sole and absolute discretion, to be a comparable foreign exchange rate. If the Calculation Agent determines in its sole and absolute discretion that there is not such a comparable foreign exchange rate, the Issuer may elect to redeem the FX Linked Notes by notice to Noteholders on the date specified in the notice at the Early Redemption Amount of each FX Linked Note.

9 Consequences of an Additional Disruption Event

If Additional Disruption Events are specified in the relevant Final Terms, then, if an Additional Disruption Event has occurred:

- (a) the Calculation Agent will determine, in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of the General Conditions relating to interest and/or redemption and/or Weighting and/or any of the other terms of these Terms and Conditions and/or the relevant Final Terms, and/or remove and/or substitute the affected FX Rate, to account for the Additional Disruption Event and determine the effective date of that adjustment; or
- (b) redeem the FX Linked Notes at the Early Redemption Amount in accordance with General Condition 7(a).

Any adjustment made in accordance with this FX Condition 9 shall be notified to Noteholders in accordance with General Condition 17.

ANNEX VI: INFLATION INDEX LINKED NOTES

If “Inflation Index Linked Notes” are specified as applicable in the relevant Final Terms, the terms and conditions applicable to such Inflation Index Linked Notes shall comprise (a) the General Conditions and (b) these Inflation Index Conditions and the General Conditions, which will be subject to completion by the relevant Final Terms. In the event of any inconsistency between the General Conditions and these Inflation Index Conditions, these Inflation Index Conditions shall prevail.

1 Definitions Applicable to Inflation Index Linked Notes

For the purposes of the Inflation Index Conditions, the following terms shall have the meanings set out below:

“Additional Disruption Event” means any of Change in Law, Hedging Disruption or Increased Cost of Hedging, in each case if specified as applicable in the relevant Final Terms.

“Base Level” means the Reference Value (excluding any “flash” estimates) published or announced by the Index Sponsor in respect of the month which is 12 calendar months prior to the Reference Month for which the Substitute Reference Value is being determined.

“Determination Date” means an Interest Payment Date (if applicable), Automatic Early Redemption Date (if applicable), Maturity Date or any other date on which payment is due to be made as specified in the relevant Final Terms.

“Fallback Bond” means a bond selected by the Calculation Agent and issued by the government of the country to whose level of inflation the Inflation Index relates and which pays a coupon or redemption amount which is calculated by reference to the Inflation Index, with a maturity date which falls on (a) the same day as the Maturity Date, (b) the next longest maturity after the Maturity Date if there is no such bond maturing on the Maturity Date, or (c) the next shortest maturity before the Maturity Date if no bond defined in (a) or (b) is selected by the Calculation Agent. If the Inflation Index relates to the level of inflation across the European Monetary Union, the Calculation Agent will select an inflation linked bond that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union. In each case, the Calculation Agent will select the Fallback Bond from those inflation linked bonds issued on or before the Issue Date and, if there is more than one inflation linked bond maturing on the same date, the Fallback Bond shall be selected by the Calculation Agent from those bonds. If the Fallback Bond redeems, the Calculation Agent will select a new Fallback Bond on the same basis, but selected from all eligible bonds in issue at the time the original Fallback Bond redeems (including any bond for which the redeemed bond is exchanged).

“Index Cancellation” means a level for the Inflation Index has not been published or announced for two consecutive months and/or the Index Sponsor cancels the Index and/or the Index Sponsor announces that it will no longer continue to publish or announce the Index and no Successor Index exists.

“Index Modification” means the Index Sponsor announces that it will make (in the opinion of the Issuer) a material change in the formula for or the method of calculating the Inflation Index or in any other way materially modifies the Index.

“Index Sponsor” means the index sponsor specified in the relevant Final Terms.

“Inflation Index” means the index specified in the relevant Final Terms, or any Successor Index.

“Latest Level” means the latest Reference Value (excluding any “flash” estimates) published or announced by the Index Sponsor prior to the Reference Month in respect of which the Substitute Reference Value is being determined.

“Reference Level” means the Reference Value (excluding any “flash” estimates) published or announced by the Index Sponsor in respect of the Reference Month that is 12 calendar months prior to the Reference Month in respect of the Latest Level.

“Reference Month” means the calendar month for which the Reference Value was reported, regardless of when this information is published or announced. If the period for which the Reference Value was reported is a period other than a month, the Reference Month shall be the period for which the Reference Value was reported.

“Reference Value” means the level of the Index or any Substitute Reference Value.

“Related Bond” means, if specified as applicable in the relevant Final Terms, means the bond specified as such in the relevant Final Terms or, if specified as applicable in the relevant Final Terms and no bond is specified therein, the Fallback Bond.

2 Adjustments

(a) Delay in Publication

If the Calculation Agent determines that the Index Sponsor has failed to publish or announce the Reference Value in respect of any Reference Month which is to be utilised in any calculation or determination to be made by the Issuer in respect of a Determination Date, at any time prior to the fifth Business Day prior to such Determination Date, then the Reference Value with respect to any Reference Month which is to be utilised in any calculation or determination to be made by the Calculation Agent and/or the Issuer with respect to such Determination Date (the **“Substitute Reference Value”**) shall be determined by the Calculation Agent as follows:

- (i) if “Related Bond” is specified as applicable in the relevant Final Terms, the Calculation Agent shall determine the Substitute Reference Value by reference to the corresponding index level determined under the terms and conditions of the Related Bond; or
- (ii) if the Calculation Agent is not able to determine a Substitute Reference Value under paragraph (i) above, the Calculation Agent shall determine the Substitute Reference Value by reference to the following formula:

$$\text{Substitute Reference Value} = \text{Base Level} \times (\text{Latest Level}/\text{Reference Level}).$$

The Issuer shall promptly give notice to Noteholders in accordance with General Condition 17 of any Substitute Reference Value.

(b) Cessation of Publication

If the Calculation Agent determines that the level of an Inflation Index is not calculated and announced by the Index Sponsor for two consecutive months and/or the Index Sponsor announces that it will not longer continue to publish or announce the Index and/or the Index Sponsor cancels the Index then the Calculation Agent shall determine a successor index (a **“Successor Index”**) (in lieu of any previously applicable Index) for the purposes of the Notes as follows:

- (i) if “Related Bond” is specified as applicable in the relevant Final Terms, the successor index (if any) designated pursuant to the terms and conditions of the Related Bond and such successor index shall be designated as a Successor Index, notwithstanding that a Successor Index may have been previously determined under paragraph (ii), (iii) or (iv) below; or
- (ii) if “Related Bond” is specified as not applicable in the relevant Final Terms or a Successor Index has not been designated in accordance with paragraph (i) above, if the Index Sponsor announces that it will no longer publish or announce the Inflation Index but that it will be superseded by a replacement Inflation Index specified by the Index Sponsor, and the

Calculation Agent determines that such replacement Inflation Index is calculated using the same or a substantially similar formula or method of calculation as used in the calculation of the Inflation Index, such replacement index shall be designated as a “Successor Index”;

- (iii) a Successor Index has not been designated in accordance with paragraph (i) or (ii) above, the Calculation Agent shall ask five leading independent dealers to state what the replacement index for the Inflation Index should be. If either four or five responses are received and three or more such responses state the same index, such index will be designated as a Successor Index;
- (iv) If a Successor Index has not been designated in accordance with paragraph (i), (ii) or (iii) above by the fifth Business Day prior to the relevant Determination Date, the Calculation Agent shall determine an alternative index to be designated as a Successor Index; and
- (v) if the Calculation Agent determines that neither paragraph (i), (ii), (iii) nor (iv) above applies, there will be deemed to be no Successor Index and an Index Cancellation will be deemed to have occurred.

For the avoidance of doubt, the Calculation Agent shall determine the date on which the Successor Index shall be deemed to replace the Index for the purposes of the Notes. Notice of the determination of a Successor Index, the effective date of the Successor Index or the occurrence of an Index Cancellation will be given to Noteholders by the Issuer in accordance with General Condition 17.

(c) ***Index Cancellation***

If the Calculation Agent determines that an Index Cancellation has occurred, the Issuer may redeem each Note on the date notified by the Issuer to Noteholders in accordance with General Condition 17 at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the Index Cancellation, less, unless specified otherwise in the relevant Final Terms, the cost to the Issuer of amending or liquidating any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions. Notice of any redemption of the Notes pursuant to this Inflation Index Condition 2(c) shall be given to Noteholders in accordance with General Condition 17.

(d) ***Rebasing***

If the Calculation Agent determines that the Inflation Index has been or will be rebased at any time, the Inflation Index as so rebased (the “**Rebased Index**”) will be used for purposes of determining the Reference Value from the date of such rebasing; provided, however, that the Issuer may make (i) if “Related Bond” is specified as applicable in the relevant Final Terms, any adjustments as are made pursuant to the terms and conditions of the Related Bond, if any, to the past levels of the Rebased Index so that the Rebased Index levels prior to the date of rebasing reflect the same rate of inflation as before the rebasing, and/or (ii) if “Related Bond” is specified as not applicable in the relevant Final Terms, the Calculation Agent may make such 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.

(e) ***Index Modification***

If, on or prior to the fifth Business Day prior to a Determination Date, the Calculation Agent determines that an Index Modification has occurred the Issuer may (i) if “Related Bond” is specified as applicable in the relevant Final Terms, make any adjustments to the Index consistent with any adjustments made to the Related Bond as the Calculation Agent deems necessary, or (ii) if “Related

Bond” is specified as not applicable in the relevant Final Terms has occurred, make only those adjustments to the Index as the Calculation Agent deems necessary for the modified Index to continue as the Index.

(f) ***Index Level Adjustment Correction***

The first publication or announcement of the Reference Value (disregarding estimates) by the Index Sponsor for any Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations, save that in respect of the EUR-All Items-Revised Consumer Price Index, the ESPNational- Revised Consumer Price Index (CPI) and the ESP-Harmonised-Revised Consumer Price Index HCPI, revisions to the Reference Value which are published or announced up to and including the day that is two Business Days prior to the relevant Determination Date (as the case may be) will be valid and the revised Reference Value for the relevant Reference Month will be deemed to be the final and conclusive Reference Value for such Reference Month.

The Issuer shall give notice to Noteholders of any valid revision in accordance with General Condition 17.

(g) ***Manifest Error in Publication***

If, within 30 days of publication but no later than the day that is five Business Days prior to the next Determination Date, the Calculation Agent determines that the Index Sponsor has corrected the level of the Inflation Index to remedy a material error in its original publication, the Calculation Agent will notify the Issuer and the Noteholders, in accordance with General Condition 17, of (i) that correction and (ii) any amount that may be payable as a result of that correction, and take such other action as it may deem necessary to give effect to such correction.

(h) ***Additional Disruption Events***

If Additional Disruption Events are specified as applicable in the relevant Final Terms, then, if an Additional Disruption Event occurs:

- (i) the Calculation Agent will determine, in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of the General Conditions relating to interest and/or redemption and/or Weighting and/or any of the other terms of these Terms and Conditions and/or the relevant Final Terms, 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 General Condition 17, the Issuer, in its sole and absolute 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 General Condition 17 stating the occurrence of the Additional Disruption Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

ANNEX VII: GLOBAL FLOOR FEATURE CONDITIONS

1 Incorporation and Interpretation

If “Global Floor Feature” is specified as applicable in the relevant Final Terms in respect of any CMS Linked Notes or Range Accrual Notes, the terms and conditions applicable to any such CMS Linked Notes or Range Accrual Notes shall comprise (a) the General Conditions and (b) these Global Floor Feature Conditions, which will be subject to completion by the relevant Final Terms. In the event of any inconsistency between the General Conditions and these Global Floor Feature Conditions, these Global Floor Feature Conditions shall prevail.

For the avoidance of doubt, these Global Floor Feature Conditions are not capable of applying to any Notes other than CMS Linked Notes or Range Accrual Notes.

2 Definitions

“**Global Floor Amount**” means an amount determined by the Calculation Agent in accordance with the following formula:

$$\text{Max}[0; \text{Global Floor Percentage} \times \text{Calculation Amount}]$$

“**Global Floor Percentage**” means the percentage specified as such in the relevant Final Terms.

“**Global Floor Shortfall**” means an amount determined by the Calculation Agent in accordance with the following formula:

$$\text{Global Floor Amount} - \text{Sum of Interest Paid}$$

“**Sum of Interest Paid**” means the sum of all Interest Amounts paid up to (and including) the Scheduled Maturity Date.

“**Calculation Amount**”, “**Interest Amount**”, “**Maturity Date**” and “**Max**” each have the meaning given to it in General Condition 1.

3 Methodology

If “Global Floor Feature” is specified as applicable in the relevant Final Terms, then, if on the Scheduled Maturity Date the Sum of Interest Paid is determined to be an amount less than the Global Floor Amount, an additional amount of interest shall be payable, pro rata per Calculation Amount, equal to the Global Floor Shortfall.

ANNEX VIII: NON-DELIVERABLE CURRENCY FEATURE CONDITIONS

1 Incorporation and Interpretation

If in respect of any Fixed Rate Notes where “Redemption at Par” is specified as the Final Redemption Amount, “Non-Deliverable Currency Interest Feature” and/or “Non-Deliverable Currency Redemption Feature” is/are specified as applicable in the relevant Final Terms, the terms and conditions applicable to such Fixed Rate Notes shall comprise (a) the General Conditions and (b) these Non-Deliverable Currency Feature Conditions, which will be subject to completion by the relevant Final Terms. In the event of any inconsistency between the General Conditions and these Non-Deliverable Currency Feature Conditions, these Non-Deliverable Currency Feature Conditions shall prevail.

For the avoidance of doubt, these Non-Deliverable Currency Feature Conditions are not capable of applying to any Notes other than Fixed Rate Notes where “Redemption at Par” is specified as the Final Redemption Amount in the relevant Final Terms.

2 Definitions Applicable to FX Linked Notes

“**Affected FX Rate**” means an FX Rate which, in the determination of the Calculation Agent, is affected by the occurrence of a Disruption Event.

“**Base Currency**” means the currency specified as such in the relevant Final Terms.

“**Calculation Agent FX Determination**” means that the Calculation Agent will determine the relevant FX Rate (or a method for determining such FX Rate, taking into consideration all available information that in good faith it deems relevant).

“**Converted Interest Currency**” and “**Converted Redemption Currency**” mean, in each case, the currency specified as such in the relevant Final Terms.

“**Disrupted Day**” means a day on which the Calculation Agent, in its sole discretion, determines that a Disruption Event has occurred.

“**Disruption Event**” means Price Source Disruption.

“**Disruption Fallback**” means any of Calculation Agent FX Determination or Fallback Reference Price, in the order specified in the relevant Final Terms.

“**Fallback Reference Price**” means, in respect of an Affected FX Rate, that the Calculation Agent will determine the relevant FX Rate pursuant to the alternative FX Price Source specified in the relevant Final Terms.

“**FX Business Day**” means, in respect of an FX Rate, each day (other than Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange in accordance with the practice of the foreign exchange market) in (a) the principal financial centre of the Reference Currency and (b) the FX Financial Centres.

“**FX Financial Centres**” means, in respect of an FX Rate, the financial centre(s) specified in the relevant Final Terms.

“**FX Price Source**” means, in respect of an FX Rate, the price source(s) specified in the relevant Final Terms for such FX Rate or, if the relevant rate is not published or announced by such FX Price Source at the relevant time, the successor or alternative price source or page/publication for the relevant rate as determined by the Calculation Agent in its sole and absolute discretion.

“**FX Rate**” means, in respect of any relevant day, the exchange rate of one currency for another currency expressed as a number of units of the Reference Currency (or fractional amounts thereof) per unit of the

Base Currency, which appears on the FX Price Source at approximately the applicable Observation Time on such day, or such other rate specified or otherwise determined as specified in the relevant Final Terms.

“**Observation Date**” has the meaning given to it in General Condition 1.

“**Observation Time**” means the time specified as such in the relevant Final Terms.

“**Price Source Disruption**” means it becomes impossible or otherwise impracticable to obtain the FX Rate on the Observation Date (or, if different, the day on which rates for that Observation Date would, in the ordinary course, be published or announced by the relevant FX Price Source).

“**Reference Currency**” means, in respect of an FX Rate, the currency specified as such in the relevant Final Terms.

3 Methodology

If:

- (a) “Non-Deliverable Currency Interest Feature” is specified as applicable in the relevant Final Terms, the Interest Amount shall be payable in the Converted Interest Currency; and/or
- (b) “Non-Deliverable Currency Redemption Feature” is specified as applicable in the relevant Final Terms, the Final Redemption Amount or the Early Redemption Amount for the purposes of General Conditions 7(b), 7(e) and 12, as the case may be, shall be payable in the Converted Redemption Currency,

in either case, determined by reference to the FX Rate, subject to adjustment in accordance with these Non-Deliverable Currency Feature Conditions.

4 Adjustment to Observation Date

If the Observation Date is not an FX Business Day, such Observation Date will be deemed to be the immediately succeeding FX Business Day unless “Disrupted Day” is specified as applicable in the relevant Final Terms and, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, the Calculation Agent shall determine such FX Rate on such Observation Date in accordance with the first applicable Disruption Fallback (applied in accordance with its terms).

5 Corrections to Published and Displayed Rates

- (a) In any case where an FX Rate is based on information obtained from the Reuters Monitor Money Rates Service, or any other financial information service, the FX Rate will be subject to the corrections, if any, to that information subsequently displayed by that source within one hour of the time when such rate is first displayed by such source, unless the Calculation Agent determines in its sole and absolute discretion that it is not practicable to take into account such correction.
- (b) Notwithstanding Non-Deliverable Currency Feature Condition 5(a), in any case where the FX Rate is based on information published or announced by any governmental authority in a relevant country, the FX Rate will be subject to the corrections, if any, to that information subsequently published or announced by that source within five days of the relevant Observation Date, unless the Calculation Agent determines in its sole and absolute discretion that it is not practicable to take into account such correction.

6 Successor Currency

Where the relevant Final Terms specify that “Successor Currency” is applicable in respect of an FX Rate, then:

- (a) each Reference Currency will be deemed to include any lawful successor currency to the Reference Currency (the “**Successor Currency**”);

- (b) if the Calculation Agent determines that, on or after the Issue Date but on or before any relevant date under the Notes on which an amount may be payable, a country has lawfully eliminated, converted, redenominated or exchanged its currency in effect on the Issue Date or any Successor Currency, as the case may be (the “**Original Currency**”), for a Successor Currency, then, for the purposes of calculating any amounts of the Original Currency or effecting settlement thereof, any Original Currency amounts will be converted to the Successor Currency by multiplying the amount of Original Currency by a ratio of Successor Currency to Original Currency, which ratio will be calculated on the basis of the exchange rate set forth by the relevant country of the Original Currency for converting the Original Currency into the Successor Currency on the date on which the elimination, conversion, redenomination or exchange took place, as determined by the Calculation Agent. If there is more than one such date, the date closest to such relevant date will be selected (or such other date as may be selected by the Calculation Agent in its sole and absolute discretion); and
- (c) notwithstanding Non-Deliverable Currency Feature Condition 6(b) above, the Calculation Agent may (to the extent permitted by the applicable law), in good faith and in a commercially reasonable manner, select such other exchange rate or other basis for the conversion of an amount of the Original Currency to the Successor Currency and will make such adjustment(s) that it determines to be appropriate, if any, to any variable, calculation methodology, valuation, settlement, payment terms or any other terms in respect of the Notes to account for such elimination, conversion, redenomination or exchange of the Reference Currency.

7 Rebasing of the Notes

If the relevant Final Terms specify that “Rebasing” is applicable, then if, on or prior to any Observation Date or any other relevant date, the Calculation Agent is unable to obtain a value for an FX Rate (because the Reference Currency and/or Base Currency ceases to exist, or for any other reason other than a temporary disruption, as determined by the Calculation Agent), the Calculation Agent may rebase the Notes against another foreign exchange rate determined by the Calculation Agent, in its sole and absolute discretion, to be a comparable foreign exchange rate. If the Calculation Agent determines in its sole and absolute discretion that there is not such a comparable foreign exchange rate, the Issuer may elect to redeem the Notes by notice to Noteholders on the date specified in the notice at the Early Redemption Amount of each such Note.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Initial Issue of Notes

Each Tranche of Notes in bearer form will be initially represented by a Temporary Global Note, in bearer form without coupons, which will be deposited on behalf of the subscribers of the relevant Notes (a) in the case of a Tranche intended to be cleared through Euroclear and/or Clearstream with a common depository (the “**Common Depository**”) for Euroclear and Clearstream, or (b) in the case of a Tranche intended to be cleared through Euroclear Netherlands, with Euroclear Netherlands, or (c) in the case of a Tranche intended to be cleared through a clearing system, as otherwise agreed between the Issuer and the relevant Dealer(s), on or about the issue date of the relevant Notes. No interest will be payable in respect of a Temporary Global Note except as provided below. Upon deposit of the Temporary Global Note with the Common Depository, Euroclear or Clearstream will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed.

Upon registration of the Registered Notes in the name of the nominee for Euroclear and/or Clearstream and delivery of the relevant Global Certificate to the Common Depository, Euroclear or Clearstream will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Upon the initial deposit of a Global Certificate in respect of and registration of Registered Notes in the name of a nominee for DTC and delivery of the relevant Global Certificate to the custodian for DTC, DTC will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Any payment due in respect of a Global Note or a Global Certificate will be made to each of Euroclear, Clearstream or DTC in respect of the portion of the Global Note or a Global Certificate held for its account. An accountholder with Euroclear or Clearstream with an interest in a Temporary Global Note will be required, in order to have credited to its account any portion of any payment, to present a certificate in the form set out in the Agency Agreement substantially to the effect that the beneficial owner of the relevant interest in the Global Note is not within the United States or a U.S. person (as such terms are defined by the U.S. Internal Revenue Code and the regulations promulgated thereunder).

Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, DTC or any other clearing system, as the holder of a Note represented by a Global Note or Global Certificate must look solely to Euroclear, Clearstream, DTC or any other clearing system, as the case may be, for his share of each payment made by the Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising pursuant to the Global Notes or Global Certificates subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, DTC or such other clearing system, as the case may be. Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

Exchange

1 Temporary Global Notes

Each Temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (a) if the relevant Final Terms indicate that such Global Note is issued in compliance with TEFRA C or in a transaction to which TEFRA is not applicable, in whole, but not in part, for the Definitive Notes defined and described below; and
- (b) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a Permanent Global Note or, if so provided in the relevant Final Terms, for Definitive Notes.

2 Permanent Global Notes

Each Permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under “Partial Exchange of Permanent Global Notes”, in part for Definitive Notes:

- (a) unless principal in respect of any Notes is not paid when due, by the Issuer giving notice to Noteholders and the Fiscal Agent of its intention to effect such exchange; or
- (b) if the relevant Final Terms provide that such Global Note is exchangeable at the request of the holder, by the holder giving notice to the Fiscal Agent of its election for such exchange; or

otherwise, (i) if the Permanent Global Note is held on behalf of Euroclear or Clearstream or any other clearing system and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so or (ii) if principal in respect of any Notes is not paid when due, by the holder giving notice to the Fiscal Agent of its election for such exchange.

3 Global Certificates

Interests in a Global Certificate will be exchangeable (free of charge), in whole but not in part, for Definitive Certificates without receipts, interest coupons or talons attached only upon the occurrence of a Registered Note Exchange Event. For these purposes, “**Registered Note Exchange Event**” means that (a) an Event of Default has occurred and is continuing, (b) in the case of Notes registered in the name of a nominee for DTC, either DTC has notified the Issuer that it is unwilling or unable to continue to act as depositary for the Notes and no Alternative Clearing System is available or DTC has ceased to constitute a clearing agency registered under the Exchange Act or (c) in the case of Notes registered in the name of a nominee for a Common Depositary for Euroclear and Clearstream, the Issuer has been notified that both Euroclear and Clearstream have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available. The Issuer will promptly give notice to Noteholders in accordance with General Condition 17 if a Registered Note Exchange Event occurs. In the event of the occurrence of a Registered Note Exchange Event, DTC, Euroclear and/or Clearstream (acting on the instructions of any holder of an interest in such Registered Global Note) may give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

4 Partial Exchange of Permanent Global Notes

For so long as a Permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such Permanent Global Note will be exchangeable in part on one or more occasions for Definitive Notes (a) if principal in respect of any Notes is not paid when due or (b) if so provided in, and in accordance with, the Terms and Conditions (which will be set out in the relevant Final Terms) relating to Partly Paid Notes.

5 Delivery of Notes

On or after any due date for exchange, the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (a) in the case of a Temporary Global Note exchangeable for a Permanent Global Note, deliver, or procure the delivery of, a Permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a Temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Note to reflect such exchange or (b) in the case of a Global Note exchangeable for Definitive Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes. In this Base Prospectus, “**Definitive Notes**” means, in relation to any Global Note, the definitive Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Agency Agreement. On exchange in full of each Permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

6 Exchange Date

“**Exchange Date**” means, in relation to a Temporary Global Note, the day falling on or after the expiry of 40 days after completion of the distribution of the Tranche of which such Note is a part and, in relation to a Permanent Global Note, a day falling not less than 60 days, or in the case of failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and in the city in which the relevant clearing system is located.

7 Legend

Each Temporary Global Note, Permanent Global Note and any Definitive Note, Receipt, Coupon or Talon will bear the following legend:

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

The sections of the U.S. Internal Revenue Code referred to in the legend provide that a United States taxpayer, with certain exceptions, will not be permitted to deduct any loss, and will not be eligible for capital gains treatment in respect of any gain realised on any sale, exchange or redemption of Notes or any related Talons, Coupons or Receipts.

Each Restricted Global Certificate and each Certificate issued in exchange for a beneficial interest in a Restricted Global Certificate will bear a legend applicable to purchasers who purchase the Registered Notes pursuant to Rule 144A as described under “*Transfer Restrictions*”.

Amendment to Terms and Conditions

The Temporary Global Notes, Permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the Terms and Conditions of the Notes set out in this Base Prospectus. The following is a brief description of certain of those provisions as set forth in the Global Notes and, where indicated, the Global Certificates:

1 Payments

- (a) No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a Permanent Global Note or for Definitive Notes or Definitive Certificates is improperly withheld or refused. Payments on any Temporary Global Note issued in compliance with TEFRA D before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed on each Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Notes. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of "Payment Day" set out in General Condition 8(f).
- (b) All payments in respect of Notes represented by a Global Certificate will be made to, or to the order of the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where "**Clearing System Business Day**" means Monday to Friday inclusive except 25 December and 1 January.

2 Prescription

Claims against the Issuer in respect of the Notes, Receipts and Coupons (which for this purpose shall not include Talons) will become void unless made within a period of five years from the date on which such payment first becomes due.

3 Meetings

The holder of a Permanent Global Note or of the Notes represented by a Global Certificate shall (unless such Permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a Permanent Global Note shall be treated as having one vote in respect of each minimum Specified Denomination of Notes for which such Global Note may be exchanged. (All holders of Registered Notes are entitled to one vote in respect of each minimum Specified Denomination of the Notes comprising such Noteholder's holding, whether or not represented by a Global Certificate.)

4 Cancellation

Cancellation of any Note represented by a Permanent Global Note or Global Certificate that is required to be cancelled will be effected by reduction in the nominal amount of the relevant Permanent Global Note or Global Certificate.

5 Purchase

Notes represented by a Permanent Global Note or Global Certificate may only be purchased by the Issuer or any of its subsidiaries if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

6 Issuer's Option

Any option of the Issuer provided for in the Terms and Conditions of any Notes while such Notes are represented by a Permanent Global Note or Global Certificate shall be exercised by the Issuer giving notice to Noteholders within the time limits set out in and containing the information required by the Terms and Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of DTC, Euroclear or Clearstream or any other clearing system, as the case may be.

7 Events of Default

Each Global Note and Global Certificate provides that the holder thereof may cause such Global Note or Global Certificate, or a portion of it, to become due and repayable in the circumstances described in General Condition 12 by stating in the notice to the Fiscal Agent the nominal amount of such Global Note or Global Certificate that is becoming due and repayable. If principal in respect of any Note is not paid when due, the holder of a Global Note or Registered Notes represented by a Global Certificate may elect for direct enforcement rights against the Issuer under the terms of a Covenant executed by the Issuer on 22 June 2012 to come into effect in relation to the whole or a part of such Global Note or one or more Registered Notes in favour of the persons entitled to such part of such Global Note or such Registered Notes represented by such Global Certificate, as the case may be, as accountholders with a clearing system. Following any such acquisition of direct rights, the Global Note or, as the case may be, the Global Certificate and the corresponding entry in the register kept by the Registrar will become void as to the specified portion or Registered Notes, as the case may be. However, no such election may be made in respect of Notes represented by a Global Certificate unless the transfer of the whole or a part of the holding of Notes represented by that Global Certificate shall have been improperly withheld or refused.

8 Notices

So long as any Notes are represented by a Global Note or Global Certificate and such Global Note or Global Certificate is held on behalf of a clearing system, notices to the Noteholders of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Terms and Conditions or by delivery of the relevant notice to the holder of the Global Note or Global Certificate except that so long as the Notes are listed on Euronext Amsterdam and the rules of the exchange so require, notices shall also be published in the Daily Official List of Euronext Amsterdam.

USE OF PROCEEDS

The net proceeds from the issues of the Notes will be used by the Issuer in connection with its banking business, unless otherwise specified in the relevant Final Terms with respect to a specific Tranche of Notes.

CLEARING AND SETTLEMENT

Book-Entry Ownership

Registered Notes

The Issuer may make applications to Clearstream and/or Euroclear for acceptance in their respective book-entry systems in respect of the Notes to be represented by a Global Certificate. Each Global Certificate deposited with a nominee for Clearstream and/or Euroclear will have an ISIN and a Common Code.

The Issuer and a relevant U.S. agent appointed for such purpose that is an eligible DTC participant may make application to DTC for acceptance in its book-entry settlement system of the Registered Notes represented by a Global Certificate. Each such Global Certificate will have a CUSIP number. Each Global Certificate will be subject to restrictions on transfer contained in a legend appearing on the front of such Global Certificate, as set out under “*Transfer Restrictions*”. In certain circumstances, as described below in “*Transfers of Registered Notes*”, transfers of interests in a Global Certificate may be made as a result of which such legend may no longer be required.

In the case of a Tranche of Registered Notes to be cleared through the facilities of DTC, the custodian, with whom the Global Certificates are deposited, and DTC will electronically record the nominal amount of the Registered Notes held within the DTC system. Investors may hold their beneficial interests in a Global Certificate directly through DTC if they are participants in the DTC system, or indirectly through organisations which are participants in such system.

Payments of the principal of, and interest on, each Global Certificate registered in the name of DTC’s nominee will be to or to the order of its nominee as the registered owner of such Global Certificate. The Issuer expects that the nominee, upon receipt of any such payment, will immediately credit DTC participants’ accounts with payments in amounts proportionate to their respective beneficial interests in the nominal amount of the relevant Global Certificate as shown on the records of DTC or the nominee. The Issuer also expects that payments by DTC participants to owners of beneficial interests in such Global Certificate held through such DTC participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such DTC participants. None of the Issuer, any Paying Agent, any Exchange Agent or any Transfer Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in the Global Certificates or for maintaining, supervising or reviewing any records relating to such ownership interests.

All Registered Notes will initially be in the form of a Global Certificate. Individual Certificates will only be available in the case of Notes initially represented by an Unrestricted Global Certificate, in the amounts specified in the relevant Final Terms and, in the case of Notes represented by a Restricted Global Certificate, in amounts of USD 100,000 (or its equivalent rounded upwards as agreed between the Issuer and the relevant Dealer(s)), or higher integral multiples of USD 1,000, in certain limited circumstances described below.

Transfers of Registered Notes

Transfers of interests in Global Certificates within DTC, Clearstream and Euroclear will be in accordance with the usual rules and operating procedures of the relevant clearing system. The laws of some states in the United States require that certain persons take physical delivery in definitive form of securities. Consequently, the ability to transfer interests in a Global Certificate to such persons may be limited. Because DTC can only act on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Global Certificate to pledge such interest to persons or entities

that do not participate, directly or indirectly in DTC, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate in respect of such interest.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described above and under “*Transfer Restrictions*”, cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream or Euroclear accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the custodian, the Registrar and the Fiscal Agent.

On or after the Issue Date for any Series, transfers of Notes of such Series between accountholders in Clearstream and transfers of Notes of such Series between participants in DTC will generally have a settlement date two business days after the trade date (T+2). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Clearstream or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Clearstream and Euroclear, on the other, transfers of interests in the relevant Global Certificates will be effected through the Fiscal Agent, the custodian and the Registrar receiving instructions (and where appropriate certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. Transfers will be effected on the later of (i) two business days after the trade date for the disposal of the interest in the relevant Global Certificate resulting in such transfer and (ii) two business days after receipt by the Fiscal Agent or the Registrar, as the case may be, of the necessary certification or information to effect such transfer. In the case of cross-market transfers, settlement between Euroclear or Clearstream accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

For a further description of restrictions on transfer of Registered Notes, see “*Transfer Restrictions*”.

DTC has advised the Issuer that it will take any action permitted to be taken by a holder of Registered Notes (including, without limitation, the presentation of Global Certificates for exchange as described above) only at the direction of one or more participants in whose account with DTC interests in Global Certificates are credited and only in respect of such portion of the aggregate nominal amount of the relevant Global Certificates as to which such participant or participants has or have given such direction. However, in the circumstances described above, DTC will surrender the relevant Global Certificates for exchange for individual Certificates (which will bear the legend applicable to transfers pursuant to Rule 144A).

DTC has advised the Issuer as follows: DTC is a limited purpose trust company organised under the laws of the State of New York, a “banking organisation” under the laws of the State of New York, a member of the U.S. Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for its participants and facilitate the clearance and settlement of securities transactions between participants through electronic computerised book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to DTC is available to others, such as banks, securities brokers, dealers and trust companies, that clear through or maintain a custodial relationship with a DTC direct participant, either directly or indirectly.

Euroclear and Clearstream each holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream also deal with domestic securities markets in several countries through

established depository and custodial relationships. Euroclear and Clearstream have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

Although DTC, Clearstream and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of beneficial interests in the Global Certificates among participants and accountholders of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. Neither the Issuer nor any Paying Agent nor any Transfer Agent will have any responsibility for the performance by DTC, Clearstream or Euroclear or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

While a Global Certificate is lodged with DTC or the custodian, Registered Notes represented by individual Certificates will not be eligible for clearing or settlement through DTC, Clearstream or Euroclear.

Individual Certificates

Registration of title to Registered Notes in a name other than a depository or its nominee for Clearstream and Euroclear or for DTC will be permitted only in the circumstances set forth in "*Summary of Provisions Relating to the Notes while in Global Form – Exchange*". In such circumstances, the Issuer will cause sufficient individual Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Noteholder(s). A person having an interest in a Global Certificate must provide the Registrar with:

- (a) a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual Certificates; and
- (b) in the case of Restricted Notes, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange, or in the case of a simultaneous resale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Individual Certificates issued pursuant to this paragraph (b) shall bear the legends applicable to transfers pursuant to Rule 144A.

Pre-issue Trades Settlement

It is expected that delivery of Notes will be made against payment on the relevant Issue Date, which could be more than two business days following the date of pricing. Under Rule 15c6-1 of the SEC under the Exchange Act, trades in the United States secondary market generally are required to settle within two business days (T+2), unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Registered Notes in the United States on the date of pricing or the next succeeding business days until the relevant Issue Date will be required, by virtue of the fact that the Notes initially will settle beyond T+2, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Settlement procedures in other countries will vary. Purchasers of Notes may be affected by such local settlement practices and purchasers of Notes who wish to trade Notes between the date of pricing and the relevant Issue Date should consult their own adviser.

DESCRIPTION OF BUSINESS OF RABOBANK GROUP

General

Rabobank Group is an international financial services provider operating on the basis of cooperative principles. Rabobank Group comprises Rabobank as the top holding entity together with its subsidiaries in the Netherlands and abroad. Rabobank Group operates in 38 countries. Its operations include domestic retail banking, Wholesale, Rural & Retail ("**WRR**"), leasing and real estate. It serves approximately 8.3 million clients around the world. In the Netherlands, its focus is on maintaining Rabobank Group's position in the Dutch market and, internationally, on food and agriculture. Rabobank Group believes that its entities have strong interrelationships due to Rabobank Group's cooperative structure.

Rabobank Group's cooperative core business is carried out by the local Rabobanks. With 409 branches at 31 December 2018, the local Rabobanks form a dense banking network in the Netherlands. Together the local Rabobanks serve approximately 6.5 million retail clients, and approximately 800,000 corporate clients, offering a comprehensive package of financial services. Clients can become members of Rabobank.

Historically, Rabobank Group has engaged primarily in lending to the agricultural and horticultural sectors in the Dutch market. Since the 1990s, Rabobank Group has also offered a wide variety of commercial banking and other financial services not only in the Netherlands but also internationally. As part of an on-going programme, Rabobank Group has increased both the number and type of products and services available to its customers in order to diversify from a traditional savings and mortgage-based business to become a provider of a full range of financial products and services, both in the Netherlands and internationally. Rabobank Group provides an integrated range of financial services comprising primarily domestic retail banking, WRR, leasing, real estate and distribution of insurance products to a wide range of both individual and corporate customers.

As at 31 December 2018, Rabobank Group had total assets of €590.4 billion, a private sector loan portfolio of €416.0 billion, amounts due to customers of €342.4 billion (of which savings deposits total €142.7 billion) and equity of €42.2 billion. Of the private sector loan portfolio, €194.9 billion, virtually all of which were mortgages, consisted of loans to private individuals, €118.0 billion of loans to the trade, industry and services sector and €103.1 billion of loans to the food and agriculture sector. As at 31 December 2018, its CET1 Ratio, which is the ratio between Common Equity Tier 1 Capital and total risk-weighted assets, was 16.0 per cent. and its capital ratio, which is the ratio between qualifying capital and total risk-weighted assets, was 26.6 per cent. For the year ended 31 December 2018, Rabobank Group's cost/income ratio, which is the ratio between total operating expenses (regulatory levies included) and total income, was 65.9 per cent. and 71.3 per cent. for the year ended 31 December 2017. Rabobank Group realised a net profit of €3,004 million for the year ended 31 December 2018. As at 31 December 2018, Rabobank Group employed 41,861 employees (internal and external full time employees ("**FTEs**")).

The return on invested capital ("**ROIC**") is calculated by dividing net profit realised after non-controlling interests by the core capital (actual Tier 1 capital plus the goodwill in the balance sheet at the end of the reporting period) minus deductions for non-controlling interests in Rabobank's equity. For the year ended 31 December 2018, Rabobank's ROIC was 7.4 per cent. As at 31 December 2017, it was 6.9 per cent.

Group overview

The overview below provides an overview of the business of Rabobank Group. The figures presented in the overview are provided as at 31 December 2018.



Business activities of Rabobank Group

Through the local Rabobanks, Rabobank and its other subsidiaries, Rabobank Group provides services in the following core business areas: Domestic Retail Banking, Wholesale Rural and Retail, Leasing and Real Estate.

Domestic Retail Banking

Domestic Retail Banking (“**DRB**”) comprises the local Rabobanks and Obvion N.V. (“**Obvion**”). In the Netherlands, Rabobank is a significant mortgage bank, savings bank and insurance agent. Based on internal estimates, Rabobank believes it is also the leading bank for the small and medium-sized enterprises sector in the Netherlands. Obvion focuses exclusively on collaboration with independent brokers.

As at 31 December 2018, DRB had total external assets of €280.7 billion, a private sector loan portfolio of €276.1 billion, deposits from customers of €236.7 billion (of which savings deposits total €119.1 billion). For the year ended 31 December 2018, DRB accounted for 59 per cent., or €7,101 million, of Rabobank Group’s total income and 68 per cent., or €2,035 million, of Rabobank Group’s net profit. As at 31 December 2018, DRB employed 12,069 FTEs.

Local Rabobanks

Proximity and commitment to their clients enhances the local Rabobanks’ responsiveness and speed of decision-making. Their commitment is reflected in their close ties with local associations and institutions. The local Rabobanks are committed to providing maximum service to their clients by making optimum use of different distribution channels, such as branch offices, the internet and mobile telephones. Many private individuals have current, savings or investment accounts or mortgages with the local Rabobanks. The local Rabobanks constitute a major financier of Dutch industry, from small high street shops to listed enterprises. Furthermore, the local Rabobanks traditionally have had close ties with the agricultural sector.

Obvion

Obvion is a provider of mortgages and a number of service products, including guarantees and bridging loans. Obvion focuses exclusively on collaboration with independent brokers.

Wholesale, Rural and Retail

WRR focuses its activities on the food and agri sector and has an international network of branches with offices and subsidiaries in various countries. Rabobank also operates RaboDirect internet savings banks. The wholesale banking division serves the largest domestic and international companies (Corporates, Financial Institutions, Traders and Private Equity). Rural banking is focused on offering financial solutions for the specific needs of leading farmers and their communities in a selected number of key food & agri countries. The total number of internal and external employees in wholesale, rural and retail stood at 7,684 FTEs at year-end 2018.

All sectors in the Netherlands are being serviced, while outside the Netherlands Rabobank focuses on the food & agri and trade-related sectors. Internationally, Rabobank Group services food & agri clients, ranging from growers to the industrial sector, through its global network of branches. Rabobank Group services the entire food value chain, with specialists per sector. Rabobank Group advises its clients and prospects in these sectors by offering them finance, knowledge and its network. Rabobank is active in the main food-producing countries such as the United States, Australia, New Zealand, Brazil and Chile and main food consumption countries.

As at 31 December 2018, WRR had total external assets of €140.2 billion and a private sector loan portfolio of €109.0 billion. For the year ended 31 December 2018, WRR accounted for 28 per cent., or €3,335 million, of Rabobank Group’s total income and 24 per cent., or €710 million, of Rabobank Group’s net profit.

Leasing

Within Rabobank, DLL International B.V. ("**DLL**") is the entity responsible for Rabobank Group's leasing business supporting manufacturers and distributors selling products and services worldwide with vendor finance. DLL, active in more than 30 countries, is a global provider of asset-based financial solutions in the agriculture, food, healthcare, clean technology, transportation, construction, industrial and office technology industries. DLL is committed to delivering integrated financial solutions that support the complete asset life cycle. As of 31 December 2018, DLL employed 5,026 FTEs (including external staff).

Rabobank owned a 100 per cent. equity interest in DLL as at 31 December 2018. Its issued share capital amounted to €98,470,307 as at 31 December 2018, all of which is owned by Rabobank. As at 31 December 2018, Rabobank's liabilities to DLL amounted to €2,352 million. As at 31 December 2018, Rabobank's claims on DLL amounted to €26,498 million (loans, current accounts, financial assets and derivatives).

As at 31 December 2018, DLL had a private sector loan portfolio of €30.3 billion. For the year ended 31 December 2018, DLL accounted for 11 per cent., or €1,366 million, of Rabobank Group's total income and 13 per cent., or €399 million, of Rabobank Group's net profit.

Real Estate

The Real Estate segment results comprise the results of Bouwfonds Property Development ("**BPD**") and Rabo Real Estate Group (comprising Bouwfonds Investment Management ("**Bouwfonds IM**") and a financial holding company). Responsible for developing residential real estate areas, BPD focuses on residential areas, multifunctional projects and public facilities. BPD has been positioned as a direct subsidiary of Rabobank since 1 July 2017. As real asset investment management division Bouwfonds IM aims to deliver sustainable value by investing capital raised from its clients through investment funds and by actively managing these portfolios. In line with the Rabobank real estate strategy, real estate financier FGH Bank N.V.'s expertise remains within the bank, in the real estate finance organisation. Rabo Real Estate Group is a centre of expertise in the area of commercial real estate financing. It advises local Rabobanks about commercial real estate lending. On 30 June 2018 FGH Bank N.V. legally merged with Coöperatieve Rabobank U.A and ceased to exist. As of 31 December 2018, the Real Estate segment employed 618 FTEs (including external staff).

For the year ended 31 December 2018, BPD sold 10,142 houses. The loan portfolio of the Real Estate segment amounted to €0.3 billion. For the year ended 31 December 2018, the Real Estate segment accounted for 5 per cent., or €574 million, of Rabobank Group's total income and 10 per cent., or €308 million, of Rabobank Group's net profit.

Participations

As of 31 December 2018, Rabobank held a 30 per cent. interest in Achmea B.V. ("**Achmea**"). Rabobank does not exercise control over Achmea and therefore does not consolidate Achmea as a subsidiary in Rabobank's audited consolidated financial statements. Achmea is accounted for as an associate in Rabobank's audited consolidated financial statements in accordance with the equity method. Achmea is a major insurance company in the Netherlands, where it serves a broad customer base of private individuals as well as government agencies and corporate clients. Achmea occupies a relatively minor position outside the Netherlands, operating in four other European countries and Australia. Rabobank and Achmea work closely together in the area of insurance.

Recent Developments

Potential Impact of Brexit

The uncertainty with regard to Brexit has grown during the first months of 2019. Rabobank is monitoring the potential impact of Brexit and has prepared contingency plans on the basis of scenario analysis. In

accordance with (PRA) guidance, and to continue its banking activities in the UK post-Brexit, Rabobank has submitted a Third Country Banking Licence application to the PRA/FCA and is actively engaged with home and host regulators (ECB, PRA and FCA) on the topic of Brexit preparedness. In the scenario of a hard Brexit, Rabobank expects a limited increase of the loan impairment allowance, as Rabobank's exposure to the UK is modest. Indirect effects of a Brexit could be negative for the Dutch economy as the UK is an important trade partner of the Netherlands.

Sale of Certain of RNA's Businesses to Mechanics Bank

On 15 March 2019, Rabobank entered into an agreement to sell Rabobank National Association's ("RNA") retail, business banking, commercial real estate, mortgage, wealth management and other non-Food & Agri businesses to Mechanics Bank, a community bank based in Walnut Creek, California. Rabobank will own a 9.9 per cent stake in the combined bank. Not included in the transaction are RNA's food and agribusiness assets, which with limited exceptions will be transferred to RNA's affiliate, Rabo AgriFinance. The transaction is expected to be completed in the third quarter of 2019, subject to customary closing conditions, including the receipt of required regulatory approvals. After completion of the transaction, Rabobank's CET1 ratio is estimated to increase by approximately 40 basis points. Subject to customary purchase price adjustments, the total consideration amounts to approximately USD 2.1 billion, including a material pre-closing dividend and a 9.9 per cent stake in Mechanics Bank. The parties have also agreed that upon closing of the transaction, Mechanics Bank will provide cash management services to Rabobank's Dutch clients doing business in the U.S. and Rabo AgriFinance clients in a similar manner as provided by RNA today.

Rabobank's credit ratings

At the date of this Base Prospectus, Rabobank has been assigned the following ratings: S&P ("A+"), Moody's ("Aa3"), Fitch ("AA-") and DBRS ("AA"). Rabobank also maintained its outlook with these rating agencies: "Stable" with Moody's, Fitch and DBRS, and "Positive" with S&P.

All the rating agencies view Rabobank's leading position in the Dutch banking sector and the International Food and Agri sector as important rating drivers. Rabobank has a significant buffer of equity and subordinated debt, which offers protection to non-subordinated bondholders, and also plays an important role in our ratings.

A rating outlook is an opinion regarding the likely direction of an issuer's rating over the medium term. Actual or anticipated declines in Rabobank's credit ratings may affect the market value of the Notes. There is no assurance that a rating will remain unchanged during the term of the Notes of any series.

The ratings represent the relevant rating agency's assessment of Rabobank's financial condition and ability to pay its obligations, and do not reflect the potential impact of all risks relating to the Notes. Any rating assigned to the long term unsecured debt of Rabobank does not affect or address the likely performance of the Notes other than Rabobank's ability to meet its obligations.

Rabobank Group's access to the unsecured funding markets is dependent on its credit ratings. A downgrading or announcement of a potential downgrade in its credit ratings, as a result of a change in the agency's view of Rabobank, its industry outlook, sovereign rating, rating methodology or otherwise, could adversely affect Rabobank Group's access to liquidity alternatives and its competitive position, and could increase the cost of funding or trigger additional collateral requirements all of which could have a material adverse effect on Rabobank Group's results of operations.

Strategy of Rabobank Group

In 2018, Rabobank continued the implementation of its Strategic Framework 2016-2020, which describes how it wants to achieve its ambitions. This strategy provides a sharpened focus on improving customer service and realising a fundamental improvement in financial performance across Rabobank in order to

safeguard its future success. To fulfil its ambitions for 2020, Rabobank is focusing on the following three core objectives.

1. *Excellent customer focus.* In the Netherlands, Rabobank strives to be the most customer-focused bank in the country and Rabobank aims for a sharp increase in customer satisfaction outside the Netherlands as well. The management of Rabobank believes that this is where its strength and distinctiveness lie. Rabobank expects to undergo a fundamental transformation in the coming years in terms of working methods, culture, attitudes and conduct. By doing so, Rabobank is responding to changes in customer needs, the uncertain economic climate, expectations of society and the stricter requirements of regulators. Rabobank wants to become the most customer-focused bank in the Netherlands and in the food & agri sector internationally by excelling in basic services, being the closest to its customers at key moments and fulfilling its role as a financial partner serving our customers. This will enable Rabobank to expand its services as an intermediary, for example in the fields of crowdfunding and working with institutional investors.
2. *Increased flexibility and reduction of the balance sheet.* In the years to come, Rabobank anticipates a further tightening of the regulatory environment. For example the implementation of the proposed reforms to Basel III and implementation of MREL require Rabobank's balance sheet to be more flexible. Rabobank wants to achieve balance sheet optimisation by, among other things, placing parts of its loan portfolio with external parties and maintaining a liquidity buffer that is in line with the reduced balance sheet total. Rabobank is carefully monitoring ongoing developments with regard to the pending Basel regulations, the final outcome of which will ultimately determine the extent of the required balance sheet reduction, but without changing its other financial targets for 2020.
3. *Performance improvement.* Rabobank aims to improve its performance by improvements in efficiency and cost reductions within Rabobank's central organisation, the local Rabobanks and the international organisation. The improvement should be effected by both higher revenues and lower costs through increasing efficiency and new ways of working (e.g. increased digitalisation and more flexible working spaces). Rabobank aims to achieve an ROIC of at least 8 per cent. in 2020.

Implementation accelerators

The strategy calls for a substantial transformation of Rabobank. In view of the challenges Rabobank faces, Rabobank has identified three accelerators to realise and strengthen the transformation:

1. *Strengthening innovation:* Innovation allows Rabobank to improve its services and respond rapidly to opportunities in the market. In addition, innovation is essential to provide support to Rabobank's customers.
2. *Empowering employees:* Achieving the strategic objectives will require a transformation into an organisation in which there is scope for professionalism and entrepreneurship, with a continual focus on development and training, employee diversity and a good, learning corporate culture.
3. *Creating a better cooperative organisation:* The new governance structure (see "*Structure and Governance of Rabobank Group*") will contribute to the transformation that Rabobank as an organisation must go through to fulfil its strategy. This will allow an organisation to emerge that is flexible for the future and centres on maximum local entrepreneurship.

Strategy implementation

The Strategic Framework 2016-2020 has initiated a group wide transition process consisting of a wide range of change initiatives that impact Rabobank's organisational structure, the way it works and the way it serves its customers. In addition to many initiatives in the line organisation, several large, strategic projects are also expected to be implemented. The strategic implementation agenda has been designed along four strategic pillars: Complete customer focus, Rock-solid bank, Meaningful cooperative and

Empowered employees. The transition process is dynamic and is expected to be adjusted based on evolving circumstances.

An integrated process for the coordination of the transition is essential to ensure timely and coherent implementation of the strategic goals. This process began in 2016 and is expected to continue in the coming years. Strategy implementation is facilitated by a central oversight and coordination office for performance and strategic initiatives, which reports frequently to the Managing Board, Supervisory Board and supervisors. Processes have been established to ensure short-cycle steering by the Managing Board members in their respective domains, based on goals that have been translated into concrete activities, key performance indicators (“KPI”) and clearly allocated responsibilities. This approach enables the line organisation to remain in the lead of the transition process.

Competition in the Netherlands

Rabobank Group competes in the Netherlands with several other large commercial banks such as ABN Amro and ING Group, with insurance companies and pension funds and also with smaller financial institutions in specific markets. Rabobank Group expects competition in the Dutch savings market to continue.

The Dutch mortgage loan market is highly competitive. Driven by the tax deductibility of mortgage loan interest payments, Dutch homeowners usually take out relatively high mortgage loans. This does not necessarily indicate a high risk for banks with mortgage-lending operations. The local Rabobanks and Obvion have a balanced mortgage loan portfolio with a weighted loan-to-value of approximately 64 per cent. Historically, mortgage lending in the Netherlands has been relatively low risk and all mortgage loans are collateralised. Mortgage loan defaults do not occur frequently, either in Rabobank Group’s mortgage-lending operations or in the Netherlands generally. Almost all mortgages in the Netherlands have a maturity of 30 years. Generally, mortgages have a long-term (greater than five years) fixed interest rate, after which period the rate is reset at the current market rate. Customers generally only have the option to prepay a certain percentage on the principal amount on their mortgage loan without incurring a penalty fee, thus reducing the interest rate risks related to mortgage loan refinancing for Rabobank Group.

Market Shares in the Netherlands

Rabobank Group offers a comprehensive package of financial products and services in the Netherlands. Set forth below is information regarding Rabobank Group’s shares in selected markets. The percentages of market share should be read as percentages of the relevant Dutch market as a whole.

Residential mortgages: As at 31 December 2018, Rabobank Group had a market share of 20.2 per cent. of the total amount of new home mortgages in the Dutch mortgage market by value (16.6 per cent. by local Rabobanks and 3.6 per cent. by Obvion; source: Dutch Land Registry Office (*Kadaster*)). Rabobank Group is the largest mortgage-lending institution in the Netherlands (measured by Rabobank’s own surveys).

Saving deposits of individuals: As at 31 December 2018, Rabobank Group had a market share of 32.9 per cent. of the Dutch savings market (source: Statistics Netherlands (*Centraal Bureau voor de Statistiek*)). Rabobank Group is one of the largest savings institutions in the Netherlands measured as a percentage of the amount of saving deposits (source: Statistics Netherlands).

Property, Plant and Equipment

Rabobank and the local Rabobanks typically own the land and buildings used in the ordinary course of their business activities in the Netherlands. Outside the Netherlands, some Group entities also own the land and buildings used in the ordinary course of their business activities. In addition, Rabobank Group’s investment portfolio includes investments in land and buildings. Rabobank Group believes that its facilities are adequate for its present needs in all material respects. The table below provides an overview of Rabobank Group’s material owned facilities:

Location	Country	Owned / Rented	Encumbrances
Croeselaan 18 – 22, Utrecht	The Netherlands	Owned	None
Bloemmolen 2 – 4, Boxtel	The Netherlands	Owned	None

Material Contracts

There are no contracts, other than contracts entered into in the ordinary course of business, to which Rabobank or any member of Rabobank Group is party, for the two years prior to the date of this Base Prospectus that are material to Rabobank Group as a whole. There are no other contracts (not being contracts entered in the ordinary course of business) entered into by any member of Rabobank Group which contain any provision under which any member of Rabobank Group has any obligation or entitlement which is material to Rabobank Group as at the date of this Base Prospectus.

Insurance

On behalf of all entities of Rabobank Group, Rabobank has taken out a group policy that is customary for the financial industry taking into consideration the scope and complexity of the business of Rabobank Group. Rabobank Group is of the opinion that this insurance, which is banker's blanket and professional indemnity, is of an adequate level for the business of Rabobank Group.

Legal and Arbitration Proceedings

Rabobank Group is active in a legal and regulatory environment that exposes it to substantial risk of litigation. As a result, Rabobank Group is involved in legal cases, arbitrations and regulatory proceedings in the Netherlands and in other countries, including the United States. The most relevant legal and regulatory claims which could give rise to liability on the part of Rabobank Group are described on pages 169, 170 and 171 in Rabobank Group's audited consolidated financial statements for the year ended 31 December 2018, including the notes thereto, incorporated by reference into this Base Prospectus. In addition, see the risk factor "*Legal Risk*" on pages 52 and 53 of this Base Prospectus. If it appears necessary on the basis of the applicable reporting criteria, provisions are made based on current information; similar types of cases are grouped together and some cases may also consist of a number of claims. The estimated loss for each individual case (for which it is possible to make a realistic estimate) is not reported, because Rabobank Group feels that information of this type could be detrimental to the outcome of individual cases.

When determining which of the claims is more likely than not (i.e. with a likelihood of over 50 per cent.) to lead to an outflow of funds, Rabobank Group takes several factors into account. These include (but are not limited to) the type of claim and the underlying facts; the procedural process and history of each case; rulings from legal and arbitration bodies; Rabobank Group's experience and that of third parties in similar cases (if known); previous settlement discussions; third party settlements in similar cases (where known); available indemnities; and the advice and opinions of legal advisers and other experts.

The estimated potential losses, and the existing provisions, are based on the information available at the time and are for the main part subject to judgements and a number of different assumptions, variables and known and unknown uncertainties. These uncertainties may include the inaccuracy or incompleteness of the information available to Rabobank Group (especially in the early stages of a case). In addition, assumptions made by Rabobank Group about the future rulings of legal or other instances or the likely actions or attitudes of supervisory bodies or the parties opposing Rabobank Group may turn out to be incorrect. Furthermore, estimates of potential losses relating to the legal disputes are often impossible to process using statistical or other quantitative analysis instruments that are generally used to make

judgements and estimates. They are then subject to a still greater level of uncertainty than many other areas where Rabobank Group needs to make judgements and estimates.

The group of cases for which Rabobank Group determines that the risk of future outflows of funds is higher than 50 per cent. varies over time, as do the number of cases for which Rabobank can estimate the potential loss. In practice the end results could turn out considerably higher or lower than the estimates of potential losses in those cases where an estimate was made. Rabobank Group can also sustain losses from legal risks where the occurrence of a loss may not be probable, but is not improbable either, and for which no provisions have been recognised. For those cases where (a) the possibility of an outflow of funds is less likely than not but also not remote or (b) the possibility of an outflow of funds is more likely than not but the potential loss cannot be estimated, a contingent liability is shown.

Rabobank Group may settle legal cases or regulatory proceedings or investigations before any fine is imposed or liability is determined. Reasons for settling could include (i) the wish to avoid costs and/or management effort at this level, (ii) to avoid other adverse business consequences and/ or (iii) pre-empt the regulatory or reputational consequences of continuing with disputes relating to liability, even if Rabobank Group believes it has good arguments in its defence. Furthermore, Rabobank Group may, for the same reasons, compensate third parties for their losses, even in situations where Rabobank Group does not believe that it is legally required to do so.

Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Rabobank is aware), during the 12 months prior to the date of this Base Prospectus which may have, or have had in the past, significant effects on Rabobank and Rabobank Group's financial position or profitability are described under "Legal and arbitration proceedings" in Rabobank Group's audited consolidated financial statements for the year ended 31 December 2018, including the notes thereto, incorporated by reference into this Base Prospectus. In addition, see the risk factor "*Legal risk*" on pages 52 and 53 of this Base Prospectus.

STRUCTURE AND GOVERNANCE OF RABOBANK GROUP

Rabobank structure

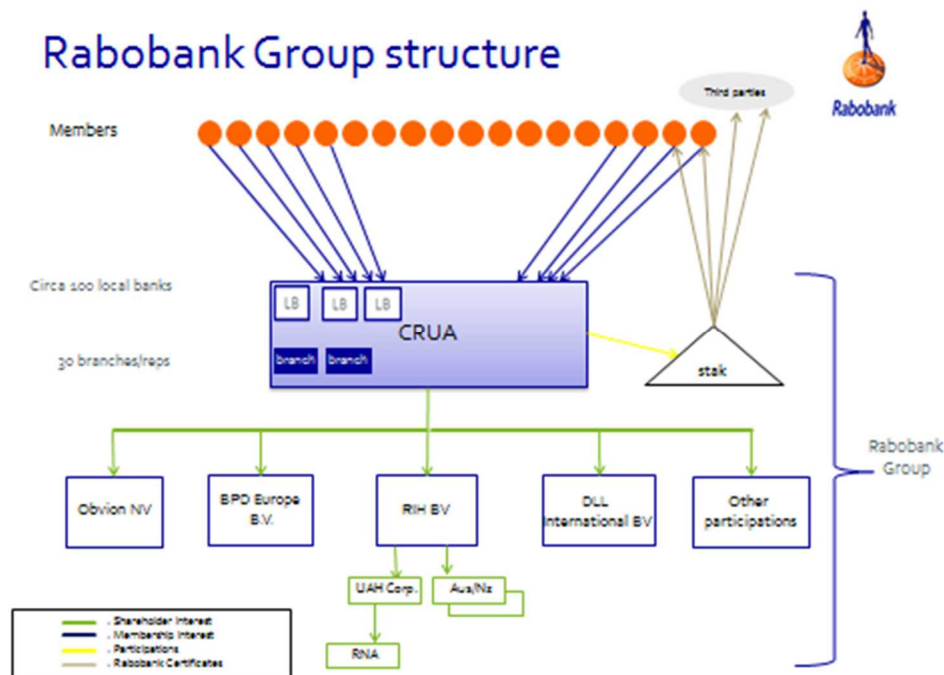
Rabobank Group comprises Coöperatieve Rabobank U.A. and its subsidiaries and participations in the Netherlands and abroad. Rabobank operates not only from the Netherlands but also from branches and representative offices all over the world. These branches and offices all form part of the legal entity Rabobank. Rabobank branches are located in Sydney, Antwerp, Toronto, Beijing, Shanghai, Dublin, Frankfurt, Madrid, Paris, Mumbai, Milan, Labuan, Wellington, New York, Singapore, Hong Kong and London. Rabobank representative offices are located in Mexico City, Buenos Aires, Istanbul, Kuala Lumpur, Tokyo, Atlanta, Chicago, Dallas, San Francisco, Nairobi and St. Louis.

Rabobank also conducts business through separate legal entities worldwide. Rabobank is shareholder of such entities. Rabobank has its executive office in Utrecht (Croeselaan 18, 3521 CB), the Netherlands (telephone number +31 (0)30 216 0000). Its statutory seat is in Amsterdam, the Netherlands. Rabobank is registered in the commercial register of the Chamber of Commerce under number 30046259. Rabobank uses various tradenames.

General

Rabobank is a licensed bank, in the legal form of a cooperative with excluded liability (coöperatie U.A.). It was established under Dutch law. Rabobank uses amongst others the trade names Rabobank Nederland and Rabobank. Rabobank was formed as a result of the merger of the Coöperatieve Centrale Raiffeisen Bank and the Coöperatieve Centrale Boerenleenbank, the two largest banking cooperative entities in the Netherlands. It was established with unlimited duration on 22 December 1970. Until 1 January 2016, the Dutch local Rabobanks were separate legal cooperative entities. On 1 January 2016, a legal merger under universal title took place between Rabobank and all 106 local banks. Rabobank was the surviving entity.

The Managing Board is responsible for the management of Rabobank, including the local banks and, indirectly, its affiliated entities. Managing Board members are appointed by the Supervisory Board. The Supervisory Board is responsible for the supervision of the management by the Managing Board. Supervisory Board members are appointed by the General Members' Council of Rabobank. For further information regarding the governance of Rabobank Group, see “— *Member influence within Rabobank Group*” below and “*Governance of Rabobank Group*”.



Corporate purpose

The objective of a cooperative is to provide for certain material needs of its members by whom it is effectively owned and controlled. Pursuant to Article 3 of the Rabobank Articles, the corporate object of Rabobank is to promote the interests of its members and to do so by:

- (i) conducting a banking business, providing other financial services, and, in that context, concluding agreements with its members;
- (ii) participating in, otherwise assuming an interest in, and managing other enterprises of any nature whatsoever, and financing third parties, providing security in any way whatsoever or guaranteeing the obligations of third parties;
- (iii) contributing to society, including promoting economic and social initiatives and developments; and
- (iv) performing any activities which are incidental to or may be conducive to this object.

Rabobank is furthermore authorised to extend its activities to parties other than its members.

Member influence within Rabobank Group

As a cooperative, Rabobank has members, not shareholders. Customers of Rabobank in the Netherlands have the opportunity to become members of Rabobank. As at the date of this Base Prospectus, Rabobank has approximately 2 million members. Members do not make capital contributions to Rabobank and do not have claims on the equity of Rabobank. The members do not have any obligations and are not liable for the obligations of Rabobank.

Main characteristics of Governance

Rabobank is a decentralised organisation with decision making powers at both a local and central level. The governance reflects the unity of cooperative and bank. Although the Dutch Corporate Governance Code does not apply to the cooperative, Rabobank's corporate governance is broadly consistent with this code. Rabobank also observes the Dutch Banking Code.

The members of Rabobank are organised, based on, amongst other things, geographical criteria into about 100 Departments. Each local bank is linked to a Department. Within each Department, members are organised into delegates' election assemblies. These assemblies elect the members of the local members' councils.

The local members' councils consist of 30 to 50 members and were established pursuant to the Articles of Association. Local members' councils report to and collaborate with the management team of the local bank on the quality of services and the contribution on social and sustainable development of the local environment. These councils have a number of formal tasks and responsibilities. One of the powers of the local members' council is appointment, suspension and dismissal of the local supervisory body, including its chairman.

The local supervisory body consists of three to seven members and is part of the Department. It is a corporate body established pursuant to the Articles of Association and performs various tasks and has various responsibilities, including a supervisory role on the level of the local bank. As part of that role, the Executive Board has granted the local supervisory body a number of powers in respect of material decisions of the management team chairman. The local supervisory body monitors the execution by the management team chairman of the local strategy. The local supervisory body also exercises the functional employer's role in relation to the management team chairman of the local bank. The local supervisory body is accountable to the local members' council.

Regional assemblies are not formal corporate bodies in the Rabobank governance. These assemblies are important for the preparation for the General Members' Council of Rabobank. The assemblies are consultative bodies where the chairmen of the supervisory bodies and the management chairmen of the local banks meet to discuss.

The members of the local supervisory body have to be members of Rabobank. Every chairman of a local supervisory body represents the members of its Department in the General Members' Council of Rabobank. This council is the highest decision making body in the Rabobank governance. Although the chairmen of the local supervisory bodies participate in the General Members' Council of Rabobank without instruction and consultation, they will also take the local points of view into account. The General Members' Council of Rabobank has a focus on strategy, identity, budget and financial results of Rabobank and has powers on these matters. On behalf of the members, the General Members' Council of Rabobank safeguards continuity as well as acts as the custodian of collective values. The General Members' Council of Rabobank has three permanent committees: the urgency affairs committee, the coordination committee and the committee on confidential matters.

The members of the Supervisory Board of Rabobank are appointed by the General Members' Council of Rabobank. Two thirds of the number of members of the Supervisory Board must be members of Rabobank. The Supervisory Board performs the supervisory role and is accountable to the General Members' Council of Rabobank. In this respect, the Supervisory Board monitors compliance with laws and regulations and *inter alia* achievement of Rabobanks' objectives and strategy. The Supervisory Board has the power to approve material decisions of the Managing Board. The Supervisory Board also has an advisory role in respect to the Managing Board. The Supervisory Board has several committees, *inter alia* a risk committee and an audit committee that perform preparatory and advisory work for the Supervisory Board. For further information regarding the Supervisory Board, see "*Governance of Rabobank Group*".

The local business is organised through about 100 local banks. These local banks are not separate legal entities but are part of the legal entity Rabobank. To preserve local orientation and local entrepreneurship as distinguishing features of Rabobank, the Executive Board of Rabobank has granted the management team chairmen of the local banks a number of authorisations. Consequently, these chairmen are able to perform their tasks locally and to take responsibility for their designated local bank. The management team chairmen have additional responsibilities for the Department that is connected with the local bank.

The Managing Board of Rabobank is responsible for the management of Rabobank including the local banks and, indirectly, its affiliated entities. The Managing Board has the ultimate responsibility for defining and achieving the targets, strategic policy and associated risk profile, financial results and corporate social responsibility aspects. In addition, the Managing Board is in charge of Rabobank Groups' compliance with relevant laws and regulations. Rabobank, represented by the Managing Board, is the hierarchical employer of the management team chairmen of the local banks. The Managing Board members are appointed by the Supervisory Board and are accountable to the Supervisory Board and the General Members' Council of Rabobank. For further information regarding the Managing Board, see "*Governance of Rabobank Group*".

The directors' conference was established pursuant to the Articles of Association but is not a decision-making body. It is a preparatory, informative and advisory meeting for proposals and policies concerning the business of the local banks. The Managing Board, management team chairmen of the local banks and directors of local banks participate in this meeting.

Employee Influence within Rabobank Group

Rabobank Group attaches great value to consultations with the various employee representative bodies. Employee influence within Rabobank Group has been enabled at various levels. Issues concerning the Dutch business of Rabobank are handled by the works council (*ondernemingsraad*) of Rabobank (the "**Works Council**"). Local issues concerning the business of one, two or three local banks are handled by the local work(s) council(s). Issues concerning a subsidiary are handled by the works council of that subsidiary. Rabobank has also installed a European works council for issues concerning the businesses that operate in more than one EU member state.

Material Subsidiaries or other interests

Rabobank also conducts business through separate legal entities, not only in the Netherlands but also worldwide. At 31 December 2018, Rabobank was the (ultimate) shareholder of 424 subsidiaries and participations.

Rabobank has assumed liability for debts arising from legal transactions for 15 of its Dutch subsidiaries under Section 2:403 DCC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with the rest of the Base Prospectus, including the information set forth in "Selected Financial Information" and the Audited Consolidated Financial Statements and the notes thereto of Rabobank Group incorporated by reference into this Base Prospectus.

Certain figures for Rabobank Group at and for the year ended 31 December 2016 included in the following discussion and analysis have been restated as a result of changes in accounting policies and presentation. The restated figures for the year ended 31 December 2016 have been derived from the audited consolidated financial statements for the year ended 31 December 2017. See "Change in accounting policies and presentation" below for further information. The Audited Consolidated Financial Statements have been prepared in accordance with IFRS as adopted by the European Union and comply with Part 9 of Book 2 of the DCC.

The financial data in the (sub-) paragraphs in this chapter marked with an asterisk (*) has not been directly extracted from the Audited Consolidated Financial Statements but instead is derived from the accounting records of Rabobank.

Material Factors Affecting Results of Operations

General market conditions*

Rabobank Group's results of operations are affected by a variety of market conditions, including economic cycles, fluctuations in stock markets, interest rates and exchange rates, and increased competition. Competition for mortgages and savings in the Netherlands continues in 2019.

In 2018, 58 per cent. of Rabobank Group's operating profit before tax was derived from its Dutch operations. Accordingly, changes in the Dutch economy, the levels of Dutch consumer spending and changes in the Dutch real estate, securities and other markets may have a material effect on Rabobank Group's operations. However, because of Rabobank Group's high level of product diversification, it has not experienced major fluctuations in its levels of profitability in the past. Outside of the Netherlands, the markets Rabobank Group focuses on, i.e. principally food and agri, have historically been impacted by business cycles only in a limited way. Although Rabobank Group expects that the foregoing factors will continue to affect its consolidated results of operations, it believes that the impact of any one of these factors is mitigated by its high level of product diversification. However, a protracted economic downturn in the Netherlands or Rabobank Group's other major markets could have a material negative impact on its results of operations. See "*Risk Factors — Factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme — Business and general economic conditions*".

Interest rates

Changes in prevailing interest rates (including changes in the difference between the levels of prevailing short-term and long-term rates) can materially affect Rabobank Group's results. For example, a sustained low interest rate environment could adversely affect Rabobank Group's results, as due to the structure of its balance sheet, Rabobank has a significant level of non- and low-interest-bearing liabilities (its reserves, balances on payment accounts and current accounts). Generally, a sustained period of lower interest rates will reduce the yields on the assets that are financed with these liabilities. Conversely, rising interest rates should, over time, increase investment income but may, at the same time, reduce the market value of pre-existing investment portfolios. Rising rates can also lead to higher or lower interest margins depending on whether Rabobank Group's interest-earning assets reprice at a faster rate than interest-bearing liabilities or the degree to which the spreads on assets or liabilities narrow or widen. Rabobank expects that the

relatively low interest rate environment that it has faced in the recent past is likely to continue in 2019, with a corresponding impact on Rabobank Group's results.

Critical accounting policies

The accounting policies that are most critical to Rabobank Group's business operations and the understanding of its results are identified below. In each case, the application of these policies requires Rabobank to make complex judgements based on information and financial data that may change in future periods, the results of which can have a significant effect on Rabobank Group's results of operations. As a result, determinations regarding these items necessarily involve the use of assumptions and judgements as to future events and are subject to change. Different assumptions or judgements could lead to materially different results. See the notes to the Audited Consolidated Financial Statements incorporated by reference into this Base Prospectus for additional discussion of the application of Rabobank Group's accounting policies.

Impairment charges

Rabobank regularly assesses the adequacy of the loan impairment allowance by performing ongoing evaluations of the loan portfolio. Rabobank's policies and procedures to measure impairment are IFRS compliant. Rabobank considers a loan to be impaired when, based on current information and events, it is likely that Rabobank will not be able to collect all amounts due (principal and interest) according to the original contractual terms of the loan.

The loan impairment allowance consists of three components:

- **Specific allowance:** For individual impaired loans a specific allowance is determined. The size of the specific allowance is the difference between the carrying amount and the recoverable amount, which is the present value of the expected cash flows, including amounts recoverable under guarantees, collateral and unencumbered assets, discounted at the original effective interest rate of the loans. If a loan is not collectible it is written-off from the allowance. Specific provisioning for every change that impacts the statement of income by €7.5 million or more is dealt with by the Provisioning Committee.
- **Collective allowance:** In addition to the assessment of individual loans, a collective assessment is made with respect to retail exposures that are not subject to a specific allowance. In these cases the collective assessment is made based on homogenous groups of loans with a similar risk profile with the purpose of identifying the need to recognise an allowance for loan losses.
- **IBNR (Incurred But Not Reported):** For exposures in the portfolio that are impaired, but not yet recognised as such (i.e. incurred but not reported) a general allowance is taken. This allowance is taken because there is always a mismatch period between an event causing a default of a client and the moment the bank becomes aware of the default. The allowance will be determined based on Expected Loss data generated by the Economic Capital models.

The impairment amount thus determined is recorded in the profit and loss account as an impairment charge with the corresponding credit posted as an allowance against the loan balance in the balance sheet.

Trading activities

Rabobank's trading portfolio is carried at fair value based on market prices or model prices if the market prices are not available. The market value of financial instruments in Rabobank Group's trading portfolio is generally based on listed market prices or broker-dealer price quotations. If prices are not readily determinable, fair value is based on valuation models. The fair value of certain financial instruments, including OTC derivative instruments, are valued using valuations models that consider, among other factors, contractual and market prices, correlations, time value, credit, yield curve volatility factors or prepayment rates of the underlying positions.

Change in accounting policies and presentation

As a result of changes in accounting policies and presentation, certain figures for Rabobank Group for the year ended 31 December 2016 have been restated. See Rabobank Group's audited consolidated financial statements for the year ended 31 December 2017 under note 2.1, "Other changes in accounting policies and presentation". Where the year ended 31 December 2017 is compared with the year ended 31 December 2016, the restated figures for 2016 are discussed.

The income from other operating activities and the corresponding expenses are disclosed separately in the consolidated statement of income to enhance transparency. This leads to the introduction of 'Net income from other operating activities' in the consolidated statement of income for an amount of €741 million and a decrease with the same amount in 'Other income' as per 31 December 2016. Expenses for temporary staff in the local banks have been reclassified from 'Other administrative expenses' to 'Staff costs' for an amount of €159 million as of 31 December 2016 because this better reflects the type of costs incurred. Some fee and commission income in the segment of WRR have an interest character and therefore have been reclassified to interest income for an amount of €92 million as of 31 December 2016.

The provision for tax issues has been transferred from 'Provisions' to 'Current tax liabilities' for an amount of €32 million (2016: €36 million) as these amounts are better presented as part of IAS 12 Income taxes than IAS 37 Provisions. The presentation of cash flows relating to operating leases has been transferred from 'Cash flows from investing activities' to 'Cash flows from operating activities' and the cash flows relating to debt securities in issue have been transferred from 'Cash flows from operating activities' to 'Cash flows from financing activities' as this better represents the operating and financing activities of Rabobank. This resulted in the following adjustments.

The disclosure of credit-related contingent liabilities has been adjusted to better align with supervisory reporting. The non-credit substitute guarantees have been reclassified from 'Financial guarantees' to 'Other commitments' for an amount of €7,045 million as of 31 December 2016. The undrawn (non-loan) credit facilities have been reclassified from 'Loan commitments' to 'Other commitments' for an amount of €8,166 million as of 31 December 2016.

Changes in business segments*

As per the financial statements for the year ended 31 December 2018, Rabobank decided to allocate additional intersegment expenses from 'Other segments' to the other business segments: Domestic Retail Banking; Wholesale, Rural & Retail; Leasing; and Real Estate to reflect a comprehensive cost view within these business segments. The figures for 31 December 2017 have been adjusted accordingly to align with internal management reporting. The adjustments are presented in the table below.

	Domestic Retail Banking 31 December 2017	Wholesale, Rural and Retail 31 December 2017	Leasing 31 December 2017	Real Estate 31 December 2017
		(in millions of euro)		
Net interest income	—	—	—	—
Net fee and commission income	—	—	—	—
Other income	—	—	—	—
Total income	—	—	—	—
Staff costs	—	—	—	—
Other administrative expenses	175	16	(19)	(3)
Depreciation and amortisation	0	0	0	0

	Domestic Retail Banking 31 December 2017	Wholesale, Rural and Retail 31 December 2017	Leasing 31 December 2017	Real Estate 31 December 2017
	(in millions of euro)			
Total operating expenses	175	16	(19)	(3)
Gross result	(175)	(16)	19	3
Loan impairment charges	—	—	—	—
Regulatory levies	—	—	—	—
Operating profit before tax	(175)	(16)	19	3
Income tax	(43)	(4)	5	1
Net profit	(132)	(12)	14	2

Where the unadjusted 2017 figures are compared with the 2016 figures, the figures are based on the results as reported in the consolidated financial statements for the year ended 31 December 2017.

In addition, potential investors should refer to the recent developments section entitled “*Description of Rabobank Group - Sale of Certain of RNA's Businesses to Mechanics Bank*”.

Results of Operations

The following table sets forth certain summarised financial information for Rabobank Group for the periods indicated:

	Year ended 31 December		
	2018	2017	2016
	(in millions of euro)		
Net interest income	8,559	8,843	8,835
Net fee and commission income	1,931	1,915	1,826
Other results	1,530	1,243	2,144
Income	12,020	12,001	12,805
Staff costs	4,278	4,472	4,680
Other administrative expenses	2,780	3,176	3,476
Depreciation and amortisation	388	406	438
Total operating expenses	7,446	8,054	8,594
Gross result	4,574	3,947	4,211
Impairment losses on goodwill and investments in associates	—	—	700
Loan impairment charges	n/a	(190)	310
Impairment charges on financial assets	190	n/a	n/a
Regulatory levies	478	505	483
Operating profit before tax	3,906	3,632	2,718
Income tax	902	958	694
Net profit	3,004	2,674	2,024

Comparison results of operations for the years ended 31 December 2018 and 31 December 2017

Total income. Rabobank Group's total income increased by €19 million in 2018 to €12,020 million compared to €12,001 million in 2017. The increase was mainly due to an increase in other results, as further described below.

Net interest income. Net interest income decreased by €284 million to €8,559 million in 2018 compared to €8,843 million in 2017. This 3 per cent decrease was the result of the continued low interest rate environment, which affects margins on savings and current accounts, and of the expenses incurred by Treasury for managing ample liquidity buffers. New business margins on mortgages and SME lending had a positive effect on net interest income.

Net fee and commission income. Net fee and commission income increased by €16 million to €1,931 million in 2018 compared to €1,915 million in 2017. Investment management services and insurance policies contributed to a higher net fee and commission income at DRB. Local Rabobanks saw higher commissions on payment accounts. At WRR, net fee and commission income increased slightly due to the strong performance of our Markets division. Also, our Mergers and Acquisitions division performed stronger than in 2017. Net fee and commission income in the Real Estate segment decreased by 83 per cent following the decrease of activities by Bouwfonds IM. This was more than offset by higher income earned by our core business segments. Net fee and commission income at DLL increased by 41 per cent. This increase comes from higher fee income for syndicated leases as well as a negative one-off adjustment in 2017.

Other results. Other results increased by €287 million to €1,530 million in 2018 compared to €1,243 million in 2017. This increase can be partly attributed to the improved result on fair value items. On balance, the gross result on fair value items improved from a negative result of €313 million in 2017 to a negative result of €115 million in 2018. Also, higher results on our equity stake in Achmea contributed to the increase of other results. Other results at WRR decreased by 26 per cent as our Markets division could not match the previous year's strong performance. The Real Estate segment's other results increased by 19 per cent due to gains on the sales of the residual part of FGH Bank's loan portfolio as well as of BPD's French subsidiary (BPD Marignan) and BPD's improved performance in general. At DLL, other results increased by 32 per cent, as a result of the reversal of an impairment taken at year-end 2017 due to a portfolio optimisation.

Total operating expenses. Rabobank Group's total operating expenses decreased €608 million in 2018 to €7,446 million compared to €8,054 million in 2017, primarily due to a decrease in staff costs and other administrative expenses.

Staff costs. Staff costs decreased €194 million to €4,278 million in 2018 compared to €4,472 million in 2017. In 2018, the total number of employees (including external hires) at Rabobank decreased by 1,868 FTEs to 41,861 (2017: 43,729) FTEs mainly because of the large restructuring programs in the Netherlands. The largest reduction in staff in 2018 was realized at local Rabobanks. At WRR and DLL, staff levels increased as expected. At WRR more (temporary) staff came on board for the execution of several (regulatory) projects, whereas DLL needed more resources to support business growth. Overall staff costs decreased by 4 per cent, which was tempered by an increase in costs for temporary staff. In 2018 the costs associated with the 2 per cent pension accrual guarantee given in 2013 to the pension fund (covering the years 2014-2020) decreased to €5 (2017: 160) million. This accounts for part of the decrease in staff costs. This guarantee is capped at €217 million, of which €202 million has already been used up in 2018.

Other administrative expenses. Other administrative expenses decreased by €396 million to €2,780 million in 2018 compared to €3,176 million in 2017. This decrease can be largely explained by the €310 million

provision taken by RNA for compliance program matters. Lower restructuring costs (€120 million versus €159 million in 2017) helped reduce other administrative expenses as well.

Depreciation and amortisation. Depreciation and amortisation was down by €18 million to €388 million in 2018 compared to €406 million in 2017 as a result of our restructuring efforts and the consequential closing down of offices in the Netherlands.

Impairment charges on financial assets. Impairment charges on financial assets were up €380 million to €190 million in 2018 compared to minus €190 million in 2017. Although higher than in 2017, they are still at a low level. We again saw favourable developments in most business segments. Relative to the average private sector loan portfolio, impairment charges on financial assets amounted to 5 basis points (2017: minus 5 basis points). Calculated over the past 10 years (2008-2017) and including the elevated level of impairment charges over the years 2012 – 2014, the average impairment charges amount to 34 basis points.

Regulatory levies. Regulatory levies led to an expense item for Rabobank Group of €478 million in 2018, compared to €505 million in 2017.

Income tax. The recognised tax expense was €902 million in 2018 compared to €958 million in 2017, which corresponds to an effective tax rate of 23 per cent. in 2018 compared to 26 per cent. in 2017.

Net profit. Net profit increased by 12 per cent. to €3,004 million in 2018 compared to €2,674 million in 2017. Higher income and lower operating expenses, particularly staff costs, had a positive impact on net profit compared to 2017. Net profit was also boosted by lower restructuring costs and an improved result on fair value items in 2018. Impairment charges on financial assets remained at a low level.

Comparison results of operations for the years ended 31 December 2017 and 31 December 2016

Total income. Rabobank Group's total income decreased by €804 million in 2017 to €12,001 million compared to €12,805 million in 2016. The decrease was mainly due to a decrease in other income, as further described below.

Net interest income. Net interest income increased by €8 million to €8,843 million in 2017 compared to €8,835 million in 2016. As in 2016, repricing of the loan book had a positive effect on the net interest margin. Extra mortgage repayments at the local Rabobanks moderately lowered the outstanding lending volumes. An increased volume of prepayments in our mortgage books has a negative effect on net interest income going forward. At the same time, higher lending volumes augmented net interest in 2017 for both WRR and DLL. The low interest rate environment still negatively impacted the income from treasury activities related to maintaining the liquidity buffers.

Net fee and commission income. Net fee and commission income increased by €89 million to €1,915 million in 2017 compared to €1,826 million in 2016. At the local Rabobanks, net fee and commission income on payment accounts increased. At WRR, net fee and commission income decreased. In 2017, net fee and commission income of WRR Markets division ("**Markets**") reflected lower activity levels with less transactions than in 2016. Net fee and commission income at DLL remained stable (corrected for the deconsolidation of Athlon). Net fee and commission income in the real estate segment increased due to higher performance fees at Bouwfonds IM.

Other results. Other results decreased by €901 million to €1,243 million in 2017 compared to €2,144 million in 2016. This decrease can be partly attributed to the de-consolidation of Athlon. Income from Athlon's operational lease contracts added to other results during 2016 as did the book profit on the sale of Athlon. The negative result on hedge accounting and structured notes affected other results significantly. On balance, the gross result on structured notes and hedge accounting decreased from a profit of €106 million in 2016 to a loss of €313 million in 2017. Markets' trading results improved due to better market conditions

than in 2016, which partly offset the decrease. The increase in the number of houses sold at the real estate segment had a positive impact on other results. Furthermore, other results increased due to higher (regular) results on our investment in Achmea (€43 million), the sale of our share in Van Lanschot (€44 million) and the sale of our share in Orix (€42 million). Despite this divestment, Orix/Robeco will remain an important financial partner of Rabobank.

Total operating expenses. Rabobank Group's total operating expenses decreased €540 million in 2017 to €8,054 million compared to €8,594 million in 2016, in particular due to a decrease in staff costs and other administrative expenses.

Staff costs. Staff costs decreased €208 million to €4,472 million in 2017 compared to €4,680 million in 2016. In 2017, the total number of employees (including external hires) at Rabobank decreased by 1,757 FTEs to 43,810 FTEs as compared to 45,567 FTEs in 2016, mainly because of the large restructuring programme currently underway in the Netherlands. The largest reduction in staff in 2017 was at the local Rabobanks. The decrease in staff costs was moderated by the release of a provision connected to the moderation of fringe benefits in 2016. The costs associated with the 2 per cent. pension accrual guarantee given to the pension fund covering the 2014-2020 period increased to €160 million in 2017 compared to €30 million in 2016. The maximum guaranteed amount was almost reached in 2017.

Other administrative expenses. Other administrative expenses decreased by €300 million to €3,176 million in 2017 compared to €3,476 million in 2016. The other administrative expenses were negatively impacted by the provision taken by Rabobank National Association of €310 million. Total other administrative expenses were relatively high in 2016 as a result of the provision for adopting the SME interest rate derivative framework (€514 million), which was significantly higher than the addition of €51 million to the provision in 2017. Higher restructuring costs in 2016 (€515 million versus €159 million in 2017) also helped reduce other administrative expenses. Overall, this decrease was somewhat tempered by the release of a provision for legal claims at WRR in 2016.

Depreciation and amortisation. Depreciation and amortisation was down by €32 million to €406 million in 2017 compared to €438 million in 2016.

Impairment losses on goodwill and investments in associates. Impairment losses on goodwill and investments in associates were down €700 million to €0 million in 2017, compared to €700 million in 2016. In 2016, the operating profit before tax was pressured down by €700 million in the aggregate due to non-cash impairments of Rabobank's stake in Achmea. The outlook for the future profitability of Achmea deteriorated during 2016, taking into account recent developments in the health insurance market and the financial results over the first half year of 2016. These elements, combined with the deteriorating business environment of Dutch insurers over the last years, gave triggers of potential impairments for the investment in Achmea. The test to establish whether these potential impairments had occurred resulted in downward adjustments of the book value of the investment in Achmea.

Loan impairment charges. Loan impairment charges were down €500 million to minus €190 million in 2017 compared to €310 million in 2016. In 2016, an amount of €310 million was charged to the income statement, which was already a year with very low loan impairment charges. Rabobank saw improvements in nearly all business segments. This is mainly due to the ongoing favourable economic conditions in our domestic market, leading to limited additions and high releases of existing loan loss allowances, particularly in the domestic retail banking business and in real estate. Relative to the average private sector loan portfolio, loan impairment charges amounted to minus 5 (2016: +7) basis points, which is exceptionally low and substantially below the long-term average (period 2007-2016) of 36 basis points.

Regulatory levies. Regulatory levies led to an expense item for Rabobank Group of €505 million in 2017, compared to €483 million in 2016. The increase in the contribution to the resolution fund and Rabobank's inaugural contribution to the Dutch Deposit Guarantee Scheme affected net profit negatively.

Management's Discussion and Analysis of Financial Condition and Results of Operations

Income tax. The recognised tax expense was €958 million in 2017 compared to €694 million in 2016, which corresponds to an effective tax burden of 26 per cent. in 2017 compared to 26 per cent. in 2016.

Net profit. Net profit increased by 32.1 per cent. to €2,674 million in 2017 compared to €2,024 million in 2016. The decrease in the number of employees and lower restructuring costs had a positive impact on the result, whereas in 2016 the gross result was negatively impacted by the impairment on our stake in Achmea and the provision for the interest rate derivatives framework. The add-on provision of €51 million taken in 2017 was needed to cover for the latest insights and statutory interest. Gross profit in the reporting year was affected by the €310 million provision taken by RNA. The loan impairment charges decreased to minus €190 (2016: 310) million in 2017, positively influencing net profit, which amounted to €2,674 (2016: 2,024) million in 2017.

Segment Discussion

Domestic Retail Banking

The following table sets forth certain summarised financial information for Rabobank Group's DRB business for the periods indicated:

	2018	2017	2016
		(adjusted) ⁽¹⁾	(adjusted)
	(in millions of euros)		
Net interest income	5,575	5,581	5,730
Net fee and commission income	1,434	1,398	1,343
Other results	92	74	58
Total income	7,101	7,053	7,131
Staff costs	1,158	1,430	1,820
Other administrative expenses	3,025	2,959	3,165
Depreciation and amortisation	84	98	117
Total operating expenses	4,267	4,487	5,102
Gross result	2,834	2,566	2,029
Loan impairment charges	n/a	(259)	32
Impairment charges on financial assets	(150)	n/a	n/a
Regulatory levies	237	270	282
Operating profit before tax	2,747	2,555	1,715
Income tax	712	659	446
Net profit	2,035	1,896	1,269

Notes:

(1) Prior-year figures adjusted; see paragraph "Changes in business segments".

Comparison results of Domestic Retail Banking for the years ended 31 December 2018 and 31 December 2017

Total income. Domestic retail banking total income increased by 1 per cent. to €7,101 million in 2018, compared to €7,053 million in 2017 mainly due to an increase in net fee and commission income.

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Net interest income. Net interest income remained stable at €5,575 million in 2018, compared to €5,581 million in 2017. As was the case in 2017, we again observed a positive impact in our lending book from new business margins. At the same time, the volume of down-ward early interest rate revisions in our mortgage book remained high. Net interest income was pressured due to lower margins on savings and current accounts as a result of the low interest rate environment. The increased volume of payment accounts had a positive impact on net interest income.

Net fee and commission income. Net fee and commission income increased by 3 per cent. to €1,434 million in 2018, compared to €1,398 million in 2017, due to higher commissions on payment accounts.

Other results. Other results increased by €18 million to €92 million in 2018, compared to €74 million in 2017. The increase in other results can be partly explained by the premium on the sale of a share of Rabobank's mortgage portfolio to the French investor La Banque Postale in September 2018.

Total operating expenses. Total operating expenses for Domestic Retail Banking decreased 5 per cent. to €4,267 million in 2018, compared to €4,487 million in 2017, as a result of a decrease in staff costs and depreciation and amortisation.

Staff costs. Staff costs decreased by €272 million to €1,158 million in 2018, compared to €1,430 million in 2017. Staff costs fell as a consequence of the digitalization and centralization of services and resulting reduced size of the workforce. The number of internal and external employees in the segment decreased to 12,069 as of 31 December, 2018 compared to 13,635 FTEs in 2017, partly due to employees moving from local Rabobanks to the central organisation in order to create economies of scale. The decrease in staff costs was further caused by lower costs associated with the pension accrual guarantee given to the pension fund which amounted to €9 (2017: 116) million.

Other administrative expenses. Other administrative expenses increased by €66 million to €3,025 million in 2018, compared to €2,959 million in 2017. Other administrative expenses increased due to higher restructuring costs, which amounted to €69 (2017: 52) million and costs related to the accelerated depreciation of authentication devices for internet banking. The project expenses for the execution of the interest rate derivatives framework were somewhat lower than in 2017. The additional provision taken for the interest rate derivatives framework was in line with 2017 and amounted to €52 (2017: 51) million. The revaluation decrease of property for own use was higher than in 2017 due to lower occupancy rates, amounting to €61 (2017: 49) million.

Depreciation and amortisation. Depreciation and amortisation decreased by €14 million to €84 million in 2018, compared to €98 million in 2017, as a result of the closing of offices following our restructuring activities.

Impairment charges on financial assets. Impairment charges on financial assets (in 2017 and before it was called 'loan impairment charges') increased by €109 million to reach minus €150 million in 2018, compared to minus €259 million in 2017. This translates into minus 5 basis points of the average loan portfolio based on month-end balances in 2018, compared to minus 9 basis point in 2017, far below the long-term average of 21 basis points. Releases were mainly in the sea and coastal shipping sector, while additions were observable in industry sectors. The net additions on mortgages amounted to minus 2 basis points.

Regulatory levies. Regulatory levies decreased €33 million to €237 million in 2018, compared to €270 million in 2017. The regulatory levies consist of bank tax, contributions to the Single Resolution Fund and the Deposit Guarantee Scheme.

Income tax. Income tax increased in 2017 by €53 million to €712 million, compared to €659 million in 2017 as a result of the higher operating profit before tax in 2018.

Net profit. Net profit increased by €139 million to €2,035 million in 2018, compared to €1,896 million in 2017. The net result was positively influenced by lower operating expenses.

Comparison results of Domestic Retail Banking for the years ended 31 December 2017 and 31 December 2016

Total income. Domestic retail banking total income decreased by 1 per cent. to €7,053 million in 2017, compared to €7,131 million in 2016 mainly due to a decrease in net interest income.

Net interest income. Net interest income decreased 3 per cent. to €5,581 million in 2017, compared to €5,730 million in 2016. As in 2016, Rabobank observed a positive impact from loan repricing. At the same time, the volume of prepayments in our mortgage book remained high. Combined with the decrease in lending volumes due to early repayments, net interest income was pressured.

Net fee and commission income. Net fee and commission income increased by 4 per cent. to €1,398 million in 2017, compared to €1,343 million in 2016, due to higher commission on payment accounts.

Other results. Other results increased by €16 million to €74 million in 2017, compared to €58 million in 2016. In 2016 as well as in 2017, the sale of mortgages to institutional investors had an upward effect on other results.

Total operating expenses. Total operating expenses for domestic retail banking decreased 16 per cent. to €4,487 million in 2017, compared to €5,102 million in 2016, as a result of a decrease in staff costs, other administrative expenses and depreciation and amortisation.

Staff costs. Staff costs decreased by €390 million to €1,430 million in 2017, compared to €1,820 million in 2016. Staff costs fell as the digitalisation and centralisation of services impacted the size of the workforce. The number of internal and external employees in the segment decreased to 13,635 (2016: 17,877) FTEs in 2017. Part of this decrease is the result of employees moving from local Rabobanks to the central organisation to create economies of scale.

Other administrative expenses. Other administrative expenses decreased by €206 million to €2,959 million in 2017, compared to €3,165 million in 2016. Other administrative expenses decreased mainly because the provision for adopting the SME interest rate derivatives recovery framework was significantly higher in 2016 (€514 million) than the addition to this provision in 2017 of EUR 51 million. Lower restructuring costs also contributed to a decrease in other administrative expenses.

Depreciation and amortisation. Depreciation and amortisation decreased by €19 million to €98 million in 2017, compared to €117 million in 2016, as a result of the closing of offices following our restructuring activities.

Loan impairment charges. Loan impairment charges decreased by €291 million to reach minus €259 million in 2017, compared to €32 million in 2016. This translates into minus 9 basis points of the average loan portfolio based on month-end balances in 2017, compared to 1 basis point in 2016, far below the long-term average of 23 basis points. The limited number of newly defaulted loans and high releases on the loan impairment allowances are mainly the result of the favourable conditions of the Dutch economy. Releases are mainly in the sectors that have previously experienced a downturn, such as transport (sea and coastal shipping), glass horticulture and commercial real estate.

Regulatory levies. Regulatory levies decreased to €270 million in 2017, compared to €282 million in 2016. The regulatory levies consist of bank tax, contributions to the Single Resolution Fund and the Deposit Guarantee Scheme.

Income tax. Income tax increased in 2017 by €213 million to €659 million, compared to €446 million in 2016 as a result of the higher operating profit before tax in 2017.

Net profit. Net profit increased by €627 million to €1,896 million in 2017, compared to €1,269 million in 2016. The net result was positively influenced by lower operating expenses and substantially lower loan impairment charges.

Wholesale, Rural and Retail

The following table sets forth certain summarised financial information for Rabobank Group's WRR business for the periods indicated:

	2018	2017	2016
		(adjusted) ⁽¹⁾	(adjusted)
	(in millions of euros)		
Net interest income	2,388	2,367	2,355
Net fee and commission income	461	432	491
Other results	486	655	812
Total income	3,335	3,454	3,658
Staff costs	938	939	1,103
Other administrative expenses	845	1,194	919
Depreciation and amortisation	40	56	94
Total operating expenses	1,823	2,189	2,116
Gross result	1,512	1,265	1,542
Loan impairment charges	n/a	95	255
Impairment charges on financial assets	300	n/a	n/a
Regulatory levies	169	171	152
Operating profit before tax	1,043	999	1,135
Income tax	333	412	369
Net profit	710	587	766

Note:

(1) Prior-year figures adjusted; see paragraph "Changes in business segments".

Comparison results of Wholesale, Rural and Retail for the years ended 31 December 2018 and 31 December 2017

Total income. Wholesale, Rural and Retail total income decreased by €119 million to €3,335 million in 2018 compared to €3,454 million in 2017. This decrease was attributable to a decrease in other results partly offset by an increase in net interest income and net fee and commission income.

Net interest income. Net interest income increased by 1 per cent. to €2,388 million in 2018, compared to €2,367 million in 2017 as the underlying commercial interest margins stabilised. Excluding FX effects net interest income increased by 7 per cent due to growth of the loan portfolio. Australia, North America and the Netherlands had the strongest growth in net interest income (in local currencies).

Net fee and commission income. Net fee and commission income increased by 7 per cent. to €461 million in 2018, compared to €432 million in 2017 as our Mergers and Acquisitions division performed stronger than in 2017.

Other results. Other results decreased by €169 million to €486 million in 2018, compared to €655 million in 2017 due to market volatility in the final quarter of 2018, partially offset by a stronger performance of our Corporate Investments division.

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Total operating expenses. Total operating expenses decreased by 17 per cent. to €1,823 million in 2018, compared to €2,189 million in 2017. This decrease was attributable to lower other administrative expenses and depreciation and amortisation.

Staff costs. Staff costs remained stable at €938 million in 2018, compared to €939 million in 2017. In 2018, staffing levels at WRR increased by 361 FTEs mainly because of (temporary) staff hired for several strategic projects. Despite the increase in staff levels, staff costs remained stable, which can be largely explained by FX effects.

Other administrative expenses. Other administrative expenses decreased by 29 per cent. to €845 million in 2018, compared to €1,194 million in 2017, largely driven by the fact that these expenses were lifted in 2017, due to the €310 million provision taken by RNA. The decrease was partly tempered by an increase in project expenses in 2018.

Depreciation and amortisation. Depreciation and amortisation was down €16 million to €40 million in 2018, compared to €56 million in 2017, largely caused by lower depreciation on software.

Impairment charges on financial assets. Impairment charges on financial assets at WRR increased by €205 million to €300 million in 2018, compared to €95 million in 2017. This was the result of defaults of some large clients, mainly in Asia and Brazil. Total impairment charges on financial assets increased to 29 (2017: 9) basis points of the average private sector loan portfolio, well below the long-term average of 58 basis points.

Regulatory levies. The regulatory levies led to an expense item of €169 million in 2018, compared to €171 million in 2017.

Income tax. Income tax decreased in 2018 by €79 million to €333 million, compared to €412 million in 2017.

Net profit. Net profit increased by €123 million to €710 million in 2018, compared to €587 million in 2017. The provision of €310 million taken by RNA significantly lowered the operating profit before tax in 2017.

Comparison results of Wholesale, Rural and Retail for the years ended 31 December 2017 and 31 December 2016

Total income. Wholesale, Rural and Retail total income decreased by €204 million to €3,454 million in 2017 compared to €3,658 million in 2016. This decrease was attributable to a decrease in other results as well as a decrease in net fee and commission income.

Net interest income. Net interest income increased by 1 per cent. to €2,367 million in 2017, compared to €2,355 million in 2016 as the underlying commercial interest margins stabilised.

Net fee and commission income. Net fee and commission income decreased by 12 per cent. to €432 million in 2017, compared to €491 million in 2016. In 2016, Markets' net fee and commission income reflected the higher levels of activity in that period.

Other results. Other results decreased by 6 per cent. to €655 million in 2017, compared to €812 million in 2016. Markets' trading results improved due to better market conditions than in 2016.

Total operating expenses. Total operating expenses increased by 3 per cent. to €2,189 million in 2017, compared to €2,116 million in 2016. Due to the centralisation of IT services in 2016, WRR staff was relocated to the central organisation, reducing staff costs but increasing recharges from the central organisation, and consequently raising other operating expenses.

Staff costs. Staff costs decreased by 15 per cent. to €939 million in 2017, compared to €1,103 million in 2016 as WRR staff was relocated to the central organisation, reducing staff costs.

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Other administrative expenses. Other administrative expenses were up 30 per cent. to €1,194 million in 2017, compared to €919 million in 2016, mainly due to the provision of €310 million taken by RNA. Also the release of a provision for legal issues lowered other administrative expenses in 2016.

Depreciation and amortisation. Depreciation and amortisation was down 40 per cent. to €56 million in 2017, compared to €94 million in 2016 following several restructuring activities.

Loan impairment charges. Loan impairment charges at Wholesale, rural and retail decreased by 63 per cent. to €95 million in 2017, compared to €255 million in 2016. Expressed in basis points of the average loan portfolio based on month-end balances, the loan impairment charges amounted to 9 basis points in 2017, compared to 25 basis points in 2016. The decrease of loan impairment charges can be largely assigned to the overall improvement of weather circumstances and sector developments. Despite the overall decrease, loan impairment charges remained relatively high in Asia and increased in the Netherlands. However, the portfolio in Asia stabilised and Dutch loan impairment charges remained below the long-term average on the back of positive economic developments.

Regulatory levies. The regulatory levies led to an expense item of €171 million in 2017, compared to €152 million in 2016.

Income tax. Income tax increased in 2017 by €43 million to €412 million, compared to €369 million in 2016.

Net profit. Net profit decreased by €179 million to €587 million in 2017, compared to €766 million in 2016. The provision of €310 million taken by RNA significantly lowered the operating profit before tax in 2017.

Leasing

The following table sets forth certain summarised financial information for Rabobank Group's leasing business for the periods indicated:

	2018	2017	2016
		(adjusted) ⁽¹⁾	(adjusted)
	(in millions of euros)		
Net interest income	986	1,008	917
Net fee and commission income	106	75	82
Other results	274	207	816
Total income	1,366	1,290	1,815
Staff costs	487	487	606
Other administrative expenses	224	208	235
Depreciation and amortisation	27	28	31
Total operating expenses	738	723	872
Gross result	628	567	943
Loan impairment charges	n/a	106	94
Impairment charges on financial assets	105	n/a	n/a
Regulatory levies	25	22	22
Operating profit before tax	498	439	827
Income tax	(99)	(66)	170
Net profit	399	505	657

Note:

(1) Prior-year figures adjusted; see paragraph "Changes in business segments".

Comparison results of Leasing for the years ended 31 December 2018 ended 31 December 2017

Total income. Total income of Leasing increased by 6 per cent. to €1,366 million in 2018, compared to €1,290 million in 2017. The increase was mainly due to an increase in other results and net fee and commission income.

Net interest income. Net interest decreased by 2 per cent. to €986 million in 2018, compared to €1,008 million in 2017 as the result of lower margins on new business compared to 2017.

Net fee and commission income. Net fee and commission income increased by €31 million to €106 million in 2018, compared to €75 million in 2017. This increase was caused by higher fee income for syndicated leases as well as a negative one-off adjustment in 2017.

Other results. Other results mainly consist of income from operational leases as well as results from sales of end-of-lease assets. Other results increased €67 million to €274 million compared to €207 million in 2017. This improvement can be attributed to the release of a provision for foreign activities of DLL that was taken late 2017.

Total operating expenses. Total operating expenses at DLL increased by 2 per cent. to €738 million in 2018, compared to €723 million in 2017. This increase was mainly caused by higher other administrative expenses.

Staff costs. Staff costs remained stable at €487 million in 2018, compared to €487 million in 2017 despite the higher number of employees. This can be partly explained by the lower costs related to the pension accrual guarantee given to the pension fund. Staff levels in the Leasing segment showed an increase of 8 per cent to 5,026 FTEs as of 31 December 2018.

Other administrative expenses. Other administrative expenses increased €16 million to €224 million in 2018, compared to €208 million in 2017 in line with the increase in the portfolio and due to higher restructuring costs.

Depreciation and amortisation. Depreciation and amortisation decreased by €1 million to €27 million in 2018, compared to €28 million in 2017.

Impairment charges on financial assets. DLL's impairment charges on financial assets (in 2017 and before it was called 'loan impairment charges') remained stable at €105 million in 2018, compared to €106 million in 2017. Expressed in basis points of the average loan portfolio based on month-end balances, the impairment charges amounted to 34 basis points in 2018, compared to 36 basis points in 2017. impairment charges are well below the long-term average of 58 basis points. As DLL's lease portfolio is spread over more than 30 countries and 8 industries, the credit risk associated with this portfolio is geographically diverse and well balanced across all industry sectors. In 2018, there were no new significant individual default cases.

Regulatory levies. Regulatory levies led to an expense of €25 million in 2018, compared to €22 million in 2017.

Income tax. Income tax increased in 2018 by €165 million to €99 million, compared to minus €66 million in 2017. The 2017 results were heavily impacted by tax reform in the United States, which resulted in a significant one-off tax benefit.

Net profit. Net profit decreased 21 per cent. to €399 million in 2018, compared to €505 million in 2017 due to an increase in income tax.

Comparison results of Leasing for the years ended 31 December 2017 and ended 31 December 2016

Total income. DLL's total income decreased by 29 per cent. to €1,290 million in 2017, compared to €1,815 million in 2016. The decrease was mainly due to a 75 per cent. decrease in other income. However, this decrease can be attributed to the December 2016 sale of Athlon, DLL's mobility solutions entity, including all its subsidiaries. Athlon was still contributing to the income of the leasing segment in 2016. On a like-for-like basis, excluding Athlon results from the 2016 figures, total income was stable at €1,290 million in 2017, compared to €1,295 million in 2016.

Net interest income. Net interest increased by 10 per cent. to €1,008 million in 2017, compared to €917 million in 2016.

Net fee and commission income. Net fee and commission income decreased by €7 million to €75 million in 2017, compared to €82 million in 2016.

Other results. Other results mainly consisted of sales results on end-of-lease assets. In 2016, the income from operational lease contracts from Athlon was accounted for in other results, which resulted, together with an impairment for one of the foreign businesses, in a decrease in other results by €609 million to €207 million in 2017, compared to €816 million in 2016.

Total operating expenses. Total operating expenses at DLL were down 17 per cent. to €723 million in 2017, compared to €872 million in 2016. However, excluding Athlon results and related restructuring expenses from the 2016 figures, operating expenses increased by 6 per cent.

Staff costs. Staff costs were down €119 million, reaching €487 million in 2017, compared to €606 million in 2016. Staff costs increased in line with the higher number of employees.

Other administrative expenses. Other administrative expenses decreased 11 per cent. to €208 million in 2017, compared to €235 million in 2016 in line with the administrative completion of the Athlon sale and the transfer of Financial Solutions to Rabobank.

Depreciation and amortisation. Depreciation and amortisation decreased by €3 million to €28 million in 2017, compared to €31 million in 2016.

Loan impairment charges. DLL's loan impairment charges increased by 13 per cent. to €106 million in 2017, compared to €94 million in 2016. Expressed in basis points of the average loan portfolio based on month-end balances, the loan impairment charges amounted to 36 basis points in 2017, compared to 32 basis points in 2016. Loan impairment charges are well below the long-term average (2006-2015) of 60 basis points. As DLL's lease portfolio is spread over more than 30 countries and 8 industries, the credit risk associated with this portfolio is geographically diverse and well balanced across all industry sectors. In 2017, there were no new significant individual default cases.

Regulatory levies. Regulatory levies led to an expense of €22 million in 2017, compared to €22 million in 2016.

Income tax. Income tax decreased in 2017 by €236 million to minus €66 million, compared to €170 million in 2016 as a result of the changes in US tax rates.

Net profit. Net profit decreased 23 per cent. to €505 million in 2017, compared to €657 million in 2016 due to the decrease in other income.

Real Estate

The following table sets forth certain summarised financial information for Rabobank Group's Real Estate business for the periods indicated:

	2018	2017	2016
		(adjusted) ⁽¹⁾	(adjusted)
	(in millions of euros)		
Net interest income	(7)	57	143
Net fee and commission income	10	59	16
Other results	571	479	379
Total income	574	595	538
Staff costs	131	180	200
Other administrative expenses	73	151	135
Depreciation and amortisation	5	7	4
Total operating expenses	209	338	339
Gross result	365	257	199
Loan impairment charges	n/a	(116)	(75)
Impairment charges on financial assets	(15)	n/a	n/a
Regulatory levies	2	4	4
Operating profit before tax	378	369	270
Income tax	70	74	70
Net profit	308	295	200

Note:

(1) Prior-year figures adjusted; see paragraph "Changes in business segments".

Comparison results of Real Estate for the years ended 31 December 2018 and 31 December 2017

Total income. Total income in Rabobank Group's real estate business decreased by 4 per cent. to €574 million in 2018, compared to €595 million in 2017. This decrease was the result of decreases in net interest income and net fee and commission income.

Net interest income. Net interest income decreased by €64 million to minus €7 million in 2018 compared to €57 million in 2017. FGH Bank's loan portfolio was further integrated within Rabobank and the final part of its non core loan portfolio was sold to Rabobank Nederland Hypotheekbank (RNHB). As a result, FGH Bank's loan portfolio shrank and its net interest income decreased. Consequently, net interest income of Real Estate turned negative, as BPD has to pay interest on the funding raised to finance its activities.

Net fee and commission income. Net fee and commission income decreased by €49 million to €10 million in 2018 compared to €59 million in 2017 as the activities of Bouwfonds Investment Management were phased out.

Other results. The sale of the remaining part of FGH Bank's loan portfolio to RNHB and higher results at PD had a positive effect on other results at the real estate segment which increased by €92 million to €571 million in 2018, compared to €479 million in 2017.

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Operating expenses. Total operating expenses in Rabobank Group's real estate business decreased €129 million to €209 million in 2018, compared to €338 million in 2017. This decrease is caused by a decrease in staff costs and other administrative expenses.

Staff costs. Staff costs decreased by €49 million to €131 million in 2018, compared to €180 million in 2017. This decrease is the result of the downscaling of activities at FGH Bank and BIM. The sale of BPD Marignan is reflected in the 48 per cent decrease in staff levels to 618 FTEs.

Other administrative expenses. Other administrative expenses decreased by €78 million to €73 million in 2018, compared to €151 million in 2017 due to lower expenses in all divisions.

Depreciation and amortisation. Depreciation and amortisation decreased by €2 million to €5 million in 2018, compared to €7 million in 2017.

Impairment charges on financial assets. Impairment charges on financial assets (in 2017 and before it was called 'loan impairment charges') increased to minus €15 million in 2018, compared to minus €116 million in 2017. This was mainly due to the liquidation of FGH Bank's loan portfolio and its subsequent integration into Rabobank. Expressed in basis points of the average loan portfolio based on month-end balances, the loan impairment charges amounted to minus 287 basis points in 2018, compared to minus 521 basis points in 2017. Impairment charges on financial assets are below the long-term average of 69 basis points.

Regulatory levies. Regulatory levies led to an expense item of €2 million in 2018, compared to €4 million in 2017.

Income tax. Income tax decreased by €4 million to €70 million in 2018, compared to €74 million in 2017.

Net profit. Net profit increased by €13 million to €308 million in 2018, compared to €295 million in 2017, primarily due to lower total operating expenses.

Comparison results of Real Estate for the years ended 31 December 2017 and 31 December 2016

Total income. Total income in Rabobank Group's real estate business increased by 11 per cent. to €595 million in the 2017, compared to €538 million in 2016.

Net interest income. Net interest income decreased by 60 per cent. to €57 million in 2017 compared to €143 million in 2016. Corrected for integration of parts of the loan portfolio of FGH Bank within Rabobank, FGH Bank's average loan portfolio was smaller.

Net fee and commission income. Net fee and commission income increased by €43 million to €59 million in 2017 compared to €16 million in 2016 due to higher performance fees at Bouwfonds IM, which are related to the reduction of non-strategic activities.

Other results. The increase in the number of houses sold had an upward effect on other results at the real estate segment which increased by €100 million to €479 million in 2017, compared to €379 million in 2016.

Operating expenses. Total operating expenses in Rabobank Group's real estate business remained relatively stable at €338 million in 2017, compared to €339 million in 2016.

Staff costs. Staff costs decreased by €20 million to €180 million in 2017, compared to €200 million in 2016. The increased commercial activity led to a small increase in the number of employees at BPD and the number of employees at FGH Bank decreased as part of the integration into Rabobank. The number of employees at Bouwfonds IM decreased as a result of the sale of several significant portfolios.

Other administrative expenses. Due to higher expenses at all divisions other administrative expenses increased by €16 million to €151 million in 2017, compared to €135 million in 2016.

Depreciation and amortisation. Depreciation and amortisation increased by €3 million to €7 million in 2017, compared to €4 million in 2016.

Loan impairment charges. Loan impairment charges decreased to minus €116 million in 2017, compared to minus €75 million in 2016. Expressed in basis points of the average loan portfolio based on month-end balances, based on month-end balances, the loan impairment charges amounted to minus 521 basis points in 2017, compared to minus 141 basis points in 2016. Loan impairment charges are well below the long-term average (2006-2015) of 80 basis points.

Regulatory levies. Regulatory levies led to an expense item of €4 million in 2017, compared to €4 million in 2016.

Income tax. Income tax increased by €4 million to €74 million in 2017, compared to €70 million in 2016.

Net profit. Net profit increased by €95 million to €295 million in 2017, compared to €200 million in 2016, primarily due to lower loan impairment charges.

Loan Portfolio

After a few years of a slightly declining trend in private sector lending, Rabobank's total private sector loan portfolio increased compared to 1 January 2018, by €7.9 billion to €416.0 billion. €0.7 billion of this increase is due to FX fluctuations. On 1 January 2018, as a result of reclassifications due to the full implementation of IFRS 9, lending decreased by €2.9 billion to €408.1 billion compared to €411.0 billion at 31 December 2017. At Domestic Retail Banking (DRB), the mortgage portfolio decreased slightly due to a still high, though declining level, of early repayment. The total private sector loan portfolio of the DRB segment decreased to €276.1 (1 January 2018: 279.9) billion. The loan portfolio WRR increased by €9.1 billion and the portfolio of Rabobank's leasing subsidiary DLL increased by €3.2 billion in 2018. The aggregate domestic commercial real estate loan exposure (across all segments) is actively being reduced and amounted to €21.2 (2017: 22.9) billion at 31 December 2018.

Loans and advances to customers increased by €4 billion, to €436.6 billion at 31 December 2018 from €432.6 billion at 31 December 2017. The private sector loan portfolio increased by €5.0 billion to €416.0 billion at 31 December 2018 from €411.0 billion at 31 December 2017. Loans to private individuals, primarily for mortgage finance, were down €3.1 billion to €194.9 billion at 31 December 2018. Residential mortgage loans are granted by local Rabobanks and by Obvion. These loans are secured on underlying properties and have maturities up to 30 years. Loans to the trade, industry and services sector increased by €2.8 billion to €118.0 billion at 31 December 2018. Lending to the food and agri sector increased by €5.3 billion to €103.1 billion at 31 December 2018.

The following table shows a breakdown of Rabobank Group's total lending outstanding to the private sector at 31 December 2018, 31 December 2017 and 31 December 2016, by category of borrower:

	As at 31 December					
	2018		2017		2016	
	<i>(in billions of euro and as percentage of total private sector lending)</i>					
Private individuals	194.9	47%	198.0	48%	201.2	47%
Trade, industry and services	118.0	28%	115.2	28%	121.3	29%
Food and agri	103.1	25%	97.8	24%	102.0	24%
Total private sector lending.....	416.0	100%	411.0	100%	424.6	100%

The maturities of loans granted by Rabobank Group vary from overdraft facilities to 30-year term loans.

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The following table provides a breakdown of the remaining maturity of Rabobank Group's total loans and advances to customers (public and private sector) and professional securities transactions at 31 December 2018 and 31 December 2017. These amounts are non-restated for the netting of cash pooling arrangements and correspond to the audited consolidated financial statements for the year ended 31 December 2018:

	As at 31 December			
	2018		2017	
	(in millions of euro and as percentage of total loans and advances to customers)			
Less than 1 year.....	90,775	21%	85,860	22%
More than 1 year.....	345,816	79%	346,704	78%
Total loans and advances to customers.....	436,591	100%	432,564	100%

Funding*

Total deposits from customers amounted to €342.4 billion at 31 December 2018 (1 January 2018: €343.2 billion). On 1 January 2018 part of financial liabilities designated at fair value were reclassified as deposits from customers (€2.5 billion) as a result of the full implementation of IFRS 9. Deposits from customers were positively influenced by FX fluctuations (€0.6 billion). DRB's total client base deposited an amount of €236.7 billion at 31 December 2018 (2017: €228.8 billion) at Rabobank. Customer deposits placed at other segments decreased by €6.2 billion to €105.7 billion at 31 December 2018, mainly due to lower balances on the corporate accounts, which are by nature more volatile than private savings. At DRB private savings increased by €2.1 billion to €119.1 billion at 31 December 2018, while the increase in total private savings was offset by a €3.6 billion decrease of savings at RaboDirect internet savings banks. At RaboDirect in Ireland private savings decreased by €3.1 billion, caused by the withdrawal from the Irish retail market as of 16 May 2018. On balance, total private savings increased by €0.3 billion to €142.7 billion at 31 December 2018. Excluding the savings of RaboDirect in Ireland, total deposits from customers increased by €2.3 billion.

The following table shows Rabobank Group's sources of funding by source at 31 December 2018, 31 December 2017 and 31 December 2016:

	As at 31 December		
	2018	2017	2016
	(in millions of euro)		
Current accounts.....	85,511	77,914	76,757
Deposits with agreed maturity.....	71,203	74,536	82,909
Deposits redeemable at notice	175,932	178,162	175,943
Repurchase agreements.....	13	108	212
Other due to customers	1	1	34
Debt securities in issue	130,806	134,423	159,342
Financial liabilities designated at fair value	6,614	13,792	16,520
Total	470,080	478,936	511,717

Rabobank Group also receives funds from the inter-bank and institutional markets. Rabobank Group's total deposits from credit institutions were €19.4 billion at 31 December 2018, a 3 per cent. increase from €18.9 billion at 31 December 2017.

Other Financial Assets

Other *financial* assets comprise debt securities and other assets. Other financial assets are subdivided into the following categories:

- Financial assets held for trading;
- Other financial assets at fair value through profit or loss; and
- Available-for-sale financial assets.

The tables below show Rabobank Group's financial assets in the years indicated.

Other financial assets as at 31 December 2018

	Financial assets held for trading	Financial assets designated at fair value	Financial assets mandatorily at fair value	Total
	(in millions of euro)			
Purchased loans	149	31	1,642	1,822
Short-term government securities	0	0	0	0
Government bonds	1,055	0	0	1,055
Other debt securities	1,602	126	38	1,766
Total debt securities	2,806	157	1,680	4,643
Venture capital	0	0	0	0
Other equity instruments	70	0	454	524
Total other assets	70	0	454	524
Total	2,876	157	2,134	5,167
Category 1 ⁽¹⁾	2,382	126	0	2,508
Category 2 ⁽²⁾	431	23	571	1,025
Category 3 ⁽³⁾	63	8	1,563	1,634

Other financial assets as at 31 December 2017

	Financial assets held for trading	Financial assets designated at fair value	Available-for- sale financial assets	Total
	(in millions of euro)			
Purchased loans	193	700	0	893
Short-term government securities	2	0	1,362	1,364
Government bonds	496	0	22,418	22,914
Other debt securities	1,006	126	4,342	5,474

Other financial assets as at 31 December 2017

	Financial assets held for trading	Financial assets designated at fair value	Available-for- sale financial assets	Total
	<i>(in millions of euro)</i>			
Total debt securities	1,697	826	28,122	30,645
Venture capital	0	333	0	333
Other equity instruments	63	35	567	665
Total other assets	63	368	567	998
Total	1,760	1,194	28,689	31,643
Category 1 ⁽¹⁾	1,481	143	24,645	26,269
Category 2 ⁽²⁾	216	529	3,512	4,257
Category 3 ⁽³⁾	63	522	532	1,117

Other financial assets as at 31 December 2016

	Financial assets held for trading	Financial assets designated at fair value	Available-for- sale financial assets	Total
	<i>(in millions of euro)</i>			
Purchased loans	272	854	0	1,126
Short-term government securities	0	0	1,602	1,602
Government bonds	603	0	27,010	27,613
Other debt securities	1,123	32	5,133	6,288
Total debt securities	1,998	886	33,745	36,629
Venture capital	0	314	0	314
Other equity instruments	587	121	835	1,543
Total other assets	587	435	835	1,857
Total	2,585	1,321	34,580	38,486
Category 1 ⁽¹⁾	2,011	48	29,693	31,752
Category 2 ⁽²⁾	485	759	4,347	5,591
Category 3 ⁽³⁾	89	514	540	1,143

Notes:

- (1) Category 1: quoted prices in active markets for identical assets or liabilities;
- (2) Category 2: inputs other than quoted prices included in category 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- (3) Category 3: inputs for the asset or liability not based on observable market data.

Credit-related Commitments*

Credit granting liabilities represent the unused portions of funds authorised for the granting of credit in the form of loans, guarantees, letters of credit and other lending-related financial instruments. Rabobank's credit risk exposure from credit granting liabilities consists of potential losses amounting to the unused portion of the authorised funds. The total expected loss is lower than the total of unused funds, however, because credit granting liabilities are subject to the clients in question continuing to meet specific standards of creditworthiness. Guarantees represent irrevocable undertakings that, provided certain conditions are met, Rabobank will make payments on behalf of clients if they are unable to meet their financial obligations to third parties. Rabobank also accepts credit granting liabilities in the form of credit facilities made available to ensure that clients' liquidity requirements can be met, but which have not yet been drawn upon.

	As at 31 December		
	2018	2017	2016
	<i>(in millions of euro)</i>		
Total credit related commitments.....	87,538	87,549	113,506

Capital Adequacy

Rabobank wishes to have an adequate solvency position, which it manages based on a number of ratios. The principal ratios are the CET1 Ratio, the Tier 1 ratio, the total capital ratio and the equity capital ratio. Rabobank's internal targets exceed the regulators' minimum requirements as it anticipates market expectations and developments in laws and regulations. Rabobank seeks to stand out from other financial institutions, managing its solvency position based on policy documents. The Risk Management Committee and the Asset and Liability Committee, the Managing Board and the Supervisory Board periodically discuss the solvency position and the targets to be used.

Rabobank must comply with a number of minimum solvency positions stipulated under the law. The solvency position is determined based on ratios. These ratios compare Rabobank's total capital and Common Equity Tier 1 Capital with the total amount of the risk-weighted assets.

The determination of the risk-weighted assets is based on separate methods for credit risk, operational risk and market risk. The risk-weighted assets are determined for credit risk purposes in many different ways. For most assets the risk weight is determined with reference to internal ratings and a number of characteristics specific to the asset concerned. For off-balance sheet items the balance sheet equivalent is calculated first, on the basis of internal conversion factors. The resulting equivalent amounts are then also assigned risk-weightings. An Advanced Measurement Approach model is used to determine the amount with respect to the risk-weighted assets for operational risk. With the market risk approach, the general market risk is hedged, as well as the risk of open positions in foreign currencies, debt and equity instruments, as well as commodities.

The CET1 Ratio, the Tier 1 ratio and the total capital ratio are the most common ratios used to measure solvency. The CET1 Ratio expresses the relationship between Common Equity Tier 1 Capital and total risk-weighted assets. At 31 December 2018, Rabobank Group's CET1 Ratio stood at 16.0 per cent. (year-end 2017: 15.8 per cent.). Effective 1 January 2014, the minimum required percentages are determined on the basis of CRD IV/CRR. The total required (end state in 2019) CET1 Ratio amounts to 11.75 per cent.

Risk-weighted assets were up €2.3 billion to €200.5 billion at 31 December 2018 compared to €198.2 billion at 31 December 2017. Common Equity Tier 1 Capital increased by €0.8 billion to €32.1 billion at 31 December 2018 compared to €31.3 billion at 31 December 2017. See "*Regulation of Rabobank Group*" for further discussion of the Basel standards.

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The Tier 1 ratio expresses the relationship between Tier 1 capital and total risk-weighted assets. As at 31 December 2018, Rabobank Group's Tier 1 ratio stood at 19.5 per cent. (year-end 2017: 18.8 per cent.). The total required (end state in 2019) Tier 1 ratio amounts to 13.25 per cent.

The total capital ratio is calculated by dividing the total of Tier 1 and Tier 2 capital by the total of risk-weighted assets. At 31 December 2018, the total capital ratio stood at 26.6 per cent. (year-end 2017: 26.2 per cent.). The total required (end state in 2019) total capital ratio amounts to 15.25 per cent. cash flow.

The following table sets forth the development in capital and solvency ratios of Rabobank Group at 31 December 2018, 31 December 2017 and 31 December 2016:

Development in capital and solvency ratios

	As at 31 December		
	2018	2017	2016
	<i>(in millions of euros, except percentages)</i>		
Common Equity Tier 1 Capital	32,122	31,263	29,618
CET1 Ratio	16.0%	15.8%	14.0%
Fully Loaded CET1 Ratio*	16.0%	15.5%	13.5%
Tier 1 capital	39,068	37,204	37,079
Tier 1 ratio	19.5%	18.8%	17.6%
Qualifying capital	53,259	51,923	52,873
Total capital ratio	26.6%	26.2%	25.0%

Cash flow

The following table sets forth Rabobank Group's cash flow for the years ended 31 December 2018, 2017 and 2016.

	Year ended 31 December		
	2018	2017	2016
	<i>(in millions of euro)</i>		
Net cash flow from operating activities	12,626	1,547	35,474
Net cash flow from investing activities	249	49	1,215
Net cash flow from financing activities	(6,560)	(17,807)	(16,422)
Net change in cash and cash equivalents	6,315	(16,211)	20,267
Cash and cash equivalents at 1 January	66,861	84,405	64,943
Net change in cash and cash equivalents	6,315	(16,211)	20,267
Foreign exchange differences on cash and cash equivalents	159	(1,333)	(805)
Cash and cash equivalents	73,335	66,861	84,405

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Net cash flow from operating activities increased to €12,626 million in the year ended 31 December 2018 compared to €1,547 million in the year ended 31 December 2017, mainly due to a net change in assets and liabilities relating to operating activities.

Net cash flow from investing activities increased to €249 million in the year ended 31 December 2018 compared to €49 million in the year ended 31 December 2017, mainly due to the acquisition of property, equipment and investment properties, partially offset by proceeds from the disposal of property, equipment and investment properties.

Net cash flow from financing activities increased to minus €6,560 million in the year ended 31 December 2018 compared to minus €17,807 million in the year ended 31 December 2017, mainly due to the issue and redemption of capital securities offset by payments on equity instruments.

Working capital

In the opinion of Rabobank Group, its working capital is sufficient for its present requirements, that is for at least 12 months following the date of this Base Prospectus. Rabobank Group currently complies with the applicable own funds and liquidity requirements as set out in the CRD IV Directive as implemented in the FMSA and CRR.

Selected Statistical Information*

The following section discusses selected statistical information regarding Rabobank Group's operations. Unless otherwise indicated, average balances are calculated based on monthly balances and geographic data are based on the domicile of the customer. See "Results of operations" for an analysis of fluctuations in Rabobank Group's results between periods.

Return on equity and assets

	2018	2017	2016
		(in percentages)	
Return on assets (in percentages) ⁽¹⁾	0.49	0.42	0.30
Net profit (in millions of euro).....	3,004	2,674	2,024
Total average assets (month-end balances in billions of euro)....	607.1	635.3	679.1
Return on equity (in percentages) ⁽²⁾	7.35	6.58	4.96
Net profit (in millions of euro).....	3,004	2,674	2,024
Total average equity (quarter-end balance in billions of euro)	40.9	40.6	40.8
Equity to assets ratio (in percentages) ⁽³⁾	6.77	6.41	6.01
Total average equity (quarter-end balances in billions of euro) ...	40.9	40.6	40.8
Total average assets (quarter-end balances in billions of euro) ..	603.8	633.7	679.1

Notes:

- (1) The return on assets states net profit as a percentage of total average assets, based on month-end balances.
- (2) The return on equity is a profitability ratio which states net profit as a percentage of average equity, based on quarter-end balances.
- (3) The equity to assets ratio is a leverage ratio and is calculated by dividing average equity by average total assets, based on quarter-end balances.

The following table presents information relating to payments on Rabobank Certificates for the year ended 31 December 2018, 31 December 2017 and 31 December 2016:

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	2018	2017	2016
	<i>(in millions of euro, except percentages)</i>		
Average outstanding Rabobank Certificates ⁽¹⁾	7,445	7,331	5,948
Payments	484	484	387
Average yield ⁽²⁾	6.50%	6.60%	6.50%

Notes:

- (1) Average outstanding Rabobank Certificates based on month-end balances.
(2) Average yield is calculated by dividing payments by the average outstanding Rabobank Certificates.

Loan portfolio

Rabobank Group's loan portfolio consists of loans, overdrafts, assets subject to operating leases, finance lease receivables to governments, corporations and consumers and reverse repurchase agreements. The following table analyses Rabobank Group's loan portfolio by sector at 31 December 2018, 31 December 2017 and 31 December 2016:

	As at 31 December		
	2018	2017	2016
	<i>(in billions of euro)</i>		
Private sector lending	416.0	411.0	424.6
Loans to government clients.....	1.9	2.3	3.3
Receivables relating to securities transactions	12.9	12.9	16.3
Hedge accounting	5.8	6.4	8.6
Total loans and advances to customers	436.6	432.6	452.8
Loan impairment allowance loans and advances to customers	(3.7)	(5.4)	(7.5)
Reclassified assets	—	0.1	0.4
Gross loans and advances to customers	440.3	437.9	459.9

The following table sets forth a geographic breakdown of Rabobank Group's private sector loan portfolio at 31 December 2018, 31 December 2017 and 31 December 2016:

	As at 31 December		
	2018	2017	2016
	<i>(in millions of euro)</i>		
The Netherlands	294,628	298,583	304,723
Other European countries in the EU zone	31,337	28,493	28,895
North America	44,255	41,831	45,985
Latin America	14,067	12,467	13,680
Asia	8,887	8,076	9,624

As at 31 December

	2018	2017	2016
	<i>(in millions of euro)</i>		
Australia	22,589	21,191	21,315
Africa	262	323	329
Total private sector lending	416,025	410,964	424,551

Risk Elements

Breakdown of assets and liabilities by repayment date

The table below shows assets and liabilities grouped according to the period remaining from the reporting date to the contractual repayment date. These amounts correspond with the amounts included in the consolidated statement of financial position.

Current and non-current financial instruments

On 31 December 2018

	On demand	Less than 3 months	3 months to 1 year	1-5 years	Longer than 5 years	No maturity applicable	Total
	<i>(in millions of euros)</i>						
Financial assets							
Cash and cash equivalents	72,391	99	7	—	—	838	73,335
Loans and advances to credit institutions	9,180	4,422	1,345	194	168	2,550	17,859
Financial assets held for trading	158	178	115	880	1,475	70	2,876
Financial assets designated at fair value	—	127	7	—	23	—	157
Financial assets mandatorily at fair value	9	24	36	518	643	904	2,134
Derivatives	1,009	1,100	1,552	5,300	13,699	—	22,660
Loan and advances to customers	31,867	17,834	35,687	103,680	242,136	5,387	436,591
Available for sale financial assets	222	629	2,430	10,865	4,009	575	18,730
Other assets (excluding employee benefits)	349	2,027	1,444	1,673	113	819	6,425
Total financial assets	115,185	26,440	42,623	123,110	262,266	11,143	580,767
Financial liabilities							
Deposits from banks	2,914	667	4,428	4,753	584	6,051	19,397
Deposits from customers	280,681	13,292	10,224	14,399	22,679	1,135	342,410
Debt securities in issue	4,449	16,926	24,814	60,125	24,492	—	130,806

Current and non-current financial instruments

On 31 December 2018

	On demand	Less than 3 months	3 months to 1 year	1-5 years	Longer than 5 years	No maturity applicable	Total
	<i>(in millions of euros)</i>						
Derivatives	1,099	1,334	1,500	6,166	13,792	36	23,927
Financial liabilities held for trading	—	400	—	—	—	—	400
Other liabilities (excluding employee benefits).....	2,076	2,082	478	576	50	826	6,088
Financial liabilities designated at fair value	17	176	364	3,372	2,685	—	6,614
Subordinated liabilities .	—	—	1,007	5,804	9,687	—	16,498
Total financial liabilities	291,236	34,877	42,815	95,195	73,969	8,048	546,140
Net balance	(176,051)	(8,437)	(192)	27,915	188,297	3,095	34,627

The overview presented above has been composed on the basis of contractual information and does not represent the actual movements of these financial instruments. However, this is taken into account for the day-to-day management of the liquidity risk. Customer savings are an example. Under contract, these are payable on demand. Historically, this is a very stable source of long-term financing that Rabobank has at its disposal.

Interest rate sensitivity*

The key indicators used for managing the interest rate risk are the Basis Point Value ("BPV"), the Equity at Risk and the Income at Risk.

The BPV is the absolute loss of economic value of equity after a parallel shift of the yield curve with 1 basis point. In 2018, the BPV was 10.7 million.

Long-term interest rate risk is measured and managed using the Equity at Risk concept. Equity at Risk is the sensitivity of Rabobank Group's economic value of equity to interest rate fluctuations. A 100 basis point overnight upward parallel shock of the curve will result in a 2.9 per cent. drop in economic value of equity (figure at 31 December 2018).

Short-term interest rate risk is monitored using the Income at Risk concept. This is the amount of net interest income that is put at risk on an annual basis, based on certain interest rate scenarios. If interest rates were to gradually decrease 10 basis points over a one-year period, net interest income would decrease by €109 million (figure at 31 December 2018).

Cross-border outstandings*

Cross-border outstandings are defined as loans (including accrued interest), acceptances, interest-earning deposits with other banks, other interest-earning investments and any other monetary assets which are denominated in a currency other than the functional currency of the office or subsidiary where the extension of credit is booked. To the extent that the material local currency outstandings are not hedged or are not funded by local currency borrowings, such amounts are included in cross-border outstandings.

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At 31 December 2018, there were no cross-border outstandings exceeding 1 per cent. of total assets in any country where current conditions give rise to liquidity problems which are expected to have a material impact on the timely repayment of interest or principal.

The following table analyses cross-border outstandings at the end of each of the last three years and as at 31 December 2018, stating the name of the country and the aggregate amount of cross-border outstandings in each foreign country where such outstandings exceeded 1 per cent. of total assets, by type of borrower:

	Banks	Public authorities	Private sector	Total
		<i>(in millions of euros)</i>		
As at 31 December 2018				
France.....	2,318	1,318	4,514	8,150
Germany.....	807	336	5,887	7,030
United Kingdom.....	5,547	2,276	12,313	20,136
Switzerland.....	592	4,476	2,848	7,916
As at 31 December 2017				
France.....	5,526	3,052	1,280	9,858
United Kingdom.....	10,895	1	8,921	19,817
As at 31 December 2016				
France.....	5,940	3,142	1,261	12,355
United Kingdom.....	7,923	1	9,531	19,910
Switzerland.....	527	7,072	1,867	9,466

Diversification of loan portfolio*

One of the principal factors influencing the quality of the earnings and the loan portfolio is diversification of loans, e.g. by industry or by region. Rabobank Group uses the North America Industry Classification System ("**NAICS**") as the leading system to classify industries. NAICS distinguishes a large number of sectors, subsectors and industries.

The following table is based on data according to NAICS and represents the loan portfolio of Rabobank Group loans by main sector at 31 December 2018:

	At 31 December 2018		
	On balance	Off balance	Total
	<i>(in millions of euros)</i>		
Grain and oilseeds	19,686	383	20,069
Animal protein	16,717	157	16,874
Dairy	22,486	71	22,557
Fruit and vegetables	10,675	94	10,769
Farm inputs	11,089	382	11,471
Food retail and food service.....	5,226	193	5,420
Beverages.....	2,733	22	2,755

At 31 December 2018

	On balance	Off balance	Total
	<i>(in millions of euros)</i>		
Flowers	1,581	6	1,587
Sugar	2,817	9	2,826
Miscellaneous crop farming	1,357	18	1,375
Other food and agri	8,738	291	9,029
Total private sector lending to food and agri	103,106	1,627	104,732
Lessors of real estate	13,420	36	13,456
Finance and insurance (except banks)	13,892	4,221	18,113
Wholesale	11,386	6,110	17,496
Activities related to real estate	8,918	18	8,936
Manufacturing	9,440	714	10,154
Transportation and warehousing	6,305	113	6,418
Construction	4,742	334	5,075
Healthcare & social assistance	6,827	61	6,888
Professional, scientific and technical services	9,648	219	9,867
Retail (except food and beverages)	4,293	97	4,391
Utilities	3,049	633	3,682
Information and communication	1,021	6	1,027
Arts, entertainment and recreation	1,283	11	1,294
Other services	23,797	686	24,484
Total private sector lending to trade, industry and services	118,022	14,877	132,898
Private individuals	194,897	142	195,040
Total private sector lending	416,025	16,646	432,671

Apart from loans and advances to credit institutions (€17.9 billion at 31 December 2018 which is 3.0 per cent. of total assets), Rabobank's only significant risk concentration is in the portfolio of loans to private individuals which accounted for 47 per cent. of the private sector loan portfolio at 31 December 2018. This portfolio has a relatively low risk profile as evidenced by the actual losses incurred in previous years. The proportion of the total loan portfolio attributable to the food and agri sector was 25 per cent. at 31 December 2018. The proportion of the total loan portfolio attributable to trade, industry and services was 28 per cent. at 31 December 2018. Loans to trade, industry and services and loans to the food and agri sector are both spread over a wide range of industries in many different countries. None of these shares represents more than 10 per cent. of the total loan portfolio.

Non-performing loans*

Rabobank focuses on non-performing loans. These meet at least one of the following criteria:

- They are material loans in arrears by more than 90 days. The threshold for materiality amounts to €1,000 per facility for retail exposures and expert judgement for other asset classes within Rabobank Group.
- The debtor is assessed as unlikely to pay its credit obligations in full without realisation of collateral, regardless of the existence of any past due amount or the number of days past due.

On 1 January 2018 the non-performing loans increased by €1.9 billion to €20.2 billion (2017: €18.3 billion) due to the application of a new "Definition of Default" to our sizable mortgage and SME portfolios, in line with new EBA guidelines, which banks across Europe have to implement by 1 January 2021 at the latest. On 31 December 2018, non-performing loans (on a like-for-like basis) decreased by €1.8 billion to €18.4 billion. In addition to the underlying improvements as a result of the favourable economic climate, the sale of a legacy Commercial Real Estate (CRE) portfolio also resulted in a decrease of non-performing loans. All in all, at 31 December 2018 the NPL ratio (non-performing loans and advances as a percentage of the aggregate amount of loans and advances) declined to 3.5 per cent at 31 December 2018 (1 January 2018: 3.8 per cent). The related NPL Coverage Ratio (impairment allowances, excluding Stage 1 + 2 allowances, as a percentage of non-performing loans and advances) decreased to 22 per cent (1 January 2018: 24 per cent). The sale and write-offs of highly provisioned loans (including non-core CRE) resulted in a decline in NPL Coverage Ratio. In more general terms, Rabobank's NPL Coverage Ratio is affected by relatively sizable portfolios of non-performing loans that are well collateralized and that are generally characterized by a high cure rate and high recovery rate. In addition, the positive economic outlook enables higher expected collateral values.

The following table provides an analysis of Rabobank Group's non-performing loans by business at 31 December 2018, 31 December 2017 and 31 December 2016:

	At 31 December		
	2018	2017	2016
	<i>(in millions of euros)</i>		
DRB	11,794	10,036	8,193
WRR	6,115	6,329	6,754
Leasing	478	450	576
Real estate	49	1,500	3,350
Rabobank Group	18,436	18,315	18,873

Summary of loan loss experience

The following table shows the movements in the allocation of the allowance for loan losses on loans accounted for as loans to customers for 31 December 2018, 31 December 2017 and 31 December 2016:

	At 31 December		
	2018	2017	2016
	<i>(in millions of euros)</i>		
DRB	2,693	3,317	4,051

	At 31 December		
	2018	2017	2016
	<i>(in millions of euros)</i>		
WRR	1,297	3,099	2,961
Leasing	257	259	251
Real Estate	270	797	1,095
Other	0	15	33
Balance on 1 January	4,517	7,487	8,391
DRB	—	(172)	107
WRR	—	118	311
Leasing	—	145	125
Real estate	—	(114)	(73)
Other	—	(15)	4
Impairment charges from loans and advances to customers	N/A	(38)	474
DRB	(459)	(632)	(966)
WRR	290	(1,047)	(203)
Leasing	(141)	(136)	(132)
Real Estate	(123)	(204)	(240)
Other	0	0	(7)
Write-down of defaulted loans during the period	(1,013)	(2,019)	(1,548)
DRB	128	31	125
WRR	50	(60)	30
Leasing	9	(24)	15
Real Estate	(126)	69	15
Other	0	0	(15)
Interest and other adjustments	60	16	170
DRB	(94)	—	—
WRR	274	—	—
Leasing	140	—	—
Real Estate	(13)	—	—
Other	0	—	—
Net additions	307	N/A	N/A
DRB	2,267	2,544	3,317
WRR	1,330	2,110	3,099
Leasing	265	244	259
Real Estate	7	548	797
Other	0	0	15

	At 31 December		
	2018	2017	2016
	(in millions of euros)		
Balance on end of period	3,869	5,446	7,487

Deposits from customers

The following table presents a breakdown of deposits from customers at 31 December 2018, 31 December 2017 and 31 December 2016. Interest rates paid on time deposits and savings deposits reflect market conditions and not all current accounts earn interest.

	At 31 December		
	2018	2017	2016
	(in millions of euros)		
Current accounts.....	85,511	77,914	76,757
Deposits with agreed maturity.....	71,203	74,536	82,909
Deposits redeemable at notice	175,932	178,162	174,943
Repurchase agreements.....	13	108	212
Fiduciary deposits	9,750	9,961	11,857
Other deposits from customers	1	1	34
Total due to customers	342,410	340,682	347,712

Short-term borrowings*

Short-term borrowings are borrowings with an original maturity of one year or less. These are included in Rabobank Group's consolidated statement of financial position within the line item "Debt securities in issue". The following table includes an analysis of the balance of short-term borrowings at 31 December 2018, 31 December 2017 and 31 December 2016 is provided below.

	At 31 December		
	2018	2017	2016
	(in millions of euros)		
End of period balance	29,729	37,727	45,796
Average balance	36,881	41,514	54,306
Maximum month-end balance.....	40,450	48,724	59,422

Long-term borrowings*

Long-term borrowings are borrowings with an original maturity of more than one year. These are included in Rabobank Group's consolidated statement of financial position within the line items "Debt securities in issue" and "Other financial liabilities at fair value through profit or loss". The following table includes an analysis of the balance of long-term borrowings at 31 December 2018, 31 December 2017 and 31 December 2016 is provided below.

Management's Discussion and Analysis of Financial Condition and Results of Operations

	At 31 December		
	2018	2017	2016
	<i>(in millions of euros)</i>		
End of period balance	107,691	110,488	130,066
Average balance	107,692	118,774	136,811
Maximum month-end balance.....	110,608	125,365	142,230

SELECTED FINANCIAL INFORMATION

The following selected financial data for the year ended 31 December 2016 are derived from the audited consolidated financial statements of Rabobank Group for the year ended 31 December 2017. The following selected financial data for the years ended 31 December 2018 and 2017 are derived from the audited consolidated financial statements of Rabobank Group for the year ended 31 December 2018, which has been audited by PricewaterhouseCoopers Accountants N.V. The financial ratios, excluding the leverage ratio, the fully loaded common equity tier 1 ratio and loan impairment charges in basis points of average lending which are marked with an asterisk (*), are derived from the audited consolidated financial statements of Rabobank Group for the years ended 31 December 2018 and 31 December 2017.

The data should be read in conjunction with the Audited Consolidated Financial Statements (and related notes), incorporated by reference herein and “Important Information — Presentation of financial information”, “Capitalisation and Indebtedness of Rabobank Group” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included in this Base Prospectus. Rabobank Group’s Audited Consolidated Financial Statements have been prepared in accordance with IFRS as adopted by the European Union and comply with Part 9 of Book 2 of the DCC.

Pursuant to mandatory audit firm rotation rules in the Netherlands, PricewaterhouseCoopers Accountants N.V. has succeeded Ernst & Young Accountants LLP as Rabobank’s independent auditor for financial periods beginning 1 January 2016.

The financial data in the (sub-) paragraphs in this chapter marked with an asterisk () has not been directly extracted from the Audited Consolidated Financial Statements but instead is derived from other accounting records of Rabobank.*

Consolidated Statement of Financial Position

	At 31 December		
	2018	2017	2016
	(in millions of euros)		
Assets			
Cash and cash equivalents	73,335	66,861	84,405
Loans and advances to credit institutions	17,859	27,254	25,444
Financial assets held for trading	2,876	1,760	2,585
Financial assets designated at fair value	157	1,194	1,321
Financial assets mandatorily at fair value	2,134	n/a	n/a
Derivatives	22,660	25,505	42,372
Loans and advances to customers	436,591	432,564	452,807
Financial assets at fair value through other comprehensive income	18,730	n/a	n/a
Available-for-sale financial assets	n/a	28,689	34,580
Investments in associates and joint ventures	2,374	2,521	2,417
Goodwill and other intangible assets	966	1,002	1,089
Property and equipment	4,455	4,587	4,590

Selected Financial Information

At 31 December

	2018	2017	2016
	<i>(in millions of euros)</i>		
Investment properties	193	193	293
Current tax assets	243	175	171
Deferred tax assets	1,165	1,733	2,360
Other assets	6,431	7,961	7,878
Non-current assets held for sale	268	992	281
Total assets	590,437	602,991	662,593

At 31 December

	2018	2017	2016
	<i>(in millions of euros)</i>		
Liabilities			
Deposits from banks	19,397	18,922	22,006
Deposits from customers	342,410	340,682	347,712
Debt securities in issue	130,806	134,423	159,342
Financial liabilities held for trading	400	581	739
Financial liabilities designated at fair value	6,614	13,792	16,520
Derivatives	23,927	28,103	48,024
Other liabilities	6,342	8,271	8,432
Provisions	1,126	1,537	1,510
Current tax liabilities	229	248	305
Deferred tax liabilities	452	396	618
Subordinated liabilities	16,498	16,170	16,861
Liabilities held for sale	—	256	—
Total liabilities	548,201	563,381	622,069

At 31 December

	2018	2017	2016
	<i>(in millions of euros)</i>		
Equity			
Reserves and retained earnings	27,264	25,376	25,821
Equity instruments issued by Rabobank			
– Rabobank Certificates	7,445	7,440	5,948

Selected Financial Information

At 31 December

	2018	2017	2016
	(in millions of euros)		
– Capital Securities.....	6,493	5,759	7,636
	13,938	13,199	13,584
Equity instruments issued by subsidiaries			
– Capital Securities.....	164	166	185
– Trust Preferred Securities IV	389	394	409
	553	560	594
Other non-controlling interests	481	475	525
Total equity	42,236	39,610	40,524
Total equity and liabilities	590,437	602,991	662,593

See “Management’s Discussion and Analysis of Financial Condition and Results of Operations —Change in accounting policies and presentation” for a comparison of the figures that were adjusted in the audited consolidated financial statements for the year ended 31 December 2018 compared to the audited consolidated financial statements for the year ended 31 December 2017.

Condensed Consolidated Statement of Income

At 31 December

	2018	2017	2016
	(in millions of euros)		
Net interest income	8,559	8,843	8,835
Net fee and commission income	1,931	1,915	1,826
Other results	1,530	1,243	2,144
Income	12,020	12,001	12,805
Staff costs	4,278	4,472	4,680
Other administrative expenses	2,780	3,176	3,476
Depreciation and amortisation	388	406	438
Operating expenses	7,446	8,054	8,594
Impairment losses on goodwill and investments in associates	0	0	700
Loan impairment charges	n/a	(190)	310
Impairment charges on financial assets.....	190	n/a	n/a
Regulatory levies	478	505	483
Operating profit before tax.....	3,906	3,632	2,718
Income tax	902	958	694

Selected Financial Information

At 31 December

	2018	2017	2016
	<i>(in millions of euros)</i>		
Net profit	3,004	2,674	2,024
Of which attributed to Rabobank	1,894	1,509	749
Of which attributed to holders of Rabobank Certificates	484	484	387
Of which attributed to Capital Securities issued by Rabobank	530	586	762
Of which attributed to Capital Securities issued by subsidiaries	14	15	15
Of which attributed to Trust Preferred Securities IV	22	22	47
Of which attributed to non-controlling interests	60	58	64
Net profit for the year	3,004	2,674	2,024

Financial Ratios

	2018	2017	2016
Total capital ratio	26.6%	26.2%	25.0%
Tier 1 ratio	19.5%	18.8%	17.6%
CET1 Ratio	16.0%	15.8%	14.0%
Fully Loaded Common Equity Tier 1 ratio*	16.0%	15.5%	13.5%
Equity capital ratio	17.7%	17.3%	15.0%
Leverage ratio*	6.4%	6.0%	5.5%
Loan impairment charges (in basis points of average lending)*	5	(5)	7

RISK MANAGEMENT

Rabobank Group places a high priority on the management of risk and has extensive procedures in place for systematic risk management. Within Rabobank Group, the risk management policies relating to interest rate risk, market risk and liquidity risk are developed and monitored by the Risk Management Committee Rabobank Group (“**RMC**”) in cooperation with the Risk Management Department. The RMC is responsible for financial and non-financial risk management, establishing risk policy, setting risk measurement standards, broadly determining limits and monitoring developments, and advising the Managing Board on all relevant issues regarding risk management.

The principal risks faced by Rabobank Group are credit risk, country risk, interest rate risk, liquidity risk, market risk, operational risk (including legal risk) and currency risk. Rabobank has implemented an economic capital framework to determine the amount of capital it should hold on the basis of its risk profile and desired credit rating. Economic capital represents the amount of capital needed to cover for all risks associated with a certain activity. The economic capital framework makes it possible to compare different risk categories with each other because all risks are analysed by using the same methodology. See also “*Risk Factors*”.

Credit risk

Rabobank Group aims to offer continuity in its services. It therefore pursues a prudent credit policy. Once granted, loans are carefully managed so there is a continuous monitoring of credit risk. At 31 December 2018, 47 per cent. of Rabobank Group’s private sector lending consisted of loans to private individuals, mainly residential mortgages, which tend to have a very low risk profile in relative terms. The remaining 53 per cent. was a highly diversified portfolio of loans to business clients in the Netherlands and internationally.

Within the boundaries set by the RMC the Managing Board has delegated decision-making authority to transactional committees and to credit decision approval officers that operate on an entity level, regional level or central level at Rabobank. In addition, credit committees review all significant risks in credit proposals to arrive at a systematic judgment and a balanced decision. Rabobank has various levels of credit committees. Applications exceeding authority level of a credit committee are complemented with a recommendation and submitted to a ‘higher’ credit committee for decision-making. Within Rabobank the ‘highest’ transactional committees are the following:

- Central Credit Committee Rabobank Group (CCCRG) – The CCCRG takes credit decisions on credit applications subject to the ‘corporate credit approval route’ exceeding:
- the authority of Credit Approvals Local Banks (CA LB) – This department is responsible for decisions on requests for non-classified (LQC Good or OLEM) obligors exceeding the authority of Local Banks in the Netherlands.
- the authority of Credit Approvals Wholesale Rural & Retail (CA WRR) – This department is responsible for decisions on requests for non-classified (LQC Good or OLEM) obligors exceeding the authority of De Lage Landen (DLL) or a WRR office/region.
- the authority of the Credit Committee Financial Restructuring & Recovery (CC-FR&R) - This credit committee takes credit decisions on proposals for classified (LQC Substandard, Doubtful or Loss) obligors exceeding the authority of local credit committees and the FR&R department. Country & Financial Institutions Committee (CFIC) – The CFIC takes credit decisions on proposals exceeding the authority of Credit Financial Institutions or Country Risk Research. These departments are responsible for the risk management of exposure on financial institutions and sovereigns/countries.

- Loan Loss Provision Committee (LLPC) – The LLPC monitors the development of qualified credit and asset portfolios and recommends on impairment allowances for obligors exceeding the authority of local credit committees or the CC-FR&R, to the Managing Board.

The Terms of Reference (ToR) provide the mandate, responsibilities and scope, hierarchical relationships, membership, authority levels and modalities of these approval bodies. Credit committees take decisions on the basis of consensus, unless local regulation requires majority voting. Consensus is reached when there is a general agreement and none of the members has fundamental objections to the decision. When no consensus can be reached, an application is considered declined. In the case of majority voting, the representative(s) from the Risk department must have a veto right.

For efficiency reasons credit committees can delegate part of their authority. A single person may not take a credit decision solely based on its own opinion; this means that a 4-eyes principle applies or decisions are system supported, in which case one person is allowed to decide as long as the credit is assessed as acceptable by an expert system or meets predefined criteria (the credit complies with decision tools). Fully IT supported assessments and approvals are allowed under strict conditions.

The credit committees play a key role in ensuring consistency among Rabobank standards of credit analysis, compliance with the overall Rabobank credit policy and consistent use of the rating models. The credit policy sets the parameters and remit of each committee, including the maximum amount they are allowed to approve for limits or transactions. Policies are also in place which restrict or prohibit certain counterparty types or industries. As a rule, all counterparty limits and internal ratings are reviewed once a year (corporate clients) at a minimum. Where counterparties are assigned a low loan quality classification, they are reviewed on a more frequent basis. Credit committees may request for more frequent reviews as well.

With respect to the management of Rabobank Group's exposure to credit risk, Rabobank's Credit Department within overall Risk Management play a key role. Credit applications beyond certain limits are subject to a thorough credit analysis by credit officers of Credit. Credit monitors and reports about Rabobank Group's credit portfolio and develops new methods for quantifying credit risks.

Risk profiling is also undertaken at the portfolio level using internal risk classifications for portfolio modelling. Internal credit ratings are assigned to borrowers by allocating all outstanding loans into various risk categories on a regular basis.

Rabobank applies the IRB approach to the vast majority of its credit portfolio (including retail) to calculate its regulatory capital requirements according to CRR (CRD IV). The IRB approach is the most sophisticated and risk-sensitive of the CRR (CRD IV) approaches for credit risk, allowing Rabobank to make use of its internal rating methodologies and models. Rabobank combines CRR (CRD IV) compliance activities with a Pillar 2 framework. The approach represents key risk components for internal risk measurement and risk management processes. Key benefits are a more efficient credit approval process, improved internal monitoring and reporting of credit risk. Another important metric is the Risk Adjusted Return On Capital (RAROC) for a transaction as part of the credit application. This enables credit risk officers and committees to make better informed credit decisions. The IRB approach uses the Probability of Default (PD), Loss Given Default (LGD), Exposure at Default (EAD) and Maturity (M) as input for the regulatory capital formula.

Rabobank Group believes it has a framework of policies and processes in place that is designed to measure, manage and mitigate credit risks. Rabobank Group's policy for accepting new clients is characterised by careful assessment of clients and their ability to make repayments on credit granted. Rabobank Group's objective is to enter into long-term relationships with clients which are beneficial for both the client and Rabobank Group.

EAD is the expected exposure to the client in the event of, and at the time of, a counterparty's default. At 31 December 2018, the EAD of the total IRB loan portfolio was €577 billion (2017: €555 billion). This EAD

includes the expected future usage of unused credit lines. As part of its approval process Rabobank Group uses the Rabobank Risk Rating system, which indicates the counterparty's PD over a one-year period. The counterparties have been assigned to one of the 25 rating classes, including four default ratings. These default ratings are assigned if the customer defaults, the form of which varies from payment arrears of 90 days to bankruptcy. The weighted average PD of the performing IRB loan portfolio is 0.91 per cent. (2017: 0.88 per cent.).

The following table shows the non-performing loans of 31 December 2018, 2017 and 2016 per business unit as a percentage of gross carrying amount:

Non-performing loans/gross carrying amount per business unit

	At 31 December		
	2018	2017	2016
	<i>(in percentages)</i>		
DRB	4.2	3.5	2.9
WRR	2.8	3.0	2.9
Leasing	1.5	1.6	1.8
Real Estate	12.7	61.0	27.2
Rabobank Group	3.5	3.5	3.4

Impairment charges

Once a loan has been granted, ongoing credit management takes place as part of which new information, both financial and non-financial, is assessed. Rabobank monitors if the client meets all its obligations and whether it can be expected the client will continue to do so. If this is not the case, credit management is intensified, monitoring becomes more frequent and a closer eye is kept on credit terms. Guidance is provided by a special unit within Rabobank Group, particularly in case of larger and more complex loans granted to businesses whose continuity is at stake. If it is likely that the debtor will be unable to fulfil its contractual obligations, this is a matter of impairment and an allowance is made which is charged to income.

The following table sets forth Rabobank Group's impairment charges for the years ended 31 December 2018, 2017 and 2016 per business unit as a percentage of private sector lending:

Impairment charges/average private sector lending per business unit

	Year ended 31 December		
	2018	2017	2016
	<i>(in percentages)</i>		
DRB.....	(0.05)	(0.09)	0.01
WRR.....	0.29	0.09	0.25
Leasing.....	0.34	0.36	0.32
Real estate	(2.87)	(5.21)	(1.41)
Rabobank Group	0.05	(0.05)	0.07

Country risk

Rabobank uses a country limit system to manage collective debtor risk and transfer risk. After careful review, relevant countries are given an internal country risk rating, after which, general limits and transfer limits are set. Transfer limits are introduced based on the net transfer risk, which is defined as total loans granted less loans granted in local currency, guarantees, other collateral obtained to cover transfer risk and a deduction related to the reduced weighting of specific products. The limits are allocated to the local business units, which are themselves responsible for the day-to-day monitoring of loans that have been granted and for reporting on this to the Risk Management function. At Rabobank Group level, the country risk outstanding is reported to the Country Limit Committee (CLC). Special Basel II parameters, specifically EATE (Exposure at Transfer Event), PTE (Probability of Transfer Event) and LGTE (Loss Given Transfer Event), are used to calculate the additional capital requirement for transfer risk. These calculations are made in accordance with internal guidelines and cover all countries where transfer risk is relevant.

At 31 December 2018, the ultimate collective debtor risk for non-OECD countries was €26.5 billion and the net ultimate transfer risk before provisions for non-OECD countries was €16.4 billion, which corresponds to 2.8 per cent. of total assets (2017: 2.3 per cent.). It should be noted that reduced weighting of specific products is no longer included in this transfer risk figure.

Risk in non-OECD countries

Regions	31 December 2017					As % of total assets
	Europe	Africa	Latin America	Asia/Pacific	Total	
	<i>(in millions of euros)</i>					
Ultimate country risk (exclusive of derivatives)	413	614	12,286	13,184	26,497	4.5%
- of which in local currency exposure .	259	4	6,909	2,909	10,081	
<i>Net ultimate country risk before allowance</i>	153	610	5,377	10,276	16,416	2.8%
						As % of total allowance
<i>Total allowance for ultimate country risk</i>	2	0	261	262	526	13.6%

Given the political developments in the UK (Brexit) and Italy the exposures in these countries are monitored intensively. Since the failed coup attempt in July 2016 a more restrictive country risk policy towards Turkey was introduced and monitoring has been intensified. This policy is still applicable in view of the sharp slowdown in economic activity, after the Lira crisis in 2018. Despite the economic crisis in Argentina in 2018 our portfolio that is focused on existing export-oriented F&A clients was not affected.

Interest rate risk

Rabobank Group is exposed to structural interest rate risk in its balance sheet. Interest rate risk can result from, among other things, mismatches in assets and liabilities; for example, mismatches between the periods for which interest rates are fixed on loans and funds entrusted. Rabobank Group uses three

indicators for managing, controlling and limiting short- and long-term interest rate risk: Basis Point Value, Earnings at Risk and Modified Duration. Based on the Basis Point Value, Earnings at Risk and Modified Duration analyses, the Managing Board forms an opinion with regard to the acceptability of losses related to projected interest rate scenarios, and decides upon limits with regard to Rabobank Group's interest rate risk profile.

Rabobank Group's short-term interest rate risk can be quantified by looking at the sensitivity of net interest income (interest income less interest expenses, before tax) for changes in interest rates. This "Earnings at Risk" figure represents the maximum decline in net interest income for the coming 12 months in a selection of interest rate scenarios, assuming no management intervention. The scenario with the largest negative effect on net interest income usually is the parallel down scenario in which the yield curve is gradually lowered during the first 12 months. The size of this downward shock is dependent on the level of the yield curve as strongly negative interest rates are not expected. At the end of 2018 the assumed downward shock of the EUR yield curve was 25bps. The simulation of the possible net interest income development is based on an internal interest rate risk model. This model includes certain assumptions regarding the interest rate sensitivity of products with interest rates that are not directly linked to a certain money or capital market rate, such as savings of private customers.

Rabobank Group's long-term interest rate risk is measured and controlled based on the concept of "Modified Duration", which is the sensitivity of Rabobank Group's economic value of equity to an instant parallel change in interest rates of 100 basis points. The economic value of equity is defined as the present value of the assets less the present value of the liabilities plus the present value of the off-balance sheet items. In the Modified Duration calculation, client behaviour and the bank's pricing policy are supposed to show no changes, while all market interest rates are assumed to increase by 100 basis points at once. Just as in the Earnings at Risk calculation, the impact analysis of these scenarios is based on an internal interest rate risk model. In that model, balance sheet items without a contractual maturity, like demand savings deposits and current accounts, are included as a replicating portfolio. Modified Duration is expressed as a percentage. This percentage represents the deviation from the economic value of equity at the reporting date.

At 31 December 2018, 31 December 2017 and 31 December 2016, the Earnings at Risk and Modified Duration for Rabobank Group were as follows:

	At 31 December		
	2018	2017	2016
	<i>(in millions of euros, except percentages)</i>		
	109	148	82
	(decline by	(decline by	(decline by
	25 basis	25 basis	10 basis
Earnings at Risk	points)	points)	points)
Modified Duration	2.8%	2.0%	1.4%

The current low interest rate environment received significant attention since 2016. For a bank in general a low interest rate environment is challenging for profitability. Non-interest bearing liabilities and liabilities with very low interest rates, such as the equity and current account balances, are less profitable in the event of low interest rates. In 2018, the interest rate remained negative on the short end of the curve and decreased slightly with about 10 basis points on the medium and long end of the curve. As such, in historical perspective the curve remained fairly flat by comparison. A flat curve results in a bank making less profit on the transformation of short-term liabilities into longer term assets.

Liquidity risk

Liquidity risk is the risk that a bank will not be able to meet all its payment obligations on time, as well as the risk that the bank will not be able to fund increases in assets at a reasonable price.

Responsibility for the day-to-day management of the liquidity position, the raising of professional funding on the money and the capital markets, and the management of the structural position lies within the Treasury department. In keeping with the Basel principles, the policy is aimed at financing long-term loans by means of stable funding, specifically amounts due to customers and long-term funding from the professional markets. Rabobank Group's funding and liquidity risk policy also entails strictly limiting outgoing cash flows at the wholesale banking business, maintaining a large liquidity buffer and raising sufficient long-term funding in the international capital market. The retail banking division is assumed to be largely self-funded using money raised from customers. The division raised more than enough money to fund operations in 2018 given low lending demand, while retail savings increased.

Rabobank has developed several methods to measure and manage liquidity risk, including stress scenarios for calculating the survival period, i.e. the period that the liquidity buffer will hold up under severe market-specific or idiosyncratic stress. In the most severe stress scenario, it is assumed that Rabobank no longer has access to the capital markets, i.e. no long- or short-term debt can be issued or refinanced. During 2018, Rabobank more than satisfies the minimum survival period of three months in all the internally developed scenarios.

Market risk

Market Risk arises from the risk of losses on trading book positions affected by movements in interest rates, equities, credit spreads, currencies and commodities. The RMC Group is responsible for developing and supervising market risk policies and monitors Rabobank's worldwide market risk profile. On a daily basis, the Financial Markets Risk Department measures and reports the market risk positions. Market risk is calculated based on internally developed risk models and systems, which are approved and accepted by the DNB. The internal "Value at Risk" model forms a key part of Rabobank's market risk framework. Value at Risk describes the maximum possible loss that Rabobank can suffer within a defined holding period, based on historical market price changes and a given certain confidence interval. Value at Risk within Rabobank is based on actual historical market circumstances. To measure the potential impact of strong adverse market price movements not captured by Value at Risk, stress tests are applied. These "event risk scenarios" measure the potential effect of sharp and sudden changes in market prices. Historical and hypothetical scenarios are complemented with specific sensitivity scenarios in order to measure effects of adverse market prices movements on trading book positions. In addition, interest rate delta is monitored and indicates how the value of trading positions change if the relevant yield curve shows a parallel increase of one basis point. Event Risk, Value at Risk and interest rate delta are subject to limits that are set by the Managing Board on an annual basis.

For the year 2018, the Value at Risk, based on a one-day holding period and 97.5 per cent. confidence level, fluctuated between €1.9 million (2017: €3.0 million) and €3.9 million (2017: €4.9 million), with an average of €2.6 million (2017: €3.8 million). Throughout 2018, the position was well within the internal VaR limit. Changes in VaR have been driven by client related deals and volatility in the financial markets. For the year 2018, the worst case, potential, loss from the event risk scenarios was €128 million (2017: €111 million). It fluctuated between €103 million (2017: €86 million) and €157 million (2017: €116 million), with an average of €129 million (2017: €101 million) which was well within the internal Event Risk limit.

A drawback of using historical simulations is that it does not necessarily take into account all possible future market movements. Therefore, Value at Risk results cannot guarantee that actual risk will follow the statistical estimate. The performance of the Value at Risk models is regularly reviewed by means of back testing. These back testing results are reported internally as well as to the regulator. In addition to Value

at Risk, other risk indicators are also used for market risk management. Some of them are generated by using statistical models. All these indicators assist the Financial Markets Risk Department, as well as the RMC Group, in evaluating Rabobank's trading book positions.

Operational risk

Operational risk is defined by Rabobank Group as "the risk of losses resulting from inadequate or failed internal processes, people or systems or by external events". Operational risk includes all non-financial risk types. Rabobank Group operates within the current regulatory framework with measuring and managing operational risk, including holding capital for this risk following the Advanced Measurement Approach. Events in modern international banking have shown that operational risks can lead to substantial losses. Examples of operational risk incidents are highly diverse: fraud or other illegal conduct, failure of an institution to have policies and procedures and controls in place to prevent, detect and report incidents of non-compliance with applicable laws or regulations, inadequate control processes to manage risks, ineffective implementation of internal controls, claims relating to inadequate products, inadequate documentation, errors in transaction processing, system failures and cyberattacks. The global environment Rabobank Group is operating in requires constant adaption to changing circumstances. Quite a number of transitional, remedial and regulatory driven change projects are currently running which may result in an increased risk profile. As a result this may lead to the possible increase of the number of operational risk incidents or additional costs of complying with new regulations which could have a material adverse effect on Rabobank Group's reputation or a material adverse effect on Rabobank Group's business, financial condition and results of operations.

Legal risk

Rabobank Group is subject to a comprehensive range of legal obligations in all countries in which it operates. As a result, Rabobank Group is exposed to many forms of legal risk, which may arise in a number of ways. Rabobank Group faces risk where legal proceedings, whether private litigation or regulatory enforcement actions are brought against it. The outcome of such proceedings is inherently uncertain and could result in financial loss and reputational damage. Defending or responding to such proceedings can be expensive and time-consuming and there is no guarantee that all costs incurred will be recovered even if Rabobank Group is successful.

Currency risk

Currency risk or Foreign Exchange Rate Risk ("**FX Risk**") is the risk that exchange rate movements could lead to volatility in the bank's cash flow, assets and liabilities, net profit and/or equity. The bank distinguishes two types of non-trading FX Risks: (i) FX Risk in the banking books and (ii) FX translation risk (defined below).

FX risk in the banking books

FX risk in the banking books, is the risk where known and/or ascertainable currency cash flow commitments and receivables in the banking books are unhedged. As a result, it could have an adverse impact on the financial results and/or financial position of the Group, due to movements in exchange rates.

FX translation risk

FX translation risk is the risk that FX fluctuations will adversely affect the translation of assets and liabilities of operations – denominated in foreign currency – into the functional currency of the parent company. Translation risk reveals in Rabobank's equity position, risk weighted assets and capital ratios.

Rabobank manages its FX translation risk with regard to the Rabobank Group CET1 ratio by deliberately taking FX positions, including deliberately maintaining FX positions and not or only partly closing FX

positions. As a result of these structural FX positions, the impact of exchange rate fluctuations on the Rabobank Group CET1 ratio is mitigated.

FX translation risk at Rabobank Group is covered by Rabobank's Global Standard on FX Translation Risk ("**Standard**"). The purpose of the Standard is to outline the Rabobank Group policy towards FX Translation risk to achieve and ensure a prudent and sound monitoring and controlling system, in order to manage these risks Group wide. Rabobank uses a pillar 2 framework for those areas where Rabobank is of the opinion that the regulatory framework (i.e. pillar 1) does not address the risk, or does not adequately address the risk. FX translation risk is one of these risks.

GOVERNANCE OF RABOBANK GROUP

Members of Supervisory Board and Managing Board

Supervisory Board of Rabobank

The following persons, all of whom are resident in the Netherlands, are appointed as members of the Supervisory Board:

Name	Born	Year Appointed	Term Expires	Nationality
Ron (R.) Teerlink, Chairman.....	1961	2013	2021	Dutch
Marjan (M.) Trompetter, Vice Chairman ...	1963	2015	2019	Dutch
Annet (A.P.) Aris.....	1958	2018	2022	Dutch
Irene (I.P.) Asscher-Vonk	1944	2009	2019	Dutch
Leo (L.N.) Degle	1948	2012	2020	German
Petri (P.H.M.) Hofsté	1961	2016	2020	Dutch
Arian (A.A.J.M.) Kamp.....	1963	2014	2022	Dutch
Jan (J.) Nooitgedagt	1953	2016	2020	Dutch
Pascal (P.H.J.M.) Visée	1961	2016	2020	Dutch

Mr. R. Teerlink (Ron)

<i>Date of birth</i>	28 January 1961
<i>Profession</i>	Professional Supervisory Director/Management Consultant
<i>Main position</i>	Chairman of the Supervisory Board of Rabobank
<i>Nationality</i>	Dutch
<i>Auxiliary positions</i>	<ul style="list-style-type: none"> – Member of the Supervisory Board of Takeaway.com – Chairman of the Supervisory Board of Vrije Universiteit Amsterdam
<i>Date of first appointment to the Supervisory Board</i>	2013
<i>Current term of appointment to the Supervisory Board</i>	2017 - 2021

Mrs. M. Trompetter (Marjan)

<i>Date of birth</i>	1 November 1963
<i>Profession</i>	Professional Supervisory Director Management Consultant
<i>Main position</i>	Vice Chairman of the Supervisory Board of Rabobank
<i>Nationality</i>	Dutch
<i>Auxiliary positions</i>	<u>Supervisory Directorships:</u> <ul style="list-style-type: none"> – Vice Chairman of the Supervisory Board of Rijnstate Hospital, Arnhem

- Member of the Supervisory Boards of Salvation Army
 - Welfare & Health Care Foundation and Salvation
- Army Youth Care & Rehabilitation Foundation

Other auxiliary position:

- Owner Corona Consultancy

Date of first appointment to the Supervisory Board

2015

Current term of appointment to the Supervisory Board

2015 - 2019

Mrs. A.P. Aris (Annet)

Date of birth

27 October 1958

Profession

Professional Supervisory Director and Senior Affiliate Professor

Main position

None

Nationality

Dutch

Auxiliary positions

Supervisory Directorships:

- Member of the Supervisory Board Rabobank
- Member Supervisory Board Randstad N.V.
- Member Supervisory Board ASML N.V.
- Member Supervisory Board Jungheinrich AG
- Member Supervisory Board a.s.r. Nederland N.V. (until May 2019)

Other auxiliary positions:

- Senior Affiliate Professor of Strategy INSEAD

Date of first appointment to the Supervisory Board

2018

Current term of appointment to the Supervisory Board

2018 - 2022

Mrs. I.P. Asscher-Vonk (Irene)

Date of birth

5 September 1944

Profession

Professional Supervisory Director

Main position

None

Nationality

Dutch

Auxiliary positions

Supervisory Directorships:

- Member of the Supervisory Board of Rabobank
- Member of the Supervisory Board of Philip Morris Holland

Other auxiliary positions:

- Member Board of Foundation Dudok Quartet

- Chair of Museumassociation
- Employee Labour Law Department University of Amsterdam
- Chair of Disputes Committee WMS
- Chair of Disputes Committee CAO Sport

Date of first appointment to the Supervisory Board 2009

Current term of appointment to the Supervisory Board 2017 - 2019

Mr. L.N. Degle (Leo)

Date of birth 15 August 1948

Profession Professional Supervisory Director

Main position None

Nationality German

Auxiliary positions Supervisory Directorships:

- Member of the Supervisory Board of Rabobank
- Member of the Supervisory Board of Sakroon B.V./Ten Kate B.V.

Other auxiliary positions:

- Board Member of FINCA Microfinance
- Board Member of Wasser für die Welt
- Board Member of Foundation Social Investment Innovation

Date of first appointment to the Supervisory Board 2012

Current term of appointment to the Supervisory Board 2016 - 2020

Mrs. P.H.M. Hofsté (Petri)

Appointment is conditional upon approval by external supervisors

Date of birth 6 April 1961

Profession Professional Supervisory Director

Main position None

Nationality Dutch

Auxiliary positions Supervisory Directorships:

- Member of the Supervisory Board of Rabobank
- Member of the Supervisory Board and Audit Committee of Fugro N.V.
- Member of the Supervisory Board of Achmea B.V. and of several subsidiaries

- Member of the Supervisory Board of Kasbank N.V.

Other auxiliary positions:

- Juror Kristal Price Dutch Ministry of Economical Affairs and Climate Policy
- Member of the board of Nyenrode Foundation
- Member of the board of 'Vereniging Hendrick de Keyser'

Date of first appointment to the Supervisory Board

2016

Current term of appointment to the Supervisory Board

2016 - 2020

Mr. A.A.J.M. Kamp (Arian)

Date of birth

12 June 1963

Profession

Entrepreneur
Professional Supervisory Director

Main position

Cattle farmer

Nationality

Dutch

Auxiliary positions

Supervisory Directorships:

- Member of the Supervisory Board of Rabobank
- Chairman of the Supervisory Board Koninklijke Coöperatie Agrifirm UA

Other auxiliary positions:

- Owner Partnership A.A.J.M. Kamp and W.D. Kamp-Davelaar

Date of first appointment to the Supervisory Board

2014

Current term of appointment to the Supervisory Board

2014 - 2018

Mr. J. Nooitgedagt (Jan)

Date of birth

17 July 1953

Profession

Professional Supervisory Director

Main position

None

Nationality

Dutch

Auxiliary positions

Supervisory Directorships:

- Member of the Supervisory Board Rabobank
- Chairman of the Supervisory Board Telegraaf Media Group
- Vice chairman of the Supervisory Board BNG Bank
- Chariman of the Supervisory Board of PostNL N.V.

Other auxiliary positions:

- Chairman of the Nyenrode Foundation
- Member of the Board of the Fiep Westerdorp Foundation

<i>Date of first appointment to the Supervisory Board</i>	2016
<i>Current term of appointment to the Supervisory Board</i>	2016 - 2020

Mr. P.H.J.M. Visée (Pascal)

<i>Date of birth</i>	11 July 1961
<i>Profession</i>	Professional Supervisory Director and independent advisor
<i>Main position</i>	None
<i>Nationality</i>	Dutch
<i>Auxiliary positions</i>	<u>Supervisory Directorships:</u> <ul style="list-style-type: none"> – Member of the Supervisory Board Rabobank – Member of the Supervisory Board of Mediq B.V. – Member of the Supervisory Board of PLUS Retail B.V. – Member of the Supervisory Board of Royal Flora Holland – Member of the Supervisory Council Board of Erasmus University – Chairman of the Supervisory Board of Foundation Stedelijk Museum Schiedam <u>Other auxiliary positions:</u> <ul style="list-style-type: none"> – Board Member of the Foundation of Prins Claus Fund
<i>Date of first appointment to the Supervisory Board</i>	2016
<i>Current term of appointment to the Supervisory Board</i>	2016 - 2020

Managing Board of Rabobank

The following persons, all of whom are resident in the Netherlands, are appointed as members of the Managing Board of Rabobank:

Name	Born	Year Appointed	Nationality
Wiebe (W.) Draijer, Chairman*	1965	2014	Dutch
Bas (B.C.) Brouwers, member*	1972	2016	Dutch
Els (E.A.) de Groot, member*	1965	2019	Dutch
Berry (B.J.) Martin, member*	1965	2009	Dutch and Brazilian
Jan (J.L.) van Nieuwenhuizen, member*	1961	2014	Dutch
Kirsten (C.M.) Konst, member*	1974	2017	Dutch
Mariëlle (M.P.J.) Lichtenberg, member	1967	2017	Dutch
Bart (B.) Leurs, member	1971	2017	Dutch

Name	Born	Year	Nationality
		Appointed	
Ieko (I.A.) Sevinga, member	1966	2017	Dutch
Janine (B.J.) Vos, member.....	1972	2017	Dutch

*statutory member

Wiebe (W.) Draijer

Mr. Draijer was appointed as Chairman of the Managing/Executive Board of Rabobank as of 1 October 2014. Mr. Draijer served as President of the Social and Economic Council of the Netherlands from 2012 to 2014. Prior to that, he held several positions within management-consulting firm McKinsey & Company and worked as a researcher at Philips Research Laboratories and as a freelance journalist.

Auxiliary positions – Member of the board of the Dutch Banking Association (*Nederlandse Vereniging van Banken*)
– Member of the supervisory board of the Kröller-Müller Museum
– Member of the supervisory board of Staatsbosbeheer (national nature conservation)

Bas (B.C.) Brouwers

Mr. Brouwers was appointed to the Managing/Executive Board as Chief Financial Officer as of 1 January 2016. Mr. Brouwers started his career at KPMG Audit in 1995. He then held various positions within ING from 1998 until 2007. He was head of Controlling & Risk Management of ING-DiBa AG (Germany) from 2007 until 2008 and CFO of ING-DiBa AG (Germany) from 2008 until 2013. From 2013 until 2015, Mr. Brouwers was CFO of ING Netherlands.

Auxiliary positions – Member of the Board of the Dutch Banking Association

Els (E.A.) de Groot

Mrs. De Groot is a member of the Managing Board and Chief Risk Officer since 1 February 2019. Mrs. De Groot has over 20 years of experience in the financial sector. From 1987 until 2008, Mrs. De Groot held several positions at ABN AMRO Bank mainly in the field of risk management and (structured) finance. Her last role within ABN AMRO was Head of Policy & Portfolio Management and member of the Global Risk Management Team. After that period, she had various interim assignments before she joined Royal Schiphol Group as CFO and member of the Board of Management.

Auxiliary positions – Member of the Supervisory Board and chairman of the Audit Committee of Vitens

Berry (B.J.) Marttin

Mr. Marttin was appointed to the Managing/Executive Board as of 1 July 2009. Within the Managing Board, Mr. Marttin is responsible for international Rural & Retail, Sustainability, Leasing, B4F Inspiration Centre and the Rabobank Foundation. Mr. Marttin joined Rabobank in 1990. From 1990 until 2004 he fulfilled a number of international positions within Rabobank. After several positions in Brazil and Curacao he served as Head of International Corporates in Hong Kong, Head of Risk Management in Indonesia and as Deputy General Manager Rural Banking for Rabobank Australia and New Zealand. From 2004 until 2009 he was Chairman of the board of directors of Rabobank Amsterdam.

Auxiliary positions – Chairman of the Supervisory Board of DLL International B.V.
– Member of the Board of Directors of Rabobank International Holding B.V.

- Member of the Board of Rabobank Foundation
- Member of the Board of Rabobank Australia Ltd.
- Member of the Board of Rabobank New Zealand Ltd
- Chairman of the Shareholders Council of Rabo Partnerships
- Chairman of the Supervisory Board of Obvion N.V.
- Member of the North America Board of Directors and member of the North America Board Risk Committee (Utrecht-America-Holding Inc.)
- Member of the Supervisory Board of Arise
- First Vice President of the Board of Directors, American Chamber of Commerce
- Member of the Supervisory Board, Wageningen University
- Member of the Supervisory Board of IDH (Initiatief Duurzame Handel/Dutch Sustainable Trade Initiative)
- Member of the Board Trustees Hanns R. Neumann Stiftung
- Member of ISO (former Dutch Trade Board)

Jan (J.L.) van Nieuwenhuizen

Mr. Van Nieuwenhuizen was appointed to the Managing/Executive Board as of 24 March 2014. Within the Managing Board, Mr. Van Nieuwenhuizen is responsible for Rabobank's Dutch and international Wholesale Banking activities and Commercial Real Estate. From 1986 until 2009, Mr. Van Nieuwenhuizen fulfilled several international positions at JP Morgan, Morgan Stanley and NIBC. Since 2009, Mr. Van Nieuwenhuizen has been a member of the Management Team of Rabobank International, currently known as Wholesale, Rural & Retail.

- Auxiliary positions*
- Member Advisory Board Euronext
 - Lid Dagelijks & Algemeen Bestuur VNO/NCW

Kirsten (C.M.) Konst

Mrs. Konst is a member of the Managing Board as of 1 September 2017. Her main areas of focus are Commercial Banking in the Netherlands and regional directors. After having had several positions at ABN Amro, Mrs. Konst joined Rabobank in 2010. She fulfilled several positions at local Rabobanks and was Operations Director before her appointment to the Managing Board.

- Auxiliary positions*
- Member Supervisory Board Public Broadcasting association KRO-NCRV, Hilversum
 - Member Supervisory Board Members association KRO, Hilversum
 - Administrator House owners association

Mariëlle (M.P.J.) Lichtenberg

Mrs. Lichtenberg is a member of the Managing Board as of 1 September 2017. Her main areas of focus are Retail & Private Banking in the Netherlands. She started at Rabobank International in 1995. Since then Mrs. Lichtenberg fulfilled several positions at the local Rabobank as well as staff department. From 2016 she was Director Digital Bank before she joined the Managing Board.

- Auxiliary positions*
- Member of the Supervisory Board of Obvion N.V

Bart (B.) Leurs

Mr. Leurs became a member of the Managing Board and Chief Digital Transformation Officer (CDTO) on 1 September 2017. He started his career in banking in 1997 at ING as a management trainee. After having fulfilled several positions at ING in Canada, Germany and Belgium, Mr. Leurs joined Rabobank in 2016 as Head of Fintech & Innovation.

Ieko (I.A.) Sevinga

Mr. Sevinga became a member of the Managing Board and Chief Information & Operations Officer (CIOO) on 1 September 2017. He started his career in 1986 at the Erasmus University in Rotterdam. After that Mr. Sevinga had various positions at McKinsey & Company and Kempen & Co./Van Lanschot Bankiers. He joined Rabobank in 2015 as Director Organisation Development & Performance before he was appointed to the Managing Board.

- Auxiliary positions*
- Non-Executive board member of De Persgroep
 - Non-Executive board member of MerweOord, holding company of Van Oord
 - Chairman of “Nederlands Olympiade Paard”

Janine (B.J.) Vos

Mrs. Vos became a member of the Managing Board and Chief Human Resources Officer (CHRO) on 1 September 2017. She started her career in 1997 at KPN as a management trainee. After having fulfilled several (HR) positions, she switched as Chief Human Resources Officer from KPN to Rabobank in 2016.

- Auxiliary positions*
- Member of the Supervisory Board of the Netherlands General Employers' Association (AWVN)
 - Member of the General Board of VNO-NCW on behalf of AWVN
 - President of the “Sociale Kring”

Administrative, management and supervisory bodies — conflicts of interests

The Issuer is not aware of any potential conflicts of interest between the duties to Rabobank and their private interests or other duties of the persons listed above under “*Supervisory Board of Rabobank*” and “*Managing Board of Rabobank*”.

Administrative, management and supervisory bodies — business address

The business address of the members of Rabobank's Supervisory Board and Managing Board is Croeselaan 18, 3521 CB Utrecht, the Netherlands.

REGULATION OF RABOBANK GROUP

Rabobank is a bank organised under Dutch law. The principal Dutch law on supervision applicable to Rabobank is the FMSA which entered into force on 1 January 2007 and under which Rabobank is supervised by the DNB and the AFM. Further, as of 4 November 2014, the ECB assumed certain supervisory tasks from the DNB and is now the competent authority responsible for supervising Rabobank Group's compliance with prudential requirements. Rabobank and the various Rabobank Group entities are also subject to certain EU legislation, which has a significant impact on the regulation of Rabobank Group's banking, asset management and broker-dealer businesses in the EU, and to the regulation and supervision of local supervisory authorities of the various countries in which Rabobank Group does business.

The overview below consists of a summary of the key applicable regulations and does not purport to be complete.

Basel Standards

The Basel Committee develops international capital adequacy guidelines based on the relationship between a bank's capital and its risks, including, *inter alia*, credit, market, operational, liquidity and counterparty risks.

Credit Risk

To assess their credit risk, banks can choose between the "Standardised Approach", the "Foundation Internal Ratings Based Approach" and the "Advanced Internal Ratings Based Approach". The Standardised Approach is based on standardised risk weights set out in the Basel II capital guidelines and external credit ratings; it is the least complex. The two Internal Ratings Based Approaches allow banks to use internal credit rating systems to assess the adequacy of their capital. The Foundation Internal Ratings Based Approach allows banks to use their own credit rating systems with respect to the "Probability of Default". In addition to this component of credit risk, the Advanced Internal Ratings Based Approach allows banks to use their own credit rating systems with respect to the "Exposure at Default" and the "Loss Given Default". Rabobank is IRB compliant for 96 per cent. of its credit portfolio exposures (this includes a limited exposure on IRB foundation). The rules on the assessment of credit risk are expected to change as a consequence of the Basel III Reforms. See "*Basel III Reforms*" and "*Recent Developments*" below.

See the risk factor entitled "*Minimum regulatory capital and liquidity requirements*".

Market Risk

To assess their market risk, banks can choose between a "Standardised approach" or an alternative methodology based on own internal risk management models. Rabobank has permission from its supervisor to calculate the general and specific exposures using its internal Value-at-Risk (VaR) models.

Operational Risk

To assess their operational risk, banks can also choose between three approaches with different levels of sophistication, the most refined of which is the Advanced Measurement Approach. Rabobank Group has chosen the Advanced Measurement Approach.

Basel III Reforms

The Basel III framework, which is implemented in the EU by means of the CRD IV Directive and CRR (see "*—European Union Legislation —The CRD IV Directive and CRR*" below) sets out rules for higher and better quality capital, better risk coverage, the introduction of a leverage ratio as a backstop to the risk-based requirements, measures to promote the build-up of capital that can be drawn down in periods of stress, and the introduction of two liquidity standards. Basel III includes increasing the minimum Common Equity Tier 1 Capital (or equivalent) requirement from 2 per cent. of the total risk exposure amount (before

the application of regulatory adjustments) to 4.5 per cent. (after the application of stricter regulatory adjustments (which, under CRD IV, are gradually phased in from 1 January 2014 until 1 January 2018)). The total Common Equity Tier 1 Capital requirement has increased from 4 per cent. of the total risk exposure amount to 6 per cent. under CRD IV and the total Common Equity Tier 1 Capital requirement is 8 per cent. of the total risk exposure amount under CRD IV. In addition, banks will be required to maintain, in the form of Common Equity Tier 1 Capital (or equivalent), a capital conservation buffer of 2.5 per cent. of the total risk exposure amount to withstand future periods of stress, bringing the total Common Equity Tier 1 Capital (or equivalent) requirements to 7 per cent. If there is excess credit growth in any given country resulting in a system-wide build-up of risk, a countercyclical capital buffer (generally of up to 2.5 per cent. of the total risk exposure amount and also comprised of Common Equity Tier 1 Capital (or other fully loss absorbing capital)) may be applied as an extension of the capital conservation buffer. Furthermore, banks considered to have systemic importance should have loss absorbing capacity beyond these standards.

Capital requirements have been further supplemented by the introduction of a non-risk based leverage ratio of 3 per cent., plus a surcharge of 50 per cent. of the G-SIB buffer requirement for G-SIB's (under the Basel III Reforms, see below) in order to limit an excessive build-up of leverage on a bank's balance sheet. During the period from 1 January 2013 to 1 January 2017, the Basel Committee has monitored banks' leverage data on a semi-annual basis in order to assess whether the proposed design and calibration of a minimum leverage ratio of 3 per cent. is appropriate over a full credit cycle and for different types of business models. This assessment included consideration of whether a wider definition of exposures and an off-setting adjustment in the calibration would better achieve the objectives of the leverage ratio. The Basel Committee also closely monitored accounting standards and practices to address any differences in national accounting frameworks that are material to the definition and calculation of the leverage ratio. The Dutch government has indicated that Dutch systemically important banks, including Rabobank, should also have a surcharge like the G-SIB's on top of the 3 per cent. leverage ratio requirement. As at 31 December 2018, the leverage ratio of Rabobank was 6.4 per cent.

In addition, Basel III has introduced two international minimum standards intended to promote resilience to potential liquidity disruptions over a 30 day horizon and limit over-reliance on short-term wholesale funding during times of buoyant market liquidity. The first one is referred to as the liquidity coverage ratio (the "**LCR**") which is being gradually phased in from 1 January 2015. The LCR tests the short-term resilience of a bank's liquidity risk profile by ensuring that it has sufficiently high-quality liquid assets to survive a significant stress scenario lasting for 30 days. The second one is referred to as a net stable funding ratio (the "**NSFR**"). The NSFR tests resilience over a longer period by requiring banks to hold a minimum amount of stable sources of funding relative to the liquidity profiles of the assets and the potential contingent liquidity needs arising from off-balance sheet commitments.

Recent Developments

In December 2017, the Basel Committee finalised the Basel III Reforms (also referred to as "Basel IV" by the industry). This reform complements the initial phase of Basel III announced in 2010 (and implemented in the CRR/CRD IV in 2014) as a response to the global financial crisis. The 2017 reform seeks to restore credibility in the calculation of risk-weighted assets (RWAs) and improve the comparability of banks' capital ratios. Main features of the reform:

- Revisions to the standardised approaches for calculating credit risk, market risk, credit value adjustments (CVA) and operational risk.
- Constraints on the use of internal model approaches, by placing limits on certain inputs used to calculate capital requirements under the IRB approach for credit risk and by removing the use of internal model approaches for CVA risk and for operational risk

- The introduction of an output floor, which limits the benefits banks can derive from using internal models to calculate minimum capital requirements. Banks' calculations of RWAs generated by internal models cannot, in aggregate, fall below 72.5 per cent. of the risk-weighted assets computed by standardised approaches.
- G-SIBs are subject to higher leverage ratio requirements.

European Union Legislation

The CRD IV Directive and CRR

As of 1 January 2014, EC Directive 2006/48 and EC Directive 2006/49 were repealed by the CRD IV Directive. The CRD IV Directive, together with the CRR, implements Basel III in the EEA. Both texts were published in the Official Journal of the European Union on 27 June 2013 and became effective on 1 January 2014 (except for capital buffer provisions which became effective on 1 January 2016). The CRD IV Directive was implemented into Dutch law by amendments to the FMSA pursuant to an amendment act (the "**CRD IV/CRR Implementation Act**") which entered into force on 1 August 2014. The CRR has established a single set of harmonised prudential rules which apply directly to all banks in the EEA as of 1 January 2014, but with particular requirements being phased in over a period of time, to be fully applicable by various dates up to 2022. The harmonised prudential rules include own funds requirements, an obligation to maintain a liquidity coverage buffer, a requirement to ensure that long-term obligations are adequately met under both normal and stressed conditions and the requirement to report on these obligations. The competent supervisory authorities will evaluate whether capital instruments meet the criteria set out in the CRR. The CRR also includes the obligation to report on a bank's leverage ratio. This requirement is similar to the leverage ratio requirement introduced by Basel III, however, the CRR does not yet include a requirement to meet a minimum ratio. However, the EC Capital Proposals of 23 November 2016 published by the European Commission (as discussed and defined in the risk factor entitled "*Minimum regulatory capital and liquidity requirements*") contemplate introducing such a leverage ratio.

On 17 January 2014, a regulation on specific provisions set out in the CRD IV Directive and the CRR (*Regeling specifieke bepalingen CRD IV en CRR*) ("**Dutch CRD IV and CRR Regulation**"), as published by the DNB, entered into force. The Dutch CRD IV and CRR Regulation contains specific provisions relating to the CRD IV Directive and the CRR, such as the required CET1 Ratio of 4.5 per cent., tier 1 ratio of 6 per cent., total capital ratio of 8 per cent. and the capital conservation measures set out in CRD IV (restriction on distributions if a bank does not meet the combined buffer requirement). On 29 April 2014, the DNB announced that, pursuant to the CRD IV/CRR Implementation Act, it intends to impose an additional capital buffer requirement for Rabobank. The systematic risk buffer, as set by DNB, is equal to 3 per cent. of risk-weighted assets and will be phased in between 2016 and 2019.

The EC Capital Proposals comprise certain legislative proposals for amendments to the CRR, the CRD IV Directive, the BRRD, the SRM Regulation and a proposed new directive to facilitate the creation of a new asset class of "non-preferred" senior debt. The EC Capital Proposals cover multiple areas, including the Pillar 2 framework, the introduction of a binding leverage ratio, the introduction of a binding NSFR, permission for reducing own funds and eligible liabilities, macroprudential tools, creditor/depositor hierarchy, a potential change to the definition of "eligible liabilities", a new category of "non-preferred" senior debt, the MREL framework and the integration of the TLAC standard into EU legislation. The EC Capital Proposals are to be considered by the European Parliament and the Council of the European Union and therefore remain subject to change; they are expected to enter into force no earlier than 2019 (excluding the fast tracked proposals for IFRS 9 and the proposal for a new asset class of "non-preferred" senior debt). The final new package of legislation may not include all elements of the EC Capital Proposals and new or amended elements may be introduced throughout the course of the legislative process.

Pursuant to the 2018 SREP (Supervisory Review and Evaluation Process), the ECB has determined that the CET1 Ratio of Rabobank Group should be maintained at a minimum level of 8.75 per cent. This 8.75 per cent. Common Equity Tier 1 Capital requirement for Rabobank Group comprises the minimum Pillar 1 requirement (4.5 per cent.), the Pillar 2 additional own funds requirement (1.75 per cent.) and the phasing-in of the capital conservation buffer (2.5 per cent. as per 1 January 2019). In addition, Rabobank Group is subject to a systemic risk buffer that needs to be applied on top of these Common Equity Tier 1 Capital requirements and will result in a 3.0 per cent. surcharge for 2019 (bringing the minimum Common Equity Tier 1 Capital requirement at 1 January 2019 to 11.75 per cent.). At the date of this Base Prospectus, Rabobank Group currently complies with these requirements.

Bank Recovery and Resolution Directive

The BRRD entered into force in July 2014. The bail-in tool with respect to eligible liabilities and the other measures set out in the BRRD (outlined below) were implemented into Dutch law on 26 November 2015. The stated aim of the BRRD is to provide relevant authorities with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimise taxpayers' exposure to losses.

The BRRD provides competent authorities with early intervention powers and resolution authorities with pre-resolution powers, including the power to write down or convert capital instruments to ensure relevant capital instruments fully absorb losses at the point of non-viability of the issuing institution or group and the power to convert existing instruments of ownership or transfer them to bailed-in creditors. Moreover, when the conditions for resolution are met, resolution authorities can apply, among others, a bail-in tool, which comprises a more general power for resolution authorities to write down the claims of unsecured creditors (including holders of the Notes) of a failing institution or to convert unsecured debt claims to equity or other instruments of ownership.

In addition, the BRRD provides resolution authorities with broader powers to implement other resolution measures with respect to distressed banks which satisfy the conditions for resolution, which may include (without limitation) the sale of the bank's business, the creation of a bridge bank, the separation of assets, the replacement or substitution of the bank as obligor in respect of debt instruments, modifications to the terms of debt instruments (including altering the maturity or the amount of interest payable or imposing a temporary suspension on payments) and discontinuing the listing and admission to trading of financial instruments. See further the risk factor entitled "*Minimum requirement for own funds and eligible liabilities under the BRRD*".

In order to ensure the effectiveness of bail-in and other resolution tools introduced by the BRRD, the BRRD requires that, with effect from 1 January 2016 all institutions must meet an individual MREL requirement, calculated as a percentage of total liabilities and own funds and set by the relevant resolution authorities. On 23 May 2016, the European Commission adopted MREL RTS on the criteria for determining the MREL under the BRRD. The MREL RTS were published in the EU Official Journal on 3 September 2016. The MREL RTS provide for resolution authorities to allow institutions an appropriate transitional period to reach the applicable MREL requirements.

The required level of MREL for Rabobank Group has yet to be set by the Single Resolution Board (SRB). On the basis of the MREL RTS, it is possible that Rabobank Group may have to issue a significant amount of additional MREL eligible liabilities in order to meet the new requirements within the required timeframes. Moreover, the MREL framework may be subject to substantial change over the coming years. For instance, in the EC Capital Proposals to amend the SRM Regulation, BRRD, CRR, CRD IV Directive, the European Commission has proposed that any systemically important banks in a member state, such as Rabobank, be subject to a firm-specific MREL regime under which they would be required to issue a sufficient amount of own funds and eligible liabilities to absorb expected losses in resolution and to recapitalise the institution or the surviving part thereof

As a result, it is not possible to give any assurances as to the ultimate scope and nature of any resulting obligations, or the impact that they will have on Rabobank Group once implemented. If Rabobank Group were to experience difficulties in raising MREL eligible liabilities, it may have to reduce its lending or investments in other operations.

To complement the European Banking Union (an EU-level banking supervision and resolution system) and the Single Supervisory Mechanism (SSM) (as defined below), on 15 July 2014 the European Commission adopted the SRM Regulation to establish the Single Resolution Mechanism (SRM) (as further described, in the risk factor entitled "*Bank recovery and resolution regimes*"). The SRM establishes the SRB that will manage the failing of any bank in the Euro area and in other EU member states participating in the European Banking Union. On the basis of the SRM, the SRB is granted the same resolution tools as those set out in the BRRD, including a bail-in tool. The SRM applies directly to banks covered by the SSM, including Rabobank (see also "*Bank Recovery and Resolution Directive*" above). On the basis of the SRM, the ECB is responsible for recovery planning as set out in the BRRD.

See also the risk factors entitled "*Minimum requirement for own funds and eligible liabilities under the BRRD*", "*Risks relating to the FSB's proposals regarding TLAC*", "*Minimum regulatory capital and liquidity requirements*" and "*Bank recovery and resolution regimes*".

Supervision

In 2010, agreement was reached at EU level on the introduction of a new supervisory structure for the financial sector. The new European architecture combines the existing national authorities, the newly created European Systemic Risk Board and the following three European Authorities: the EBA, the European Insurance and Occupational Pensions Authority and the European Securities and Markets Authorities. These institutions have been in place since 1 January 2011.

However, as part of the European Banking Union (responsible for banking policy on the EU level), two further regulations have been enacted: (i) a regulation for the establishment of a single supervisory mechanism (the "**SSM**") on the basis of which specific tasks relating to the prudential supervision of the most significant banks in the Euro area are conferred to the ECB; and (ii) a regulation amending the regulation which sets up the EBA. Regulation 1024/2013 (the "**SSM Framework Regulation**"), which establishes the SSM, was published in the Official Journal of the European Union on 29 October 2013 and entered into force on 4 November 2013. The SSM provides that the ECB carries out its tasks within a single supervisory mechanism comprised of the ECB and national competent authorities. The ECB and relevant competent authorities have formed joint supervisory teams ("**JST**") for the supervision of each significant bank or significant banking group within the Euro area. As Rabobank Group qualifies as a significant group under the SSM and the SSM Framework Regulation, with effect from 4 November 2014, the day-to-day supervision of Rabobank Group is now carried out by a JST. The ECB and national competent authorities are subject to a duty of cooperation in good faith, and an obligation to exchange information. Where appropriate, and without prejudice to the responsibility and accountability of the ECB for the tasks conferred on it by the SSM, national competent authorities shall be responsible for assisting the ECB. In view of the assumption of these supervisory tasks, in 2014 the ECB (together with the national competent authorities) carried out a comprehensive assessment, including a balance sheet assessment, as well as a related asset quality review and stress tests, of the banks in respect of which it took on responsibility for formal supervision. The ECB supervises Rabobank Group's compliance with prudential requirements, including (i) its own funds requirements, LCR, NSFR and the leverage ratio and the reporting and public disclosure of information on these matters, as set out in the CRR and (ii) the requirement to have in place robust governance arrangements, including fit and proper requirements for the persons responsible for the management of a bank, remuneration policies and practices and effective internal capital adequacy assessment processes, as set out in the FMSA. The ECB is also the competent authority which assesses notifications of the acquisition of qualifying holdings in banks and has the power to grant a declaration of no objection for such holdings.

Dutch Regulation

Scope of the FMSA

The ECB is formally the competent authority that supervises the majority of Rabobank Group's activities. The day-to-day supervision of Rabobank Group is carried out by the JST. The AFM supervises primarily the conduct of business. Set forth below is a brief summary of the principal aspects of the FMSA.

Licensing

Under the FMSA, a bank established in the Netherlands is required to obtain a licence before engaging in any banking activities. Now that the ECB has assumed its supervisory tasks under the SSM, the ECB is the formal supervisory authority to grant and revoke a banking licence for banks in the Euro area including the Netherlands. The DNB shall prepare a draft decision if in its view a licence should be granted and the ECB will take the formal decision. The requirements to obtain a licence, among others, are as follows: (i) the day-to-day policy of the bank must be determined by at least two persons; (ii) the bank must have a body of at least three members which has tasks similar to those of a supervisory board; and (iii) the bank must adhere to requirements that determine the minimum level of own funds (eigen vermogen). In addition, a licence may be refused if, among other things, the competent authority is of the view that (i) the persons who determine the day-to-day policy of the bank have insufficient expertise to engage in the business of the bank (fit and proper requirement), (ii) the policy of the bank is not (co-)determined by persons whose integrity is beyond doubt, or (iii) through a qualified holding in the bank, influence on the policy of such enterprise or institution may be exercised which is contrary to 'prudent banking policy' (gezonde en prudente bedrijfsvoering). The DNB is still competent to make the decision to refuse to grant a licence on its own. In addition to certain other grounds, the licence may be revoked if a bank fails to comply with the requirements for maintaining its licence.

Reporting and investigation

A significant bank or significant banking group is required to file its annual financial statements with the ECB in a form approved by the ECB, which includes a statement of financial position and a statement of income that have been certified by an appropriately qualified auditor. In addition, a bank is required to file quarterly (and some monthly) statements, on a basis established by the ECB. The ECB has the option to demand additional reports.

Rabobank must file consolidated quarterly (and some monthly) reports as well as annual reports that provide a true and fair view of their respective financial position and results with the ECB. Rabobank's independent auditor audits these reports annually.

Solvency

The CRR regulations on solvency supervision entail — in broad terms minimum standards on bank capital adequacy and capital buffers. These regulations also impose limitations on the aggregate amount of claims (including extensions of credit) a bank may have against one debtor or a group of related debtors. Over time, the regulations have become more sophisticated, being derived from the capital measurement guidelines of first Basel II and then Basel III as described under "*Basel Standards*" above and as laid down in EU legislation described above under "*— European Union Legislation*". The regulations of the DNB on solvency supervision have been repealed by the Dutch CRD IV and CRR Regulation.

Liquidity

The regulations relating to liquidity supervision require that banks maintain sufficient liquid assets to cover for net outflows. In the determination of net outflows banks are required to follow a prudential approach, taking into account that the call or prepayment occurs at the first possible date. On 1 January 2018, the 100 per cent. LCR requirement under CRR was fully phased in, meaning that Rabobank was required to hold at least enough high quality liquid assets to cover stressed 30 day net outflow. With 130 per cent. as per 31 December 2018, Rabobank complies with the minimum 100 per cent. requirement.

Structure

The FMSA provides that a bank must obtain a declaration of no-objection before, among other things, (i) acquiring or increasing a qualifying holding in a bank, investment firm or insurer with its statutory seat in a state which is not part of the EEA, if the balance sheet total of that bank, investment firm or insurer at the time of the acquisition or increase amounts to more than 1 per cent. of the bank's consolidated balance sheet total, (ii) acquiring or increasing a qualifying holding in an enterprise, not being a bank, investment firm or insurer with its statutory seat in the Netherlands or in a state which is part of the EEA or in a state which is not part of the EEA, if the amount paid for the acquisition or increase, together with the amounts paid for a previous acquisition or increase of a holding in such enterprise, amounts to more than 1 per cent. of the consolidated own funds of the bank, (iii) taking over all or a major part of the assets and liabilities of another enterprise or institution, directly or indirectly, if the total amount of the assets or the liabilities to be taken over amounts to more than 1 per cent. of the bank's consolidated balance sheet total, (iv) merging with another enterprise or institution if the balance sheet total thereof amounts to more than 1 per cent. of the bank's consolidated balance sheet total or (v) proceeding with a financial or corporate reorganisation. Decisions on the abovementioned declarations of no-objection are made by the DNB. As of 1 January 2014, the definition of "qualifying holding" as set out in the CRR applies. "Qualifying holding" in the CRR is defined to mean a direct or indirect holding in an undertaking which represents 10 per cent. or more of the capital or of the voting rights or which makes it possible to exercise a significant influence over the management of that undertaking.

In addition, any person is permitted to hold, acquire or increase a qualifying holding in a Dutch bank, or to exercise any voting power in connection with such holding, only after such person has obtained a declaration of no objection from the ECB.

Governance and administrative organisation

The ECB supervises the governance of significant banks and significant banking groups within the Netherlands. This includes the administrative organisation of banks, their financial accounting system and internal control. The administrative organisation must be such as to ensure that a bank has at all times a reliable and up-to-date overview of its assets and liabilities. Furthermore, the electronic data processing systems, which form the core of the accounting system, must be secured in such a way as to ensure a high degree of security, operational reliability, continuity and adequate, scalable capacity.

Intervention

In addition to the Intervention Act (*Wet bijzondere maatregelen financiële ondernemingen*), and partly amending it, on 26 November 2015 the Act on implementing the European framework for the recovery and resolution of banks and investment firms (*Implementatiewet Europees kader voor herstel en afwikkeling van banken en beleggingsondernemingen*) came into force, implementing the BRRD. While the Intervention Act was amended following the adoption and implementation of the BRRD and the SRM Regulation, granting to the DNB powers including resolution tools contemplated by the BRRD, the powers of the Minister of Finance have remained. Under the Intervention Act the Dutch Minister of Finance may, with immediate effect, take measures or expropriate assets, liabilities, or securities issued by or with the consent of a financial enterprise (*financiële onderneming*) or its parent, in each case if it has its corporate seat in the Netherlands, if in the Minister of Finance's opinion, the stability of the financial system is in serious and immediate danger as a result of the situation in which the entity finds itself. In taking these measures, provisions in relevant Dutch legislation and the entity's articles of association may be set aside. Examples of immediate measures include the suspension of voting rights or of board members. The measures that can be taken by the Minister of Finance may only be used if other measures would not work, would no longer work, or would be insufficient. In addition, to ensure such measures are utilised appropriately the Minister of Finance must consult with the DNB in advance and the Dutch Prime Minister must agree with the decision to intervene. The Minister of Finance must further inform the AFM of his intentions, whereupon the AFM must give an instruction to Euronext Amsterdam to stop the trading in any

securities that are expropriated. In the case of expropriation, the beneficiary of the relevant asset will be compensated for any damage that directly and necessarily results from the expropriation. It is unlikely that such compensation will cover all losses of the relevant beneficiary.

The SRB has additional intervention powers including the power to operate the bail-in tool as set out in the SRM and the BRRD (see “—*Bank Recovery and Resolution Directive*”).

U.S. Regulation

Regulation and Supervision in the U.S.

Rabobank Group’s operations are subject to federal and state banking and securities regulation and supervision, as well as federal derivatives regulation in the U.S. Rabobank Group engages in U.S. banking activities through Rabobank, New York Branch (the “**New York Branch**”). It controls a U.S. banking subsidiary, Rabobank, N.A., and a U.S. broker-dealer, Rabo Securities USA, Inc., as well as other U.S. non-bank subsidiaries.

Rabobank and Utrecht-America Holdings, Inc. are bank holding companies that are financial holding companies within the meaning of the U.S. Bank Holding Company Act of 1956, as amended. As such, they are subject to the regulation and supervision of the Federal Reserve. The New York Branch is licensed and supervised by the New York State Department of Financial Services, and it is also supervised by the Federal Reserve. Rabobank, N.A. is a national bank subject to regulation, supervision and examination by the OCC.

Under U.S. law, Rabobank Group’s activities and those of its subsidiaries in the U.S. are generally limited to the business of banking, and managing or controlling banks and certain other activities that are closely related to banking. As long as Rabobank and Utrecht-America Holdings, Inc. are financial holding companies under U.S. law, Rabobank Group may also engage in non-banking activities in the U.S. that are financial in nature, or incidental or complementary to such financial activity, including securities, merchant banking, insurance and other financial activities, subject to certain limitations on the conduct of such activities and to prior regulatory approval in some cases.

As a non-U.S. bank, Rabobank is generally authorised under U.S. law and regulations to acquire a non-U.S. company engaged in non-financial activities as long as the company’s U.S. operations do not exceed certain thresholds and certain other conditions are met. Rabobank is required to obtain the prior approval of the Federal Reserve before directly or indirectly acquiring the ownership or control of more than 5 per cent. of any class of voting shares of U.S. banks, certain other depository institutions, and bank or depository institution holding companies.

State-licensed branches and agencies of non-U.S. banks (such as the New York Branch) may not, with certain exceptions that require prior regulatory approval, engage as a principal in any type of activity not permissible for their federally chartered or licensed counterparts. Likewise, the U.S. federal banking laws also subject state branches and agencies to the same single-borrower lending limits that apply to federal branches or agencies, which are substantially similar to the lending limits applicable to national banks. These single-borrower lending limits are based on the worldwide capital of the entire non-U.S. bank.

The Federal Reserve may terminate the activities of any U.S. office of a non-U.S. bank if, among other things, it determines that the non-U.S. bank is not subject to comprehensive supervision on a consolidated basis in its home country or that there is reasonable cause to believe that such non-U.S. bank or its affiliate has violated the law or engaged in an unsafe or unsound banking practice in the U.S. or, for a non-U.S. bank that presents a risk to the stability of the U.S. financial system, the home country of the non-U.S. bank has not adopted, or made demonstrable progress toward adopting, an appropriate system of financial regulation to mitigate such risk. In addition, the Superintendent of Financial Services of the State of New York (the “**Superintendent**”) may revoke any licence for a branch of a non-U.S. bank issued under New

York Banking Law if, among other things, the Superintendent finds that the licensed bank has violated any provision of any law, rule or regulation of the State of New York.

A major focus of U.S. governmental policy relating to financial institutions is aimed at preventing money laundering and terrorist financing and compliance with economic sanctions in respect of designated countries or activities. Failure of an institution to have policies and procedures and controls in place to prevent, detect and report money laundering and terrorist financing could in some cases have serious legal, financial and reputational consequences for the institution.

New York Branch

The New York Branch is licensed by the Superintendent to conduct a commercial banking business. Under New York Banking Law, the New York Branch is subject to the asset pledge requirements and is required to maintain eligible high-quality assets with banks in the State of New York. The Superintendent may also establish asset maintenance requirements for branches of non-U.S. banks. Currently, no such requirement has been imposed upon the New York Branch.

New York Banking Law authorises the Superintendent to take possession of the business and property of a New York branch of a non-U.S. bank under certain circumstances, including violations of law, conduct of business in an unsafe manner, impairment of capital, suspension of payment of obligations, or initiation of liquidation proceedings against the non-U.S. bank at its domicile or elsewhere. In liquidating or dealing with a branch's business after taking possession of a branch, only the claims of depositors and other creditors which arose out of transactions with a branch are to be accepted by the Superintendent for payment out of the business and property of the non-U.S. bank in the State of New York (which includes but is not limited to assets, or other property of the New York branch, wherever situated and any assets of the non-U.S. bank located in the State of New York, regardless of whether such assets are assets of the New York branch), without prejudice to the rights of the holders of such claims to be satisfied out of other assets of the non-U.S. bank. After such claims are paid, the Superintendent will turn over the remaining assets, if any, to the non-U.S. bank or its duly appointed liquidator or receiver.

The Dodd-Frank Act

The Dodd-Frank Act provides a broad framework for significant regulatory changes that extend to almost every area of U.S. financial regulation. The Dodd-Frank Act and other post-financial crisis regulatory reforms in the United States have increased costs, imposed limitations on activities and resulted in an increased intensity in regulatory enforcement.

Among other things, the Dodd-Frank Act requires that the lending and affiliate transaction limits applicable to Rabobank, N.A. and the New York Branch take into account credit exposures arising from derivative transactions, securities borrowing and lending transactions, and repurchase and reverse repurchase agreements with counterparties.

Additionally, the Dodd-Frank Act provides U.S. regulators with tools to impose greater capital, leverage and liquidity requirements and other prudential standards, particularly for financial institutions that pose significant systemic risk, which include any non-U.S. banking organisation, such as Rabobank Group, with a branch or agency in the U.S. or a U.S. bank subsidiary and U.S.\$50 billion or more in total consolidated assets. On 18 February 2014, the Federal Reserve issued a final rule implementing these heightened standards. Under the final rule, the New York Branch will be subject to liquidity, risk management requirements, and in certain circumstances, asset maintenance requirements. The Federal Reserve issued a notice of proposed rulemaking on 8 April 2019 that would revise the framework for applying the enhanced prudential standards applicable to FBOs under Section 165 of the Dodd-Frank Act, as amended by the EGRRCPA, by, among other things, amending standards relating to liquidity, risk management, stress testing, and single-counterparty credit limits. In addition, a separate rulemaking was also issued on 8 April 2019 by the Federal Reserve, the FDIC and the OCC to, among other things, modify the application of capital and liquidity requirements to the U.S. operations of a FBO.

The Volcker Rule, adopted as part of the Dodd-Frank Act, limits the ability of banking entities and their affiliates to engage as principal in proprietary trading or to sponsor or invest in hedge, private equity or other similar funds or enter into certain covered transactions with certain covered funds, subject to certain exceptions and exemptions. However, certain non-U.S. banking organisations, such as certain non-U.S. banking entities within Rabobank Group, are exempt from these limitations with respect to activities that are solely outside of the U.S., subject to certain conditions.

On 10 December 2013, five U.S. federal financial regulatory agencies released the final version of the regulations implementing the Volcker Rule. The conformance period for the Volcker Rule has ended and Rabobank Group has brought its activities and investments into compliance with the Volcker Rule and established a dedicated compliance program. Further implementation efforts may be necessary based on subsequent regulatory interpretations, guidelines or examinations.

Proposals for legislation for further changes to the regulation of the financial services industry are continually being introduced in the U.S. Congress and in state legislatures, and President Donald Trump has signed orders and announced plans to reform regulations created pursuant to the Dodd-Frank Act. For example, on 24 May 2018, President Trump signed into law a financial services regulatory reform bill that received bipartisan support, the EGRRCPA. The EGRRCPA makes certain modifications to post-financial crisis regulatory requirements that apply to banking organisations of all sizes, including, but not limited to, raising the statutory asset threshold that requires the Federal Reserve to apply to the “enhanced prudential standards” set forth in Section 165 of the Dodd-Frank Act. In addition, the EGRRCPA amended the Volcker Rule, in part, by narrowing the definition of “banking entity”, principally by excluding insured depository institutions with less than U.S.\$10 billion in total consolidated assets and that have total trading assets and trading liabilities that are less than 5 per cent. of total consolidated assets. The relevant U.S. federal agencies released a notice of proposed rulemaking on 8 February 2019 to, among other things, address this statutory amendment. The comment period for the proposal ended on 11 March 2019, and while such separate rulemaking to implement the amendment to the “banking entity” definition is pending, the relevant U.S. federal agencies have stated that they will not enforce the Volcker Rule in a manner inconsistent with the amendments under the EGRRCPA with respect to institutions excluded by such statute.

In addition, Title VII of the Dodd-Frank Act, and the regulations adopted thereunder implementing the statutory requirements of Title VII, provide an extensive framework for the regulation of the derivatives market. While U.S. regulators have adopted many of the regulations governing the derivatives markets as contemplated by the Dodd-Frank Act, the implementation process is still ongoing and regulators continue to review and refine their initial rulemakings through additional interpretations and supplemental rulemakings. Under the Dodd-Frank Act, entities that qualify as swap dealers or major swap participants are required to register with the CFTC, while entities that qualify as security-based swap dealers and/or majority security-based swap participants will be required to register with the SEC. Rabobank is registered with the CFTC as a swap dealer. As a swap dealer, Rabobank is subject to additional regulatory requirements with respect to capital, margin requirements for OTC derivative transactions, business conduct standards and other requirements. As a swap dealer, Rabobank’s compliance with such regulatory requirements under Title VII of the Dodd-Frank Act may be costly and have an adverse impact on Rabobank Group. Additionally, under the so-called swap “push-out” provisions of the Dodd-Frank Act, certain ABS swaps activities of uninsured U.S. branches of non-U.S. banks, such as the New York Branch, are restricted as a result of Rabobank’s registration as a swap dealer. The Dodd-Frank Act also requires all swap market participants (notwithstanding any registration requirement) to (i) maintain records and report certain information to swap data repositories in real-time and on an ongoing basis and (ii) clear certain categories of derivatives through a derivatives clearing organisation and execute such derivatives on a registered exchange (e.g. a designated contract market or swap execution facility).

In October, 2015, the Federal Reserve, the OCC, the Farm Credit Administration and the Federal Housing Finance Agency issued a final rule to establish minimum initial and variation margin collection requirements

for non-cleared swaps and non-cleared security-based swaps entered into by certain registered swap dealers, major swap participants, security-based swap dealers and/or major security-based swap participants (“**Registered Entities**”) when facing other Registered Entities or financial end-user counterparties (the “**PR Margin Rules**”). The CFTC has also implemented its own initial and variation margin requirements in respect of non-cleared swaps entered into by swap dealers and major swap participants not captured by the PR Margin Rules (the “**CFTC Margin Rules**” and, together with the PR Margin Rules, the “**Uncleared Swap Margin Rules**”). Because Rabobank is regulated by the Federal Reserve and is a registered swap dealer (as noted above), it is subject to the Uncleared Swap Margin Rules with respect to its uncleared OTC derivative transactions when facing other Registered Entities and financial end-user counterparties.

Phased-in compliance with the Uncleared Swap Margin Rules began on 1 September 2016 and the fourth phase of compliance with the initial margin requirements under the Uncleared Swap Margin Rules will begin on 1 September 2019 for counterparties with an average aggregate daily notional amount of uncleared derivatives transactions in excess of US\$750 billion. The fifth and final phase of compliance with the initial margin requirements under the Uncleared Swap Margin Rules will begin on 1 September 2020 for counterparties with an average aggregate daily notional amount in excess of US\$8 billion. Rabobank expects to be subject to the initial margin requirements as of the fourth phase compliance date on 1 September 2019. The Uncleared Swap Margin Rules may have an adverse effect on the liquidity of Rabobank Group and/or its ability to continue to invest and/or hedge in the OTC derivatives market.

Additionally, the Dodd-Frank Act requires systemically important non-bank financial companies and large, interconnected financial institutions, including any non-U.S. bank with U.S.\$50 billion or more in total consolidated assets that has a branch or agency in the U.S. (such as Rabobank Group) to prepare and periodically submit to the Federal Reserve, the FDIC and the FSOC, a plan for such company’s rapid and orderly resolution in the event of material financial distress or failure. The U.S. resolution plan requirements have been implemented through regulations issued by the Federal Reserve and the FDIC that establish rules and requirements regarding the submission and content of a resolution plan and procedures for review by the Federal Reserve and the FDIC. The Federal Reserve and the FDIC must determine that a company’s U.S. resolution plan is credible and would facilitate an orderly resolution of the company. A company that fails to submit a credible U.S. resolution plan may be subject to a range of measures imposed by the Federal Reserve and the FDIC, including more stringent capital, leverage or liquidity requirements; restrictions on growth, activities or operations; and requirements to divest assets or operations, as directed by the Federal Reserve and the FDIC. While Rabobank was not required to submit a U.S. resolution plan in 2016 or 2017, Rabobank was required to, and did, submit a U.S. resolution plan in 2018. On 8 April 2019, the Federal Reserve and the FDIC released a notice of proposal rulemaking to amend the U.S. resolution plan requirements to reflect improvements since such rule was finalized and to address amendments made by the EGRRCPA.

Implementation of the Dodd-Frank Act and related final regulations is ongoing and has resulted in significant costs and potential limitations on Rabobank Group’s businesses and may have a material adverse effect on Rabobank Group’s results of operations. In addition, the uncertainty of the regulatory environment in the United States, especially with respect to the status of certain aspects of the Dodd-Frank Act and other U.S. regulations could impact Rabobank Group’s business activities and the value of the Notes should significant changes to such regulations be implemented.

CAPITALISATION AND INDEBTEDNESS OF RABOBANK GROUP

The table with respect to the capitalisation and indebtedness of Rabobank Group below sets out Rabobank Group's consolidated own funds and consolidated long-term and short-term debt securities as at 31 December 2018 and 31 December 2017. All information has been derived from and should be read in conjunction with the audited consolidated financial information for the year ended 31 December 2018, the information included in "Selected Financial Information", the information in "Management's Discussion and Analysis of Financial Condition and Results of Operations" and other financial data appearing elsewhere in this Base Prospectus.

There has been no material change in the capitalisation and indebtedness of Rabobank Group since 31 December 2018.

	At 31 December	
	2018	2017
	<i>(in millions of euros)</i>	
Capitalisation of Rabobank Group		
Reserves and retained earnings	27,264	25,376
<i>Equity instruments issued by Rabobank</i>		
Rabobank Certificates	7,445	7,440
Capital Securities	6,493	5,759
	13,938	13,199
<i>Equity instruments issued by subsidiaries</i>		
Capital Securities	164	166
Trust Preferred Securities IV	389	394
	553	560
Other non-controlling interests	481	475
Total equity	42,236	39,610
Subordinated liabilities – non-current	15,499	16,149
Debt securities in issue – non-current - unsecured	65,069	69,316
Debt securities in issue – non-current – secured	24,481	16,833
Total non-current debt (excluding current portion of long-term debt)	105,048	102,298
Subordinated liabilities - current	1,000	21
Debt securities in issue - current - unsecured	39,785	51,215
Debt securities in issue - current - secured	7,341	6,861
Total current debt (maturity up to one year)	48,126	58,097
Total capitalisation	153,223	160,395
Breakdown of reserves and retained earnings		
Revaluation reserve – available-for-sale financial assets	n/a	464
Revaluation reserve – financial assets at fair value through other comprehensive income	240	n/a

Capitalisation and Indebtedness of Rabobank Group

	At 31 December	
	2018	2017
	<i>(in millions of euros)</i>	
Revaluation reserve – pensions.....	(145)	(225)
Other reserves	(76)	(702)
Foreign currency translation reserves.....	(817)	(938)
Retained earnings	28,062	26,777
Total reserves and retained earnings	27,264	25,376

The table below sets forth Rabobank Group's net indebtedness in the short term and in the medium-long term. All information has been derived from and should be read in conjunction with Rabobank Group's audited consolidated financial statements for the years ended 31 December 2018 and 31 December 2017 and the notes thereto incorporated by reference in this Base Prospectus.

	At 31 December	
	2018	2017
	(in millions of euros)	
Indebtedness of Rabobank Group		
Cash and balances at central banks ⁽¹⁾	73,335	66,861
Cash equivalents ⁽²⁾	17,497	26,405
Trading securities ⁽³⁾	521	381
Total liquidity	91,353	93,647
Current financial receivables⁽⁴⁾	104,038	102,871
Current bank debt ⁽⁵⁾	14,060	13,381
Current portion of issued debt ⁽⁶⁾	47,196	57,185
Other current financial debt ⁽⁷⁾	315,720	319,823
Total current financial debt	376,976	390,389
Net current financial indebtedness	181,585	193,871
Non-current bank debt ⁽⁸⁾	5,337	5,541
Non-current portion of issued debt ⁽⁹⁾	100,108	93,408
Other non-current financial debt ⁽¹⁰⁾	63,719	71,314
Non-current financial indebtedness	169,164	170,263
Net financial indebtedness	350,749	364,134

Notes:

- (1) Cash and balances at central banks.
- (2) Loans and advances to credit institutions with a maturity of up to one year.
- (3) Financial assets held for trading with a maturity of up to one year.

Capitalisation and Indebtedness of Rabobank Group

- (4) Total financial assets with a maturity of up to one year excluding cash balances at central banks, loans and advances to credit institutions and financial assets held for trading.
- (5) Due to banks with a maturity of up to one year.
- (6) Debt securities in issue and subordinated liabilities with a maturity of up to one year.
- (7) Total financial liabilities with a maturity of up to one year excluding due to banks, debt securities in issue and subordinated liabilities.
- (8) Due to banks with a maturity of more than one year.
- (9) Debt securities in issue and subordinated liabilities with a maturity of more than one year.
- (10) Total financial liabilities with a maturity of more than one year excluding due to banks, debt securities in issue and subordinated liabilities.

TAXATION

General

The following summary describes the principal Belgian, Dutch, European Union, French, German, Luxembourg, United Kingdom and U.S. tax consequences of the acquisition, holding, redemption and disposal of Notes, which term, for the purpose of this summary, includes Coupons, Receipts and Talons. This summary does not purport to be a comprehensive description of all Belgian, Dutch, European Union, French, German, Luxembourg, United Kingdom and U.S. tax considerations that may be relevant to a decision to acquire, to hold and to dispose of the Notes. Each prospective Noteholder should consult a professional adviser in respect of the tax consequences of an investment in the Notes. The discussion of certain Belgian, Dutch, European Union, French, German, Luxembourg, United Kingdom and U.S. taxes set forth below is included for general information purposes only.

This summary is based on the Belgian, Dutch, European Union, French, German, Luxembourg, United Kingdom and U.S. tax legislation, published case law, treaties, rules, regulations and similar documentation in force as of the date of this Base Prospectus, without prejudice to any amendments introduced at a later date and implemented with retroactive effect. The comments in this summary assume that there will be no substitution of the Issuer and do not address the consequences of any such substitution (notwithstanding that such substitution may be permitted by the terms and conditions of the Notes).

1 Belgium

The following summary describes the principal Belgian tax considerations with respect to the holding of Notes 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 Notes. 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 Base Prospectus, 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 Notes that are redeemable in exchange for, or convertible into assets, of the exercise, settlement or redemption of such Notes or any tax consequences after the moment of exercise, settlement or redemption.

Each prospective holder of Notes should consult a professional adviser with respect to the tax consequences of an investment in the Notes, taking into account the influence of each regional, local or national law.

Belgian Withholding Tax

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° *Belgian Income Tax Code*), in the case of a realisation of the Notes between two interest payment dates, the interest accrued during the detention period. “Fixed income securities” include Notes where there is a causal link between the amount of interest income and the detention 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 protection; (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 Income Tax rules applicable to natural persons resident in Belgium

For Belgian resident individuals, the 30 per cent. Belgian withholding tax constitutes the final income tax for Belgian resident individuals. This means that they do not have to declare the interest obtained on the Notes in their personal income tax return, provided withholding tax was levied on these interests. Nevertheless, Belgian resident individuals may elect to declare interest on the Notes 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 Notes), the 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 income tax liability.

Capital gains realised upon the sale of the Notes are in principle tax exempt, except if the capital gains are realised outside the scope of the management of one's private estate or except to the extent that the capital gains qualify as interest (as defined above in the section headed “*Belgian Withholding Tax*”). Capital losses are in principle not tax deductible.

Other tax rules apply to Belgian resident individuals holding the Notes not as a private investment but in the framework of their professional activity or when the transactions with respect to the Notes fall outside the scope of the normal management of their own private estate.

Belgian resident corporations

Interest derived by Belgian corporate investors (i.e. corporations subject to Belgian Corporate Income Tax) on the Notes and capital gains realised on the disposal or settlement of the Notes will in principle be subject to Belgian corporate income tax at the rate of in principle 29.58 per cent. or 25 per cent (for financial years starting on or after 1 January 2020). In certain circumstances, reduced corporate income tax rates may apply.

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). Capital losses on the Notes are in principle tax deductible.

For Belgian resident corporations, interest payments on the Notes (except Zero Coupon Notes and other Notes which provide for the capitalisation of interest) made through a paying agent in Belgium can under certain circumstances be exempt from withholding tax, provided a special affidavit is delivered. The Belgian withholding tax that has been levied is creditable and refundable in accordance with the applicable legal provisions.

Organisation for financing pensions

Interest derived on the Notes and capital gains realised on the Notes 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 Notes 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.

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 Notes.

Payments of interest (as defined in the section titled “*Belgian Withholding Tax*”) on the Notes 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 Notes), 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 Notes are in principle tax exempt, except to the extent the capital gain qualifies as interest (as defined in the section titled “*Belgian Withholding Tax*”). Capital losses on the Notes are in principle not tax deductible.

Non-residents of Belgium

The interest income on the Notes paid to a Belgian non-resident outside of Belgium, i.e. without the intervention of a professional intermediary in Belgium, is not subject to Belgian withholding tax. Interest income on the Notes paid through a Belgian professional intermediary 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 affidavit. Non-resident holders that have not allocated the Notes 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 Notes, (ii) has not allocated the Notes to business activities in Belgium and (iii) delivers an affidavit confirming his non-resident status and the fulfilment of conditions (i) and (ii).

Non-resident holders using the Notes to exercise a professional activity in Belgium through a permanent establishment are subject to the same tax rules as the Belgian resident corporations (see above).

Non-resident holders who do not allocate the Notes 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 Implementing Legislation of Council Directive 2011/16/EU on administrative cooperation in the field of taxation, as amended by Council Directive 2014/107/EU (the “DAC”)

The Council of the European Union has adopted the DAC, pursuant to which Austria is required to apply new measures on mandatory automatic exchange of information as of 1 January 2017 and all the other Member States as of 1 January 2016. The DAC is generally broader in scope than the Savings Directive, although it does not impose withholding taxes.

Belgium has implemented the amended Directive 2014/107/EU as per the Law of 16 December 2015.

Belgian tax on stock exchange transactions and tax on repurchase 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 Notes 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.

A request for annulment has been introduced with the Constitutional Court in order to annul the application of the tax on stock exchange transactions to transactions carried out with professional intermediaries established outside of Belgium (as described above). The Constitutional Court has asked a preliminary question in that regard to the Court of Justice of the European Union. If the Constitutional Court were to annul said application of the tax on stock exchange transactions without upholding its effects, restitution could be claimed of the tax already paid.

A tax on repurchase transactions ("*taks op de reporten*" / "*taxe sur les reports*") at the rate of 0.085 per cent. will be due from each party to any such transaction entered into or settled in Belgium in which a stockbroker acts for either party, with a maximum amount of €1,300 per transaction and per party.

However, the taxes referred to above will not be payable by exempt persons acting for their own account, including investors who are Belgian non-residents provided they deliver an affidavit to the financial intermediary in Belgium confirming their non-resident status, and certain Belgian institutional investors as defined in Articles 126.1 2° and 139 of the Code of various duties and taxes ("*Code des droits et taxes divers*" / "*Wetboek diverse rechten en taksen*").

The European Commission has published a proposal for a financial transactions tax ("**FTT**"). This proposal currently stipulates that once the FTT enters into force, the participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or value added tax as provided in the Council Directive 2006/112/EC of 28 November, 2006 on the common system of value added tax). For

Belgium, the tax on stock exchange transactions should thus be abolished once the FTT enters into force. The proposal is still subject to negotiation between the participating Member States and therefore may be changed at any time.

Belgian tax on the physical delivery of bearer Notes

A tax of 0.6 per cent. is levied upon the physical delivery of bearer Notes pursuant to their acquisition on the secondary market through a professional intermediary. The same tax applies to the conversion of registered Notes into bearer Notes and to the physical delivery of bearer Notes pursuant to a withdrawal of these Notes from open custody. The tax on the delivery of bearer Notes is due either on the sums payable by the purchaser, or on the sales value of the Notes as estimated by the custodian in the case of a withdrawal from open custody or by the person asking for the conversion of the Notes in case of conversion of a registered Notes in a bearer Notes. The tax is payable by the issuer, the professional intermediary or the custodian.

The physical delivery of bearer Notes to recognised Belgian professional intermediaries (such as credit institutions), acting for their own account, is exempt from the above tax.

Tax on securities accounts

Pursuant to the law of 7 February 2018 introducing a tax on securities accounts, a tax of 0.15 per cent. is levied on Belgian resident and non-resident individuals on their share in the average value of the qualifying financial instruments (including but not limited to shares, notes and units of undertakings for collective investment) held on one or more securities accounts during a reference period of twelve consecutive months starting on 1 October and ending on 30 September of the subsequent year (the “**Tax on Securities Accounts**”).

No Tax on Securities Accounts will be due provided the holder's share in the average value of the qualifying financial instruments on those accounts amounts to less than EUR 500,000. If, however, the holder's share in the average value of the qualifying financial instruments on those accounts amounts to EUR 500,000 or more, the Tax on Securities Accounts will be due on the entire share of the holder in the average value of the qualifying financial instruments on those accounts (and, hence, not only on the part which exceeds the EUR 500,000 threshold).

Qualifying financial instruments held by non-resident individuals only fall within the scope of the Tax on Securities Accounts provided they are held on securities accounts with a financial intermediary established or located in Belgium. Note that pursuant to certain double tax treaties, Belgium has no right to tax capital. Hence, to the extent the 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.

A financial intermediary is defined as (i) a credit institution or a stockbroking firm as defined by Article 1, §2 and §3 of the Law of 25 April 2014 on the status and supervision of credit institutions and investment companies and (ii) 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 Tax on Securities Accounts is in principle due by the financial intermediary established or located in Belgium if (i) the holder's share in the average value of the qualifying financial instruments held on one or more securities accounts with said intermediary amounts to EUR 500,000 or more or (ii) the holder instructed the financial intermediary to levy the Tax on Securities Accounts due (e.g. in case such holder holds qualifying financial instruments on several securities accounts held with multiple intermediaries of which the average value does not amount to EUR 500,000 or more, but of which the holder's share in the total average value of these accounts amounts to at least EUR 500,000). Otherwise, the Tax on Securities Accounts would have to be declared and would be due by the holder itself unless the holder provides

evidence that the 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 a Tax on the Securities Accounts representative in Belgium, subject to certain conditions and formalities ("**Tax on the Securities Accounts Representative**"). Such a Tax on the Securities Accounts Representative will then be liable towards the Belgian Treasury for the Tax on the Securities Accounts due and for complying with certain reporting obligations in that respect.

Belgian resident individuals will have to report in their annual income tax return various securities accounts held with one or more financial intermediaries of which they are considered as a holder within the meaning of the Tax on Securities Accounts. Non-resident individuals have to report in their annual Belgian non-resident income tax return various securities accounts held with one or more financial intermediaries established or located in Belgium of which they are considered as a holder within the meaning of the Tax on Securities Accounts.

Several requests for annulment have been introduced with the Constitutional Court in order to annul the Tax on Securities Accounts. If the Constitutional Court were to annul the Tax on Securities Accounts without upholding its effects, all taxpayers will be authorised to claim restitution of the tax already paid.

Prospective investors are strongly advised to seek their own professional advice in relation to the Tax on Securities Accounts.

2 European Union

As part of its anti-tax avoidance package the EU Council adopted the Anti-Tax Avoidance Directive on 12 July 2016 in Council Directive (EU) 2016/1164 ("**ATAD 1**"). ATAD 1 must be implemented by each EU Member State as of 1 January 2019. On 29 May 2017 additional measures were introduced in Council Directive (EU) 2017/952 to neutralise the effects of hybrid mismatches with third countries ("**ATAD 2**"). The measures introduced in ATAD 2 must be implemented ultimately by 1 January 2020 and 1 January 2022 (to the extent relating to reverse hybrid mismatches).

The exact scope of these two measures, and impact on the Issuer's tax position, will depend on the implementation of the measures in the relevant EU Member State, but such measures could have a material adverse effect on the Issuer. The measures in ATAD 1 and ATAD 2 are minimum standards and, therefore, it is at the discretion of each EU Member State to implement measures in domestic law that go beyond the measures proposed in ATAD 1 and ATAD 2.

In relation to ATAD 1, the Dutch government has currently implemented this rule into Dutch laws as a result of which as of 1 January 2019, ATAD 1 came into force in the Netherlands. Given that the Issuer's business principally consists of banking related activities and under ATAD 1 the deduction of net borrowing costs will be limited to 30 per cent. of a taxpayer's adjusted EBITDA (to which a €1.0 million threshold applies), the Issuer does not expect that ATAD 1 may have an adverse effect on the Issuer and its financial position in the Netherlands.

In relation to ATAD 2, on 29 October 2018 the Dutch government published a draft legislative proposal as part of a public consultation which ended on 10 December 2018. A legislative proposal implementing ATAD 2 is expected in 2019. However, in the absence of final implementing legislation (other than this draft legislative proposal which was subject to public consultation), the actual scope and implications of ATAD 2 are presently unascertainable.

3 France

The following is an overview addressing only the French compulsory withholding tax treatment of income arising from the Notes. This overview is (i) based on the laws and regulations in full force and effect in France as at the date of this Base Prospectus, which may be subject to change in the future, potentially with retroactive effect, and (ii) prepared on the assumption that the Issuer is not French resident for French

tax purposes and is not acting from a French branch, permanent establishment or other fixed place of business in France in connection with the Notes. Investors should be aware that the comments below are of a general nature and do 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 sale of the Notes.

Prospective purchasers of the Notes who are French resident for tax purposes or who would hold such Notes through a permanent establishment or fixed base in France should be aware that transactions involving the Notes, including any purchase or disposal of, or other dealings in, the Notes, may have French tax consequences. The tax consequences regarding interest, premium on redemption and capital gains in particular may depend, amongst other things, upon the status of the prospective purchaser (i.e. legal entities or individuals) and on the specific terms and conditions of the relevant Notes.

Pursuant to Articles 125 A and 125 D of the French tax code (*Code général des impôts*) subject to certain exceptions, interest and other similar revenues paid by paying agents established in France or, under certain conditions, in the European Union or in a State which is a member of the European Economic Area and which has entered into a convention providing for administrative assistance with a view to combating tax fraud and avoidance, and received by individuals who are fiscally domiciled in France are subject to a 12.8 per cent. 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 other related contributions) are also levied by way of withholding tax at an aggregate rate of 17.2 per cent. on interest and other similar revenues paid by paying agents established in France or, under the same conditions as mentioned above, in the European Union or in a State which is a member of the European Economic Area and which has entered into a convention providing for administrative assistance with a view to combating tax fraud and avoidance, to individuals who are fiscally domiciled in France.

Article 242 ter of the French tax code (*Code général des impôts*) imposes on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners resident in another Member State, including the identity and address of the beneficial owner and a detailed list of different categories of interest paid to the beneficial owner.

The European Commission has published a proposal for the FTT. This proposal currently stipulates that, once the FTT enters into force, the participating Member States (which includes France) shall not maintain or introduce taxes on financial transactions other than the FTT (or value added tax as provided in the Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax). The proposal has a very broad scope and could, if adopted in its current form and in certain circumstances, apply to certain dealings in the Notes. The proposal remains subject to negotiation between the participating Member States and its scope remains uncertain. It may therefore be altered prior to any implementation, the timing of which remains unclear. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

4 Germany

The following is an overview addressing only the German compulsory withholding tax treatment of income arising from the Notes. This overview is based on the laws and regulations in full force and effect in Germany as at the date of this Base Prospectus, which may be subject to change in the future, potentially with retroactive effect. The summary does not deal with any other German tax implications of acquiring, holding or disposing of the Notes. Investors should be aware that the comments below are of a general nature and do 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 sale of the Notes.

Residents of Germany

On the date of this Base Prospectus, there is in the Federal Republic of Germany no statutory obligation for the Issuer to withhold or deduct any German withholding tax (*Kapitalertragsteuer*) from payments of interest and repayment of capital on the Notes as well as gains from the disposal, redemption, repayment or assignment of the Notes.

However, if the Notes are kept or administered in a domestic securities deposit account by, or presented to, a German credit institution (*Kreditinstitut*) or financial services institution (*Finanzdienstleistungsinstitut*) (or with a German branch of a foreign credit or financial services institution), or with a German securities trading company (*Wertpapierhandelsunternehmen*) or a German securities trading bank (*Wertpapierhandelsbank*) (altogether a “**German Disbursing Agent**”), the German Disbursing Agent will withhold the tax in an amount of 25 per cent. plus a 5.5 per cent. solidarity surcharge thereon (resulting in a total withholding tax charge of 26.375 per cent.) on payments of interest. In case of cash settlement, the same withholding applies to any gains from the disposal, redemption, repayment or assignment of Notes except for any gains derived by German resident corporate holders and upon application by individual investors holding the Notes as business assets, subject to certain requirements. Special rules may apply in case of physical settlement. If the Notes were disposed, redeemed, repaid or assigned after being transferred to a securities deposit account with a German Disbursing Agent, the 25 per cent. withholding tax (plus a 5.5 per cent. solidarity surcharge thereon) would be levied on 30 per cent. of the proceeds from the disposal, redemption, repayment or assignment, as the case may be, unless the investor or the previous depository bank was able and allowed to prove evidence for the investor's actual acquisition costs to the German Disbursing Agent.

Please note that the coalition agreement between the German Christdemocratic Party and the German Social democratic Party for the formation of a new German federal government provides that the solidarity surcharge shall be abolished in stages (at least for certain taxpayers and subject to requirements/limitations). There is however no draft bill available yet and a lot of details are hence still unclear.

The applicable withholding tax rate is in excess of the aforementioned rate if church tax applies and is collected for an individual investor by way of withholding which is provided for as a standard procedure unless the individual investor has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*).

Non-residents of Germany

In general, non-residents of Germany are not subject to German withholding tax, subject to meeting certain further requirements. However, withholding tax may nevertheless be applicable in certain exceptional cases, e.g. if the Notes are presented for payment or credit at the offices of a German Disbursing Agent (over-the-counter transaction).

5 Luxembourg

The comments below are intended as a basic summary of certain withholding tax consequences in relation to the purchase, ownership and disposition of the Notes under Luxembourg law. Persons who are in any doubt as to their tax position should consult a professional tax adviser.

Withholding tax

Under Luxembourg tax law currently in effect and subject to the exception below, there is no Luxembourg withholding tax on payments of interest (including accrued but unpaid interest).

In accordance with the law of 23 December 2005, as amended, interest payments made by Luxembourg paying agents to Luxembourg individual residents are subject to a 20 per cent. withholding tax. Responsibility for withholding such tax will be assumed by the Luxembourg paying agent.

6 The Netherlands

The following is intended as general information only and it does not purport to present a comprehensive or complete description of all aspects of Dutch tax law which could be of relevance to a holder of Notes. Prospective holders of a Note ("**Noteholder**") should therefore consult their tax adviser regarding the tax consequences of any purchase, ownership or disposal of Notes.

The following summary is based on Dutch tax law as applied and interpreted by Dutch tax courts and as published and in effect on the date hereof; it does not take into account any amendments introduced at a later date and implemented with or without retroactive effect.

With the exception of the section on withholding tax below, this summary does not address the Dutch Tax consequences of a Noteholder:

- (i) which is a corporate entity and a resident of Aruba, Curaçao or Sint Maarten; or
- (ii) which is not considered the beneficial owner (*uiteindelijk gerechtigde*) of the Notes and/or the benefits derived from the Notes.

For the purpose of this paragraph, "**the Netherlands**" shall mean the part of the Kingdom of the Netherlands in Europe and "**Dutch Taxes**" shall mean taxes of whatever nature levied by or on behalf of the Netherlands or any of its subdivisions or taxing authorities.

Withholding tax

All payments in respect of the Notes can be made by the Issuer without withholding or deduction for or on account of any Dutch Taxes provided that the Notes do not in fact function as equity of the Issuer within the meaning of art. 10, paragraph 1, letter d, of the Netherlands Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*).

Taxes on income and capital gains

(a) Residents of the Netherlands

The description of certain Dutch tax consequences in this paragraph is only intended for the following Noteholders:

- (i) individuals who are resident or deemed to be resident in the Netherlands ("**Dutch Individuals**"); and
- (ii) entities that are subject to the Dutch Corporate Tax Act 1969 ("**CITA**") and are resident or deemed to be resident of the Netherlands for the purposes of the CITA, excluding:
 - pension funds (*pensioenfondsen*) and other entities, that are in full or in part exempt from Dutch corporate tax; and
 - investment institutions (*beleggingsinstellingen*), ("**Dutch Corporate Entities**").

Dutch Individuals not engaged or deemed to be engaged in an enterprise or in miscellaneous activities

Generally, a Dutch Individual who holds Notes (i) that are not attributable to an enterprise from which he derives profits as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the equity of such enterprise other than as an entrepreneur or a shareholder, or (ii) from which he derives benefits which are not taxable as benefits from miscellaneous activities (*resultaat uit overige werkzaamheden*), must record the Notes as assets that are held in box 3, the regime for income from savings and investments (*inkomen uit sparen en beleggen*). Taxable income with regard to the Notes is then determined on the basis of a certain deemed return on the holder's yield basis (*rendementsgrondslag*) at the beginning of the calendar year insofar as the yield basis exceeds a €30,360 threshold (*heffingvrij vermogen*), rather than on the basis

of income actually received or gains actually realised. Such yield basis is determined as the fair market value of certain qualifying assets held by the holder of the Notes, less the fair market value of certain qualifying liabilities at the beginning of the calendar year. The fair market value of the Notes will be included as an asset in the holder's yield basis. The holder's yield basis is allocated to up to three brackets for which different deemed returns apply. The first bracket includes amounts up to and including €71,650, which amount will be split into a 67 per cent. low-return part and a 33 per cent. high-return part. The second bracket includes amounts in excess of €71,650 and up to and including €989,736, which amount will be split into a 21 per cent. low-return part and a 79 per cent. high-return part. The third bracket includes amounts in excess of €989,736, which will be considered high-return in full. For 2019 the deemed return on the low-return parts is 0.13 per cent. and on the high-return parts is 5.60 per cent. The deemed return percentages will be reassessed every year. The deemed return on the holder's yield basis is taxed at a rate of 30 per cent (in 2019).

Dutch Individuals engaged or deemed to be engaged in an enterprise or in miscellaneous activities

Dutch Individuals are generally subject to Dutch income tax at progressive rates with a maximum of 51.75 per cent. (in 2019) with respect to any benefits derived or deemed to be derived from Notes (including any capital gains realised on the disposal thereof) that are either attributable to an enterprise from which a Dutch Individual derives profits, whether as an entrepreneur or pursuant to a co-entitlement to the equity of such enterprise (other than as an entrepreneur or a shareholder), or attributable to miscellaneous activities (*resultaat uit overige werkzaamheden*) including, without limitation, activities which are beyond the scope of normal, active portfolio management (*normaal, actief vermogensbeheer*).

Dutch Corporate Entities

Dutch Corporate Entities are generally subject to Dutch corporate tax at statutory rates up to 25 per cent. (in 2019) with respect to any benefits derived or deemed to be derived (including any capital gains realised on the disposal thereof) from Notes.

(b) Non-residents of the Netherlands

A Noteholder other than a Dutch Individual or Dutch Corporate Entity will not be subject to any Dutch Taxes on income or capital gains in respect of the ownership and disposal of the Notes, except if:

- the Noteholder derives profits from an enterprise, in case of an individual Noteholder as an entrepreneur or pursuant to a co-entitlement to the equity of such enterprise other than as an entrepreneur or a shareholder, which enterprise is, in whole or in part, carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in the Netherlands, to which the Notes are attributable; or
- the Noteholder is an individual and derives benefits from miscellaneous activities (*resultaat uit overige werkzaamheden*) as defined in the Personal Income Tax Act 2001 performed in the Netherlands in respect of the Notes, including, without limitation, activities which are beyond the scope of normal, active portfolio management (*normaal, actief vermogensbeheer*); or
- the Noteholder is entitled to a share in the profits of an enterprise managed in the Netherlands, other than by way of the holding of securities, to which the Notes are attributable.

Gift tax or inheritance tax

No gift or inheritance taxes will arise in the Netherlands in respect of the transfer or deemed transfer of the Notes by way of a gift by, or on the death of, a Noteholder who is not a resident or deemed resident of the Netherlands for the purpose of the relevant provisions, provided that:

- (i) the transfer is not construed as an inheritance or bequest or as a gift made by or on behalf of a person who, at the time of the gift or death, is or is deemed to be a resident of the Netherlands for the purpose of the relevant provisions; and

- (ii) in the case of a gift of Notes by an individual holder who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual holder does not die within 180 days after the date of the gift, while being resident or deemed to be resident of the Netherlands.

Where a gift of Notes only takes place if certain conditions are met, no gift tax will arise if the Noteholder is neither (i) a resident or deemed resident of the Netherlands nor (ii) a resident or deemed resident within 180 days after the date on which the conditions are fulfilled.

For purposes of Dutch gift and inheritance tax, an individual who is of Dutch nationality will be deemed to be a resident of the Netherlands if he has been a resident in the Netherlands at any time during the 10 years preceding the date of the gift or his death. For purposes of Dutch gift tax, an individual will, irrespective of his nationality, be deemed to be resident of the Netherlands if he has been a resident in the Netherlands at any time during the 12 months preceding the date of the gift.

Other taxes

No other Dutch Taxes, such as value added tax, or other similar taxes or duties (including stamp duty and court fees), are due by a Noteholder by reason only of the issue, acquisition or transfer of the Notes.

Residency

A Noteholder will not become a resident, or a deemed resident, of the Netherlands for tax purposes, or become subject to Dutch Taxes, by reason only of the Issuer's performance, or the Noteholder's acquisition (by way of issue or transfer to it), holding and/or disposal of the Notes.

7 United Kingdom

The following applies only to persons who are the beneficial owners of Notes and is a summary of the Issuer's understanding of current United Kingdom law as applied in England and Wales and published HM Revenue and Customs ("HMRC") practice (which may not be binding on HMRC) relating only to United Kingdom withholding tax treatment of payments of principal and interest in respect of Notes. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of Notes and is not intended to be exhaustive. It assumes that interest on the Notes does not have a United Kingdom source and, in particular, that the Issuer is neither United Kingdom resident nor acts through a permanent establishment in the United Kingdom in relation to the Notes. The United Kingdom tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Prospective Noteholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.

References in this part to "interest" shall mean amounts that are treated as interest for the purposes of United Kingdom taxation.

Payments of interest on the Notes may be made without deduction for or withholding on account of United Kingdom income tax.

8 United States Federal Income Taxation

The following is a summary of certain U.S. federal income tax consequences of the acquisition, ownership and disposition of Notes by a U.S. Holder (as defined below). Except where otherwise expressly noted, all references to Notes in this summary refer only to Registered Notes. This summary does not address the material U.S. federal income tax consequences of every type of Note which may be issued under the Programme, and the relevant Final Terms may contain additional or modified disclosure concerning the material U.S. federal income tax consequences relevant to such type of Note, as appropriate. This summary deals only with purchasers of Notes that are U.S. Holders and that will hold the Notes as capital assets. The discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition, ownership or disposition of Notes by particular investors (such as the alternative minimum tax or the Medicare tax on

net investment income), and does not address state, local, non-U.S. or other tax laws (such as the estate and gift tax laws). In particular, this summary does not address tax considerations applicable to investors that own (directly or indirectly) 10 per cent. or more of the voting stock of the Issuer, nor does this summary discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as financial institutions, insurance companies, individual retirement accounts and other tax-deferred accounts, tax-exempt organisations, dealers in securities or currencies, investors that will hold the Notes as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes, persons that have ceased to be U.S. citizens or lawful permanent residents of the United States, investors holding the Notes in connection with a trade or business conducted outside of the United States, U.S. citizens or lawful permanent residents living abroad or investors whose functional currency is not the U.S. Dollar). Moreover, the summary does not address the U.S. federal income tax treatment of Notes for which payments of principal or interest are denominated in, or determined by reference to, more than one currency. The U.S. federal income tax consequences of owning any such Notes will be discussed in the relevant Final Terms.

As used herein, the term **“U.S. Holder”** means a beneficial owner of Notes that is, for U.S. federal income tax purposes, (a) an individual citizen or resident of the United States, (b) a corporation created or organised under the laws of the United States or any State thereof, (c) an estate the income of which is subject to U.S. federal income tax without regard to its source or (d) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has validly elected to be treated as a domestic trust for U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in an entity or arrangement treated as a partnership for U.S. federal income tax purposes that holds Notes will depend on the status of the partner and the activities of the partnership. Prospective purchasers that are entities or arrangements treated as partnerships for U.S. federal income tax purposes should consult their tax adviser concerning the U.S. federal income tax consequences to them and their partners of the acquisition, ownership and disposition of Notes by the partnership.

This summary assumes that the Issuer is not a passive foreign investment company (a **“PFIC”**) for U.S. federal income tax purposes, which the Issuer believes to be the case. The Issuer believes that it currently meets certain requirements regarding its licensing and activities which allow a bank to treat income from its banking business as non-passive income for purposes of determining its PFIC status. However, the Issuer’s possible status as a PFIC must be determined annually and therefore may be subject to change. If the Issuer were to be a PFIC in any year, materially adverse consequences could result for U.S. Holders.

This summary is based on the tax laws of the United States, including the Internal Revenue Code of 1986, as amended (the **“Code”**), its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, as well as on the income tax treaty between the United States and the Netherlands (the **“Treaty”**), all as of the date hereof and all subject to change at any time, possibly with retroactive effect.

U.S. Holders that maintain certain types of financial statements and use the accrual method of accounting for U.S. federal income tax purposes generally are required to include certain amounts in income no later than the time such amounts are reflected on their financial statements. The application of this rule may require U.S. Holders that maintain such financial statements to include certain amounts realised in respect of the Notes in income earlier than would otherwise be the case under the rules described herein, although the precise application of this rule is unclear at this time. U.S. Holders that use the accrual method of accounting should consult with their tax advisors regarding the potential applicability of this rule to their particular situation.

Bearer Notes are not being offered to U.S. Holders. A U.S. Holder who owns a Bearer Note may be subject to limitations under United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Code.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF OWNING THE NOTES, INCLUDING THEIR ELIGIBILITY FOR THE BENEFITS OF THE TREATY, THE APPLICABILITY AND EFFECT OF STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

U.S. Federal Income Tax Characterisation of the Notes

The characterisation of a Series or Tranche of Notes may be uncertain and will depend on the terms of those Notes. The determination of whether an obligation represents debt, equity, or some other instrument or interest is based on all the relevant facts and circumstances. There may be no statutory, judicial or administrative authority directly addressing the characterisation of some of the types of Notes that are anticipated to be issued under the Programme or of instruments similar to these Notes.

Depending on the terms of a particular Series or Tranche of Notes, the Notes may not be characterised as debt for U.S. federal income tax purposes despite the form of the Notes as debt instruments. For example, Notes of a Series or Tranche may be more properly characterised as notional principal contracts, collateralised put options, prepaid forward contracts or some other type of financial instrument. Alternatively, the Notes may be characterised as equity or as representing an undivided proportionate ownership interest in the assets of, and share of the liabilities of, the Issuer. Additional alternative characterisations may also be possible. Further possible characterisations, if applicable, may be discussed in the relevant Final Terms.

No rulings will be sought from the U.S. Internal Revenue Service (“IRS”) regarding the characterisation of any of the Notes issued hereunder for U.S. federal income tax purposes. Each holder should consult its own tax adviser about the proper characterisation of the Notes for U.S. federal income tax purposes and the consequences to the holder of acquiring, owning or disposing of the Notes.

U.S. Federal Income Tax Treatment of Notes Treated as Debt

The following summary applies to Notes that are properly treated as debt for U.S. federal income tax purposes.

Payments of interest

Interest on a Note, whether payable in U.S. Dollars or a currency other than U.S. Dollars (a “**foreign currency**”), other than interest on a “Discount Note” that is not “qualified stated interest” (each as defined below under “*Original issue discount — General*”), will be taxable to a U.S. Holder as ordinary income at the time it is received or accrued, depending on the U.S. holder’s method of accounting for U.S. federal income tax purposes, reduced by the allocable amount of amortisable bond premium, subject to the discussion below. Interest paid by the Issuer on the Notes and original issue discount (“**OID**”), if any, accrued in respect of the Notes (as described below under “*Original issue discount*”) generally will constitute income from sources outside the United States. Prospective purchasers should consult their tax advisers concerning the applicability of the foreign tax credit and source of income rules to income attributable to the Notes.

Original issue discount

General

The following is a summary of the principal U.S. federal income tax consequences of the ownership of Notes issued with OID.

A Note, other than a Note with a term of one year or less (a **“Short-Term Note”**), will be treated as issued with OID (a **“Discount Note”**) if the excess of the Note’s “stated redemption price at maturity” over its issue price is equal to or more than a *de minimis* amount (0.25 per cent. of the Note’s stated redemption price at maturity multiplied by the number of complete years to its maturity). An obligation that provides for the payment of amounts other than qualified stated interest before maturity (an “instalment obligation”) will be treated as a Discount Note if the excess of the Note’s stated redemption price at maturity over its issue price is equal to or greater than 0.25 per cent. of the Note’s stated redemption price at maturity multiplied by the weighted average maturity of the Note. A Note’s weighted average maturity is the sum of the following amounts determined for each payment on a Note (other than a payment of qualified stated interest): (a) the number of complete years from the issue date until the payment is made multiplied by (b) a fraction, the numerator of which is the amount of the payment and the denominator of which is the Note’s stated redemption price at maturity. Generally, the issue price of a Note will be the first price at which a substantial amount of Notes included in the issue of which the Note is a part is sold to persons other than bond houses, brokers, or similar persons or organisations acting in the capacity of underwriters, placement agents, or wholesalers. The stated redemption price at maturity of a Note is the total of all payments provided by the Note that are not payments of **“qualified stated interest”**. A qualified stated interest payment is generally any one of a series of stated interest payments on a Note that are unconditionally payable at least annually at a single fixed rate (with certain exceptions for lower rates paid during some periods), or a variable rate (in the circumstances described below under *“—Variable Rate Notes”*), applied to the outstanding principal amount of the Note. Solely for the purposes of determining whether a Note has OID, the Issuer will be deemed to exercise any call option that has the effect of decreasing the yield on the Note and the U.S. Holder will be deemed to exercise any put option that has the effect of increasing the yield on the Note.

U.S. Holders of Discount Notes must include OID in income calculated on a constant-yield method before the receipt of cash attributable to the income, and generally will have to include in income increasingly greater amounts of OID over the life of the Discount Notes. The amount of OID includible in income by a U.S. Holder of a Discount Note is the sum of the daily portions of OID in respect of the Discount Note for each day during the taxable year or portion of the taxable year on which the U.S. Holder holds the Discount Note. The daily portion is determined by allocating to each day in any “accrual period” a pro rata portion of the OID allocable to that accrual period. Accrual periods in respect of a Note may be of any length selected by the U.S. Holder and may vary in length over the term of the Note as long as (a) no accrual period is longer than one year and (b) each scheduled payment of interest or principal on the Note occurs on either the final or first day of an accrual period. The amount of OID allocable to an accrual period equals the excess of (i) the product of the Discount Note’s adjusted issue price at the beginning of the accrual period and the Discount Note’s yield to maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) over (ii) the sum of the payments of qualified stated interest on the Note allocable to the accrual period. The “adjusted issue price” of a Discount Note at the beginning of any accrual period is the issue price of the Note increased by (x) the amount of accrued OID for each prior accrual period and decreased by (y) the amount of any payments previously made on the Note that were not qualified stated interest payments.

Acquisition premium

A U.S. Holder that purchases a Discount Note for an amount less than or equal to the sum of all amounts payable on the Note after the purchase date, other than payments of qualified stated interest, but in excess of its adjusted issue price (any such excess being **“acquisition premium”**) and that does not make the election described below under *“Election to treat all interest as original issue discount”* is permitted to reduce the daily portions of OID by a fraction, the numerator of which is the excess of the U.S. Holder’s adjusted basis in the Note immediately after its purchase over the Note’s adjusted issue price, and the denominator of which is the excess of the sum of all amounts payable on the Note after the purchase date, other than payments of qualified stated interest, over the Note’s adjusted issue price.

Short-Term Notes

In general, an individual or other cash basis U.S. Holder of a Short-Term Note is not required to accrue OID (as specially defined above for the purposes of this paragraph) for U.S. federal income tax purposes unless it elects to do so (but may be required to include any stated interest in income as the interest is received). Accrual basis U.S. Holders and certain other U.S. Holders are required to accrue OID on Short-Term Notes on a straight-line basis or, if the U.S. Holder so elects, under the constant-yield method (based on daily compounding). In the case of a U.S. Holder not required and not electing to include OID in income currently, any gain realised on the sale or retirement of the Short-Term Note will be ordinary income to the extent of the OID accrued on a straight-line basis (unless an election is made to accrue the OID under the constant-yield method) through the date of sale or retirement. U.S. Holders who are not required and do not elect to accrue OID on Short-Term Notes will be required to defer deductions for interest on borrowings allocable to Short-Term Notes in an amount not exceeding the deferred income until the deferred income is realised.

For purposes of determining the amount of OID subject to these rules, all interest payments on a Short-Term Note are included in the Short-Term Note's stated redemption price at maturity. A U.S. Holder may elect to determine OID on a Short-Term Note as if the Short-Term Note had been originally issued to the U.S. Holder at the U.S. Holder's purchase price for the Short-Term Note. This election will apply to all obligations with a maturity of one year or less acquired by the U.S. Holder on or after the first day of the first taxable year to which the election applies, and may not be revoked without the consent of the IRS.

Fungible issue

The Issuer may, without the consent of the holders of outstanding Notes, issue additional Notes with identical terms. These additional Notes, even if they are treated for non-tax purposes as part of the same series as the original Notes, in some cases may be treated as a separate series for U.S. federal income tax purposes. In such a case, among other things, the additional Notes may be considered to have been issued with OID even if the original Notes had no OID, or the additional Notes may have a greater amount of OID than the original Notes. These differences may affect the market value of the original Notes if the additional Notes are not otherwise distinguishable from the original Notes.

Market discount

A Note, other than a Short-Term Note, generally will be treated as purchased at a market discount (a "**Market Discount Note**") if the Note's stated redemption price at maturity or, in the case of a Discount Note, the Note's "revised issue price", exceeds the amount for which the U.S. Holder purchased the Note by at least 0.25 per cent. of the Note's stated redemption price at maturity or revised issue price, respectively, multiplied by the number of complete years to the Note's maturity (or, in the case of a Note that is an instalment obligation, the Note's weighted average maturity). If this excess is not sufficient to cause the Note to be a Market Discount Note, then the excess constitutes "*de minimis* market discount". For this purpose, the "revised issue price" of a Note generally equals its issue price, increased by the amount of any OID that has accrued on the Note and decreased by the amount of any payments previously made on the Note that were not qualified stated interest payments.

Any gain recognised on the sale or retirement of a Market Discount Note (including any payment on a Note that is not qualified stated interest) generally will be treated as ordinary income to the extent of the accrued market discount on the Note. Alternatively, a U.S. Holder of a Market Discount Note may avoid such treatment by electing to include market discount in income currently over the life of the Note. This election applies to all debt instruments with market discount acquired by the electing U.S. Holder on or after the first day of the first taxable year for which the election is made. This election may not be revoked without the consent of the IRS. A U.S. Holder of a Market Discount Note that does not elect to include market discount in income currently may be required to defer deductions for interest on borrowings incurred to purchase or carry a Market Discount Note. Such interest is deductible when paid or incurred to the extent of income from the Note for the year. If the interest expense exceeds such income, such excess is currently

deductible only to the extent that such excess exceeds the portion of the market discount allocable to the days during the taxable year on which such Note was held by the U.S. Holder.

Market discount will accrue on a straight-line basis unless the U.S. Holder elects to accrue the market discount on a constant-yield method. This election applies only to the Market Discount Note in respect of which it is made and is irrevocable.

Variable Rate Notes

Notes that provide for interest at variable rates (“**Variable Rate Notes**”) generally will bear interest at a “qualified floating rate” and thus will be treated as “variable rate debt instruments” under Treasury regulations governing accrual of OID. A Variable Rate Note will qualify as a “variable rate debt instrument” if (a) its issue price does not exceed the total non-contingent principal payments due under the Variable Rate Note by equal to or more than a specified *de minimis* amount, (b) it provides for stated interest, paid or compounded at least annually, at (i) one or more qualified floating rates, (ii) a single fixed rate and one or more qualified floating rates, (iii) a single objective rate or (iv) a single fixed rate and a single objective rate that is a qualified inverse floating rate and (c) it does not provide for any principal payments that are contingent (other than as described in sub-paragraph (a) above).

A “qualified floating rate” is any variable rate where variations in the value of the rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the Variable Rate Note is denominated. A fixed multiple of a qualified floating rate will constitute a qualified floating rate only if the multiple is greater than 0.65 but not more than 1.35. A variable rate equal to the product of a qualified floating rate and a fixed multiple that is greater than 0.65 but not more than 1.35, increased or decreased by a fixed rate, will also constitute a qualified floating rate. In addition, two or more qualified floating rates that can reasonably be expected to have approximately the same values throughout the term of the Variable Rate Note (e.g. two or more qualified floating rates with values within 25 basis points of each other as determined on the Variable Rate Note’s issue date) will be treated as a single qualified floating rate. Notwithstanding the foregoing, a variable rate that would otherwise constitute a qualified floating rate but which is subject to one or more restrictions such as a maximum numerical limitation (i.e. a cap) or a minimum numerical limitation (i.e. a floor) may, under certain circumstances, fail to be treated as a qualified floating rate.

An “objective rate” is a rate that is not itself a qualified floating rate but which is determined using a single fixed formula and which is based on objective financial or economic information (e.g. one or more qualified floating rates or the yield of actively traded personal property). A rate will not qualify as an objective rate if it is based on information that is within the control of the Issuer (or a related party) or that is unique to the circumstances of the Issuer (or a related party), such as dividends, profits or the value of the Issuer’s stock (although a rate does not fail to be an objective rate merely because it is based on the credit quality of the Issuer). Other variable interest rates may be treated as objective rates if so designated by the IRS in the future. Despite the foregoing, a variable rate of interest on a Variable Rate Note will not constitute an objective rate if it is reasonably expected that the average value of the rate during the first half of the Variable Rate Note’s term will be either significantly less than or significantly greater than the average value of the rate during the final half of the Variable Rate Note’s term. A “qualified inverse floating rate” is any objective rate where the rate is equal to a fixed rate minus a qualified floating rate, as long as variations in the rate can reasonably be expected to inversely reflect contemporaneous variations in the qualified floating rate. If a Variable Rate Note provides for stated interest at a fixed rate for an initial period of one year or less followed by a variable rate that is either a qualified floating rate or an objective rate for a subsequent period and if the variable rate on the Variable Rate Note’s issue date is intended to approximate the fixed rate (e.g. the value of the variable rate on the issue date does not differ from the value of the fixed rate by more than 25 basis points), then the fixed rate and the variable rate together will constitute either a single qualified floating rate or objective rate, as the case may be.

A qualified floating rate or objective rate in effect at any time during the term of the instrument must be set at a “current value” of that rate. A “current value” of a rate is the value of the rate on any day that is no earlier than three months prior to the first day on which that value is in effect and no later than one year following that first day.

If a Variable Rate Note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof qualifies as a “variable rate debt instrument”, then any stated interest on the Note which is unconditionally payable in cash or property (other than debt instruments of the Issuer) at least annually will constitute qualified stated interest and will be taxed accordingly. Thus, a Variable Rate Note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof and that qualifies as a “variable rate debt instrument” will generally not be treated as having been issued with OID unless the Variable Rate Note is issued at a “true” discount (i.e. at a price below the Note’s stated principal amount) equal to or in excess of a specified *de minimis* amount. OID on a Variable Rate Note arising from “true” discount is allocated to an accrual period using the constant yield method described above by assuming that the variable rate is a fixed rate equal to (a) in the case of a qualified floating rate or qualified inverse floating rate, the value, as of the issue date, of the qualified floating rate or qualified inverse floating rate or (b) in the case of an objective rate (other than a qualified inverse floating rate), a fixed rate that reflects the yield that is reasonably expected for the Variable Rate Note.

In general, any other Variable Rate Note that qualifies as a “variable rate debt instrument” will be converted into an “equivalent” fixed rate debt instrument for purposes of determining the amount and accrual of OID and qualified stated interest on the Variable Rate Note. Such a Variable Rate Note must be converted into an “equivalent” fixed rate debt instrument by substituting any qualified floating rate or qualified inverse floating rate provided for under the terms of the Variable Rate Note with a fixed rate equal to the value of the qualified floating rate or qualified inverse floating rate, as the case may be, as of the Variable Rate Note’s issue date. Any objective rate (other than a qualified inverse floating rate) provided for under the terms of the Variable Rate Note is converted into a fixed rate that reflects the yield that is reasonably expected for the Variable Rate Note. In the case of a Variable Rate Note that qualifies as a “variable rate debt instrument” and provides for stated interest at a fixed rate in addition to either one or more qualified floating rates or a qualified inverse floating rate, the fixed rate is initially converted into a qualified floating rate (or a qualified inverse floating rate, if the Variable Rate Note provides for a qualified inverse floating rate). Under these circumstances, the qualified floating rate or qualified inverse floating rate that replaces the fixed rate must be such that the fair market value of the Variable Rate Note as of the Variable Rate Note’s issue date is approximately the same as the fair market value of an otherwise identical debt instrument that provides for either the qualified floating rate or qualified inverse floating rate rather than the fixed rate. Subsequent to converting the fixed rate into either a qualified floating rate or a qualified inverse floating rate, the Variable Rate Note is converted into an “equivalent” fixed rate debt instrument in the manner described above.

Once the Variable Rate Note is converted into an “equivalent” fixed rate debt instrument pursuant to the foregoing rules, the amount of OID and qualified stated interest, if any, are determined for the “equivalent” fixed rate debt instrument by applying the general OID rules to the “equivalent” fixed rate debt instrument and a U.S. Holder of the Variable Rate Note will account for the OID and qualified stated interest as if the U.S. Holder held the “equivalent” fixed rate debt instrument. In each accrual period, appropriate adjustments will be made to the amount of qualified stated interest or OID assumed to have been accrued or paid in respect of the “equivalent” fixed rate debt instrument in the event that these amounts differ from the actual amount of interest accrued or paid on the Variable Rate Note during the accrual period.

If a Variable Rate Note, such as a Note the payments on which are determined by reference to an index, does not qualify as a “variable rate debt instrument”, then the Variable Rate Note will be treated as a

contingent payment debt obligation. See “—*Contingent payment debt instruments*” below for a discussion of the U.S. federal income tax treatment of such Notes.

Notes purchased at a premium

A U.S. Holder that purchases a Note for an amount in excess of its principal amount, or for a Discount Note, its stated redemption price at maturity, may elect to treat the excess as “amortisable bond premium”, in which case the amount required to be included in the U.S. Holder’s income each year in respect of interest on the Note will be reduced by the amount of amortisable bond premium allocable (based on the Note’s yield to maturity) to that year. Any election to amortise bond premium will apply to all bonds (other than bonds the interest on which is excludable from gross income for U.S. federal income tax purposes) held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and is irrevocable without the consent of the IRS. See also “—*Election to treat all interest as original issue discount*” below.

Election to treat all interest as original issue discount

A U.S. Holder may elect to include in gross income all interest that accrues on a Note using the constant-yield method described above under “*General*”, with certain modifications. For purposes of this election, interest includes stated interest, OID, *de minimis* OID, market discount, *de minimis* market discount and unstated interest, as adjusted by any amortisable bond premium (described above under “—*Notes purchased at a premium*”) or acquisition premium. This election will generally apply only to the Note in respect of which it is made and may not be revoked without the consent of the IRS. If the election to apply the constant-yield method to all interest on a Note is made in respect of a Market Discount Note, the electing U.S. Holder will be treated as having made the election discussed above under “—*Market discount*” to include market discount in income currently over the life of all debt instruments with market discount that are acquired on or after the first day of the first taxable year to which the election applies. U.S. Holders should consult their tax advisers concerning the propriety and consequences of this election.

Contingent payment debt instruments

Certain Series or Tranches of Notes may be treated as “contingent payment debt instruments” for U.S. federal income tax purposes (“**Contingent Notes**”). Under applicable U.S. Treasury regulations, interest on Contingent Notes will be treated as OID and must be accrued on a constant-yield basis based on a yield to maturity that reflects the rate at which the Issuer would issue a comparable fixed-rate non-exchangeable instrument (the “**comparable yield**”), in accordance with a projected payment schedule. This projected payment schedule must include each non-contingent payment on the Contingent Notes and an estimated amount for each contingent payment, and must produce the comparable yield.

The Issuer is required to provide to holders, solely for U.S. federal income tax purposes, a schedule of the projected amounts of payments on Contingent Notes. This schedule must produce the comparable yield. The comparable yield and projected payment schedule will be available from the Issuer by submitting a written request for such information to Rabobank, Croeselaan 18, 3521 CB Utrecht, the Netherlands.

THE COMPARABLE YIELD AND PROJECTED PAYMENT SCHEDULE WILL NOT BE DETERMINED FOR ANY PURPOSE OTHER THAN FOR THE DETERMINATION OF INTEREST ACCRUALS AND ADJUSTMENTS THEREOF IN RESPECT OF CONTINGENT NOTES FOR U.S. FEDERAL INCOME TAX PURPOSES AND WILL NOT CONSTITUTE A PROJECTION OR REPRESENTATION REGARDING THE ACTUAL AMOUNTS PAYABLE TO THE HOLDERS OF THE NOTES.

The use of the comparable yield and the calculation of the projected payment schedule will be based upon a number of assumptions and estimates and will not be a prediction, representation or guarantee of the actual amounts of interest that may be paid to a U.S. Holder or the actual yield of the Contingent Notes. A U.S. Holder will generally be bound by the comparable yield and the projected payment schedule determined by the Issuer, unless the U.S. Holder determines its own comparable yield and projected

payment schedule and explicitly discloses such schedule to the IRS, and explains to the IRS the reason for preparing its own schedule. The Issuer's determination, however, is not binding on the IRS, and it is possible that the IRS could conclude that some other comparable yield or projected payment schedule should be used instead.

A U.S. Holder of a Contingent Note will generally be required to include OID in income pursuant to the rules discussed in the third paragraph under "*—General*" above, applied to the projected payment schedule. The "adjusted issue price" of a Contingent Note at the beginning of any accrual period is the issue price of the Note increased by the amount of accrued OID for each prior accrual period and decreased by the projected amount of any payments on the Note. No additional income will be recognised upon the receipt of payments of stated interest in amounts equal to the annual payments included in the projected payment schedule described above. Any differences between actual payments received by the U.S. Holder on the Notes in a taxable year and the projected amount of those payments will be accounted for as additional interest (in the case of a positive adjustment) or as an offset to interest income in respect of the Note (in the case of a negative adjustment), for the taxable year in which the actual payment is made. If the negative adjustment for any taxable year exceeds the amount of OID on the Contingent Note for that year, the excess will be treated as an ordinary loss, but only to the extent the U.S. Holder's total OID inclusions on the Contingent Note exceed the total amount of any ordinary loss in respect of the Contingent Note claimed by the U.S. Holder under this rule in prior taxable years. Any negative adjustment that is not allowed as an ordinary loss for the taxable year is carried forward to the next taxable year and is taken into account in determining whether the U.S. Holder has a net positive or negative adjustment for that year. However, any negative adjustment that is carried forward to a taxable year in which the Contingent Note is sold, exchanged or retired, to the extent not applied to OID accrued for such year, reduces the U.S. Holder's amount realised on the sale, exchange or retirement.

Substitution of Issuer

The terms of the Notes provide that, in certain circumstances, the obligations of the Issuer under the Notes may be assumed by another entity. Any such assumption might be treated for U.S. federal income tax purposes as a deemed disposition of Notes by a U.S. Holder in exchange for new notes issued by the new obligor. As a result of this deemed disposition, a U.S. Holder could be required to recognise capital gain or loss for U.S. federal income tax purposes equal to the difference, if any, between the issue price of the new notes (as determined for U.S. federal income tax purposes) and the U.S. Holder's tax basis in the Notes. U.S. Holders should consult their tax advisers concerning the U.S. federal income tax consequences to them of a change in obligor in respect of the Notes.

Purchase, sale and retirement of Notes

Notes other than Contingent Notes

A U.S. Holder generally will recognise gain or loss on the sale or retirement of a Note equal to the difference between the amount realised on the sale or retirement and the U.S. Holder's adjusted tax basis in the Note. A U.S. Holder's tax adjusted basis in a Note will generally be its cost, increased by the amount of any OID or market discount included in the U.S. Holder's income in respect of the Note and the amount, if any, of income attributable to *de minimis* OID and *de minimis* market discount included in the U.S. Holder's income in respect of the Note, and reduced by (a) the amount of any payments that are not qualified stated interest payments and (b) the amount of any amortisable bond premium applied to reduce interest on the Note.

The amount realised does not include the amount attributable to accrued but unpaid interest, which will be taxable as interest income to the extent not previously included in income. Except to the extent described above under "*—Original issue discount, — Market discount*" or "*—Original issue discount – Short-Term Notes*" or attributable to changes in exchange rates (as discussed below), gain or loss recognised on the sale or retirement of a Note will be capital gain or loss and will be long-term capital gain or loss if the U.S.

Holder's holding period in the Notes exceeds one year. Gain or loss realised by a U.S. Holder on the sale or retirement of a Note generally will be U.S. source.

Contingent Notes

Gain from the sale or retirement of a Contingent Note will be treated as interest income taxable at ordinary income (rather than capital gains) rates. Any loss will be ordinary loss to the extent that the U.S. Holder's total interest inclusions to the date of sale or retirement exceed the total net negative adjustments that the U.S. Holder took into account as ordinary loss, and any further loss will be capital loss. Gain or loss realised by a U.S. Holder on the sale or retirement of a Contingent Note will generally be foreign source.

A U.S. Holder's tax basis in a Contingent Note will generally be equal to its cost, increased by the amount of interest previously accrued in respect of the Note (determined without regard to any positive or negative adjustments reflecting the difference between actual payments and projected payments), increased or decreased by the amount of any positive or negative adjustment that the U.S. Holder is required to make to account for the difference between the U.S. Holder's purchase price for the Note and the adjusted issue price of the Note at the time of the purchase, and decreased by the amount of any projected payments scheduled to be made on the Note to the U.S. Holder through such date (without regard to the actual amount paid).

Foreign currency Notes**Interest**

If an interest payment is denominated in, or determined by reference to, a foreign currency, the amount of income recognised by a cash basis U.S. Holder will be the U.S. Dollar value of the interest payment, based on the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. Dollars.

An accrual basis U.S. Holder may determine the amount of income recognised in respect of an interest payment denominated in, or determined by reference to, a foreign currency in accordance with either of two methods. Under the first method, the amount of income accrued will be based on the average exchange rate in effect during the interest accrual period (or, in the case of an accrual period that spans two taxable years of a U.S. Holder, the part of the period within each taxable year).

Under the second method, the U.S. Holder may elect to determine the amount of income accrued on the basis of the exchange rate in effect on the last day of the accrual period (or, in the case of an accrual period that spans two taxable years, the exchange rate in effect on the last day of the part of the period within each taxable year). Additionally, if a payment of interest is actually received within five business days of the last day of the accrual period, an electing accrual basis U.S. Holder may instead translate the accrued interest into U.S. Dollars at the exchange rate in effect on the day of actual receipt. Any such election will apply to all debt instruments held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and will be irrevocable without the consent of the IRS.

Upon receipt of an interest payment (including a payment attributable to accrued but unpaid interest upon the sale or retirement of a Note) denominated in, or determined by reference to, a foreign currency, the accrual basis U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. Dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. Dollars.

OID

OID for each accrual period on a Discount Note that is denominated in, or determined by reference to, a foreign currency will be determined in the foreign currency and then translated into U.S. Dollars in the

same manner as stated interest accrued by an accrual basis U.S. Holder, as described above. Upon receipt of an amount attributable to OID (whether in connection with a payment on the Note or a sale or disposition of the Note), a U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. Dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. Dollars.

Market discount

Market discount on a Note that is denominated in, or determined by reference to, a foreign currency, will be accrued in the foreign currency. If the U.S. Holder elects to include market discount in income currently, the accrued market discount will be translated into U.S. Dollars at the average exchange rate for the accrual period (or portion thereof within the U.S. Holder's taxable year). Upon the receipt of an amount attributable to accrued market discount, the U.S. Holder may recognise U.S. source exchange gain or loss (which will be taxable as ordinary income or loss) determined in the same manner as for accrued interest or OID. A U.S. Holder that does not elect to include market discount in income currently will recognise, upon the sale or retirement of the Note, the U.S. Dollar value of the amount accrued, calculated at the spot rate on that date, and no part of this accrued market discount will be treated as exchange gain or loss.

Bond premium

Bond premium (including acquisition premium) on a Note that is denominated in, or determined by reference to, a foreign currency will be computed in units of the foreign currency, and any such bond premium that is taken into account currently will reduce interest income (or OID) in units of the foreign currency. On the date bond premium offsets interest income (or OID), a U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the amount offset multiplied by the difference between the spot rate in effect on the date of the offset, and the spot rate in effect on the date the Notes were acquired by the U.S. Holder. A U.S. Holder that does not elect to take bond premium (other than acquisition premium) into account currently will recognise a market loss when the Note matures.

Foreign Currency Contingent Notes

Special rules apply to determine the accrual of OID, and the amount, timing, source and character of any gain or loss on a Contingent Note that is denominated in, or determined by reference to, a foreign currency (a "**Foreign Currency Contingent Note**"). The rules applicable to Foreign Currency Contingent Notes are complex, and U.S. Holders are urged to consult their tax advisers concerning the application of these rules.

Under these rules, a U.S. Holder of a Foreign Currency Contingent Note will generally be required to accrue OID in the foreign currency in which the Foreign Currency Contingent Note is denominated (a) at a yield at which the Issuer would issue a fixed rate debt instrument denominated in the same foreign currency with terms and conditions similar to those of the Foreign Currency Contingent Note and (b) in accordance with a projected payment schedule determined by the Issuer, under rules similar to those described above under "*Original issue discount – Contingent payment debt instruments*". The amount of OID on a Foreign Currency Contingent Note that accrues in any accrual period will be the product of the comparable yield of the Foreign Currency Contingent Note (adjusted to reflect the length of the accrual period) and the adjusted issue price of the Foreign Currency Contingent Note. The adjusted issue price of a Foreign Currency Contingent Note will generally be determined under the rules described above, and will be denominated in the foreign currency of the Foreign Currency Contingent Note.

OID on a Foreign Currency Contingent Note will be translated into U.S. Dollars under translation rules similar to those described above under "*Foreign currency notes – Interest*". Any positive adjustment (i.e. the excess of actual payments over projected payments) in respect of a Foreign Currency Contingent Note for a taxable year will be 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 on which the Foreign Currency Contingent Note is disposed of. The amount of any negative adjustment on a Foreign Currency Contingent Note (i.e.

the excess of projected payments over actual payments) that is offset against accrued but unpaid OID will be translated into U.S. Dollars at the same rate at which the OID was accrued. To the extent a net negative adjustment exceeds the amount of accrued but unpaid OID, the negative adjustment will be treated as offsetting OID that has accrued and been paid on the Foreign Currency Contingent Note, and will be translated into U.S. Dollars at the spot rate on the date the Foreign Currency Contingent Note was issued. Any net negative adjustment carry forward will be carried forward in the relevant foreign currency.

Sale or retirement

Notes other than Foreign Currency Contingent Notes

As discussed above under “—*Purchase, sale and retirement of Notes*”, a U.S. Holder will generally recognise gain or loss on the sale or retirement of a Note equal to the difference between the amount realised on the sale or retirement and its tax basis in the Note. A U.S. Holder’s tax basis in a Note that is denominated in a foreign currency will be determined by reference to the U.S. Dollar cost of the Note. The U.S. Dollar cost of a Note purchased with foreign currency will generally be the U.S. Dollar value of the purchase price on the date of purchase, or the settlement date for the purchase, in the case of Notes traded on an established securities market, within the meaning of the applicable U.S. Treasury regulations, that are purchased by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects).

The amount realised on a sale or retirement for an amount in foreign currency will be the U.S. Dollar value of this amount on the date of sale or retirement, or the settlement date for the sale, in the case of Notes traded on an established securities market, within the meaning of the applicable U.S. Treasury regulations, sold by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects). Such an election by an accrual basis U.S. Holder must be applied consistently from year to year and cannot be revoked without the consent of the IRS.

A U.S. Holder will recognise U.S. source exchange rate gain or loss (taxable as ordinary income or loss) on the sale or retirement of a Note generally equal to the difference, if any, between the U.S. Dollar values of the U.S. Holder’s purchase price for the Note (as adjusted for amortised bond premium, if any) (i) on the date of sale or retirement and (ii) the date on which the U.S. Holder acquired the Note. Any such exchange rate gain or loss will be realised only to the extent of total gain or loss realised on the sale or retirement (including any exchange gain or loss in respect of the receipt of accrued but unpaid interest).

Foreign Currency Contingent Notes

Upon a sale, exchange or retirement of a Foreign Currency Contingent Note, a U.S. Holder will generally recognise taxable gain or loss equal to the difference between the amount realised on the sale, exchange or retirement and the U.S. Holder’s tax basis in the Foreign Currency Contingent Note, both translated into U.S. Dollars as described below. A U.S. Holder’s tax basis in a Foreign Currency Contingent Note will equal (a) the cost thereof (translated into U.S. Dollars at the spot rate on the issue date), (b) increased by the amount of OID previously accrued on the Foreign Currency Contingent Note (disregarding any positive or negative adjustments and translated into U.S. Dollars using the exchange rate applicable to such OID) and (c) decreased by the projected amount of all prior payments in respect of the Foreign Currency Contingent Note. The U.S. Dollar amount of the projected payments described in clause (c) of the preceding sentence is determined by (x) first allocating the payments to the most recently accrued OID to which prior amounts have not already been allocated and translating those amounts into U.S. Dollars at the rate at which the OID was accrued and (y) then allocating any remaining amount to principal and translating such amount into U.S. Dollars at the spot rate on the date the Foreign Currency Contingent Note was acquired by the U.S. Holder. For this purpose, any accrued OID reduced by a negative adjustment carry forward will be treated as principal.

The amount realised by a U.S. Holder upon the sale, exchange or retirement of a Foreign Currency Contingent Note will equal the amount of cash and the fair market value (determined in foreign currency) of any property received. If a U.S. Holder holds a Foreign Currency Contingent Note until its scheduled

maturity, the U.S. Dollar equivalent of the amount realised will be determined by separating such amount realised into principal and one or more OID components, based on the principal and OID composing the U.S. Holder's basis, with the amount realised allocated first to OID (and allocated to the most recently accrued amounts first) and any remaining amounts allocated to principal. The U.S. Dollar equivalent of the amount realised upon a sale, exchange or unscheduled retirement of a Foreign Currency Contingent Note will be determined in a similar manner, but will first be allocated to principal and then any accrued OID (and will be allocated to the earliest accrued amounts first). Each component of the amount realised will be translated into U.S. Dollars using the exchange rate used in respect of the corresponding principal or accrued OID. The amount of any gain realised upon a sale, exchange or unscheduled retirement of a Foreign Currency Contingent Note will be equal to the excess of the amount realised over the holder's tax basis, both expressed in foreign currency, and will be translated into U.S. Dollars using the spot rate on the payment date. Gain from the sale or retirement of a Foreign Currency Contingent Note will generally be treated as interest income taxable at ordinary income (rather than capital gains) rates. Any loss will be ordinary loss to the extent that the U.S. Holder's total OID inclusions to the date of sale or retirement exceed the total net negative adjustments that the U.S. Holder took into account as ordinary loss, and any further loss will be capital loss. Gain or loss realised by a U.S. Holder on the sale or retirement of a Foreign Currency Contingent Note will generally be foreign source. Prospective purchasers should consult their tax advisers as to the foreign tax credit implications of the sale or retirement of Foreign Currency Contingent Notes.

A U.S. Holder will also recognise U.S. source exchange rate gain or loss (taxable as ordinary income or loss) on the receipt of foreign currency in respect of a Foreign Currency Contingent Note if the exchange rate in effect on the date the payment is received differs from the rate applicable to the principal or accrued OID to which such payment relates.

Disposition of foreign currency

Foreign currency received as interest on a Note or on the sale or retirement of a Note will have a tax basis equal to its U.S. Dollar value at the time the foreign currency is received. Foreign currency that is purchased will generally have a tax basis equal to the U.S. Dollar value of the foreign currency on the date of purchase. Any gain or loss recognised on a sale or other disposition of a foreign currency (including its use to purchase Notes or upon exchange for U.S. Dollars) will be U.S. source ordinary income or loss.

U.S. federal income tax treatment of certain Notes not treated as debt

The following summary may apply to certain Notes that are not treated as debt for U.S. federal income tax purposes. This summary does not discuss all types of Notes that may not be treated as debt for U.S. federal income tax purposes. The relevant Final Terms will specify if the discussion below will apply to a particular Series or Tranche of Notes. The U.S. federal income tax consequences of owning Notes that are not treated as debt for U.S. federal income tax purposes and are not described below will be discussed, as appropriate, in the relevant Final Terms.

Equity Notes

Certain Notes may be treated as equity in the Issuer for U.S. federal income tax purposes. The following discussion will apply to Notes that are characterised as equity of the Issuer ("**Equity Notes**").

Distributions on Equity Notes – general

Distributions paid by the Issuer in respect of Equity Notes out of current or accumulated earnings and profits (as determined for U.S. federal income tax purposes) will generally be taxable to a U.S. Holder as foreign source dividend income, and will not be eligible for the dividends received deduction allowed to corporations. Distributions in excess of current and accumulated earnings and profits will be treated as a non-taxable return of capital to the extent of the U.S. Holder's basis in the Equity Notes and thereafter as capital gain. However, the Issuer does not maintain calculations of its earnings and profits in accordance with U.S. federal income tax accounting principles. U.S. Holders should therefore assume that any

distribution by the Issuer in respect of Equity Notes will be reported as ordinary dividend income. U.S. Holders should consult their own tax advisers in respect of the appropriate U.S. federal income tax treatment of any distribution received from the Issuer in respect of Equity Notes.

Distributions paid by the Issuer will generally be taxable to a non-corporate U.S. Holder at the reduced rate normally applicable to long-term capital gains, provided the Issuer qualifies for the benefits of the Treaty and certain other requirements are met.

Foreign currency distributions

Distributions paid in a foreign currency will be included in income in a U.S. Dollar amount calculated by reference to the exchange rate in effect on the day the distributions are received by the U.S. Holder, regardless of whether the foreign currency is converted into U.S. Dollars at that time. If distributions received in a foreign currency are converted into U.S. Dollars on the day they are received, the U.S. Holder generally will not be required to recognise foreign currency gain or loss in respect of the distribution.

Sale or other disposition of Equity Notes

Upon a sale or other disposition of Equity Notes, a U.S. Holder generally will recognise capital gain or loss for U.S. federal income tax purposes equal to the difference, if any, between the amount realised on the sale or other disposition and the U.S. Holder's adjusted tax basis in the Equity Notes. A U.S. Holder may realise gain on Equity Notes not only through a sale or other disposition, but also by pledging the Equity Notes as security for a loan or entering into certain constructive disposition transactions. This capital gain or loss generally will be long-term capital gain or loss if the U.S. Holder's holding period in the Equity Notes exceeds one year. However, regardless of a U.S. Holder's actual holding period, any loss may be long-term capital loss to the extent the U.S. Holder receives a dividend that qualifies for the reduced rate described above under "*Distributions on Equity Notes – general*" and exceeds 5 per cent. of the U.S. Holder's basis in its Equity Notes in the case of Equity Notes that are preferred as to dividends and 10 per cent. in any other case. U.S. Holders should consult their own tax advisers in respect of the appropriate U.S. federal income tax treatment of any distribution received from the Issuer. Any gain or loss will generally be U.S. source.

A U.S. Holder's tax basis in an Equity Note will generally be its U.S. Dollar cost. The U.S. Dollar cost of an Equity Note purchased with foreign currency will generally be the U.S. Dollar value of the purchase price on the date of purchase, or the settlement date for the purchase, in the case of Equity Notes traded on an established securities market, as defined in the applicable U.S. Treasury regulations, that are purchased by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects). Such an election by an accrual basis U.S. Holder must be applied consistently from year to year and cannot be revoked without the consent of the IRS.

The amount realised on a sale or other disposition of Equity Notes for an amount in foreign currency will be the U.S. Dollar value of this amount on the date of sale or disposition. On the settlement date, the U.S. Holder will recognise U.S. source foreign currency gain or loss (taxable as ordinary income or loss) equal to the difference (if any) between the U.S. Dollar value of the amount received based on the exchange rates in effect on the date of sale or other disposition and the settlement date. However, in the case of Equity Notes traded on an established securities market that are sold by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects), the amount realised will be based on the exchange rate in effect on the settlement date for the sale, and no exchange gain or loss will be recognised at that time.

Disposition of foreign currency

Foreign currency received on the sale or other disposition of an Equity Note will have a tax basis equal to its U.S. Dollar value on the settlement date. Foreign currency that is purchased will generally have a tax basis equal to the U.S. Dollar value of the foreign currency on the date of purchase. Any gain or loss

recognised on a sale or other disposition of a foreign currency (including its use to purchase Equity Notes or upon exchange for U.S. Dollars) will be U.S. source ordinary income or loss.

Forward Notes

General

A Note that provides for a payment in redemption at maturity that is based on the value of one or more Underlyings (whether physically settled by delivery of those Underlyings or settled in cash) and does not provide for a current coupon may be identified as a “**Forward Note**” by the Issuer in the relevant Final Terms. A U.S. Holder of a Forward Note would generally be subject to the U.S. federal income tax consequences discussed below.

In Notice 2008-2, the IRS and the U.S. Department of Treasury announced they were considering whether the holder of an instrument such as a Forward Note should be required to accrue ordinary income on a current basis, whether additional gain or loss from Forward Notes should be treated as ordinary or capital, whether non-U.S. holders of Forward Notes should be subject to withholding tax on any deemed income accruals, and whether the special “constructive ownership rules” of Section 1260 of the Code might be applied to Forward Notes. Legislation has also been proposed in Congress that would require the holders of certain prepaid forward contracts to accrue income during the term of the transaction. It is not possible to predict the final form of legislative or regulatory changes that might affect holders of instruments such as the Forward Notes, if any, but it is possible that any such changes could be applied retroactively. U.S. Holders are urged to consult their tax advisers concerning the significance, and the potential impact, of the above considerations. The Issuer intends to continue treating the Forward Notes for U.S. federal income tax purposes in accordance with the treatment described below unless and until such time as Congress, the Treasury, and/or the IRS determine that some alternative treatment is more appropriate.

Characterisation

A Forward Note should constitute a prepaid forward contract for U.S. federal income tax purposes. Under current law, U.S. Holders should not be required to recognise income or loss upon the acquisition of a Note, and U.S. Holders should not be required to accrue income in respect of a Note over the life of the Note.

Purchase, sale and retirement

A U.S. Holder will recognise gain or loss on the sale or retirement for cash of a Forward Note equal to the difference between the amount of cash received upon sale or retirement and the U.S. Holder’s tax basis in the Note. A U.S. Holder’s tax basis in a Forward Note will generally be the Note’s U.S. Dollar cost. The U.S. Dollar cost of a Forward Note purchased with a foreign currency will generally be the U.S. Dollar value of the purchase price on the date of purchase increased by the nominal exercise price, if any, paid by the U.S. Holder. Except as provided under “—*Constructive ownership transactions*” below, any gain or loss recognised on the sale or retirement of a Forward Note will be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder’s holding period in the Note exceeds one year.

Upon a retirement of a Forward Note by physical delivery of the Underlyings, a U.S. Holder will not be required to recognise gain or loss at that time. A U.S. Holder will have a basis in the Underlyings equal to the U.S. Holder’s basis in the Forward Note. A U.S. Holder’s holding period in the Underlyings will not include the U.S. Holder’s holding period in the Forward Notes.

Constructive ownership transactions

To the extent that a Forward Note is treated as a “constructive ownership transaction”, any gain on disposition may be treated as ordinary income and an interest charge may be imposed on a deemed underpayment of tax for each taxable year during which the Note was held. For purposes of determining the interest charge, gain treated as ordinary income is allocated to each such taxable year during which

the Forward Note was held, so that the amount of gain accrued from each year to the next increases at a constant rate equal to the “applicable federal rate” (a rate published monthly by the IRS based on prevailing Treasury yields) in effect at the time the Note is sold or redeemed.

A Note could be treated in whole or in part as a constructive ownership transaction if the issuer of an Underlying and, if the Underlying is an index, possibly the issuer of any security included in that index is treated for U.S. federal income tax purposes as, among other things, a PFIC, a partnership, a trust, or a common trust fund.

The Issuer does not intend to determine whether the issuers of any Underlying in fact fall into any of these categories. Prospective purchasers should consult their tax advisers regarding the status of the Underlyings and the application of the constructive ownership transaction rules to ownership of the Note.

Option Notes

A Note that provides for a payment in redemption at maturity that may under certain circumstances be based on the value of one or more Underlyings (whether physically settled by delivery of those Underlyings or settled in cash) and also provides for a current coupon may be identified as an “**Option Note**” by the Issuer. The discussion below describes the U.S. federal income tax consequences to a U.S. Holder of holding Option Notes.

The treatment of Option Notes for U.S. federal income tax purposes is highly uncertain. It would be reasonable to treat the purchase of an Option Note by a U.S. Holder as a grant by the U.S. Holder to the Issuer of an option contract (the “**Put Option**”), pursuant to which the U.S. Holder may be required to purchase from the Issuer one or more of the Underlyings (or an amount equal to the value of the Underlyings in the case of a cash settled Option Note), and under which option (a) at the time of the issuance of the Option Note the U.S. Holder deposits irrevocably with the Issuer a fixed amount of cash to assure the fulfilment of the holder’s purchase obligation described below (the “**Deposit**”), (b) until maturity the Issuer will be obligated to pay interest to the U.S. Holder, as compensation for the use of the cash Deposit during the term of the Option Note, (c) the Issuer will be obligated to pay an option premium to the holder in consideration for granting the option (the “**Put Premium**”), which premium will be payable as part of the coupon payments, (d) if pursuant to the terms of the Option Notes at maturity the holder is obligated to purchase the Underlying(s), then the Deposit will be applied by the Issuer in full satisfaction of the holder’s purchase obligation under the Put Option, and the Issuer will deliver to the holder the number of Underlyings that the holder is entitled to receive at that time pursuant to the terms of the Notes (or, if the Option Notes are cash settled, a cash amount equal to the value of the Underlyings) and (e) if pursuant to the terms of the Option Notes the holder is not obligated to purchase the Underlyings at maturity, the Issuer will return the cash Deposit to the U.S. Holder at maturity. The discussion below assumes that an Option Note is so treated, except as explicitly provided.

Amounts paid to the Issuer in respect of the original issue of the Option Notes will be treated as allocable in their entirety to the amount of the cash Deposit attributable to such Notes. A portion of the coupon on the Notes (which coupon may be denominated entirely as stated interest) will be characterised as interest payable on the amount of such Deposit, includible in the income of a U.S. Holder as interest in the manner described below. A portion of the coupon will be characterised as Put Premium, includible in the income of a U.S. Holder in the manner described below. There is no assurance that the IRS will agree with this treatment, and alternative treatments of the Option Notes could result in less favourable U.S. federal income tax consequences to a holder, including a requirement to accrue income in respect of the Put Option on a current basis.

Interest payments

Interest payments on the Deposit will generally be included in the income of a U.S. Holder as interest at the time that such interest is accrued or received in accordance with such U.S. Holder’s method of accounting. If the Option Notes are issued at a discount or have a term of one year or less, U.S. Holders

will be subject to the rules discussed above under “— *U.S. Federal Income Tax Treatment of Notes Treated as Debt — Original issue discount*” in respect of interest or OID payable on the Deposit. Interest paid by the Issuer and OID, if any, accrued in respect of the Option Notes generally constitute income from sources outside the United States.

Payments of Put Premium

Payments of the Put Premium will not be included in the income of a U.S. Holder until sale or other taxable disposition of Option Notes or retirement of Option Notes for cash; if the Option Note is settled by delivery of Underlyings, the payments of Put Premium will instead be incorporated into the U.S. Holder's basis in such Underlyings. Upon the sale or other taxable disposition of Option Notes or at maturity, as the case may be, the Put Premium payment will be treated in the manner described below.

Retirement of an Option Note for cash

If the Put Option is deemed not to have been exercised at maturity, the cash payment of the full principal amount of the Option Note at maturity would likely be treated as (i) payment in full of the principal amount of the Deposit (which would likely not result in the recognition of gain or loss to an initial purchaser) and (ii) the lapse of the Put Option, which would likely result in a U.S. Holder's recognition of short-term capital gain in an amount equal to the Put Premium paid to the Holder.

If the Put Option is deemed to be exercised at maturity and is cash settled, the payment at maturity would likely be treated as (i) payment in full of the principal amount of the Deposit (resulting in neither gain nor loss for an initial purchaser) and (ii) the exercise by the Issuer of the Put Option. The exercise of the Put Option would result in short-term capital gain or loss to the U.S. Holder in an amount equal to the difference between (i) the sum of the cash received at maturity (other than amounts attributable to accrued but unpaid interest) and all previous payments of Put Premium and (ii) the holder's adjusted basis in the Deposit, as determined under “—*U.S. Federal Income Tax Treatment of Notes Treated as Debt — Purchase, sale and retirement of Notes*” above.

Other retirement of an Option Note

Delivery at maturity of Underlyings would likely be treated as (i) payment in full of the Deposit (resulting in neither gain nor loss for an initial purchaser) and (ii) the exercise by the Issuer of the Put Option and the U.S. Holder's purchase of the Underlyings for an amount equal to the principal amount of the Option Note. The U.S. Holder will have a tax basis in the Underlyings equal to the principal amount of the Option Notes less an amount equal to the aggregate amount of the Put Premium payments and less the portion of the tax basis of the Option Notes allocable to any fractional Underlying, as described in the next sentence. A U.S. Holder will recognise gain or loss (which will be treated as short-term capital gain or loss) in respect of cash received in lieu of fractional Underlyings, in an amount equal to the difference between the cash received and the portion of the basis of the Option Notes allocable to fractional Underlyings (based on the relative value of fractional Underlyings and full Underlyings delivered to the U.S. Holder). A U.S. Holder's holding period in the Underlyings received will not include the U.S. Holder's holding period in the Option Notes.

Sale or other taxable disposition of an Option Note prior to maturity

Upon the sale or other taxable disposition of an Option Note, a U.S. Holder should allocate the amount received between the Deposit and the Put Option on the basis of their respective values on the date of sale or other disposition. The U.S. Holder should generally recognise gain or loss in respect of the Deposit in an amount equal to the difference between the amount of the sales proceeds allocable to the Deposit and the U.S. Holder's adjusted tax basis in the Deposit (which will generally equal the issue price of the Option Note for an initial purchaser (as may be adjusted for any accrued OID on the Deposit)). Except to the extent attributable to accrued but unpaid interest, which will be taxed as such, this gain or loss will be long-term capital gain or loss if the U.S. Holder has held the Option Notes for more than one year. If the Put Option has a positive value on the date of a sale of the Option Note, the U.S. Holder should recognise

short-term capital gain equal to the portion of the sale proceeds allocable to the Put Option plus any previously received Put Premium. If the put option has a negative value on the date of sale, the U.S. Holder should be treated as having paid the buyer an amount equal to the negative value in order to assume the U.S. Holder's rights and obligations under the Put Option. In such a case, the U.S. Holder should recognise short-term capital gain or loss in an amount equal to the difference between the total Put Premium previously received and the amount of the payment deemed made by the U.S. Holder in respect of the assumption of the Put Option.

Foreign Currency Option Notes

Option Notes denominated in, or determined by reference to, a foreign currency ("**Foreign Currency Option Notes**") will be subject to special rules. Interest and OID denominated in, or determined by reference to, a foreign currency will generally be subject to the rules described in "*—U.S. Federal Income Tax Treatment of Notes Treated as Debt – Foreign currency notes*" above.

The treatment upon the sale, retirement or disposition of the Deposit, as described above, should also be governed by the rules described under "*—U.S. Federal Income Tax Treatment of Notes Treated as Debt – Foreign currency notes*" above, regardless of whether the Option Note is cash settled. A U.S. Holder will have a tax basis in any Underlyings received in an amount equal to the excess of the purchase price of the Option Note, translated into U.S. Dollars at the exchange rate in effect on the date of retirement, over the total premium payments received, with each premium likely translated into U.S. Dollars at the exchange rate in effect on the date that it is received. U.S. Holders should consult their tax advisers about the proper method for translating foreign currency in respect of an Option Note into U.S. Dollars.

Possible alternative characterisations

Due to the absence of authority as to the proper characterisation of the Option Notes, no assurance can be given that the IRS will accept, or that a court will uphold, the characterisation and tax treatment described above. It is possible, for example, that the IRS could maintain that amounts denominated as Put Premium (i) should be includible in the U.S. Holder's income as interest in the manner described above regarding the interest payment or (ii) should be included in a U.S. Holder's income even in a case where the Option Note is retired for Underlyings. Such treatment might arise, for example, if the IRS were successfully to maintain that amounts denominated as Put Premium (i) should be characterised for federal income tax purposes as interest or (ii) should be treated as a return on the U.S. Holder's investment in the Option Notes that constitutes income. Alternatively, the IRS could maintain that the Option Notes should be treated as contingent payment debt obligations, in which case the U.S. Holder would be treated as owning Contingent Notes (or Foreign Currency Contingent Notes), subject to the treatment discussed above under "*—U.S. Federal Income Tax Treatment of Notes Treated as Debt*".

Backup withholding and information reporting

In general, payments of interest and accruals of OID on, and the proceeds of a sale, redemption or other disposition of, the Notes, as well as dividends and other proceeds with respect to Equity Notes, by a U.S. paying agent or other U.S. intermediary, will be reported to the IRS and to the U.S. Holder as may be required under applicable regulations. Backup withholding will apply to these payments including payments of accrued OID if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or otherwise fails to comply with applicable certification requirements. Certain U.S. Holders are not subject to backup withholding. U.S. Holders should consult their tax advisers about these rules and any other reporting obligations that may apply to the ownership or disposition of Notes, including requirements related to the holding of certain "specified foreign financial assets".

Reportable transactions

A U.S. taxpayer that participates in a "reportable transaction" will be required to disclose its participation to the IRS. Under the relevant rules, if the Notes are denominated in a foreign currency, a U.S. Holder may be required to treat a foreign currency exchange loss from the Notes as a reportable transaction if this loss

exceeds the relevant threshold in the applicable U.S. Treasury regulations (USD 50,000 in a single taxable year, if the U.S. Holder is an individual or trust, or higher amounts for other non-individual U.S. Holders), and to disclose its investment by filing Form 8886 with the IRS. A penalty in the amount of USD 10,000 in the case of a natural person and USD 50,000 in all other cases is generally imposed on any taxpayer that fails to timely file an information return with the IRS in respect of a transaction resulting in a loss that is treated as a reportable transaction. Prospective purchasers are urged to consult their tax advisers regarding the application of these rules.

ERISA CONSIDERATIONS

The Notes are generally eligible for purchase by employee benefit plans subject to the fiduciary responsibility and prohibited transaction provisions of Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”), and/or the prohibited transaction rules of section 4975 of the Code (collectively, the “**Plans**”), and by governmental, church or non-U.S. plans that are subject to federal, state or local laws of the United States or non-U.S. laws that are substantially similar to such provisions of ERISA or section 4975 of the Code (“**Similar Law**”), subject to consideration of the issues described in this section.

Section 406 of ERISA and section 4975 of the Code prohibit certain transactions involving the assets of a Plan and any fiduciary, service provider or other person having certain relationships to such Plan (each is referred to as a party in interest or disqualified person), unless a statutory or administrative exemption applies to the transaction. A party in interest or disqualified person, including a Plan fiduciary, who engages in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and section 4975 of the Code.

The Issuer, the Dealer(s) or any other party to the transactions contemplated by this Base Prospectus as completed by any Final Terms may be parties in interest or disqualified persons with respect to many Plans from time to time. Prohibited transactions under ERISA or section 4975 of the Code may arise if any of the Notes are acquired or held by a Plan with respect to which the Issuer, the Fiscal Agent, the Dealer(s) or any other party to such transactions is a party in interest or a disqualified person. The Notes should not be acquired or held by any such Plan unless an exemption from such prohibited transaction rules applies, or by any governmental, church or non-U.S. plan subject to Similar Law unless the acquisition, holding and disposition of a Note will not result in any violation of Similar Law.

Certain exemptions from the prohibited transaction provisions of ERISA and section 4975 of the Code may apply, depending in part on the Plan fiduciary making the decision to acquire any Notes and the circumstances under which such decision is made. Included among these exemptions are section 408(b)(17) of ERISA and section 4975(d)(20) of the Code (relating to a transaction in which a Plan pays no more and receives no less than adequate consideration and involving a party in interest solely by reason of services provided to the Plan and neither it nor any of its affiliates is acting as a fiduciary with respect to assets involved in the transaction), Prohibited Transaction Class Exemption (“PTCE”) 91-38 (relating to investments by bank collective investment funds), PTCE 84-14 (relating to transactions effected by a qualified professional asset manager), PTCE 95-60 (relating to transactions involving insurance company general accounts), PTCE 90-1 (relating to investments by insurance company pooled separate accounts) and PTCE 96-23 (relating to transactions determined by in-house asset managers). There are no assurances that any of these exemptions or any other exemption will be available with respect to any particular transaction involving any Notes.

Governmental plans (as defined in section 3(32) of ERISA), certain church plans (as defined in section 3(33) of ERISA) and non-U.S. plans (as described in section 4(b)(4) of ERISA), while not subject to the fiduciary responsibility provisions of ERISA or the prohibited transaction provisions of section 406 of ERISA and section 4975 of the Code, may nevertheless be subject to Similar Law. Fiduciaries of any such plans should consult with their counsel before purchasing the Notes to determine the need for, if necessary, and the availability of, any exceptive relief under any Similar Law.

The U.S. Department of Labor has promulgated a regulation, 29 C.F.R. section 2510.3-101, as modified by section 3(42) of ERISA (the “**Plan Asset Regulation**”) describing what constitutes the assets of a Plan for purposes of ERISA and section 4975 of the Code. Under the Plan Asset Regulation, if a Plan invests in an equity interest of an entity, the Plan’s assets include both the equity interest and an undivided interest in each of the entity’s underlying assets, unless the Issuer qualifies as an “operating company” or another exception described in the Plan Asset Regulation applies. An “operating company” is a company that is

primarily engaged in the production or sale of a product or service (other than the investment of capital) directly or through one or more majority-owned subsidiaries. Further, a security which is in the form of debt may be considered an equity interest under the Plan Asset Regulation if it has substantial equity features. If any of the Notes have substantial equity features and the Issuer was deemed under the Plan Asset Regulation to hold plan assets by reason of a Plan's investment in such Notes, the Issuer and an undivided interest in its underlying assets would be subject to the fiduciary standards of ERISA and the prohibited transaction rules of ERISA and section 4975 of the Code. While there is little pertinent authority in this area and no assurance can be given, the Issuer believes that the Notes should not be treated as equity interests for the purposes of the Plan Asset Regulation and the Issuer currently qualifies as an operating company.

Each of the Issuer, the Dealer(s) or any other party to the transactions contemplated by this Base Prospectus as completed by any Final Terms has its own interests in the offering and sale of Notes and related transactions, which differ from the interests of any Plan or other plan subject to Similar Law considering the acquisition or holding of Notes, and such interests generally are disclosed in this Base Prospectus, any applicable Final Terms and related documents. Each of the Issuer, the Dealer(s) or other transaction parties, as well as their respective directors, officers, employees or agents are not authorised to, have not provided and do not undertake to provide any investment advice or to give advice in any fiduciary capacity to any Plan or any fiduciary, representative or agent thereof. Plans and their independent fiduciaries shall be deemed to represent and warrant that they are represented in the acquisition, holding and transfer or other disposition of Notes by such an independent fiduciary and such independent fiduciary has the qualifications and authority to act on behalf of such Plan.

Each fiduciary who is responsible for making the investment decisions whether to purchase or commit to purchase and to hold any of the Notes with assets of any Plan or any governmental, church or non-U.S. plan should consult with its counsel to confirm that such investment will not result in a non-exempt prohibited transaction and will satisfy the other applicable requirements of ERISA, the Code or Similar Law.

Each purchaser and subsequent transferee of any Note (or interest therein) will be deemed by such purchase or acquisition of any such Note (or interest therein) to have represented and warranted, on each day from the date on which the purchaser or transferee acquires such Note (or interest therein) through to and including the date on which the purchaser or transferee disposes of such Note (or interest therein), either that (a) it is not a Plan or an entity whose underlying assets include the assets of any such Plan for purposes of ERISA or the Code (each of the foregoing, a **"Benefit Plan Investor"**), or a governmental, church or non-U.S. plan subject to Similar Law, or (b)(i) its acquisition, holding and disposition of such Note will not constitute or result in a non-exempt prohibited transaction under section 406 of ERISA or section 4975 of the Code, or a violation of any Similar Law, and (ii) if it is a Benefit Plan Investor, (A) it is represented by an independent fiduciary that has the authority to act on behalf of the Benefit Plan Investor as to the acquisition, holding and disposition of the Notes; (B) none of the Issuer, the Dealer(s) or other transaction parties contemplated in the Base Prospectus or their respective officers, employees or agents has provided, and none of them will provide, investment advice and they are not giving any advice in a fiduciary capacity, in connection with the purchaser or transferee's acquisition or holding of the Notes and (C) has received and understands the disclosure of the existence and nature of the financial interests contained in the Base Prospectus and related materials.

The sale of any Notes to a Plan is in no respect a representation by the Issuer, the Fiscal Agent, the Dealer(s) or any other party to the transactions that such an investment is appropriate and meets all relevant legal requirements for investment by Plans generally or any particular Plan, or any governmental, church or non-U.S. plan.

TRANSFER RESTRICTIONS

Rule 144A Notes

Each purchaser of Restricted Notes within the United States pursuant to Rule 144A, by accepting delivery of this Base Prospectus, will be deemed to have represented, agreed and acknowledged that:

- (1) It is (a) a qualified institutional buyer within the meaning of Rule 144A (a “**QIB**”), (b) acquiring such Restricted Notes for its own account or for the account of a QIB and (c) aware, and each beneficial owner of such Restricted Notes has been advised, that the sale of such Restricted Notes to it is being made in reliance on Rule 144A.
- (2) It understands that such Restricted Notes have not been and will not be registered under the Securities Act and may not be offered, sold, pledged or otherwise transferred except (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or for the account of a QIB, (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or (c) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), in each case in accordance with any applicable securities laws of any State of the United States.
- (3) It understands that such Restricted Notes, unless otherwise determined by the Issuer in accordance with applicable law, will bear a legend to the following effect:

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE “**SECURITIES ACT**”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT (“**RULE 144A**”) TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR RESALES OF THIS NOTE.

- (4) The Issuer, the Registrar, the Dealer(s) and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any Restricted Notes for the account of one or more QIB, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.
- (5) It understands that the Restricted Notes offered in reliance on Rule 144A will be represented by one or more Restricted Global Certificates. Before any interest in a Restricted Global Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in an Unrestricted Global Certificate, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws.
- (6) Distribution of this Base Prospectus, or disclosure of any of its contents to any person other than such purchaser and those persons, if any, retained to advise such purchaser with respect thereto is

unauthorised, and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited.

Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

Regulation S Notes

Each purchaser of Notes outside the United States pursuant to Regulation S and each subsequent purchaser of such Notes in resales prior to the expiration of the distribution compliance period (as used in “*Plan of Distribution*”), by accepting delivery of this Base Prospectus and the Notes, will be deemed to have represented, agreed and acknowledged that:

- (1) It is, or at the time Notes are purchased will be, the beneficial owner of such Notes and (a) it is not a U.S. person and it is located outside the United States (within the meaning of Regulation S) and (b) it is not an affiliate of the Issuer or a person acting on behalf of such an affiliate.
- (2) It understands that such Notes have not been and will not be registered under the Securities Act and that, prior to the expiration of the 40-day distribution compliance period, it will not offer, sell, pledge or otherwise transfer such Notes except in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or in accordance with Rule 144A under the Securities Act to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or the account of a QIB, in each case in accordance with any applicable securities laws of any State of the United States.
- (3) It understands that such Notes, unless otherwise determined by the Issuer in accordance with applicable law, will bear a legend to the following effect:

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE “**SECURITIES ACT**”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES (TO OR FOR THE ACCOUNT OR BENEFIT OF ANY U.S. PERSON (AS DEFINED IN REGULATION S) EXCEPT PURSUANT TO A REGISTRATION UNDER OR AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT. THIS LEGEND SHALL BE REMOVED AFTER THE EXPIRATION OF 40 DAYS FROM THE LATER OF THE ANNOUNCEMENT OF THE OFFERING OF THE NOTES AND THE CLOSING DATE OF SUCH OFFERING.

- (4) The Issuer, the Registrar, the Dealer(s) and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.
- (5) It understands that the Notes offered in reliance on Regulation S may be represented by one or more Unrestricted Global Certificates. Prior to the expiration of the distribution compliance period, before any interest in an Unrestricted Global Certificate representing Notes issued by Rabobank may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in a Restricted Global Certificate, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws.

PLAN OF DISTRIBUTION

Summary of Distribution Agreement

Subject to the terms and on the conditions contained in an amended and restated Distribution Agreement dated 13 June 2019 (the “**Distribution Agreement**”), as further amended or supplemented at the Issue Date, between the Issuer and the Initial Dealer (as defined in the Distribution Agreement), the Notes will be offered on a continuous basis by the Issuer to the Initial Dealer (unless otherwise agreed). However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealer(s) that are not the Initial Dealer. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealer(s), acting as agents of the Issuer. The Distribution Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

Selling Restrictions

General

These selling restrictions may be modified by the agreement of the Issuer and the Dealer(s) following a change in a relevant law, regulation or directive. Any such modification will, in the case of Exempt Notes only, be set out in the Final Terms issued in respect of the issue of Notes to which it relates or in a supplement to this Base Prospectus.

No action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Base Prospectus, any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it shall, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Base Prospectus, any other offering material or any Final Terms.

Prohibition of Sales to EEA Retail Investors

If the Final Terms in respect of any Notes contains a legend entitled “Prohibition of Sales to EEA Retail Investors”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms 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:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or
 - (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded, the “**Insurance Mediation Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended or superseded, the “**Prospectus Directive**”); and
- (b) the expression an “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

Each Dealer has represented and agreed that, with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”), it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

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

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

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State.

Australia

This Base Prospectus has not and no prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia) in relation to the Programme or the Notes has been or will be or is required to be lodged with the Australian Securities and Investments Commission (“**ASIC**”) or the ASX Limited (“**ASX**”). Each Dealer has represented and agreed that, and unless the relevant Final Terms or supplement to this Base Prospectus otherwise provides, in connection with the primary distribution of the Notes, 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 Notes 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 Base Prospectus or any other offering material or advertisement relating to the Notes in Australia,

unless (i) the aggregate consideration payable by each offeree is at least AUD 500,000 (or its equivalent in an alternate currency, in either case disregarding moneys 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 2001 of Australia and complies with the terms of any authority granted under the Banking Act 1959 of Australia, (ii) the offer or invitation does not constitute an offer to a “retail client”

as defined for the purposes of section 761G of the Corporations Act 2001 of Australia, (iii) such action complied with all applicable laws, regulations and directives in Australia and (iv) such action does not require any document to be lodged with ASIC or the ASX.

Belgium

Unless the Final Terms in respect of any Notes specifies “Prohibition of Sales to Belgian Consumers” as “Not Applicable”, each Dealer has represented and agreed that it has not offered or sold or otherwise made available and that it will not offer or sell or otherwise make available the Notes to consumers (*consumenten/consommateurs*) within the meaning of the Belgian Code of Economic Law (*Wetboek economisch recht/Code de droit économique*).

Canada

The Notes have not been, and will not be, qualified for sale under the securities laws of Canada or any province or territory thereof. Each Dealer has represented and agreed that it has not offered, sold or distributed and will not offer, sell or distribute any Notes, directly or indirectly, in Canada or to or for the benefit of any resident of Canada, other than in compliance with applicable securities laws of any province or territory of Canada. Each Dealer has agreed that it will offer, sell or distribute the Notes only pursuant to an exemption from the requirement to file a prospectus in the province or territory of Canada in which such offer, sale or distribution is made. Each Dealer has also represented and agreed that it has not and will not distribute or deliver this Base Prospectus, or any other offering material in connection with any offering of Notes, in Canada other than in compliance with applicable securities laws.

The Republic of France

Each Dealer has represented and agreed that:

(a) Offer to the public in France:

it has only made and will only make an offer of Notes to the public in France in the period beginning on the date of notification to the *Autorité des marchés financiers* (“AMF”) of the approval of the prospectus relating to those Notes by the competent authority of a member state of the European Economic Area, other than the AMF, which has implemented the EU Prospectus Directive 2003/71/EC, as amended, all in accordance with Articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and the *Règlement général* of the AMF, and ending at the latest on the date which is 12 months after the date of the approval of this Base Prospectus; or

(b) Private placement in France:

it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (i) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d’investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investors (*investisseurs qualifiés*), acting for their own account, all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French *Code monétaire et financier*.

Hong Kong

Each Dealer has represented and agreed that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that

Ordinance; 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 or which do not constitute an offer to the public within the meaning of that Ordinance; and

- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571 of Hong Kong) and any rules made under that Ordinance.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”). Accordingly, each of the Dealer(s) has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

The Netherlands

Each Dealer has represented and agreed that the Exempt Notes may not be offered to the public in the Netherlands in reliance on Article 3(2) of the Prospectus Directive unless (a) such offer was or is made exclusively to persons or entities which are qualified investors as defined in the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) or (b) standard exemption wording and a logo were or are disclosed as required by Section 5:20(5) of the Dutch Financial Supervision Act, provided that no such offer of Exempt Notes shall require the publication of a prospectus pursuant to Article 3 of the Prospectus Directive or supplement to a prospectus pursuant to Article 16 of the Prospectus Directive.

Zero Coupon Notes in definitive bearer form and other Notes in definitive bearer form on which interest does not become due and payable during their term but only at maturity (savings certificates or spaarbewijzen as defined in the Dutch Savings Certificates Act or *Wet inzake spaarbewijzen*, the “**SCA**”) may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of either the Issuer or a member of Euronext Amsterdam N.V. with due observance of the provisions of the SCA and its implementing regulations (which include registration requirements). No such mediation is required, however, in respect of (a) the initial issue of such securities to the first holders thereof, (b) the transfer and acceptance by individuals who do not act in the conduct of a profession or business, and (c) the issue and trading of such securities if they are physically issued outside the Netherlands and are not distributed in the Netherlands in the course of primary trading or immediately thereafter.

New Zealand

This Base Prospectus has not been, nor will be, lodged as a product disclosure statement under the New Zealand Financial Markets Conduct Act 2013 (the “**Act**”). Accordingly, the Notes must not be offered to any person or entity in New Zealand in breach of that Act. Without limitation, no person may (directly or indirectly) offer for subscription or purchase or issue invitations to subscribe for or buy, or sell the Notes, or distribute this Base Prospectus or any other advertisement or offering material relating to the Notes in New Zealand, or to any resident of New Zealand, except that the Notes may be offered:

- (a) to persons or entities who are wholesale investors as defined in clauses 3(2) or 3(3)(b)(iii) of Schedule 1 of the Act; or
- (b) otherwise as permitted under the Act and any other applicable laws.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289 of Singapore, as modified or amended from time to time) (the “SFA”)) pursuant to Section 274 of the SFA, (b) 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 (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Spain

This Base Prospectus has not been approved by or registered with the administrative registries of the Spanish Securities Markets Commission (*Comisión Nacional del Mercado de Valores*) and, therefore, each Dealer has represented and agreed that the Notes may not be offered, sold or re-sold in Spain except in circumstances which do not constitute a public offer of securities in Spain within the meaning of article 35 of the Restated Spanish Securities Market Act approved by Royal Legislative Decree 4/2015, of 23 October 2015 (*Real Decreto Legislativo 4/2015, de 23 de octubre, por el que se aprueba el texto refundido de la*

Ley del Mercado de Valores) and supplemental rules enacted thereunder, or pursuant to an exemption from registration set out in article 41 of Royal Decree 1310/2005 of 4 November, as amended and restated.

Switzerland

The Notes may not be offered, sold, advertised or otherwise distributed, directly or indirectly, and neither this Base Prospectus nor any other offering or marketing material relating to the Notes may be distributed or otherwise made available, in each case, in or from Switzerland, except (i) in the case of Notes that constitute structured products within the meaning of the Swiss Federal Act on Collective Investment Schemes (the CISA), to qualified investors as defined in article 10 of the CISA, and (ii) in the case of any other Notes, to a finite number of hand-picked potential investors who are approached on an individual basis. The Notes will not be listed on the SIX Swiss Exchange or any other exchange or regulated trading venue in Switzerland, and neither this Base Prospectus nor any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Federal Code of Obligations, or a simplified prospectus as such term is understood pursuant to article 5 of the CISA or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange or any other exchange or regulated trading venue in Switzerland.

The Notes do not constitute participations in a collective investment scheme in the meaning of the CISA. Therefore, the Notes are not subject to the approval of, or supervision by, the Swiss Financial Market Supervisory Authority FINMA ("FINMA"), and investors in the Notes will not benefit from protection under the CISA or supervision by FINMA.

Taiwan

Subject to the paragraph below, the offering of the Notes has not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be offered or sold in Taiwan through public offering or in circumstances which constitute an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorised to offer or sell the Notes in Taiwan.

As to the Notes to be listed on the Taipei Exchange in Taiwan pursuant to the Rules Governing Management of Foreign Currency Denominated International Bonds of the Taipei Exchange, the above selling restriction is not applicable and following selling restriction shall apply instead: the Notes have not been, and shall not be, offered, sold or re-sold, directly or indirectly, to investors other than "professional institutional investors" as defined under Paragraph 2 of Article 4 of the Financial Consumer Protection Act of Taiwan. Purchasers of the Notes are not permitted to sell or otherwise dispose of the Notes except by transfer to a professional institutional investor.

United Kingdom

Each Dealer has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain

transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the Code and U.S. Treasury regulations promulgated thereunder.

Each Dealer has represented and agreed that, except as permitted by the Distribution Agreement, it will not offer, sell or, in the case of Bearer Notes, deliver the Notes of any identifiable Tranche, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of commencement of the offering and the completion of the distribution of such Tranche, as determined and certified to the Issuer and the relevant Dealer by the Fiscal Agent or, in the case of Notes issued on a syndicated basis, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes (other than a sale of Notes issued pursuant to Rule 144A) during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, until 40 days after the commencement of an offering of Notes, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering of such Notes) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S. The Distribution Agreement provides that the Dealer(s) may, directly or through their respective U.S. broker-dealer affiliates, arrange for the offer and resale of Notes within the United States only to qualified institutional buyers pursuant to Rule 144A.

This Base Prospectus has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States and for the resale of the Notes in the United States. The Issuer and the Dealer(s) reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Base Prospectus does not constitute an offer to any person in the United States or to any U.S. person, other than any QIB within the meaning of Rule 144A to whom an offer has been made directly by (one of) the Dealer(s) or its U.S. broker-dealer affiliate. Distribution of this Base Prospectus by any non-U.S. person outside the United States or by any QIB in the United States to any U.S. person or to any other person within the United States, other than any QIB and those persons, if any, retained to advise such non-U.S. person or QIB with respect thereto, is unauthorised and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States, other than any QIB and those persons, if any, retained to advise such non-U.S. person or QIB, is prohibited.

Each purchaser of Restricted Notes that have not been registered under the Securities Act is hereby notified that the offer and sale of such Restricted Notes to it is being made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A. Each purchaser of Restricted Notes pursuant to Rule 144A, by accepting delivery of this Base Prospectus, will be deemed to have represented and agreed that it is a QIB, that it is aware that the sale to it is being made in reliance on Rule 144A and that it is acquiring the Restricted Notes for its own account or for the account of a QIB. See "*Transfer Restrictions*".

Each issuance of Commodity Linked Notes, Commodity Index Linked Notes, Equity Linked Notes, Equity Index Linked Notes, Fund Linked Notes, FX Linked Notes or Inflation Index Linked Notes shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer(s) may agree as a term of the issuance and purchase of such Notes, which additional selling restrictions shall be set out in the

relevant Final Terms. Each of the Dealer(s) agrees that it will offer, sell and deliver such Notes only in compliance with such additional U.S. selling restrictions.

FORM OF FINAL TERMS IN RESPECT OF PD NOTES

FINAL TERMS

**COÖPERATIEVE RABOBANK U.A.
(RABOBANK STRUCTURED PRODUCTS)**

EUR 15,000,000,000

Legal Entity Identifier (LEI): DG3RU1DBUFHT4ZF9WN62

Structured Medium-Term Note Programme

Due from seven days to perpetuity

SERIES NO: [●]

[TRANCHE NO: [●]]

Issue of [aggregate nominal amount of Tranche] [Title of Notes] [Year of Issue] due [●]⁹ (the "Notes")

Issue Price: [●] per cent.

[Publicity Name[s] of Dealer[s]]

The date of these Final Terms is [●]

MiFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "MiFID II"); and (ii) all channels for distribution to eligible counterparties and professional clients are appropriate. [Consider any negative target market]. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer['s/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/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable.

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (a) a retail client as defined in point (11) of Article 4(1) of [Directive 2014/65/EU (as amended, "MiFID II")/[MiFID II]]; (b) a customer within the meaning of Directive 2002/92/EC (as amended or superseded, the IMD), 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

⁹ For Floating Rate Notes, Variable Rate Notes, Inverse Floating Rate Notes, CMS Linked Notes, Range Accrual Notes and Ratchet Notes, insert relevant month and year only, not the date within the month of maturity.

investor as defined in Directive 2003/71/EC (as amended or superseded the “Prospectus Directive”). 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 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.]

[Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (as modified or amended from time to time, the “SFA”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes [are]/[are not] “prescribed capital markets products” (as defined in the CMP Regulations 2018) and [are] [Excluded]/[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).]¹⁰

[Any person making or intending to make an offer of the Notes may only do so:

- (1) in those Public Offer Jurisdictions mentioned in paragraph [●] of Part B below, provided such person is of a kind specified in that paragraph and that the offer is made during the Offer Period specified in that paragraph; or
- (2) otherwise] in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or to supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.]¹¹

PART A — CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the “**Conditions**”) set forth in the base prospectus dated 13 June 2019 [and the supplemental prospectus[es] dated [●]] ([together,] the “**Base Prospectus**”) which [together] constitute[s] a base prospectus for the purposes of Directive 2003/71/EC as amended or superseded (the “**Prospectus Directive**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at, and copies may be obtained from, Rabobank at Croeselaan 18, 3521 CB Utrecht, the Netherlands and the principal office of the Paying Agent in Luxembourg, Amsterdam and Paris and www.bourse.lu.

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the base prospectus dated [original date] (the “**Conditions**”), which are incorporated by reference in the base prospectus dated 13 June 2019 [and the supplemental prospectus[es] dated [●]] ([together,] the “**Base Prospectus**”) which [together] constitute[s] a base prospectus for the purposes of Directive 2003/71/EC as amended or superseded (the “**Prospectus Directive**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Base

¹⁰ For any Notes to be offered to investors in Singapore, the Issuer should consider whether it needs to re-classify the Notes pursuant to Section 309B of the SFA prior to the launch of the offer.

¹¹ Paragraph to be included only in the case of a Tranche of Non-Exempt PD Notes and/or Notes which have a denomination of less than EUR 100,000.

Prospectus and the Conditions. The Issuer accepts responsibility for the information contained in these Final Terms which, when read together with the Base Prospectus and the Conditions, contains all information that is material in the context of the issue of the Notes. The Base Prospectus is available for viewing at, and copies may be obtained from Rabobank at Croeselaan 18, 3521 CB Utrecht, the Netherlands and the principal office of the Paying Agent in Luxembourg, Amsterdam and www.bourse.lu.¹²

[The following alternative language applies if Notes are issued pursuant to Rule 144A.]

[THE NOTES REFERRED TO HEREIN THAT ARE REPRESENTED BY A RESTRICTED GLOBAL CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE “**SECURITIES ACT**”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT (“**Rule 144A**”) TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, OR (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR REALES OF NOTES REPRESENTED BY A RESTRICTED GLOBAL CERTIFICATE.]

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor’s overall investment portfolio.

(Italicised text indicate drafting notes and guidance for completing the Final Terms. Include whichever of the following apply or specify as “Not Applicable”. Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs, save in respect of the items which may be deleted in accordance with the relevant drafting notes.)

(Consider whether a drawdown prospectus is necessary in order to issue fungible Notes where the first Tranche was issued pursuant to a previous base prospectus/offering circular. This could arise in circumstances where, for example, the Final Terms for the original tranche included information which is no longer permitted to be included in Final Terms under the Prospectus Directive (as amended) or pursuant to guidance issued by ESMA.)

1	Issuer:	Coöperatieve Rabobank U.A. (Rabobank Structured Products)
2	(a) Series Number:	[•]
	(b) Tranche Number:	[•]
	(c) Date on which the Notes become fungible:	[Not Applicable][The Notes will be consolidated, form a single series and will be interchangeable for trading purposes with the [insert description of the Series] (the “ Existing Notes ”) on [•][the Issue Date][the exchange of the Temporary Global Note for interests in the

¹² The alternative language applies if the first Tranche of an issue which is being increased was issued under a base prospectus with an earlier date.

Form of Final Terms in respect of PD Notes

Permanent Global Note, as referred to in paragraph 82 below].

3	Specified Currency or Currencies:	[•]
4	Aggregate Nominal Amount:	
	(a) Series:	[•]
	(b) Tranche:	[•][Not Applicable]
5	Issue Price:	[•] per cent. of the aggregate nominal amount [plus accrued interest in respect of the period from, and including, <i>[insert date]</i> [the Interest Commencement Date] to, but excluding, <i>[insert date]</i> [the Issue Date] (<i>in the case of fungible issues only, if applicable</i>)
6	(a) Specified Denominations:	[•] [and integral multiples of [•] in excess thereof, up to and including [•].]
	(b) Calculation Amount:	[•] <i>(If there is only one Specified Denomination, insert that Specified Denomination, otherwise insert the highest common factor (e.g. EUR 1,000).)</i>
7	(a) Issue Date:	[•]
	(a) Interest Commencement Date:	[As specified in General Condition 1][[•] (<i>Specify if other than the Issue Date</i>)] [Not Applicable]
	(b) Trade Date:	[•][Not Applicable] <i>(Trade Date must be specified whenever Alternative Currency Equivalent is applicable, or for Commodity Linked Notes, Commodity Index Linked Notes, Equity Linked Notes or Equity Index Linked Notes.)</i>
8	Scheduled Maturity Date:	<i>[(Specify date) (or indicate if Notes are perpetual)(or for Floating Rate Notes) The Specified Interest Payment Date falling in or nearest to (insert the relevant month and year).]</i> <i>(N.B. It will be necessary to use the alternative text for Renminbi denominated Fixed Rate Notes where the Interest Payment Dates are subject to adjustment.)</i>
9	Interest Basis:	[[[•] per cent. Fixed Rate Notes] [<i>insert Reference Rate</i>] [+][<i>insert Margin</i>] Floating Rate Notes][Zero Coupon Notes] [Variable Rate Notes][Inverse Floating Rate Notes][CMS Linked Notes][Range Accrual Notes][Ratchet Notes][Contingent Coupon Notes] Further particulars specified below. [Not Applicable]
10	Change of Interest Basis:	[Not Applicable][Applicable. Further particulars specified below.] <i>(If applicable, complete further detail in "Variable Rate Note" below.)</i>
11	Redemption Basis:	[Redemption at Par][Dual Currency Redemption – Single Underlying][Dual Currency Redemption –

Form of Final Terms in respect of PD Notes

- Underlying Performance][Redemption at Discount/Premium][Standard Redemption – Single Underlying][Standard Redemption – Lock-In Event and Barrier Condition][Standard Redemption – Worst Performer][Standard Redemption – Basket][Barrier Redemption – Single Underlying][Barrier Redemption – Worst Performer][Continuous Barrier Redemption – Single Underlying][Continuous Barrier Redemption – Worst Performer]
Further particulars specified below.
- 12 **Settlement Basis:** [Cash Settlement][Physical Delivery]
Further particulars specified below.
- 13 **Notes linked to Underlying[s]:** [Not Applicable][Commodity Linked Notes][Commodity Index Linked Notes][Equity Linked Notes][Equity Index Linked Notes][Fund Linked Notes][FX Linked Notes][Inflation Index Linked Notes]
Further particulars specified below.
- 14 **Alternative Currency Equivalent:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Alternative Currency: [•]
- (b) Alternative Currency Adjudication Agent¹³: [•]
- (c) Alternative Currency Calculation Agent¹⁴: [•]
- (d) Maximum Days of Postponement: [•] Business Days
- 15 **Redemption Prior to Maturity:**
- (a) Call Option/Put Option: [Not Applicable][Call Option][Put Option]
Further particulars specified below.]
- (b) Automatic Early Redemption: [Not Applicable][Applicable]
Further particulars specified below.]
- 16 (a) Status of the Notes: Senior Notes
- (b) Domestic Note: [Applicable][Not Applicable]
- (c) Date of approval for issuance of Notes: [•][Not Applicable]

PROVISIONS RELATING TO THE INTEREST BASIS

- 17 **Fixed Rate Notes:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

¹³ When paragraph 14 (Alternative Currency Equivalent) is “Applicable”, a separate Alternative Currency Adjudication Agency Agreement will be needed if the Alternative Currency Adjudication Agent is not a Dealer or one of its affiliates.

¹⁴ When paragraph 14 (Alternative Currency Equivalent) is “Applicable”, a separate Alternative Currency Calculation Agency Agreement will be needed if the Alternative Currency Calculation Agent is not a Dealer or one of its affiliates.

Form of Final Terms in respect of PD Notes

- (a) Rate of Interest: [●] per cent. per annum [payable [annually][semi-annually][quarterly][monthly] in arrear.]
- (b) [Specified] Interest Payment Date[s]: [●][in each year, commencing on [●] up to, and including, the Scheduled Maturity Date.]
(Include "Specified" where a Business Day Convention applies in accordance with sub-paragraph 17(g) below.)
 [[●] in each year, commencing on [●] (the "**First Interest Payment Date**") up to and including the Scheduled Maturity Date
 There will be a [short/long] [first/last] fixed interest period (the "**[Short/Long] [First/Last] Coupon**") in respect of the period [from (and including) the Interest Commencement Date to (but excluding) the First Interest Payment Date]/[from (and including) [(insert penultimate Interest Payment Date)] to (and including) the Maturity Date]
(The alternative text below should only be used in the case of Fixed Rate Notes denominated in Renminbi where the Interest Payment Dates are subject to modification)
 [Provided that, if any Interest Payment Date falls on a day which is not a Business Day, the Interest Payment Date will be the next succeeding Business Day unless it would thereby fall in the next calendar month, in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day.
 For these purposes, "**Business Day**" means a day on which commercial banks and foreign exchange markets settle payment and are open for general business (including dealing in foreign exchange and currency deposits) in Hong Kong.]
- (c) Fixed Coupon Amounts: [●] per Calculation Amount[, subject to sub-paragraph 17(h) below] *(include if sub-paragraph 17(h) below is applicable, otherwise delete)*
 [Each Fixed Coupon Amount shall be calculated by multiplying (i) the product of the Rate of Interest and the Calculation Amount, by (ii) the Day Count Fraction, and rounding the resultant figure to the nearest CNY0.01, with CNY0.005 rounded upwards.]
(The alternative text should only be used in the case of Fixed Rate Notes denominated in Renminbi where the Interest Payment Dates are subject to adjustment.)
- (d) Broken Amount(s): [[●] per Calculation Amount[, subject to sub-paragraph 17(h) below] *(include if sub-paragraph 17(h) below is applicable, otherwise delete)*, payable on the Interest Payment Date falling [in][on] [●]][Not Applicable]

Form of Final Terms in respect of PD Notes

	(e) Day Count Fraction:	<p>[Actual/Actual][Actual/Actual (ISDA)][Actual/365 (Fixed)][Actual/365 (Sterling)] [Actual/360][30/360][360/360][Bond Basis][30E/360][Eurobond Basis][30E/360 (ISDA)] <i>(Day Count Fraction should be Actual/Actual-for all fixed rate issues other than those denominated in U.S. Dollars or Renminbi, unless otherwise agreed.)</i></p>
	(f) Interest Determination Date[s]:	<p>[As specified in General Condition 1][●] in each year][●][Not Applicable] <i>(Interest Determination Date must be specified if Actual/Actual – ICMA is specified in item 17(e))</i></p>
	(g) [Business Day Convention:]	<p>[Applicable – Modified Following Business Day Convention][Not Applicable] <i>(General Condition 8(f) will apply if an Interest Payment Date falls on a day that is not a Payment Day, therefore only applicable where Notes are denominated in Renminbi, otherwise delete this item.)</i></p>
	(h) Non-Deliverable Currency Interest Feature:	<p>[Applicable – see further particulars specified in paragraph [81] below][Not Applicable]</p>
18	Floating Rate Notes:	<p>[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i></p>
	(a) Interest Period:	<p>[As specified in General Condition 1][●]</p>
	(b) Specified Interest Payment Date[s]:	<p>[●] in each year, commencing on [●] up to and including [(insert final interest payment date)] [, subject to adjustment in accordance with the Business Day Convention.] [●] in each year, commencing on [●] (the “First Interest Payment Date”) up to and including [(insert final interest payment date)] There will be a [short/long] [first/last] fixed interest period (the “[Short/Long] [First/Last] Coupon”) in respect of the period [from (and including) the Interest Commencement Date to (but excluding) the First Interest Payment Date]/[from (and including) [(insert penultimate Interest Payment Date)] to (and including) [(insert final interest payment date)]] [See Linear Interpolation below.]</p>
	(c) Specified Period[s]:	<p>[●][Not Applicable]</p>
	(d) Business Day Convention:	<p>[Floating Rate Convention][Following Business Day Convention][Modified Following Business Day Convention][Preceding Business Day Convention][Not applicable] <i>(Include a Business Day Convention where the period in which interest accrual should be adjusted for a non-Business Day.)</i></p>

Form of Final Terms in respect of PD Notes

- (e) Party responsible for calculating the Rate[s] of Interest: [Calculation Agent/[•]]
- (f) Manner in which the Rate[s] of Interest is/are to be determined: [ISDA Determination][Screen Rate Determination]
- (g) ISDA Determination: [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (i) Floating Rate Option[s]: [•]
- (ii) Designated Maturity[ies]: [•]
- (iii) Reset Date[s]: [First day of Interest Period][•]
- (h) Screen Rate Determination: [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (i) Reference Rate[s]: [•] [month] [year] [LIBOR][LIBID][LIMEAN][GBP-ISDA-Swap Rate][EURIBOR][EONIA][STIBOR][EUR-ISDA-EURIBOR-Swap Rate][JPY-ISDA-Swap Rate][USD-ISDA-Swap Rate][SONIA][Compounded Daily SOFR][Weighted Average SOFR]
- (ii) Interest Determination Date[s]: [As specified in General Condition 1][[•] Business Days prior to [the first day in each Interest Period][each Specified Interest Payment Date][•]/ [The day that is the [fourth] U.S. Government Securities Business Day prior to the Interest Payment Date in respect of the Interest Accrual Period/Interest Period]]
- (iii) Relevant Screen Page[s]: [•]
- (iv) Fallback Provisions: [As specified in General Condition 5(b)(iii)(B)(IV)(A)][As specified in General Condition 5(b)(iii)(B)(V)(A)][As specified in General Condition 5(b)(iii)(B)(V)(B)][Not Applicable]
- (i) Linear Interpolation: [Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)][Not Applicable]
- (j) Observation Method: [Not Applicable/Lag/Lock-out]
- (k) Observation Look-back Period (being no less than 5 London Banking Days or U.S. Government Securities Business Days): [*specify number*] [London Banking Days][U.S. Government Securities Business Days]
- (l) Margin: [+/-][•] per cent. per annum
(If the Margin is going to differ as between different Interest Periods, this should be specified here.)
- (m) Minimum Rate of Interest: [•][Not Applicable]
- (n) Maximum Rate of Interest: [•][Not Applicable]
- (o) Day Count Fraction: [Actual/Actual][Actual/Actual (ISDA)][Actual/365 (Fixed)][Actual/365 (Sterling)][Actual/360][30/360][360/360][Bond Basis][30E/360][Eurobond Basis][30E/360 (ISDA)][Actual/Actual-ICMA]

19	Zero Coupon Notes:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
	(a) Amortisation Yield:	[As specified in General Condition 1][●] per cent. per annum, compounded [quarterly][semi-annually][annually]
	(b) Day Count Fraction:	[Actual/Actual][Actual/Actual (ISDA)][Actual/365 (Fixed)][Actual/365 (Sterling)][Actual/360][30/360][360/360][Bond Basis][30E/360][Eurobond Basis][30E/360 (ISDA)][Actual/Actual-ICMA]
20	Inverse Floating Rate Notes¹⁵:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
	(a) Interest Period:	[As specified in General Condition 1][●]
	(b) Specified Interest Payment Date[s]:	[[●] in each year, commencing on [●] up to and including [(insert final interest payment date)] [[●] in each year, commencing on [●] (the “First Interest Payment Date”) up to and including [(insert final interest payment date)]] There will be a [short/long] [first/last] fixed interest period (the “[Short/Long] [First/Last] Coupon”) in respect of the period [from (and including) the Interest Commencement Date to (but excluding) the First Interest Payment Date]/[from (and including) [(insert penultimate Interest Payment Date)] to (and including) [(insert final interest payment date)]] [See Linear Interpolation below.]
	(c) Specified Period[s]:	[●][Not Applicable]
	(d) Business Day Convention:	[Floating Rate Convention][Following Business Day Convention][Modified Following Business Day Convention][Preceding Business Day Convention]
	(e) Applicable formula to be used for calculating the Rate[s] of Interest:	[INV(1)][INV(2)][INV(3)][INV(4)][INV(5)][INV(6)][INV(7)][INV(8)]
	(f) Party responsible for calculating the Rate[s] of Interest:	[Calculation Agent/[●]]
	(g) Inverse Rate:	[The mathematical [difference between][sum of] (specify Reference Rate(s)/Floating Rate Option(s)) determined in accordance with [ISDA Determination][Screen Rate Determination] as set out below:
	(i) ISDA Determination:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
	(A) Floating Rate Option[s]:	[●]

¹⁵ Please note that Inverse Floating Rate Notes should only be offered in minimum denominations of €100,000 (or its equivalent in any other currency).

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- (B) Designated Maturity[ies]: [●]
- (C) Reset Date[s]: [First day of Interest Period][●]
- (ii) Screen Rate Determination[s]: [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (A) Reference Rate[s]: [●]
- (B) Interest Determination Date[s]: [●][TARGET] Business Days for *[specify currency]* prior to [the first day in [each Interest Period][each Specified Interest Payment Date]/[The day that is the [fourth] U.S. Government Securities Business Day prior to the Interest Payment Date in respect of the Interest Accrual Period/Interest Period]
- (C) Relevant Screen Page[s]: [●]
- (D) Fallback Provisions: [As specified in General Condition 5(b)(iii)(B)(IV)(A)][As specified in General Condition 5(b)(iii)(B)(V)(A)][As specified in General Condition 5(b)(iii)(B)(V)(B)][Not Applicable]
- (iii) Linear Interpolation: [Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)][Not Applicable]
- (h) Margin: [+/-] [●] per cent. per annum [Not Applicable]
- (i) Margin₁: [+/-] [●] per cent. per annum [Not Applicable]
- (j) Margin₂: [+/-] [●] per cent. per annum [Not Applicable]
- (k) Margin₃: [+/-] [●] per cent. per annum [Not Applicable]
- (l) Observation Method: [Not Applicable/Lag/Lock-out]
- (m) Observation Look-back Period (being no less than 5 London Banking Days or U.S. Government Securities Business Days): *[specify number]* [London Banking Days][U.S. Government Securities Business Days]
- (n) Gearing Factor: [+/-] [●] per cent. per annum [Not Applicable]
- (o) Previous Coupon: [Applicable][Not Applicable] *(If not applicable, delete the remainder of this paragraph.)*
[The Previous Coupon shall be calculated by reference to the Interest Period commencing on [●].]
[In respect of the Interest Period commencing on [●], the Previous Coupon shall be [●] per cent.]
- (p) Day Count Fraction: [Actual/Actual][Actual/Actual-ISDA][Actual/365 (Fixed)][Actual/365 (Sterling)][Actual/360][30/360][360/360][Bond Basis][30E/360][Eurobond Basis][30E/360 (ISDA)][Actual/Actual-ICMA]
- (q) Minimum Rate of Interest: [●][Not Applicable]
- (r) Maximum Rate of Interest: [●][Not Applicable]

CMS Linked Notes¹⁶:

- [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Interest Period: [As specified in General Condition 1][●]
- (b) Specified Interest Payment Date[s]: [[●] in each year, commencing on [●] up to and including the Scheduled Maturity Date]
 [[●] in each year, commencing on [●] (the “**First Interest Payment Date**”) up to and including the Scheduled Maturity Date.
 There will be a [short/long] [first/last] fixed interest period (the “[**Short/Long**] [**First/Last**] **Coupon**”) in respect of the period [from (and including) the Interest Commencement Date to (but excluding) the First Interest Payment Date]/[from (and including) [*insert penultimate Interest Payment Date*] to (and including) the Scheduled Maturity Date] [See Linear Interpolation below.]
- (c) Specified Period[s]: [●][Not Applicable]
- (d) Business Day Convention: [Floating Rate Convention][Following Business Day Convention][Modified Following Business Day Convention][Preceding Business Day Convention]
- (e) Applicable formula to be used for calculating Rate[s] of Interest: [CMS(1)][CMS(2)][CMS(3)][CMS(4)][CMS(5)]
 [CMS(6)][CMS(7)][CMS(8)][CMS(9)][CMS(10)]
 [CMS(11)][CMS(12)][CMS(13)][CMS(14)][CMS(15)]
 [CMS(16)][CMS(17)][CMS(18)][CMS(19)][CMSRA(1)]
 [CMSRA(2)][CMSRA(3)][CMSRA(4)][CMSRA(5)]
- (f) Party responsible for calculating the Rate[s] of Interest: [Calculation Agent/[●]]
- (g) CMS Rate: [[The mathematical [difference between][sum of]]
(Repeat sub-paragraphs (i) to (ii) below for each of CMS Rate₁, CMS Rate₂ or CMS Rate₃ where they apply. If the CMS Rate is determined by reference to another CMS formula, replicate such of the details below necessary to calculate such formula.)
 (specify Reference Rate(s)/Floating Rate Option(s)) determined in accordance with [ISDA Determination][Screen Rate Determination] as set out below:][Determined in accordance with [*specify CMS formula*] according to the provisions set out below:]
- (i) ISDA Determination: [Applicable][Not Applicable] *(If not applicable, delete the sub-paragraphs (A) to (C) below.)*
- (A) Floating Rate Option[s]: [●]
- (B) Designated Maturity[ies]: [●]
- (C) Reset Date[s]: [First day of Interest Period][●]
- (ii) Screen Rate Determination: [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs (A) to (D) below.)*

¹⁶ Please note that CMS Linked Notes which specify the formula CMS(9), CMS(10), CMS(11), CMS(12), CMS(13), CMS(14), CMS(15), CMS(16), CMS(17), CMS(18), CMS(19), CMSRA(1), CMSRA(2), CMSRA(3), CMSRA(4) or CMSRA(5) should only be offered in minimum denominations of €100,000 (or its equivalent in any other currency).

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- | | |
|-------------------------------------|--|
| (A) Reference Rate[s]: | [•] [month] [year] [LIBOR][LIBID][LIMEAN][GBP-ISDA-Swap Rate][EURIBOR][EONIA][STIBOR][EUR-ISDA-EURIBOR-Swap Rate][JPY-ISDA-Swap Rate][USD-ISDA-Swap Rate][SONIA][Compounded Daily SOFR][Weighted Average SOFR] |
| (B) Interest Determination Date[s]: | [As specified in General Condition 1][[•] Business Days prior to [the first day in each Interest Period][each Specified Interest Payment Date][•]/[The day that is the [fourth] U.S. Government Securities Business Day prior to the Interest Payment Date in respect of the Interest Accrual Period/Interest Period]] |
| (C) Relevant Screen Page[s]: | [•] |
| (D) Fallback Provisions: | [As specified in General Condition 5(b)(iii)(B)(IV)(A)][As specified in General Condition 5(b)(iii)(B)(V)(A)][As specified in General Condition 5(b)(iii)(B)(V)(B)][Not Applicable] |
- (h) Applicable Rate: *[Specify absolute value (If not applicable, delete sub-paragraphs (i) to (iii) below)]*[The mathematical [difference between][sum of] (specify Reference Rate(s)/Floating Rate Option(s)) determined in accordance with [ISDA Determination][Screen Rate Determination] as set out below:
- | | |
|-------------------------------------|--|
| (i) ISDA Determination: | [Applicable][Not Applicable] <i>(If not applicable, delete the sub-paragraphs (A) to (C) below.)</i> |
| (A) Floating Rate Option[s]: | [•] |
| (B) Designated Maturity[ies]: | [•] |
| (C) Reset Date[s]: | [First day of Interest Period][•] |
| (ii) Screen Rate Determination: | [Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs (A) to (D) below.)</i> |
| (A) Reference Rate[s]: | [•] [month] [year] [LIBOR][LIBID][LIMEAN][GBP-ISDA-Swap Rate][EURIBOR][EONIA][STIBOR][EUR-ISDA-EURIBOR-Swap Rate][JPY-ISDA-Swap Rate][USD-ISDA-Swap Rate][SONIA][Compounded Daily SOFR][Weighted Average SOFR] |
| (B) Interest Determination Date[s]: | [As specified in General Condition 1][[•] Business Days prior to [the first day in each Interest Period][each Specified Interest Payment Date][•]] |
| (C) Relevant Screen Page[s]: | [•] |
| (D) Fallback Provisions: | [Per General Condition 5(b)(iii)(B)(IV)(X)][Per General Condition 5(b)(iii)(B)(V)(X)][Per General Condition 5(b)(iii)(B)(V)(Y)][Not Applicable] |
| (i) Linear Interpolation: | [Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (specify for each short or long interest period)][Not Applicable] |
| (j) Accrual Range: | [•] |

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(k) Accrual Rate:	[●] per cent. [<i>Specify Reference Rate and/or Floating Rate Option</i>]
(l) Gearing Factor:	[●][Not Applicable]
(m) Gearing Factor ₁ :	[●][Not Applicable]
(n) Gearing Factor ₂ :	[●][Not Applicable]
(o) Margin:	[●][Not Applicable]
(p) Margin ₁ :	[●][Not Applicable]
(q) Margin ₂ :	[●][Not Applicable]
(r) Margin ₃ :	[●][Not Applicable]
(s) Power:	[●][Not Applicable]
(t) Observation Method:	[Not Applicable/Lag/Lock-out]
(u) Observation Look-back Period (being no less than 5 London Banking Days or U.S. Government Securities Business Days):	[specify number] [London Banking Days]/[U.S. Government Securities Business Days]
(v) Minimum Rate of Interest:	[●][Not Applicable]
(w) Minimum Rate of Interest ₁ :	[●][Not Applicable]
(x) Minimum Rate of Interest ₂ :	[●][Not Applicable]
(y) Maximum Rate of Interest:	[●][Not Applicable]
(z) Maximum Rate of Interest ₁ :	[●][Not Applicable]
(aa) Maximum Rate of Interest ₂ :	[●][Not Applicable]
(bb) Day Count Fraction:	[Actual/Actual][Actual/Actual (ISDA)][Actual/365 (Fixed)][Actual/365 (Sterling)][Actual/360][30/360][360/360][Bond Basis][30E/360][Eurobond Basis][30E/360 (ISDA)][Actual/Actual-ICMA]
(cc) Fixing Day:	[As specified in General Condition 1][●]
(dd) Rate Cut-off Date:	[●][Not Applicable]
(ee) Minimum CMS Rate of Interest:	[●][Not Applicable]
(ff) Global Floor Feature:	[Applicable][Not Applicable] (If not applicable, delete the remainder of this sub-paragraph.)
(i) Global Floor Percentage:	[●] per cent.
22 Range Accrual Notes ¹⁷ :	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
(a) Interest Period[s]:	[As specified in General Condition 1][●]
(b) Specified Interest Payment Date[s]:	[[●] in each year, commencing on [●] up to and including the Scheduled Maturity Date] [[●] in each year, commencing on [●] (the “ First Interest Payment Date ”) up to and including the Maturity Date]

¹⁷ Please note that Range Accrual Notes should only be offered in minimum denominations of €100,000 (or its equivalent in any other currency).

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There will be a [short/long] [first/last] fixed interest period (the “[**Short/Long**] [**First/Last**] **Coupon**”) in respect of the period [from (and including) the Interest Commencement Date to (but excluding) the First Interest Payment Date]/[from (and including) [(insert *penultimate Interest Payment Date*)] to (and including) the Scheduled Maturity Date] [See Linear Interpolation below]

- (c) Specified Period[s]: [●][Not Applicable]
- (d) Business Day Convention: [Floating Rate Convention][Following Business Day Convention][Modified Following Business Day Convention][Preceding Business Day Convention]
- (e) Applicable formula to be used for calculating the Rate[s] of Interest: [RAN(1)][RAN(2)][RAN(3)][RAN(4)][RAN(5)]
- (f) Range Accrual Condition₁, Range Accrual Condition₂ and/or Range Accrual Condition₃: [●] [*Specify applicable Range Accrual Condition from Condition 5(f)*]
- (g) Party responsible for calculating the Rate[s] of Interest: [Calculation Agent/[●]]
- (h) Applicable Rate[s]: [*Specify absolute value (If applicable, delete sub-paragraphs (i) to (iii) below)*][The mathematical [difference between][sum of] (*specify Reference Rate(s)/Floating Rate Option(s)*) determined in accordance with [ISDA Determination][Screen Rate Determination] as set out below:
 - (i) ISDA Determination: [Applicable][Not Applicable] (*If not applicable, delete the sub-paragraphs (A) to (C) below.*)
 - (A) Floating Rate Option[s]: [●]
 - (B) Designated Maturity[ies]: [●]
 - (C) Reset Date[s]: [First day of Interest Period][●]
 - (ii) Screen Rate Determination: [Applicable][Not Applicable] (*If not applicable, delete the remaining sub-paragraphs (A) to (D) below.*)
 - (A) Reference Rate[s]: [●] [month] [year] [LIBOR][LIBID][LIMEAN][GBP-ISDA-Swap Rate][EURIBOR][EONIA] [STIBOR][EUR-ISDA-EURIBOR-Swap Rate][JPY-ISDA-Swap Rate][USD-ISDA-Swap Rate][SONIA][Compounded Daily SOFR][Weighted Average SOFR]
 - (B) Interest Determination Date[s]: [As specified in General Condition 1][[●] Business Days prior to [the first day in each Interest Period][each Specified Interest Payment Date][●]]/[The day that is the [fourth] U.S. Government Securities Business Day prior to the Interest Payment Date in respect of the Interest Accrual Period/Interest Period]
 - (C) Relevant Screen Page[s]: [●]
 - (D) Fallback Provisions: [As specified in General Condition 5(b)(iii)(B)(IV)(A)][As specified in General Condition 5(b)(iii)(B)(V)(A)][As

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		specified in General Condition 5(b)(iii)(B)(V)(B))][Not Applicable]
(i)	Linear Interpolation:	[Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (<i>specify for each short or long interest period</i>)]][Not Applicable]
(j)	Accrual Rate	[•]
(k)	Fixing Day:	[As specified in General Condition 1][•]
(l)	Rate Cut-off Date:	[As specified in General Condition 1][•]
(m)	Gearing Factor:	[•][Not Applicable]
(n)	Margin(s):	[+/-] [•] per cent. per annum [Not Applicable]
(o)	Observation Method:	[Not Applicable/Lag/Lock-out]
(p)	Observation Look-back Period (being no less than 5 London Banking Days or U.S. Government Securities Business Days):	[specify number] [London Banking Days]/[U.S. Government Securities Business Days]
(q)	Minimum Rate of Interest:	[•][Not Applicable]
(r)	Minimum Rate of Interest ₁ :	[•][Not Applicable]
(s)	Maximum Rate of Interest:	[•][Not Applicable]
(t)	Maximum Rate of Interest ₁ :	[•][Not Applicable]
(u)	Day Count Fraction:	[Actual/Actual][Actual/Actual (ISDA)][Actual/365 (Fixed)][Actual/365 (Sterling)][Actual/360][30/360][360/360][Bond Basis][30E/360][Eurobond Basis][30E/360 (ISDA)][Actual/Actual-ICMA]
(v)	Global Floor Feature:	[Applicable][Not Applicable] (If not applicable, delete the remainder of this sub-paragraph.)
	(i) Global Floor Percentage:	[•] per cent.
23	Variable Rate Notes:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
(a)	Variation Notice:	[Applicable][Not Applicable]
	[(i) Minimum notice period if other than 5 Business Days:	[•]] (<i>Delete if inapplicable</i>)
(b)	Variation Date[s]:	[•]
(c)	Initial Rate of Interest:	The [Fixed Interest Rate][Floating Interest Rate][Inverse Floating Interest Rate][CMS Linked Interest Rate][Range Accrual Interest Rate][Zero Coupon Interest Rate] specified below: (Replicate details in paragraph 17, 18, 19, 20, 21 or 22, as applicable.)
(d)	Varied Rate[s] of Interest:	The [Fixed Interest Rate][Floating Interest Rate][Inverse Floating Interest Rate][CMS Linked Interest

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Rate][Range Accrual Interest Rate][Zero Coupon Interest Rate] specified below:

(Replicate details in paragraph 17, 18, 19, 20, 21 or 22, as applicable, specifying which Variation Date to which the Varied Rate of Interest relates.)

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Ratchet Notes:

[Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*

(a) Coupon Observation Date[s]: [•]

(b) Specified Interest Payment Date[s]: [•]

(c) Floating Interest Rate:

(i) Manner in which Rate(s) of Interest is/are to be determined: [Screen Rate Determination][ISDA Determination]

(ii) ISDA Determination: [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(A) Floating Rate Option[s]: [•]

(B) Designated Maturity[ies]: [•]

(C) Reset Date[s]: [First day of Interest Period][•]

(iii) Screen Rate Determination: [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(A) Reference Rate[s]: [•] [month] [year] [LIBOR][LIBID][LIMEAN][GBP-ISDA-Swap Rate][EURIBOR][EONIA] [STIBOR][EUR-ISDA-EURIBOR-Swap Rate][JPY-ISDA-Swap Rate][USD-ISDA-Swap Rate][SONIA][Compounded Daily SOFR][Weighted Average SOFR]

(B) Interest Determination Date[s]: [•][TARGET] Business Days for *[specify currency]* prior to [the first day in [each Interest Period][each Specified Interest Payment Date]]/[The day that is the [fourth] U.S. Government Securities Business Day prior to the Interest Payment Date in respect of the Interest Accrual Period/Interest Period]

(C) Relevant Screen Page[s]: [•]

(d) PrevCpn in respect of First Interest Period: [•]

(e) Gearing Factor₁: [•]

(f) Gearing Factor₂: [•]

(g) Margin: [•]

(h) Margin₁: [•]

(i) Margin₂: [•]

(j) Observation Method: [Not Applicable/Lag/Lock-out]

(k) Observation Look-back Period (being no less than 5 London Banking Days or U.S. Government Securities Business Days): *[specify number]* [London Banking Days]/[U.S. Government Securities Business Days]

Contingent Coupon Notes

(In addition, complete relevant section in the “Provisions relating to the Underlying” section below.)

- | | | |
|----|---|---|
| 25 | Conditional Coupon with No Memory – Single Underlying: | [Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i> |
| | (a) Coupon Observation Date[s]: | [•] |
| | (b) Specified Interest Payment Date[s]: | [•] |
| | (c) Coupon Trigger: | [•] per cent. of Initial Value |
| | (d) Rate: | [•] |
| 26 | Conditional Coupon with No Memory and Lock-In Event: | [Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i> |
| | (a) Coupon Observation Date[s]: | [•] |
| | (b) Specified Interest Payment Date[s]: | [•] |
| | (c) Lock-In Percentage | [•] |
| | (d) Coupon Trigger: | [•] per cent. of Initial Value |
| | (e) Rate: | [•] |
| | (f) Day Count Fraction in respect of first Interest Period | [•][Not Applicable] |
| 27 | Conditional Coupon with No Memory – Worst Performer: | [Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i> |
| | (a) Coupon Observation Date[s]: | [•] |
| | (b) Specified Interest Payment Date[s]: | [•] |
| | (c) Coupon Trigger: | [•] per cent. of Initial Value |
| | (d) Rate: | [•] |
| 28 | Conditional Coupon with Memory – Single Underlying: | [Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i> |
| | (a) Coupon Observation Date[s]: | [•] |
| | (b) Specified Interest Payment Date[s]: | [•] |
| | (c) Coupon Trigger: | [•] per cent. of Initial Value |
| | (d) Rate: | [•] |
| 29 | Conditional Coupon with Memory – Worst Performer: | [Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i> |
| | (a) Coupon Observation Date[s]: | [•] |
| | (b) Specified Interest Payment Date[s]: | [•] |
| | (c) Coupon Trigger: | [•] per cent. of Initial Value |
| | (d) Rate: | [•] |
| 30 | Range Accrual – Single Underlying: | [Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i> |
| | (a) Coupon Observation Period: | [Inc/Inc][Inc/Exc][Exc/Inc][Exc/Exc] |
| | (i) Coupon Observation Period Start Date[s]: | [•] |

- (ii) Coupon Observation Period End Date[s]: [•]
- (b) Specified Interest Payment Date[s]: [•]
- (c) Coupon Trigger: [•] per cent. of Initial Value
- (d) Rate: [•]
- 31 **Range Accrual – Worst Performer:** [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (a) Coupon Observation Period: [Inc/Inc][Inc/Exc][Exc/Inc][Exc/Exc]
- (i) Coupon Observation Period Start Date[s]: [•]
- (ii) Coupon Observation Period End Date[s]: [•]
- (b) Specified Interest Payment Date[s]: [•]
- (c) Coupon Trigger: [•] per cent. of Initial Value
- (d) Rate: [•]
- 32 **Bonus Recovery – Single Underlying:** [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (a) Coupon Observation Date[s]: [•]
- (b) Specified Interest Payment Date[s]: [•]
- (c) Coupon Trigger: [•] per cent. of Initial Value
- (d) Rate: [•]
- (e) Coupon Observation Value: [Reference Value][Averaging] *(Delete sub-paragraph below if Averaging is not applicable.)*
- [(i) Coupon Averaging Dates: [•]]
- 33 **Bonus Recovery – Worst Performer:** [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (a) Coupon Observation Date[s]: [•]
- (b) Specified Interest Payment Date[s]: [•]
- (c) Coupon Trigger: [•] per cent. of Initial Value
- (d) Rate: [•]
- (e) Coupon Observation Value: [Reference Value][Averaging] *(Delete sub-paragraphs below if Averaging is not applicable)*
- [(i) Coupon Averaging Dates: [•]]
- 34 **Year-on-Year Inflation Linked Interest:** [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (a) Applicable Formula: [Cap][Floor][Cap and Floor][Not Applicable]
- (b) Coupon Observation Date[s]: [•]
- (c) Specified Interest Payment Date[s]: [•]
- (d) Gearing Factor: [•]
- (e) Margin: [•]

- (f) Coupon Cap: ☐[Not Applicable]
 (g) Coupon Floor: ☐[Not Applicable]

(Specify terms specific to the Inflation Index in the “Provisions relating to the Underlying” section below.)

- 35 **Other Periodic Inflation Linked Interest:** ☐[Applicable]☐[Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)

- (a) Applicable Formula: ☐[Cap]☐[Floor]☐[Cap and Floor]☐[Not Applicable]
 (b) Coupon Observation Date[s]: ☐
 (c) Specified Interest Payment Date[s]: ☐
 (d) Rate: ☐
 (e) Coupon Cap: ☐[Not Applicable]
 (f) Coupon Floor: ☐[Not Applicable]

(Specify terms specific to the Inflation Index in the “Provisions relating to the Underlying” section below.)

- 36 **Digital Interest:** ☐[Applicable]☐[Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)

- (a) Applicable Formula: ☐[Equal to or less than]☐[Equal to or greater than]☐[Within a range]
 (b) Coupon Observation Date[s]: ☐
 (c) Specified Interest Payment Date[s]: ☐
 (d) Coupon Trigger: ☐[•] per cent. of Initial Value☐[Not Applicable]
 (e) Coupon Trigger₁: ☐[•] per cent. of Initial Value☐[Not Applicable]
 (f) Coupon Trigger₂: ☐[•] per cent. of Initial Value☐[Not Applicable]
 (g) Rate₁: ☐[Not Applicable]
 (h) Rate₂: ☐[Not Applicable]

- 37 **FX Linked Interest:** ☐[Applicable]☐[Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)

- (a) FX Determination Date: ☐
 (b) Specified Interest Payment Date[s]: ☐
 (c) Applicable Formula: ☐[FX₁ – No Cap/Floor]☐[FX₁ – Cap]☐[FX₁ – Floor]☐[FX₁ – Cap and Floor]☐[FX₂ – No Cap/Floor]☐[FX₂ – Cap]☐[FX₂ – Floor]☐[FX₂ – Cap and Floor]
 (d) Rate₁: ☐
 (e) Rate₂: ☐[Not Applicable]
 (f) FX₀: ☐
 (g) Relevant Time: ☐
 (h) Relevant Screen Page: ☐

(Specify terms specific to the FX Rate in the “Provisions relating to the Underlying” section below.)

- 38 **FX Range Interest:** ☐[Applicable]☐[Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)

- (a) Observation Period: ☐[As specified in General Condition 5(j)(xiii)]
 (b) Maximum Current Rate: ☐

- (c) Minimum Currency Rate: [•]
 (d) Specified Interest Payment Date(s): [•]
 (e) Rate₁: [•]
 (f) Rate₂: [•]

(Specify terms specific to the FX Rate in the "Provisions relating to the Underlying" section below.)

PROVISIONS RELATING TO THE REDEMPTION BASIS

Automatic Early Redemption

- 39 **Autocall – Single Underlying:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) i **Automatic Early Redemption Observation Date:** **Automatic Early Redemption Trigger:**
- 1 [•] [•]
 2 [•] [•]
 3 [•] [•]
(Repeat as necessary for additional dates/triggers.)
- (b) Automatic Early Redemption Date[s]: [As specified in General Condition 1][Each Interest Payment Date (except the Maturity Date)][•]
- (c) Automatic Early Redemption Value: [•] per cent.
- 40 **Autocall – Worst Performer:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) i **Automatic Early Redemption Observation Date:** **Automatic Early Redemption Trigger:**
- 1 [•] [•]
 2 [•] [•]
 3 [•] [•]
(Repeat as necessary for additional dates/triggers.)
- (b) Automatic Early Redemption Date[s]: [As specified in General Condition 1][Each Specified Interest Payment Date (except the Maturity Date)][•]
- (c) Automatic Early Redemption Value: [•] per cent
- 41 **Autocall – (Individual Call) – Single Underlying:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Equal to or less than: [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (i) i **Automatic Early Redemption Observation Date:** **Automatic Early Redemption Trigger:**
- 1 [•] [•]

2 [•] [•]
3 [•] [•]

(Repeat as necessary for additional dates/triggers.)

(iii) Automatic Early Redemption [As specified in General Condition 1][Each Specified Date[s]: Interest Payment Date (except the Maturity Date)][•]

(iii) Automatic Early Redemption [•] per cent.
Value:

(b) Equal to or greater than: [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

(i) i **Automatic Early Redemption Automatic Early Redemption Trigger:**
Observation Date:

1 [•] [•]
2 [•] [•]
3 [•] [•]

(Repeat as necessary for additional dates/triggers.)

(ii) Automatic Early Redemption [As specified in General Condition 1][Each Specified Date[s]: Interest Payment Date (except the Maturity Date)][•]

(iii) Automatic Early Redemption [•] per cent.
Value:

(c) Within a range: [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

(i) i **Automatic Early Automatic Early Automatic Early**
Redemption Redemption Trigger₁: **Redemption Trigger₂:**
Observation Date:

1 [•] [•] [•]
2 [•] [•] [•]
3 [•] [•] [•]

(Repeat as necessary for additional dates/triggers.)

(ii) Automatic Early Redemption [As specified in General Condition 1][Each Specified Date[s]: Interest Payment Date (except the Maturity Date)][•]

(iii) Automatic Early Redemption [•] per cent.
Value:

42 **Autocall – (Individual Call) – Worst** [Applicable][Not Applicable]
Performer: (If not applicable, delete the remaining sub-paragraphs of this paragraph.)

(a) Equal to or less than: [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

(i) i **Automatic Early Redemption Automatic Early Redemption Trigger:**
Observation Date:

- | | | |
|---|-----|-----|
| 1 | [•] | [•] |
| 2 | [•] | [•] |
| 3 | [•] | [•] |

(Repeat as necessary for additional dates/triggers.)

- | | | | | | | | | | | | | | | |
|---|--|---|---|--|--|-------|-----|-----|-------|-----|-----|-------|-----|-----|
| (ii) | Automatic Early Redemption Date[s]: | [As specified in General Condition 1][Each Specified Interest Payment Date (except the Maturity Date)][•] | | | | | | | | | | | | |
| (iii) | Automatic Early Redemption Value: | [•] per cent. of the Initial Value | | | | | | | | | | | | |
| (b) | Equal to or greater than: | [Applicable][Not Applicable]
<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i> | | | | | | | | | | | | |
| (i) | Automatic Early Redemption Observation Date[s]: | [•] | | | | | | | | | | | | |
| (ii) | Automatic Early Redemption Value: | [•] per cent | | | | | | | | | | | | |
| (c) | Within a range: | [Applicable][Not Applicable]
<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i> | | | | | | | | | | | | |
| (i) | i | <table border="0"> <tr> <td>Automatic Early Redemption Observation Date:</td> <td>Automatic Early Redemption Trigger₁:</td> <td>Automatic Early Redemption Trigger₂:</td> </tr> <tr> <td>1 [•]</td> <td>[•]</td> <td>[•]</td> </tr> <tr> <td>2 [•]</td> <td>[•]</td> <td>[•]</td> </tr> <tr> <td>3 [•]</td> <td>[•]</td> <td>[•]</td> </tr> </table> | Automatic Early Redemption Observation Date: | Automatic Early Redemption Trigger₁: | Automatic Early Redemption Trigger₂: | 1 [•] | [•] | [•] | 2 [•] | [•] | [•] | 3 [•] | [•] | [•] |
| Automatic Early Redemption Observation Date: | Automatic Early Redemption Trigger₁: | Automatic Early Redemption Trigger₂: | | | | | | | | | | | | |
| 1 [•] | [•] | [•] | | | | | | | | | | | | |
| 2 [•] | [•] | [•] | | | | | | | | | | | | |
| 3 [•] | [•] | [•] | | | | | | | | | | | | |
| <i>(Repeat as necessary for additional dates/triggers.)</i> | | | | | | | | | | | | | | |
| (ii) | Number of Business Days for Automatic Early Redemption Date: | [As specified in General Condition 1][•] | | | | | | | | | | | | |
| (iii) | Automatic Early Redemption Value: | [•] per cent. | | | | | | | | | | | | |

Other redemption prior to maturity

43 Redemption for Taxation Reasons:

- | | | |
|-----|--------------------------------|--|
| (a) | Period of redemption: | [On any Interest Payment Date][At any time] |
| (b) | Notice period: | [30 days][•] |
| (c) | Early Redemption Amount: | [•][adjusted to [account for Early Redemption Unwind Costs] [and][be payable in the Converted Redemption Currency specified in paragraph [81(b)] below]. |
| (i) | Early Redemption Unwind Costs: | [Standard Early Redemption Unwind Costs][•] |

44 Call Option:

- | |
|--|
| [Applicable][Not Applicable]
<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i> |
|--|

Form of Final Terms in respect of PD Notes

- (a) Optional Redemption Date[s]: [•]
- (b) Optional Redemption Amount[s]: [[•] per Calculation Amount][Early Redemption Amount of [•][adjusted to account for Early Redemption Unwind Costs.
- (i) Early Redemption Unwind Costs: [Standard Early Redemption Unwind Costs][•]]
- (c) If redeemable in part: [•]
- (i) Minimum Redemption Amount: [•]
- (ii) Maximum Redemption Amount: [•]
- (d) Notice period: [The Issuer shall give notice of its intention to redeem the Notes not less than [15] nor more than [30] days prior to the relevant Optional Redemption Date.]
- 45 **Put Option:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Optional Redemption Date[s]: [•]
- (b) Optional Redemption Amount[s]: [[•] per Calculation Amount][Early Redemption Amount of [•][adjusted to account for Early Redemption Unwind Costs.
- (i) Early Redemption Unwind Costs: [Standard Early Redemption Unwind Costs][•]]
- (c) Notice period: [The holder shall give notice of its intention to redeem the Notes not less than [15] nor more than [30] days prior to the relevant Optional Redemption Date.]
- 46 **Redemption for Illegality or due to an Event of Default:**
- (a) Early Redemption Amount: [•][adjusted to [account for Early Redemption Unwind Costs] [and][be payable in the Converted Redemption Currency specified in paragraph [81(b)] below].
- (i) Early Redemption Unwind Costs: [Standard Early Redemption Unwind Costs][•]]
- Final Redemption**
- 47 **Redemption at Par:** [Applicable][Not Applicable]
- (i) Non-Deliverable Currency Redemption Feature: [Applicable – see further particulars specified in paragraph [81] below][Not Applicable]
- 48 **Redemption at Discount/Premium:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Factor: [•] per cent.
- (Where the Final Redemption Amount is anything other than “Redemption at Par”, “Redemption at Discount/Premium” or “Dual Currency Redemption”, it is also necessary to (a) select Cash Settlement Amount(s) or Asset Amount(s) and (b) complete relevant section in the “Provisions relating to the Underlying” section below.)*

49	Dual Currency Redemption – Single Underlying:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
	(a) Applicable Formula:	[Equal to or greater than][Equal to or less than][Greater than][Less than][Par]
	(b) Specified Exchange Rate:	[•]
	(c) Final Value:	[Reference Value][Averaging][Lookback] (Delete sub-paragraphs below where inapplicable.)
	[(i) Final Redemption Observation Date:	[•]] (Include for Reference Value)
	[(i) Final Averaging Dates:	[•]] (Include for Averaging)
	[(i) Lookback Period Start Date:	[•]
	(ii) Lookback Period End Date:	[•]] (Include for Lookback)
	(d) Second Currency:	[•]
	(e) Trigger:	[•]
	(Specify terms specific to the FX Rate in the “Provisions relating to the Underlying” section below.)	
50	Dual Currency Redemption – Underlying Performance:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
	(a) Applicable Formula:	[Equal to or greater than][Equal to or less than][Greater than][Less than][Par]
	(b) Specified Exchange Rate:	[•]
	(c) Final Value:	[Reference Value][Averaging][Lookback] (Delete sub-paragraphs below where inapplicable.)
	[(i) Final Redemption Observation Date:	[•]] (Include for Reference Value)
	[(i) Final Averaging Dates:	[•]] (Include for Averaging)
	[(i) Lookback Period Start Date:	[•]
	(ii) Lookback Period End Date:	[•]] (Include for Lookback)
	(d) Second Currency:	[•]
	(e) Trigger:	[•]
	(Specify terms specific to the FX Rate in the “Provisions relating to the Underlying” section below.)	
51	Standard Redemption – Single Underlying:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
	(a) Final Value:	[Reference Value][Averaging][Lookback] (Delete sub-paragraphs below where inapplicable.)
	[(i) Final Redemption Observation Date:	[•]] (Include for Reference Value)
	[(i) Final Averaging Dates:	[•]] (Include for Averaging)
	[(i) Lookback Period Start Date:	[•]

	(ii) Lookback Period End Date:	[•]] (Include for Lookback)
52	Standard Redemption – Lock-In Event and Barrier Condition:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
	(a) Final Value:	[Reference Value][Averaging][Lookback] (Delete sub-paragraphs below where inapplicable.)
	[(i) Final Redemption Observation Date:	[•]] (Include for Reference Value)
	[(i) Final Averaging Dates:	[•]] (Include for Averaging)
	[(i) Lookback Period Start Date:	[•]
	(ii) Lookback Period End Date:	[•]] (Include for Lookback)
	(b) Strike Value:	[•]
53	Standard Redemption – Worst Performer:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
	(a) Final Value:	[Reference Value][Averaging][Lookback] (Delete sub-paragraphs below where inapplicable below.)
	[(i) Final Redemption Observation Date:	[•]] (Include for Reference Value)
	[(i) Final Averaging Dates:	[•]] (Include for Averaging)
	[(i) Lookback Period Start Date:	[•]
	(ii) Lookback Period End Date:	[•]] (Include for Lookback)
	(b) Strike Value:	[•]
54	Standard Redemption – Basket:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
	(a) Basket Strike:	[•] per cent. of Basket Initial
	(b) Basket Initial:	[•]
	(c) Final Value ⁱ :	[Reference Value][Averaging][Lookback] (Delete sub-paragraphs below where inapplicable.)
	[(i) Final Redemption Observation Date:	[•]] (Include for Reference Value)
	[(i) Final Averaging Dates:	[•]] (Include for Averaging)
	[(i) Lookback Period Start Date:	[•]
	(ii) Lookback Period End Date:	[•]] (Include for Lookback)
55	Barrier Redemption – Single Underlying:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
	(a) Final Value:	[Reference Value][Averaging][Lookback] (Delete sub-paragraphs below where inapplicable.)
	[(i) Final Redemption Observation Date:	[•]] (Include for Reference Value)

	[(i) Final Averaging Dates:	[•]] (Include for Averaging)
	[(i) Lookback Period Start Date:	[•]
	(ii) Lookback Period End Date:	[•]] (Include for Lookback)
	(b) Strike Value:	[•]
	(c) Barrier:	[•]
56	Barrier Redemption – Worst Performer:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
	(a) Final Value:	[Reference Value][Averaging][Lookback] (Delete sub-paragraphs below where inapplicable.)
	[(i) Final Redemption Observation Date:	[•]] (Include for Reference Value)
	[(i) Final Averaging Dates:	[•]] (Include for Averaging)
	[(i) Lookback Period Start Date:	[•]
	(ii) Lookback Period End Date:	[•]] (Include for Lookback)
	(b) Strike Value:	[•]
	(c) Barrier:	[•]
57	Continuous Barrier Redemption – Single Underlying:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
	(a) Final Value:	[Reference Value][Averaging][Lookback] (Delete sub-paragraphs below where inapplicable.)
	[(i) Final Redemption Observation Date:	[•]] (Include for Reference Value)
	[(i) Final Averaging Dates:	[•]] (Include for Averaging)
	[(i) Lookback Period Start Date:	[•]
	(ii) Lookback Period End Date:	[•]] (Include for Lookback)
	(b) Strike Value:	[•]
	(c) Barrier:	[•][Not Applicable]
	(d) Barrier Breach Event:	[Barrier Breach Event (Observation Period Intra-Day)][Barrier Breach Event (Observation Period Closing)][Barrier Breach Event (Reference Business Day Closing)]
	(i) Barrier Breach Event (Observation Period Closing):	[Less than][Equal to or less than][Equal to or greater than][Greater than]
	(ii) Barrier Breach Event (Observation Period Intraday):	[Less than][Equal to or less than][Equal to or greater than][Greater than]
	(iii) Barrier Breach Event (Reference Business Day Closing):	[Less than][Equal to or less than][Equal to or greater than][Greater than]
	(e) Barrier Observation Period:	[Inc/Inc][Inc/Exc][Exc/Inc][Exc/Exc]

- (i) Barrier Observation Period Start Date: [•]
- (ii) Barrier Observation Period End Date: [•]
- 58 **Continuous Barrier Redemption – Worst Performer:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Final Value: [Reference Value][Averaging][Lookback] *(Delete sub-paragraphs below where inapplicable.)*
- [(i) Final Redemption Observation Date: [•]] *(Include for Reference Value)*
- [(i) Final Averaging Dates: [•]] *(Include for Averaging)*
- [(i) Lookback Period Start Date: [•]
- (ii) Lookback Period End Date: [•]] *(Include for Lookback)*
- (b) Strike Value: [•]
- (c) Barrier: [•][Not Applicable]
- (d) Barrier Breach Event: [Barrier Breach Event (Observation Period Intra-Day)][Barrier Breach Event (Observation Period Closing)][Barrier Breach Event (Reference Business Day Closing)]
- (i) Barrier Breach Event (Observation Period Closing): [Less than][Equal to or less than][Equal to or greater than][Greater than]
- (ii) Barrier Breach Event (Observation Period Intraday): [Less than][Equal to or less than][Equal to or greater than][Greater than]
- (iii) Barrier Breach Event (Reference Business Day Closing): [Less than][Equal to or less than][Equal to or greater than][Greater than]
- (e) Barrier Observation Period: [Inc/Inc][Inc/Exc][Exc/Inc][Exc/Exc]
- (i) Barrier Observation Period Start Date: [•][Not Applicable]
- (ii) Barrier Observation Period End Date: [•][Not Applicable]

PROVISIONS RELATING TO THE SETTLEMENT BASIS

- 59 **Settlement Basis:** [Cash Settlement][Physical Delivery]
- 60 **Variation of settlement under General Condition 9(d)(iv):** [Applicable][Not Applicable]
- [First (delete if not applicable) Cash Settlement Amount]**
- 61 **Redemption at Par:** [Applicable][Not Applicable]
- 62 **Redemption at Discount/Premium:** [Applicable][Not Applicable]
- (a) Factor: [•]
- 63 **Performance – Single Underlying:** [Applicable][Not Applicable]

Form of Final Terms in respect of PD Notes

(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

	(a) Final Value:	[Reference Value][Averaging][Lookback] <i>(Delete sub-paragraphs below where inapplicable.)</i>
	[(i) Final Redemption Observation Date:	[•]] <i>(Include for Reference Value)</i>
	[(i) Final Averaging Dates:	[•]] <i>(Include for Averaging)</i>
	[(i) Lookback Period Start Date:	[•]
	(ii) Lookback Period End Date:	[•]] <i>(Include for Lookback)</i>
	(b) Strike Value:	[•]
64	Performance – Worst Performer:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i>
	(a) Final Value:	[Reference Value][Averaging][Lookback] <i>(Delete sub-paragraphs below where inapplicable.)</i>
	[(i) Final Redemption Observation Date:	[•]] <i>(Include for Reference Value)</i>
	[(i) Final Averaging Dates:	[•]] <i>(Include for Averaging)</i>
	[(i) Lookback Period Start Date:	[•]
	(ii) Lookback Period End Date:	[•]] <i>(Include for Lookback)</i>
	(b) Strike Value:	[•]
65	Performance – Basket:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i>
	(a) Basket Initial:	[•]
66	Gearing– Single Underlying:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i>
	(a) Final Value:	[Reference Value][Averaging][Lookback] <i>(Delete sub-paragraphs below where inapplicable.)</i>
	[(i) Final Redemption Observation Date:	[•]] <i>(Include for Reference Value)</i>
	[(i) Final Averaging Dates:	[•]] <i>(Include for Averaging)</i>
	[(i) Lookback Period Start Date:	[•]
	(ii) Lookback Period End Date:	[•]] <i>(Include for Lookback)</i>
	(b) Gearing Factor:	[•]
	(c) Percentage Rate ₁ :	[•]
	(d) Percentage Rate ₂ :	[•]
67	Gearing– Worst Performer:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i>

Form of Final Terms in respect of PD Notes

	(a) Final Value:	[Reference Value][Averaging][Lookback] <i>(Delete sub-paragraphs below where inapplicable.)</i>
	[(i) Final Redemption Observation Date:	[•]] <i>(Include for Reference Value)</i>
	[(i) Final Averaging Dates:	[•]] <i>(Include for Averaging)</i>
	[(i) Lookback Period Start Date:	[•]
	(ii) Lookback Period End Date:	[•]] <i>(Include for Lookback)</i>
	(b) Gearing Factor:	[•]
	(c) Percentage Rate ₁ :	[•]
	(d) Percentage Rate ₂ :	[•]
68	Gearing with Cap – Single Underlying:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i>
	(a) Final Value:	[Reference Value][Averaging][Lookback] <i>(Delete sub-paragraphs below where inapplicable.)</i>
	[(i) Final Redemption Observation Date:	[•]] <i>(Include for Reference Value)</i>
	[(i) Final Averaging Dates:	[•]] <i>(Include for Averaging)</i>
	[(i) Lookback Period Start Date:	[•]
	(ii) Lookback Period End Date:	[•]] <i>(Include for Lookback)</i>
	(b) Cap:	[•]
	(c) Gearing Factor:	[•]
	(d) Subtrahend:	[•]
69	Gearing with Cap – Worst Performer:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i>
	(a) Final Value:	[Reference Value][Averaging][Lookback] <i>(Delete sub-paragraphs below where inapplicable.)</i>
	[(i) Final Redemption Observation Date:	[•]] <i>(Include for Reference Value)</i>
	[(i) Final Averaging Dates:	[•]] <i>(Include for Averaging)</i>
	[(i) Lookback Period Start Date:	[•]
	(ii) Lookback Period End Date:	[•]] <i>(Include for Lookback)</i>
	(b) Cap:	[•]
	(c) Gearing Factor:	[•]
	(d) Subtrahend:	[•]
70	Gearing with Cap and/or Floor – Single Underlying:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i>
	(a) Final Value:	[Reference Value][Averaging][Lookback] <i>(Delete sub-paragraphs below where inapplicable.)</i>

	[(i) Final Redemption Observation Date:	[•]] (Include for Reference Value)
	[(i) Final Averaging Dates:	[•]] (Include for Averaging)
	[(i) Lookback Period Start Date:	[•]
	(ii) Lookback Period End Date:	[•]] (Include for Lookback)
	(b) Cap:	
	(c) Floor:	[•] per cent.
	(d) Subtrahend:	[•]
71	Gearing with Cap and/or Floor – Worst Performer:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
	(a) Final Value:	[Reference Value][Averaging][Lookback] (Delete sub-paragraphs below where inapplicable.)
	[(i) Final Redemption Observation Date:	[•]] (Include for Reference Value)
	[(i) Final Averaging Dates:	[•]] (Include for Averaging)
	[(i) Lookback Period Start Date:	[•]
	(ii) Lookback Period End Date:	[•]] (Include for Lookback)
	(b) Cap:	[•]
	(c) Floor:	[•] per cent.
	(d) Subtrahend:	[•]
72	Inflation Index Linked Redemption:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
	(a) Maximum Redemption Amount:	[•]
	(b) Minimum Redemption Amount:	[•]
	(Specify terms specific to the Inflation Index in the “Provisions relating to the Underlying” section below.)	
73	FX Performance Linked Redemption – Single Underlying:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
	(a) Call:	[Applicable][Not Applicable]
	(b) Put:	[Applicable][Not Applicable]
	(c) Gearing Factor:	[•]
	(d) Strike Rate:	[•]
	(Specify terms specific to the FX Rate in the “Provisions relating to the Underlying” section below.)	
74	FX Performance Linked Redemption – Basket:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
	(a) [Call:	[Applicable][Not Applicable]]
	(b) [Put:	[Applicable][Not Applicable]]
	(c) Strike Value:	[•]

(Specify terms specific to the FX Rate in the "Provisions relating to the Underlying" section below.)

[Second Cash Settlement Amount] (If a Second Cash Settlement Amount is applicable, replicate details in paragraphs 57 to 71, as applicable, below. If a Second Cash Settlement Amount is not applicable, delete this heading.)

Asset Amount

- 75 **Asset Amount:** [Single Underlying][Worst Performer][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Exchange Rate: [Applicable][Not Applicable]
- (b) Final Value: [Reference Value][Averaging][Lookback] (Delete sub-paragraphs below where inapplicable.)
- [(i) Final Redemption Observation Date: [•]] (Include for Reference Value)
- [(i) Final Averaging Dates: [•]] (Include for Averaging)
- [(i) Lookback Period Start Date: [•]]
- [(ii) Lookback Period End Date: [•]] (Include for Lookback)
- (c) Strike Value: [•]

PROVISIONS RELATING TO THE UNDERLYING

- 76 **Commodity Linked Notes:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) **Single Commodity:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (i) Commodity: [•] (Specify or select from Commodity Condition 2(b).)
- (ii) Commodity Reference Price: [Specified Price: [The high price][The low price][The average of the high price and the low price][The closing price][The opening price][The bid price][The asked price][The average of the bid price and the asked price][The settlement price][The official settlement price][The official price][The morning fixing][The afternoon fixing][The spot price]
- Commodity Unit: [•]
- Relevant Currency: [•]

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Delivery Date: [•][•] Nearby Month][Not Applicable] (Select “Not Applicable” for a spot rate)

Price Source: [•]

[Commodity Reference Dealers

Bullion Reference [As specified in Dealers: Commodity Condition 2(a)][•]

(Only applicable where the Commodity is Bullion and the Commodity Reference Price does not use the Commodity Reference Price Framework.)

(iii) Initial Value: [Reference Value][Specified Value][Averaging][Lookback][, being [•].] *(Delete sub-paragraphs below where inapplicable.)*

[(A) Initial Observation Date: [•]] *(Include for Reference Value)*

[(A) Initial Averaging Dates: [•]] *(Include for Averaging)*

[(A) Lookback Period Start Date: [•]

(B) Lookback Period End Date: [•]] *(Include for Lookback)*

(b) **Basket of Commodities:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

(i) i Commodity:	Weighting:	Initial Value:
1 [•] <i>(Specify or select from Commodity Condition 2(b))</i>	[•] per cent.	[Reference Value][Specified Value][Averaging][Lookback][, being [•].]
2 [•] <i>(Specify or select from Commodity Condition 2(b))</i>	[•] per cent.	[Reference Value][Specified Value][Averaging][Lookback][, being [•].]
3 [•] <i>(Specify or select from Commodity Condition 2(b))</i>	[•] per cent.	[Reference Value][Specified Value][Averaging][Lookback][, being [•].]

(Repeat as necessary for additional Commodities.)

[(A) Initial Observation Date: [•]] *(Include for Reference Value)*

[(A) Initial Averaging Dates: [•]] *(Include for Averaging)*

[(A) Lookback Period Start Date: [•]

(B) Lookback Period End Date: [•]] *(Include for Lookback)*

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- (ii) Commodity Reference Price for Commodity₁: [Specified Price: [The high price][The low price][The average of the high price and the low price][The closing price][The opening price][The bid price][The asked price][The average of the bid price and the asked price][The settlement price][The official settlement price][The official price][The morning fixing][The afternoon fixing][The spot price][●]
- Commodity Unit: [●]
- Relevant Currency: [●]
- Delivery Date: [●][[●] Nearby Month] [Not Applicable] (*Select not applicable for a spot rate.*)
- Price Source: [●]
- [Commodity Reference Dealers Bullion Reference Dealers: [As specified in Commodity Condition 2(a)][●]]
- (Only applicable where the Commodity is Bullion and the Commodity Reference Price does not use the Commodity Reference Price Framework.)*
- (iii) Commodity Reference Price for Commodity₂: [Specified Price: [The high price][The low price][The average of the high price and the low price][The closing price][The opening price][The bid price][the asked price][The average of the bid price and the asked price][The settlement price][The official settlement price][The official price][The morning fixing][The afternoon fixing][The spot price][●]
- Commodity Unit: [●]
- Relevant Currency: [●]

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Delivery Date: ☐ ☐ Nearby Month] [Not Applicable] (*Select not applicable for a spot rate*)

[Commodity Reference Dealers

Bullion Reference [As specified in Dealers: Commodity Condition 2(a)] ☐

(Only applicable where the Commodity is Bullion and the Commodity Reference Price does not use the Commodity Reference Price Framework.)

(iv) Commodity Reference Price for Commodity₃: [Specified Price: [The high price][The low price][The average of the high price and the low price][The closing price][The opening price][The bid price][the asked price][The average of the bid price and the asked price][The settlement price][The official settlement price][The official price][The morning fixing][The afternoon fixing][The spot price] ☐

Commodity Unit: ☐

Relevant Currency: ☐

Delivery Date: ☐ ☐ Nearby Month] [Not Applicable] (*Select not applicable for a spot rate*)

Price Source: ☐

[Commodity Reference Dealers

Bullion Reference [As specified in Dealers: Commodity Condition 2(a)] ☐

(Only applicable where the Commodity is Bullion and the Commodity Reference Price does not use the Commodity Reference Price Framework.)

(Repeat as necessary for each additional Commodity.)

(c) **Disrupted Day:** [Applicable][Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph. Note that Disrupted Day should be specified as applicable if averaging applies.*)

[Adjustments for Averaging Dates:	
(i) Omission:	[Applicable][Not Applicable]
(ii) Postponement:	[Applicable][Not Applicable]
(iii) Modified Postponement:	[Applicable][Not Applicable] <i>(Include if averaging applies.)</i>
(d) Additional Disruption Events:	[Change in Law][Hedging Disruption][Increased Cost of Hedging][Not Applicable]
(e) Maximum Days of Disruption:	[As specified in Commodity Condition 2(a)][•]
(f) Disruption Fallback:	1. [Fallback Reference Dealers] 2.] [Fallback Reference Price] 3.] [Postponement] 4.] [Calculation Agent Determination] 5.] [Delayed Publication or Announcement] <i>(Delete inapplicable.)</i>
(i) Default Disruption Fallback:	[Applicable][Not Applicable] <i>(If not applicable, re-order the Disruption Fallbacks above to indicate order in which they shall apply.)</i>
[(ii) Alternative Reference Value for Fallback Reference Price:	[•] <i>(Delete if Fallback Reference Price is not specified above.)</i>
(g) Price Materiality Percentage:	[•][Not Applicable]
77 Commodity Index Linked Notes:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i>
(a) Single Commodity Index:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i>
(i) Commodity Index:	[•]
(ii) Index Sponsor:	[•]
(iii) Index Exchange:	[•]
(iv) Related Exchange:	[•][All Exchanges]
(v) Initial Value:	[Reference Value][Specified Value][Averaging][Lookback][, being [•].]
[(A) Initial Observation Date:	[•] <i>(Include where Reference Value selected for Initial Value)</i>
[(A) Initial Averaging Dates:	[•] <i>(Include where Averaging selected for Initial Value)</i>
[(A) Lookback Period Start Date:	[•]
(B) Lookback Period End Date:	[•] <i>(Include where Lookback selected for Initial Value)</i>
(vi) Observation Time:	[Scheduled Closing Time][•]
(b) Basket of Commodity Indices:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i>

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i	Commodity Index _i :	Weighting _i :	Index Sponsor _i :	Observation Time _i :
1	[•]	[•]	[•]	[•][Not Applicable]
2	[•]	[•]	[•]	[•][Not Applicable]
3	[•]	[•]	[•]	[•][Not Applicable]
i	Index Exchange:	Related Exchange:	Multi-Exchange Index:	Initial Value:
1	[•]	[•]	[Applicable][Not Applicable]	[Reference Value][Specified Value][Averaging][Lookback], being [•].]
	[(i) Initial Observation Date:		[•]] (<i>Include for Reference Value</i>)	
	[(i) Initial Averaging Dates:		[•]] (<i>Include for Averaging</i>)	
	[(i) Lookback Period Start Date:		[•]	
	(ii) Lookback Period End Date:		[•]] (<i>Include for Lookback</i>)	
2	[•]	[•]	[Applicable][Not Applicable]	[Reference Value][Specified Value][Averaging][Lookback], being [•].]
	[(i) Initial Observation Date:		[•]] (<i>Include for Reference Value</i>)	
	[(i) Initial Averaging Dates:		[•]] (<i>Include for Averaging</i>)	
	[(i) Lookback Period Start Date:		[•]	
	(ii) Lookback Period End Date:		[•]] (<i>Include for Lookback</i>)	
3	[•]	[•]	[Applicable][Not Applicable]	[Reference Value][Specified Value][Averaging][Lookback], being [•].]
	[(i) Initial Observation Date:		[•]] (<i>Include for Reference Value</i>)	
	[(i) Initial Averaging Dates:		[•]] (<i>Include for Averaging</i>)	
	[(i) Lookback Period Start Date:		[•]	
	(ii) Lookback Period End Date:		[•]] (<i>Include for Lookback</i>)	
<i>t as necessary for each additional Commodity Index.)</i>				
(c)	Disrupted Day:		[Applicable][Not Applicable] (<i>If not applicable, delete the remaining sub-paragraphs of this paragraph. Note that Disrupted Day should be specified as applicable if averaging applies.</i>)	
	[Adjustments for Averaging Dates:			
	(i)	Omission:	[Applicable][Not Applicable]	
	(ii)	Postponement:	[Applicable][Not Applicable]	
	(iii)	Modified Postponement:	[Applicable][Not Applicable]] (<i>Include if averaging applies.</i>)	
(d)	Additional Disruption Events:		[Change in Law][Hedging Disruption][Increased Cost of Hedging][Not Applicable]	

Equity Linked Notes:

[Applicable][Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)***(a) Single Equity:**

[Applicable][Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Equity: [•]
- (ii) Exchange: [•]
- (iii) Related Exchange: [•][All Exchanges]
- (iv) Reference Value: [Opening][Closing][Specified Time]
- [(i) Specified Time: [•]]
- (v) Initial Value: [Reference Value][Specified Value][Averaging][Lookback][, being [•].]
- [(A) Initial Observation Date: [•]] *(Include where Reference Value selected for Initial Value)*
- [(A) Initial Averaging Dates: [•]] *(Include where Averaging selected for Initial Value)*
- [(A) Lookback Period Start Date: [•]]
- [(B) Lookback Period End Date: [•]] *(Include where Lookback selected for Initial Value)*
- (vi) Observation Time: [•][Scheduled Closing Time]

(b) Basket of Equities:

[Applicable][Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- | i | Equity: | Weighting: | Observation Time: |
|---|---------|------------|---------------------|
| 1 | [•] | [•] | [•][Not Applicable] |
| 2 | [•] | [•] | [•][Not Applicable] |
| 3 | [•] | [•] | [•][Not Applicable] |
-
- | i | Index Exchange: | Related Exchange: | Reference Value: | Initial Value: |
|---|----------------------------------|--------------------|--|---|
| 1 | [•] | [•][All Exchanges] | [Opening][Closing][Specified Time] | [Reference Value][Specified Value][Averaging][Lookback][, being [•].] |
| | [(i) Initial Observation Date: | [•]] | <i>(Include where Reference Value is selected for Initial Value)</i> | |
| | [(i) Initial Averaging Dates: | [•]] | <i>(Include where Averaging is selected for Initial Value)</i> | |
| | [(i) Lookback Period Start Date: | [•] | | |
| | [(ii) Lookback Period End Date: | [•]] | <i>(Include where Lookback is selected for Initial Value)</i> | |

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- 2 [●] [●][All Exchanges] [Opening][Closing] [Reference Value][Specified Value][Averaging][Lookback], being [●].]
- [(i) Initial Observation Date: [●]] *(Include where Reference Value is selected for Initial Value)*
- [(i) Initial Averaging Dates: [●]] *(Include where Averaging is selected for Initial Value)*
- [(i) Lookback Period Start [●]
Date:
- [(ii) Lookback Period End [●]] *(Include where Lookback is selected for Initial Value)*
Date:
- 3 [●] [●][All Exchanges] [Opening][Closing] [Reference Value][Specified Value][Averaging][Lookback], being [●].]
- [(i) Initial Observation Date: [●]] *(Include where Reference Value is selected for Initial Value)*
- [(i) Initial Averaging Dates: [●]] *(Include where Averaging is selected for Initial Value)*
- [(i) Lookback Period Start [●]
Date:
- [(ii) Lookback Period End [●]] *(Include where Lookback is selected for Initial Value)*
Date:

(Repeat as necessary for each additional Equity.)

- (c) **ADR/GDR:** [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Underlying Equity: [●]
- (ii) Partial Lookthrough Depositary Receipt Provisions: [Equity][Equity Issuer][successor Equity Issuer] [Not Applicable]
- (iii) Full Lookthrough Depositary Receipt Provisions: [Equity][Equity Issuer][successor Equity Issuer] [Not Applicable]
- (d) **Exchange Traded Notes:** [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (i) ETN Early Redemption Amount: [Applicable][Not Applicable]
- (ii) ETN Event of Default: [Applicable][Not Applicable]
- (e) **Disrupted Day:** [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph. Note that Disrupted Day should be specified as applicable if averaging applies.)*
- [Adjustments for Averaging Dates:
- (i) Omission: [Applicable][Not Applicable]
- (ii) Postponement: [Applicable][Not Applicable]
- (iii) Modified Postponement: [Applicable][Not Applicable]] *(Include if averaging applies.)*

79	(f) Additional Disruption Events:	[Change in Law][Hedging Disruption][Increased Cost of Hedging][Insolvency Filing][Not Applicable]		
	Equity Index Linked Notes:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)		
	(a) Single Equity Index:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)		
	(i) Equity Index:	[•]		
	(ii) Index Sponsor:	[•]		
	(iii) Exchange:	[•][Multi-Exchange Equity Index] (N.B. Multi-Exchange Equity Index should apply to any Equity Index in respect of which there is more than one Exchange, e.g. a EURO STOXX index.)		
	(iv) Related Exchange:	[•]		
	(v) Reference Value:	[Opening][Closing][Specified Time]		
	(i) Specified Time:	[•]		
	(vi) Initial Value:	[Reference Value][Specified Value][Averaging][Lookback][, being [•].]		
	[(A) Initial Observation Date:	[•]] (Include where Reference Value selected for Initial Value)		
	(A) Initial Averaging Dates:	[•]] (Include where Averaging selected for Initial Value)		
	(A) Lookback Period Start Date:	[•]		
	(B) Lookback Period End Date:	[•]] (Include where Lookback selected for Initial Value)		
	(vii) Observation Time:	[Scheduled Closing Time][•][Not Applicable]		
	(b) Basket of Equity Indices:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)		
i	Equity Index:	Weighting:	Equity Index Sponsor:	Observation Time:
1	[•]	[•]	[•]	[•][Not Applicable]
2	[•]	[•]	[•]	[•][Not Applicable]
3	[•]	[•]	[•]	[•][Not Applicable]
i	Index Exchange:	Related Exchange:	Multi-Exchange Index:	Initial Value:
1	[•]	[•]	[Applicable][Not Applicable]	[Reference Value][Specified Value][Averaging][Lookback][, being [•].]
	(i) Initial Observation Date:	[•]] (Include for Reference Value)		
	(i) Initial Averaging Dates:	[•]] (Include for Averaging)		

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- | | | | | |
|---|------|-----------------------------|------------------------------|---|
| | (i) | Lookback Period Start Date: | [●] | |
| | (ii) | Lookback Period End Date: | [●]] | (Include for Lookback) |
| 2 | [●] | [●] | [Applicable][Not Applicable] | [Reference Value][Specified Value][Averaging][Lookback][, being [●].] |
| | (i) | Initial Observation Date: | [●]] | (Include for Reference Value) |
| | (i) | Initial Averaging Dates: | [●]] | (Include for Averaging) |
| | (i) | Lookback Period Start Date: | [●] | |
| | (ii) | Lookback Period End Date: | [●]] | (Include for Lookback) |
| 3 | [●] | [●] | [Applicable][Not Applicable] | [Reference Value][Specified Value][Averaging][Lookback][, being [●].] |
| | (i) | Initial Observation Date: | [●]] | (Include for Reference Value) |
| | (i) | Initial Averaging Dates: | [●]] | (Include for Averaging) |
| | (i) | Lookback Period Start Date: | [●] | |
| | (ii) | Lookback Period End Date: | [●]] | (Include for Lookback) |

(Repeat as necessary for each additional Equity Index.)

- (c) **Disrupted Day:** [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph. Note that Disrupted Day should be specified as applicable if averaging applies.)*

[Adjustments for Averaging Dates:

- | | |
|------------------------------|---|
| (i) Omission: | [Applicable][Not Applicable] |
| (ii) Postponement: | [Applicable][Not Applicable] |
| (iii) Modified Postponement: | [Applicable][Not Applicable] (<i>Include if averaging applies.</i>) |

- (d) **Additional Disruption Events:** [Change in Law][Hedging Disruption][Increased Cost of Hedging][Insolvency Filing][Not Applicable]

80 Fund Linked Notes:

[Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (a) **Single Reference Fund:** [●] [Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- | | |
|------------------------------|---------------------------------------|
| (i) Fund Interest: | [●] |
| (ii) Reference Fund: | [●][Not Applicable] |
| (iii) Fund Interest Unit: | [●][Not Applicable] |
| (iv) Fund Administrator: | [As specified in Fund Condition 2][●] |
| (v) Fund Adviser: | [As specified in Fund Condition 2][●] |
| (vi) Fund Manager: | [As specified in Fund Condition 2][●] |
| (vii) Fund Service Provider: | [As specified in Fund Condition 2][●] |

	(viii) Redemption Proceeds:		[•][Not Applicable]	
(b)	Basket of Reference Funds:		[Applicable][Not Applicable]	
	(If not applicable, delete the remaining sub-paragraphs of this paragraph.)			
i	Reference Fund:	Weighting:	Fund Interest:	Fund Interest Unit:
1	[•]	[•]	[•]	[•][Not Applicable]
2	[•]	[•]	[•]	[•][Not Applicable]
3	[•]	[•]	[•]	[•][Not Applicable]
i	Fund Administrator:	Fund Adviser:	Fund Manager:	Fund Service Provider:
1	[As specified in Fund Condition 2][•]	[As specified in Fund Condition 2][•]	[As specified in Fund Condition 2][•]	[As specified in Fund Condition 2][•]
2	[As specified in Fund Condition 2][•]	[As specified in Fund Condition 2][•]	[As specified in Fund Condition 2][•]	[As specified in Fund Condition 2][•]
3	[As specified in Fund Condition 2][•]	[As specified in Fund Condition 2][•]	[As specified in Fund Condition 2][•]	[As specified in Fund Condition 2][•]
i	Redemption Proceeds:		Initial Value:	
1	[•][Not Applicable]		[Reference Value][Specified Value][Averaging][Lookback][, being [•].]	
	[(i) Initial Observation Date:		[•]] (Include where Reference Value is selected for Initial Value)	
	[(i) Initial Averaging Dates:		[•]] (Include where Averaging is selected for Initial Value)	
	[(i) Lookback Period Start Date:		[•]	
	[(ii) Lookback Period End Date:		[•]] (Include where Lookback is selected for Initial Value)	
2	[•][Not Applicable]		[Reference Value][Specified Value][Averaging][Lookback][, being [•].]	
	[(i) Initial Observation Date:		[•]] (Include where Reference Value is selected for Initial Value)	
	[(i) Initial Averaging Dates:		[•]] (Include where Averaging is selected for Initial Value)	
	[(i) Lookback Period Start Date:		[•]	
	[(ii) Lookback Period End Date:		[•]] (Include where Lookback is selected for Initial Value)	
3	[•][Not Applicable]		[Reference Value][Specified Value][Averaging][Lookback][, being [•].]	
	[(i) Initial Observation Date:		[•]] (Include where Reference Value is selected for Initial Value)	

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- [(i) Initial Averaging Dates: [•]] *(Include where Averaging is selected for Initial Value)*
- [(i) Lookback Period Start Date: [•]]
- [(ii) Lookback Period End Date: [•]] *(Include where Lookback is selected for Initial Value)*

(Repeat as necessary for each additional Reference Fund.)

- (c) **Additional Fund Documents:** [•][Not Applicable]
- (d) **Hedging Party:** [•][Not Applicable]
- (e) **Cut-Off Period:** [•][Not Applicable]
- (i) Final Cut-Off Date: [•][Not Applicable]
- (f) **Fund Business Day:** [As specified in Fund Condition 2][•]
- (g) **Redemption Proceeds:**
- (i) Election of alternative payment: [•][Not Applicable]
- (h) **Redemption Fees:** [•][Not Applicable]
- (i) **Key person for the purpose of a Key Person Event:** [•][Not Applicable]
- (j) **Reporting Disruption:**
- (i) Time period of event affecting Fund Interest making it impossible/impracticable for Calculation Agent to determine value: [•][Not Applicable]
- (k) **Number of Days for the purpose of a NAV Disruption Event:** [•] days
- (l) **NAV Trigger Event:** [•] per cent. over *[specify period of time]*
- (m) **Minimum Outstanding Amount of Notes:** [As specified in Fund Condition 3(u)][•]
- (n) **Benchmark for the purpose of a Benchmark Change:** [•]
- (o) **Assets Under Management Trigger:** [As specified in Fund Condition 3(x)][Net asset value below [•]]
- (p) **Disrupted Day:** [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph. Note that Disrupted Day should be specified as applicable if averaging applies.)*
- [Adjustments for Averaging Dates:
- (i) Omission: [Applicable][Not Applicable]
- (ii) Postponement: [Applicable][Not Applicable]
- (iii) Modified Postponement: [Applicable][Not Applicable] *(Include if averaging applies.)*
- 81 **FX Linked Notes:** [Applicable][Not Applicable]

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(If not applicable, delete the remaining sub-paragraphs below.)

- (a) **Single FX Rate:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs below.)

- (i) Base Currency: [•]
- (ii) Reference Currency: [•]
- (iii) FX Price Source: [•]
- (iv) FX Financial Centre(s): [•]
- (v) FX Rate Sponsor: [•]

- (b) **Basket of FX Rates:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs below.)

- | i | FX Rate _i : | Base Currency _i : | Reference Currency _i : | Weighting _i : |
|---|------------------------|------------------------------|-----------------------------------|--------------------------|
| 1 | [•] | [•] | [•] | [•] per cent. |
| 2 | [•] | [•] | [•] | [•] per cent. |
| 3 | [•] | [•] | [•] | [•] per cent. |
-
- | i | FX Rate Sponsor _i : | FX Price Source _i : | Observation Time _i : | FX Financial Centre _i : |
|---|--------------------------------|--------------------------------|---------------------------------|------------------------------------|
| 1 | [•] | [•] | [•] | [•] |
| 2 | [•] | [•] | [•] | [•] |
| 3 | [•] | [•] | [•] | [•] |
-
- i **Initial Value_i:**
- 1 [Reference Value][Specified Value][Averaging][Lookback][, being [•].]
 [(i) Initial Observation Date: [•]] *(Include for Reference Value)*
 [(i) Initial Averaging Dates: [•]] *(Include for Averaging)*
 [(i) Lookback Period Start Date: [•]]
 [(ii) Lookback Period End Date: [•]] *(Include for Lookback)*
 - 2 [Reference Value][Specified Value][Averaging][Lookback][, being [•].]
 [(i) Initial Observation Date: [•]] *(Include for Reference Value)*
 [(i) Initial Averaging Dates: [•]] *(Include for Averaging)*
 [(i) Lookback Period Start Date: [•]]
 [(ii) Lookback Period End Date: [•]] *(Include for Lookback)*
 - 3 [Reference Value][Specified Value][Averaging][Lookback][, being [•].]
 [(i) Initial Observation Date: [•]] *(Include for Reference Value)*
 [(i) Initial Averaging Dates: [•]] *(Include for Averaging)*
 [(i) Lookback Period Start Date: [•]]
 [(ii) Lookback Period End Date: [•]] *(Include for Lookback)*

(Repeat as necessary for each additional FX Rate.)

- (c) **Number of FX Settlement Days:** [•]
- (d) **Disrupted Day:** [Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph. Note that Disrupted Day should be specified as applicable if averaging applies.)
- [Adjustments for Averaging Dates:
- (i) Omission: [Applicable][Not Applicable]
- (ii) Postponement: [Applicable][Not Applicable]
- (iii) Modified Postponement: [Applicable][Not Applicable] (Include if averaging applies.)
- (e) **Additional Disruption Events:** [Change in Law][Hedging Disruption][Increased Cost of Hedging][Not Applicable]
- (f) **Disruption Fallback:** [1. [Calculation Agent FX Determination]
[2.] [Currency-Reference Dealers]
[3.] [Fallback Reference Price] (Delete inapplicable and re-order to indicate order in which they shall apply.)][Not Applicable] (To be specified if "Disrupted Day" is stated to be Not Applicable.)
- [(i) Alternative FX Price Source for Fallback Reference Price: [•](If Disruption Fallbacks stated to be Not Applicable, delete this sub-paragraph.)]
- (g) **Fallback Reference Date:** [As specified in FX Condition 2][•][Not Applicable]
- (h) **FX Reference Dealers:** [Standard][Modified][•] in respect of (specify FX Rate(s))][Not Applicable]
- (i) **Settlement Currency:** [[•] in respect of (specify FX Rate(s))][Not Applicable]
- (j) **Rebasing:** [Applicable][Not Applicable]
- 82 **Inflation Index Linked Notes:** [Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) **Inflation Index:** [•]
- (b) **Index Sponsor:** [•]
- (c) **Related Bond:** [Applicable][Not Applicable]
- (i) Bond for purpose of Related Bond: [•][Fallback Bond]
- (d) **Determination Date:** [Specify any payment date other than Interest Payment Dates Maturity Date or Automatic Early Redemption Dates.]
- (e) **Additional Disruption Events:** [Change in Law][Hedging Disruption][Increased Cost of Hedging][Not Applicable]
- 83 **Non-Deliverable Currency Feature Conditions:** [Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (a) Converted Interest Currency: [Applicable – [specify currency]][Not Applicable]
- (b) Converted Redemption Currency: [Applicable – [specify currency]][Not Applicable]
- (c) Base Currency: [•]

Form of Final Terms in respect of PD Notes

(d) Reference Currency:	[•]
(e) FX Price Source:	[•]
(f) Observation Time:	[•]
(g) Observation Date:	[•][The initial Observation Date shall be [5][specify other] Business Days following the Issue Date]
(h) FX Financial Centres:	[•]
(i) Disrupted Day	[Applicable][Not Applicable]
(j) Disruption Fallbacks	1. Calculation Agent FX Determination 2. Fallback Reference Price] (<i>delete inapplicable and re-order to indicate in which order they shall apply, if necessary</i>)[Not Applicable](<i>To be specified if “Disrupted Day” is stated to be Not Applicable.</i>)
(i) [Alternative FX Price Source for Fallback Reference Price	[•](<i>If Disruption Fallbacks stated to be Not Applicable, delete this sub-paragraph.</i>)
(k) Rebasing:	[Applicable][Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

84	<p>Form of Notes:</p> <p>[Bearer Notes][Registered Notes]</p> <p>[Temporary Global Note exchangeable for a permanent Global Note not earlier than 40 days after the completion of the distribution of the Tranche of which such Note is a part nor later than 40 days prior to the first anniversary of the Issue Date (i.e. [•]) which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note [and/or by the holder giving [60] days' notice to the Fiscal Agent of its election for exchange]]</p> <p>[Temporary Global Note exchangeable for Definitive Notes not earlier than 40 days after the completion of the distribution of the Tranche of which such Note is a part nor later than 40 days prior to the first anniversary of the Issue Date (i.e. [•])] ¹⁸</p> <p>[Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date] ¹⁹</p> <p>[Permanent Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time][only upon an Exchange Event]]</p>
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¹⁸ The exchange at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]." Furthermore such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note/Certificate exchangeable for Definitive Notes, other than in the limited circumstances specified in the permanent Global Note/Certificate.

¹⁹ Ensure that this is consistent with the wording in the "Form of the Notes" section in the Base Prospectus and the Notes themselves. N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 above includes language substantially to the following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€99,000]". Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Note.

Form of Final Terms in respect of PD Notes

[Global Certificate exchangeable for Definitive Certificates in the limited circumstances specified in the Global Certificate]

- 85 (a) **Financial Centre(s) or other special provisions relating to Payment Day in Condition 8(f):**

[[●] (Give details)]

General Condition 8(f)[(i)][(ii)] applies.

(Delete inapplicable)

(Note that this paragraph relates to the place of payment and not to Payment Day/Interest Period End Dates)

(N.B. Provision 23(a) Financial Centre(s))

- (b) **Financial Centre(s) or other special provisions relating to Business Day:**

[[●] (Give details)][Not Applicable]

[LISTING AND ADMISSION TO TRADING APPLICATION]

These Final Terms comprise the final terms required to list and have admitted to the issue of Notes described herein pursuant to the EUR 15,000,000,000 Structured Medium-Term Note Programme of Rabobank Structured Products.]

[THIRD PARTY INFORMATION]

Information on the underlying has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: _____
Duly authorised

PART B – OTHER INFORMATION

1 LISTING AND ADMISSION TO TRADING

- (a) Listing: [Euronext Amsterdam][Luxembourg Stock Exchange][Other (specify)][None]
- (b) Admission to trading: [Application has been made for the Notes to be admitted to trading on [●] with effect from [●]][No application for admission to trading has been made].²⁰
- (c) Estimate of total expenses related to admission to trading: [●]
- (d) In the case of Notes listed on Euronext Amsterdam: [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (i) Amsterdam Listing Agent: Coöperatieve Rabobank U.A.
- (i) Amsterdam Paying Agent: Coöperatieve Rabobank U.A.

2 RATINGS

- Ratings: [The Notes to be issued have not been rated.
- Credit ratings in relation to the Issuer included or referred to in these Final Terms and the Base Prospectus[, as so supplemented,] have been issued by S&P, Moody's and Fitch Ratings Ltd, each of Fitch, Moody's and S&P is established in the European Union and is registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.
- [The Notes to be issued [have been][are expected to be] rated:
- [Fitch: [●]
- [Moody's: [●]
- [S&P: [●]
- [Other: [●]]
- (The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*
- Insert one (or more) of the following options, as applicable:*
- Option 1: CRA is (i) established in the EU and (ii) registered under the CRA Regulation:**
- [Insert legal name of particular credit rating agency entity providing rating]* is established in the EU and registered under Regulation (EC) No 1060/2009.
- Option 2: CRA is (i) established in the EU, (ii) not registered under the CRA Regulation; but (iii) has applied for registration:**

²⁰ Where documenting a fungible issue, indicate that original securities are already admitted to trading.

[Insert legal name of particular credit rating agency entity providing rating] is established in the EU and has applied for registration under Regulation (EC) No 1060/2009, although notification of the registration decision has not yet been provided.

Option 3: CRA is (i) established in the EU; and (ii) has not applied for registration is not registered under the CRA Regulation:

[Insert legal name of particular credit rating agency entity providing rating] is established in the EU and is neither registered nor has it applied for registration under Regulation (EC) No 1060/ 2009.

Option 4: CRA is not established in the EU but the relevant rating is endorsed by a CRA which is established and registered under the CRA Regulation:

[Insert legal name of particular credit rating agency entity providing rating] is not established in the EU but the rating it has given to the Notes is endorsed by *[insert legal name of credit rating agency]*, which is established in the EU and registered under Regulation (EC) No 1060/2009.

Option 5: CRA is not established in the EU and the relevant rating is not endorsed under the CRA Regulation, but the CRA is certified under the CRA Regulation:

[Insert legal name of particular credit rating agency entity providing rating] is not established in the EU but is certified under Regulation (EC) No 1060/2009.

Option 6: CRA is neither established in the EU nor certified under the CRA Regulation and the relevant rating is not endorsed under the CRA Regulation:

[Insert legal name of particular credit rating agency entity providing rating] is not established in the EU and is not certified under Regulation (EC) No 1060/2009 and the rating it has given to the Notes is not endorsed by a credit rating agency established in the EU and registered under the CRA Regulation.

3

INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE 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 for any fees payable to the Dealer[s], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Dealer[s] and [its/their] affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business. (Amend as appropriate if there are other interests)] (When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)

- 4 **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**
- (a) Reasons for the offer (other than general corporate purposes): [See “Use of Proceeds” section in the Base Prospectus.][●]
(If reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)
- (b) Estimated net proceeds: [●]
(If proceeds are intended for more than one use, will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)
- (c) Estimated total expenses: [●]
(Expenses are required to be broken down into each principal intended “use” and presented in order of priority of such “uses”).
(N.B. If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, paragraph (a) above is required where the reasons for the offer are different from making profit and/or hedging certain risks and, where such reasons are inserted in paragraph (a) above, disclosure of net proceeds and total expenses at paragraphs (b) and (c) above are also required.)
- 5 **YIELD** (Fixed Rate Notes only)
- Indication of yield: [●]
[Calculated as (include details of the method of calculation in brief form) on the Issue Date.]
The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.
- 6 **HISTORIC INTEREST RATES** (Floating Rate Notes, Inverse Floating Rate Notes, CMS Linked Notes and Range Accrual Notes only)
- Details of historic [LIBOR][LIBID][LIMEAN][GBP-ISDA-Swap Rate][EURIBOR][EONIA][STIBOR][CNH HIBOR][EUR-ISDA-EURIBOR-Swap Rate][JPY-ISDA-Swap Rate][USD-ISDA-Swap Rate][SONIA][SOFR][●] rates can be obtained from [Reuters][●] Specify other].
- 7 **PERFORMANCE OF INDEX/INDICES, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE INDEX/INDICES** (Equity Index Linked Notes, Inflation Index Linked Notes and Commodity Index Linked Notes only)
- (If there is a derivative component in the interest or the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, need to include a clear and comprehensive explanation of how the value of the investment is affected by the Underlying and the circumstances when the risks are most evident.)
(Need to include details of where past and future performance and volatility of the index/formula can be obtained.)
(Include other information concerning the Underlying required by paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.)
(When completing the above paragraphs, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)

[The Issuer does not intend to provide post-issuance information.]

(N.B. This paragraph 7 only applies if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.)

8 PERFORMANCE OF RATE(S) OF EXCHANGE/FORMULA/CURRENCIES, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE RATE(S) OF EXCHANGE/FORMULA/CURRENCIES *(FX Linked Notes only)*

(If there is a derivative component in the interest or the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, need to include a clear and comprehensive explanation of how the value of the investment is affected by the Underlying and the circumstances when the risks are most evident.)

(Need to include details of where past and future performance and volatility of the [relevant rates/formula/currencies] can be obtained.)

(Include other information concerning the Underlying required by paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.)

(When completing this paragraph, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)

[The Issuer does not intend to provide post-issuance information.]

(N.B. This paragraph 8 only applies if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.)

9 PERFORMANCE OF THE COMMODITY/COMMODITIES, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE COMMODITY/COMMODITIES *(Commodity Linked Notes only)*

(If there is a derivative component in the interest or the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, need to include a clear and comprehensive explanation of how the value of the investment is affected by the Underlying and the circumstances when the risks are most evident.)

(Need to include details of where past and future performance and volatility of [the Commodity] can be obtained.)

(Include other information concerning the Underlying required by paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.)

(When completing this paragraph, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)

[The Issuer does not intend to provide post-issuance information.]

(N.B. This paragraph 9 only applies if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.)

10 PERFORMANCE OF EQUITY/EQUITIES/REFERENCE FUND/FUNDS, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE EQUITY/EQUITIES/REFERENCE FUND/FUNDS *(Equity Linked Notes and Fund Linked Notes only)*

(If there is a derivative component in the interest or the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, need to include a clear and comprehensive explanation of how the value of the investment is affected by the Underlying and the circumstances when the risks are most evident.)

(Need to include details of where past and future performance and volatility of the relevant [equity/basket of equities/fund] can be obtained.)

(Where the Underlying is Equity or an investment or mutual fund, need to include the name of the Underlying and need to include details of where the information about the Equity can be obtained.)

(Include other information concerning the Underlying required by paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.)

(When completing this paragraph, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)

[The Issuer does not intend to provide post-issuance information.]

(N.B. This paragraph 10 only applies if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.)

11 OPERATIONAL INFORMATION

- | | |
|--|---|
| (a) ISIN: | <p>[●]</p> <p>(If fungible with an existing Series insert:)</p> <p>[Pending consolidation with the Tranche 1 Notes: [●]</p> <p>Following consolidation with the Tranche 1 Notes: [●]]</p> |
| (b) Common Code: | <p>[●]</p> <p>(If fungible with an existing Series insert:)</p> <p>[Pending consolidation with the Tranche 1 Notes: [●]</p> <p>Following consolidation with the Tranche 1 Notes: [●]]</p> |
| (c) CFI: | <p>[See 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/Not Available]</p> <p>[(If fungible with an existing Series insert:)</p> <p>[Pending consolidation with the Existing Notes: [●]</p> <p>Following consolidation with the Existing Notes: [●]]</p> |
| (d) FISN: | <p>[See the website of ANNA or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available] [(If fungible with an existing Series insert:)</p> <p>[Pending consolidation with the Existing Notes: [●]</p> <p>Following consolidation with the Existing Notes: [●]]</p> |
| (e) German WKN-code: | [●][Not Applicable] |
| (f) Private Placement number: | [●][Not Applicable] |
| (g) CUSIP Number: | [●] [Not Applicable] |
| (h) Any clearing system(s) other than DTC, Euroclear Bank S.A./N.V. and Clearstream Banking, <i>société anonyme</i> and the relevant identification number(s): | [Not Applicable][Give name(s) and number(s)] |
| (i) Delivery: | Delivery [against][free of] payment |
| (j) Names (and addresses) of additional (Paying/Delivery) Agent(s) (if any): | [Not Applicable][●] |

Form of Final Terms in respect of PD Notes

- | | |
|---|--|
| (k) Names (and addresses) of Calculation Agent(s) ²¹ : | <p>[Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom]</p> <p>[Coöperatieve Rabobank U.A., Croeselaan 18, 3521 CB Utrecht, The Netherlands]</p> <p>[(Insert name and address if another entity)]</p> |
|---|--|

12 **DISTRIBUTION**

- | | |
|---|---|
| (a) Method of Distribution: | [Syndicated][Non-syndicated] |
| (b) If syndicated, names and addresses of Dealer[s] and underwriting commitments: | <p>[Applicable][Not Applicable]</p> <p><i>(If applicable, include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis 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 Dealer[s])</i></p> |
| (c) Date of Subscription Agreement: | [[●] (Give details)][Not Applicable] |
| (d) Stabilising Manager(s): | [[●] (Give name)][Not Applicable] |
| (e) Total commission and concession/Dealer’s Commission: | <p>[[●] per cent. of the aggregate nominal amount][Certain fees or commissions will be payable to third party distributors and/or the Notes will be sold at a discount to the Issue Price on the primary sale of the Notes][Not Applicable][[●] (Specify other)]</p> |
| (f) If non-syndicated, name and address of relevant Dealer: | [[●] (Insert name and address)][Not Applicable] |
| (g) Applicable TEFRA exemption: | [TEFRA C][TEFRA D][Not Applicable] |
| (h) Non-exempt Offer: | <p>[Not Applicable][An offer of the Notes may be made by the Dealer[s] [and (Specify names of other financial intermediaries/placers making non-exempt offers, to the extent known OR consider a generic description of other parties involved in non-exempt offers (e.g. “other parties authorised by the Dealer”) or (if relevant) note that other parties may make non-exempt offers in the Public Offer Jurisdictions during the Offer Period, if not known) (together with the Dealer[s]), the “Initial Authorised Offerors”) [and any other Authorised Offerors in accordance with paragraph [●] below] other than pursuant to Article 3(2) of the Prospectus Directive in [Specify Relevant Member State(s) – which must be jurisdictions where the Base Prospectus and any supplements have been passported (in addition to the jurisdiction where approved and published)] (“Public Offer Jurisdictions”) during the period from [●] until [●] (the “Offer Period”). See further paragraph 13 of Part B below.]</p> |

²¹ Separate Calculation Agency Agreement needed if the Calculation Agent is not a Dealer or one of its affiliates.

Form of Final Terms in respect of PD Notes

(N.B. Consider any local regulatory requirements necessary to be fulfilled so as to be able to make a non-exempt offer in relevant jurisdictions. No such offer should be made in any relevant jurisdiction until those requirements have been met. Non-exempt offers may only be made into jurisdictions in which the Base Prospectus (and any supplement) has been notified/passported.)

- | | |
|---|---|
| (i) Prohibition of Sales to Belgian Consumers: | [Applicable/Not Applicable]
<i>(Advice should be taken from Belgian counsel before disapplying this selling restriction)</i> |
| (j) General Consent: | [Applicable][Not Applicable] |
| (k) Additional United States Tax Considerations: | The Notes are [not] Specified ELLs for purposes of Section 871(m) of the U.S. Internal Revenue Code of 1986, as amended. [Additional information regarding the application of Section 871(m) to the Notes will be available from [give name(s) and address(es) of Issuer contact.]
[Applicable][Not Applicable]
<i>(If applicable, specify) (N.B. Obtain U.S. tax advice in case of non-principal protected notes, notes that are treated as non-functional currency contingent payment debt instruments under Treasury Regulation 1.988-6, or notes that provide for physical settlement.)</i> |
| 13 TERMS AND CONDITIONS OF THE OFFER | [Applicable][Not applicable]
<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)²²</i> |
| (a) Total amount of the offer; if the amount is not fixed, description of the arrangements and time for announcing the definitive amount to the public: | [•] |
| (b) Conditions to which the offer is subject: | [Offers of the Notes are conditional on their issue. As between the Authorised Offerors and their customers, offers of the Notes are further subject to conditions as may be agreed between them and/or as specified in the arrangements in place between them.][•] |
| (c) Description of the application process: | [A prospective Noteholder should contact the applicable Authorised Offeror in the applicable Public Offer Jurisdiction prior to the end of the Offer Period. A prospective Noteholder will subscribe for the Notes in accordance with the arrangements existing between such Authorised Offeror and its customers relating to the subscription of securities generally. Noteholders will not be required to enter into any contractual |

²² Not applicable if the minimum denomination is at least €100,000 or the Notes are otherwise offered in circumstances which do not require the publication of a prospectus pursuant to the Prospectus Directive.

Form of Final Terms in respect of PD Notes

arrangements directly with the Issuer in connection with the subscription of the Notes.][●]

- | | |
|--|--|
| (d) Description of possibility to reduce subscriptions: | [Not Applicable. The terms of the Public Offer do not provide for any reductions of subscriptions.][●] |
| (e) Manner for refunding excess amount paid by applicants: | [Not Applicable. The terms of the Public Offer do not provide for any refunds of excess amounts paid by applicants.][●] |
| (f) Minimum and/or maximum amount of application: | [There are no pre-identified allotment criteria. The Authorised Offerors will adopt allotment criteria in accordance with customary market practices and applicable laws and regulations.][●] |
| (g) Method and time limit for paying up the securities and for delivery of the Notes: | [Investors will be notified by the relevant Authorised Offeror of their allocations of Notes and the settlement arrangements in respect thereof. The Notes will be issued on the Issue Date against payment to the Issuer of the net subscription moneys.][●] |
| (h) Manner and date on which results of the offer are to be made public: | [Investors will be notified by the applicable Financial Intermediary of their allocations of Notes and the settlement procedures in respect thereof on or around [date].][●] |
| (i) Procedure for exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised: | [Not Applicable. The terms of the Public Offer do not provide for a procedure for the exercise of any right of pre-emption or negotiability of subscription rights.][●] |
| (j) Whether tranche(s) have been reserved for certain countries. | Not Applicable. The terms of the Public Offer do not reserve any tranche(s) for certain countries. |
| (k) Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: | [A prospective Noteholder will receive 100 per cent. of the amount of the Notes allocated to it at the end of the Offer Period. Prospective Noteholders will be notified by the applicable Authorised Offeror in accordance with the arrangements in place between such Authorised Offeror and the prospective Noteholders. No dealings in the Notes on a regulated market for the purposes of the MiFID II (Directive 2014/65/EU) may take place prior to the Issue Date.][●] |
| (l) Amount of any expenses and taxes specifically charged to the subscriber or purchaser: | [Not Applicable. The terms of the Public Offer do not provide for any expenses and/or taxes to be charged to any subscriber and/or purchaser of the Notes.][●] |
| (m) Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place: | The Initial Authorised Offerors identified in paragraph [●] above [and any additional Authorised Offerors who have or obtain the Issuer's consent to use the Prospectus in connection with the Public Offer and who are identified on the Issuer's website as an Authorised Offeror] (together, the " Authorised Offerors "). |

[Insert any additional information relating to the Underlying pursuant to the Prospectus Directive]

SUMMARY OF THE NOTES²³

²³ Insert only for Tranches of PD Notes that are (i) Non-Exempt PD Notes and/or (ii) are listed on an EEA regulated market and have a denomination of less than EUR 100,000. Where any Non-Exempt PD Notes are offered in jurisdictions where one or more translations of the Issue Specific Summary are required, the relevant Managers/Dealer (together with their/its counsel) is responsible for drafting such translations. The Issue Specific Summary should be drafted by using the Programme summary on pages 9 to 49 of this document, deleting the text relating to the Programme summary and completing the relevant issue-specific disclosure.

FORM OF FINAL TERMS IN RESPECT OF EXEMPT NOTES

FINAL TERMS

**COÖPERATIEVE RABOBANK U.A.
(RABOBANK STRUCTURED PRODUCTS)**

Legal Entity Identifier (LEI): DG3RU1DBUFHT4ZF9WN62

EUR 15,000,000,000

Structured Medium-Term Note Programme

Due from seven days to perpetuity

SERIES NO: [●]

[TRANCHE NO: [●]]

Issue of [aggregate nominal amount of Tranche] [Title of Notes] [Year of Issue] due [●]²⁴ (the "Notes")

Issue Price: [●] per cent.

[Publicity Name[s] of Dealer[s]]

The date of these Final Terms is [●]

[MiFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "MiFID II"); and (ii) all channels for distribution to eligible counterparties and professional clients are appropriate. [Consider any negative target market] . Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer['s/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/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable.]

²⁴ For Floating Rate Notes, Variable Rate Notes, Inverse Floating Rate Notes, CMS Linked Notes, Range Accrual Notes and Ratchet Notes, insert relevant month and year only, not the date within the month of maturity.

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (a) a retail client as defined in point (11) of Article 4(1) of [Directive 2014/65/EU (as amended, "MiFID II")/[MiFID II]; (b) a customer within the meaning of Directive 2002/92/EC (as amended or superseded, the IMD), 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 Directive 2003/71/EC (as amended or superseded, the "Prospectus Directive"). 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 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.]

[Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (as modified or amended from time to time, the "SFA") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "CMP Regulations 2018"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes [are]/[are not] "prescribed capital markets products" (as defined in the CMP Regulations 2018) and [are] [Excluded]/[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).]²⁵

PART A — CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the "**Conditions**") set forth in the base prospectus dated 13 June 2019 [and the supplemental prospectus[es] dated [●]] ([together,] the "**Base Prospectus**"). This document constitutes the Final Terms of the Notes described herein and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at, and copies may be obtained from, Rabobank at Croeselaan 18, 3521 CB Utrecht, the Netherlands and the principal office of the Paying Agent in Luxembourg, Amsterdam and Paris and www.bourse.lu.

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the base prospectus dated [original date] (the "**Conditions**"), which are incorporated by reference in the base prospectus dated 13 June 2019 [and the supplemental prospectus[es] dated [●]] ([together,] the "**Base Prospectus**"). This document constitutes the Final Terms of the Notes described herein and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Base Prospectus and the Conditions. The Issuer accepts responsibility for the information contained in these Final Terms which, when read together with the Base Prospectus and the Conditions, contains all information that is material in the context of the issue of the Notes. The Base Prospectus is available for viewing at, and copies may be obtained from Rabobank at Croeselaan 18, 3521 CB Utrecht, the Netherlands and the principal office of the Paying Agent in Luxembourg, Amsterdam and Paris and www.bourse.lu.]²⁶

[The following alternative language applies if Notes are issued pursuant to Rule 144A.]

²⁵ For any Notes to be offered to investors in Singapore, the Issuer should consider whether it needs to re-classify the Notes pursuant to Section 309B of the SFA prior to the launch of the offer.

²⁶ The alternative language applies if the first Tranche of an issue which is being increased was issued under an offering circular/a base prospectus with an earlier date.

[THE NOTES REFERRED TO HEREIN THAT ARE REPRESENTED BY A RESTRICTED GLOBAL CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE “**SECURITIES ACT**”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT (“**Rule 144A**”) TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR REALES OF NOTES REPRESENTED BY A RESTRICTED GLOBAL CERTIFICATE.]

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor’s overall investment portfolio.

(Italicised text indicate drafting notes and guidance for completing the Final Terms. Include whichever of the following apply or specify as “Not Applicable”. Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs, save in respect of the items which may be deleted in accordance with the relevant drafting notes.)

(Consider whether a drawdown prospectus is necessary in order to issue fungible Notes where the first Tranche was issued pursuant to a previous base prospectus/offering circular. This could arise in circumstances where, for example, the Final Terms for the original tranche included information which is no longer permitted to be included in Final Terms under the Prospectus Directive (as amended) or pursuant to guidance issued by ESMA.)

- | | | |
|---|--|---|
| 1 | Issuer: | Coöperatieve Rabobank U.A. (Rabobank Structured Products) |
| 2 | (a) Series Number: | [●] |
| | (b) Tranche Number: | [●] |
| | (c) Date on which the Notes become fungible: | [Not Applicable][The Notes will be consolidated, form a single series and will be interchangeable for trading purposes with the <i>[insert description of the Series]</i> (the “ Existing Notes ”) on [●][the Issue Date][the exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 85 below]. |
| 3 | Specified Currency or Currencies: | [●] |
| 4 | Aggregate Nominal Amount: | |
| | (a) Series: | [●] |
| | (b) Tranche: | [●][Not Applicable] |
| 5 | Issue Price: | [●] per cent. of the aggregate nominal amount |

Form of Final Terms in respect of Exempt Notes

- [plus accrued interest in respect of the period from, and including, *[insert date]* [the Interest Commencement Date] to, but excluding, *[insert date]* [the Issue Date] (*in the case of fungible issues only, if applicable*)
- 6 (a) Specified Denominations: [●] [and integral multiples of [●] in excess thereof, up to and including [●].]
- (b) Calculation Amount: [●]
(*If there is only one Specified Denomination, insert that Specified Denomination, otherwise insert the highest common factor (e.g. EUR 1,000).*)
- 7 (a) Issue Date: [●]
- (b) Interest Commencement Date: [As specified in General Condition 1][●] (*Specify if other than the Issue Date*)[Not Applicable]
- (c) Trade Date: [●][Not Applicable]
(*Trade Date must be specified whenever Alternative Currency Equivalent is applicable, or for Commodity Linked Notes, Commodity Index Linked Notes, Equity Linked Notes or Equity Index Linked Notes.*)
- 8 **Scheduled Maturity Date:** [(Specify date) (or indicate if Notes are perpetual) (or for Floating Rate Notes) The Specified Interest Payment Date falling in or nearest to (insert the relevant month and year).]
(*N.B. It will be necessary to use the alternative text for Renminbi denominated Fixed Rate Notes where the Interest Payment Dates are subject to adjustment.*)
- 9 **Interest Basis:** [[●] per cent. Fixed Rate Notes] [*insert Reference Rate*] [+][-] [*insert Margin*] Floating Rate Notes][Zero Coupon Notes][Variable Rate Notes][Inverse Floating Rate Notes][CMS Linked Notes][Range Accrual Notes][Ratchet Notes][Contingent Coupon Notes][Dual Currency Interest]
Further particulars specified below.
[Not Applicable]
- 10 **Change of Interest Basis:** [Not Applicable][Applicable.
Further particulars specified below.
(*If applicable, complete further detail in "Variable Rate Note" below.*)
- 11 **Redemption Basis:** [Redemption at Par][Dual Currency Redemption – Single Underlying][Dual Currency Redemption – Underlying Performance][Redemption at Discount/Premium][Instalment][Partly Paid][Standard Redemption – Single Underlying][Standard Redemption – Lock-In Event and Barrier Condition][Standard Redemption – Worst Performer][Standard Redemption – Basket][Barrier Redemption – Single Underlying][Barrier Redemption – Worst Performer][Continuous Barrier Redemption – Single

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- Underlying][Continuous Barrier Redemption – Worst Performer]
Further particulars specified below.
- 12 **Settlement Basis:** [Cash Settlement][Physical Delivery]
Further particulars specified below.
- 13 **Notes linked to Underlying[s]:** [Not Applicable][Commodity Linked Notes][Commodity Index Linked Notes][Equity Linked Notes][Equity Index Linked Notes][Fund Linked Notes][FX Linked Notes][Inflation Index Linked Notes]
Further particulars specified below.
- 14 **Alternative Currency Equivalent:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Alternative Currency: [●]
- (b) Alternative Currency Adjudication Agent²⁷: [●]
- (c) Alternative Currency Calculation Agent²⁸: [●]
- (d) Maximum Days of Postponement: [●] Business Days
- 15 **Redemption Prior to Maturity:**
- (a) Call Option/Put Option: [Not Applicable][Call Option][Put Option]
Further particulars specified below.
- (b) Automatic Early Redemption: [Not Applicable][Applicable]
Further particulars specified below.]
- 16 (a) Status of the Notes: Senior Notes
- (b) Domestic Note: [Applicable][Not Applicable]
- (c) Date of approval for issuance of Notes: [●][Not Applicable]

PROVISIONS RELATING TO THE INTEREST BASIS

- 17 **Fixed Rate Notes:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Rate of Interest: [●] per cent. per annum [payable [annually][semi-annually][quarterly][monthly] in arrear]
- (b) [Specified] Interest Payment Date[s]: [●][in each year, commencing on [●] up to, and including, the Scheduled Maturity Date.]
(Include “Specified” where a Business Day Convention applies in accordance with paragraph 17(g) below.)

²⁷ When paragraph 14 (Alternative Currency Equivalent) is “Applicable”, a separate Alternative Currency Adjudication Agency Agreement will be needed if the Alternative Currency Adjudication Agent is not a Dealer or one of its affiliates.

²⁸ When paragraph 14 (Alternative Currency Equivalent) is “Applicable”, a separate Alternative Currency Calculation Agency Agreement will be needed if the Alternative Currency Calculation Agent is not a Dealer or one of its affiliates.

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[[●] in each year, commencing on [●] (the “**First Interest Payment Date**”) up to and including the Scheduled Maturity Date

There will be a [short/long] [first/last] fixed interest period (the “[**Short/Long**] [**First/Last**] **Coupon**”) in respect of the period [from (and including) the Interest Commencement Date to (but excluding) the First Interest Payment Date]/[from (and including) [(insert penultimate Interest Payment Date)] to (and including) the Maturity Date]

(The alternative text below should only be used in the case of Fixed Rate Notes denominated in Renminbi where the Interest Payment Dates are subject to modification)

[Provided that, if any Interest Payment Date falls on a day which is not a Business Day, the Interest Payment Date will be the next succeeding Business Day unless it would thereby fall in the next calendar month, in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day.

For these purposes, “**Business Day**” means a day on which commercial banks and foreign exchange markets settle payment and are open for general business (including dealing in foreign exchange and currency deposits) in Hong Kong.]

(c) Fixed Coupon Amounts:

[●] per Calculation Amount[, subject to sub-paragraph 17(h) below] *(include if sub-paragraph 17(h) below is applicable, otherwise delete)*

[Each Fixed Coupon Amount shall be calculated by multiplying (i) the product of the Rate of Interest and the Calculation Amount, by (ii) the Day Count Fraction, and rounding the resultant figure to the nearest CNY0.01, with CNY0.005 rounded upwards.]

(The alternative text should only be used in the case of Fixed Rate Notes denominated in Renminbi where the Interest Payment Dates are subject to adjustment.)

(d) Broken Amount:

[[●] per Calculation Amount[, subject to sub-paragraph 17(h) below] *(include if sub-paragraph 17(h) below is applicable, otherwise delete)*, payable on the Interest Payment Date falling [in][on] [●][Not Applicable]

(e) Day Count Fraction:

[Actual/Actual][Actual/Actual (ISDA)][Actual/365 (Fixed)][Actual/365 (Sterling)][Actual/360][30/360][360/360][Bond Basis][30E/360][Eurobond Basis][30E/360 (ISDA)]

(Day Count Fraction should be Actual/Actual-for all fixed rate issues other than those denominated in U.S. Dollars or Renminbi, unless otherwise agreed.)

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- (f) Interest Determination Date[s]: [As specified in General Condition 1][●] in each year][●][Not Applicable]
(Interest Determination Date must be specified if Actual/Actual – ICMA is specified in item 17(e))
- (g) [Business Day Convention:] [Applicable – Modified Following Business Day Convention][Not Applicable]
(General Condition 8(f) will apply if an Interest Payment Date falls on a day that is not a Payment Day, therefore only applicable where Notes are denominated in Renminbi, otherwise delete this item.)
- (h) Non-Deliverable Currency Interest Feature: [Applicable – see further particulars specified in paragraph [82] below][Not Applicable]
- 18 **Floating Rate Notes:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Interest Period: [As specified in General Condition 1][●]
- (b) Specified Interest Payment Date[s]: [[●] in each year, commencing on [●] up to and including [(insert final interest payment date)][, subject to adjustment in accordance with the Business Day Convention.]
[[●] in each year, commencing on [●] (the “**First Interest Payment Date**”) up to and including [(insert final interest payment date)]]
There will be a [short/long] [first/last] fixed interest period (the “[**Short/Long**] [**First/Last**] **Coupon**”) in respect of the period [from (and including) the Interest Commencement Date to (but excluding) the First Interest Payment Date]/[from (and including) [(insert penultimate Interest Payment Date)] to (and including) [(insert final interest payment date)]] [See Linear Interpolation below.]
- (c) Specified Period[s]: [●][Not Applicable]
- (d) Business Day Convention: [Floating Rate Convention][Following Business Day Convention][Modified Following Business Day Convention][Preceding Business Day Convention][Not applicable]
(Include a Business Day Convention where the period in which interest accrual should be adjusted for a non-Business Day.)
- (e) Party responsible for calculating the Rate[s] of Interest: [Calculation Agent/[●]]
- (f) Manner in which the Rate[s] of Interest is/are to be determined: [ISDA Determination][Screen Rate Determination]
- (g) ISDA Determination: [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (i) Floating Rate Option[s]: [●]

(ii) Designated Maturity[ies]:	[●]
(iii) Reset Date[s]:	[First day of Interest Period][●]
(h) Screen Rate Determination:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i>
(i) Reference Rate[s]:	[●] [month] [year] [LIBOR][LIBID][LIMEAN][GBP-ISDA-Swap Rate][EURIBOR] [EONIA] [STIBOR] [EUR-ISDA-EURIBOR-Swap Rate] [JPY-ISDA-Swap Rate] [USD-ISDA-Swap Rate][SONIA][Compounded Daily SOFR][Weighted Average SOFR]
(ii) Interest Determination Date[s]:	[As specified in General Condition 1][[●] Business Days prior to [the first day in each Interest Period][each Specified Interest Payment Date][●]/[The day that is the [fourth] U.S. Government Securities Business Day prior to the Interest Payment Date in respect of the Interest Accrual Period/Interest Period]]
(iii) Relevant Screen Page[s]:	[●]
(iv) Fallback Provisions:	[As specified in General Condition 5(b)(iii)(B)(IV)(A)][As specified in General Condition 5(b)(iii)(B)(V)(A)][As specified in General Condition 5(b)(iii)(B)(V)(B)][Not Applicable]
(i) Linear Interpolation:	[Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation <i>(specify for each short or long interest period)</i>][Not Applicable]
(j) Observation Method:	[Not Applicable/Lag/Lock-out]
(k) Observation Look-back Period (being no less than 5 London Banking Days or U.S. Government Securities Business Days):	[specify number] [London Banking Days]/[U.S. Government Securities Business Days]
(l) Margin:	[+/-] [●] per cent. per annum <i>(If the Margin is going to differ as between different Interest Periods, this should be specified here.)</i>
(m) Minimum Rate of Interest:	[●][Not Applicable]
(n) Maximum Rate of Interest:	[●][Not Applicable]
(o) Day Count Fraction:	[Actual/Actual][Actual/Actual (ISDA)][Actual/365 (Fixed)][Actual/365 (Sterling)][Actual/360][30/360][360/360][Bond Basis][30E/360][Eurobond Basis][30E/360 (ISDA)][Actual/Actual-ICMA]
19 Zero Coupon Notes:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i>
(a) Amortisation Yield:	[As specified in General Condition 1][[●] per cent. per annum, compounded [quarterly][semi-annually][annually]

- (b) Day Count Fraction: [Actual/Actual][Actual/Actual (ISDA)][Actual/365 (Fixed)][Actual/365 (Sterling)][Actual/360][30/360][360/360][Bond Basis][30E/360][Eurobond Basis][30E/360 (ISDA)][Actual/Actual-ICMA]
- 20 **Inverse Floating Rate Notes**²⁹: [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Interest Period: [As specified in General Condition 1][●]
- (b) Specified Interest Payment Date[s]: [[●] in each year, commencing on [●] up to and including [(insert final interest payment date)]
[[●] in each year, commencing on [●] (the “First Interest Payment Date”) up to and including [(insert final interest payment date)]]
There will be a [short/long] [first/last] fixed interest period (the “[Short/Long] [First/Last] Coupon”) in respect of the period [from (and including) the Interest Commencement Date to (but excluding) the First Interest Payment Date]/[from (and including) [(insert penultimate Interest Payment Date)] to (and including) [(insert final interest payment date)]] [See Linear Interpolation below.]
- (c) Specified Period[s]: [●][Not Applicable]
- (d) Business Day Convention: [Floating Rate Convention][Following Business Day Convention][Modified Following Business Day Convention][Preceding Business Day Convention]
- (e) Applicable formula to be used for calculating the Rate[s] of Interest: [INV(1)][INV(2)][INV(3)][INV(4)][INV(5)][INV(6)][INV(7)][INV(8)]
- (f) Party responsible for calculating the Rate[s] of Interest: [Calculation Agent/[●]]
- (g) Inverse Rate: [The mathematical [difference between][sum of] (specify Reference Rate(s)/Floating Rate Option(s)) determined in accordance with [ISDA Determination][Screen Rate Determination] as set out below:
- (i) ISDA Determination: [Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (A) Floating Rate Option[s]: [●]
- (B) Designated Maturity[y][ies]: [●]
- (C) Reset Date[s]: [First day of Interest Period][●]
- (ii) Screen Rate Determination[s]: [Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (A) Reference Rate[s]: [●]

²⁹ Please note that Inverse Floating Rate Notes should only be offered in minimum denominations of €100,000 (or its equivalent in any other currency).

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(B) Interest Determination Date[s]:	[●][TARGET] Business Days for [specify currency] prior to [the first day in [each Interest Period][each Specified Interest Payment Date]/[The day that is the [fourth] U.S. Government Securities Business Day prior to the Interest Payment Date in respect of the Interest Accrual Period/Interest Period]]
(C) Relevant Screen Page[s]:	[●]
(D) Fallback Provisions:	[Per General Condition 5(b)(iii)(B)(IV)(A)][Per General Condition 5(b)(iii)(B)(V)(A)][Per General Condition 5(b)(iii)(B)(V)(B)][Not Applicable]
(iii) Linear Interpolation:	[Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (specify for each short or long interest period)][Not Applicable]
(h) Margin:	[+/-] [●] per cent. per annum [Not Applicable]
(i) Margin ₁ :	[+/-] [●] per cent. per annum [Not Applicable]
(j) Margin ₂ :	[+/-] [●] per cent. per annum [Not Applicable]
(k) Margin ₃ :	[+/-] [●] per cent. per annum [Not Applicable]
(l) Observation Method:	[Not Applicable/Lag/Lock-out]
(m) Observation Look-back Period (being no less than 5 London Banking Days or U.S. Government Securities Business Days):	[specify number] [London Banking Days]/[U.S. Government Securities Business Days]
(n) Gearing Factor:	[+/-] [●] per cent. per annum [Not Applicable]
(o) Previous Coupon:	[Applicable][Not Applicable] (If not applicable, delete the remainder of this paragraph.) [The Previous Coupon shall be calculated by reference to the Interest Period commencing on [●].] [In respect of the Interest Period commencing on [●], the Previous Coupon shall be [●] per cent.]
(p) Day Count Fraction:	[Actual/Actual][Actual/Actual-ISDA][Actual/365 (Fixed)][Actual/365 (Sterling)][Actual/360][30/360][360/360][Bond Basis][30E/360][Eurobond Basis][30E/360 (ISDA)][Actual/Actual-ICMA]
(q) Minimum Rate of Interest:	[●][Not Applicable]
(r) Maximum Rate of Interest:	[●][Not Applicable]
21 CMS Linked Notes ³⁰ :	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
(a) Interest Period:	[As specified in General Condition 1][●]

³⁰ Please note that CMS Linked Notes which specify the formula CMS(9), CMS(10), CMS(11), CMS(12), CMS(13), CMS(14), CMS(15), CMS(16), CMS(17), CMS(18), CMS(19), CMSRA(1), CMSRA(2), CMSRA(3), CMSRA(4) or CMSRA(5) should only be offered in minimum denominations of €100,000 (or its equivalent in any other currency).

Form of Final Terms in respect of Exempt Notes

- (b) Specified Interest Payment Date[s]: [[●] in each year, commencing on [●] up to and including the Scheduled Maturity Date]
[[●] in each year, commencing on [●] (the “**First Interest Payment Date**”) up to and including the Scheduled Maturity Date.
There will be a [short/long] [first/last] fixed interest period (the “[**Short/Long**] [**First/Last**] **Coupon**”) in respect of the period [from (and including) the Interest Commencement Date to (but excluding) the First Interest Payment Date]/[from (and including) [(*insert penultimate Interest Payment Date*)] to (and including) the Scheduled Maturity Date] [See Linear Interpolation below.]
- (c) Specified Period[s]: [●][Not Applicable]
- (d) Business Day Convention: [Floating Rate Convention][Following Business Day Convention][Modified Following Business Day Convention][Preceding Business Day Convention]
- (e) Applicable formula to be used for calculating Rate[s] of Interest: [CMS(1)][CMS(2)][CMS(3)][CMS(4)][CMS(5)][CMS(6)][CMS(7)][CMS(8)][CMS(9)][CMS(10)][CMS(11)][CMS(12)][CMS(13)][CMS(14)][CMS(15)][CMS(16)][CMS(17)][CMS(18)][CMS(19)][CMSRA(1)][CMSRA(2)][CMSRA(3)][CMSRA(4)][CMSRA(5)]
- (f) Party responsible for calculating the Rate[s] of Interest: [Calculation Agent/[●]]
- (g) CMS Rate: [The mathematical [difference between][sum of] (specify Reference Rate(s)/Floating Rate Option(s)) determined in accordance with [ISDA Determination][Screen Rate Determination] as set out below:
(Repeat sub-paragraphs (i) to (ii) below for each of CMS Rate₁, CMS Rate₂ or CMS Rate₃ where they apply)
- (i) ISDA Determination: [Applicable][Not Applicable] (If not applicable, delete the sub-paragraphs (A) to (C) below.)
- (A) Floating Rate Option[s]: [●]
- (B) Designated Maturity[ies]: [●]
- (C) Reset Date[s]: [First day of Interest Period][●]
- (ii) Screen Rate Determination: [Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs (A) to (D) below.)
- (A) Reference Rate[s]: [●] [month] [year] [LIBOR][LIBID][LIMEAN][GBP-ISDA-Swap Rate][EURIBOR][EONIA][STIBOR][EUR-ISDA-EURIBOR-Swap Rate][JPY-ISDA-Swap Rate][USD-ISDA-Swap Rate][SONIA][Compounded Daily SOFR][Weighted Average SOFR]
- (B) Interest Determination Date[s]: [As specified in General Condition 1][●] Business Days prior to [the first day in each Interest Period][each Specified Interest Payment Date][●]
- (C) Relevant Screen Page[s]: [●]

Form of Final Terms in respect of Exempt Notes

- (D) Fallback Provisions: [As specified in General Condition 5(b)(iii)(B)(IV)(A)][As specified in General Condition 5(b)(iii)(B)(V)(A)][As specified in General Condition 5(b)(iii)(B)(V)(B)][Not Applicable]
- (h) Applicable Rate: [Specify absolute value (If not applicable, delete sub-paragraphs (i) to (iii) below)][The mathematical [difference between][sum of] (specify Reference Rate(s)/Floating Rate Option(s)) determined in accordance with [ISDA Determination][Screen Rate Determination] as set out below:
- (i) ISDA Determination: [Applicable][Not Applicable] (If not applicable, delete the sub-paragraphs (A) to (C) below.)
- (A) Floating Rate Option[s]: [●]
- (B) Designated Maturity[ies]: [●]
- (C) Reset Date[s]: [First day of Interest Period][●]
- (ii) Screen Rate Determination: [Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs (A) to (D) below.)
- (A) Reference Rate[s]: [●] [month] [year] [LIBOR][LIBID][LIMEAN][GBP-ISDA-Swap Rate][EURIBOR][EONIA][STIBOR][EUR-ISDA-EURIBOR-Swap Rate][JPY-ISDA-Swap Rate][USD-ISDA-Swap Rate][SONIA][Compounded Daily SOFR][Weighted Average SOFR]
- (B) Interest Determination Date[s]: [As specified in General Condition 1][●] Business Days prior to [the first day in each Interest Period][each Specified Interest Payment Date][●]/[The day that is the [fourth] U.S. Government Securities Business Day prior to the Interest Payment Date in respect of the Interest Accrual Period/Interest Period]]
- (C) Relevant Screen Page[s]: [●]
- (D) Fallback Provisions: [As specified in General Condition 5(b)(iii)(B)(IV)(A)][As specified in General Condition 5(b)(iii)(B)(V)(A)][As specified in General Condition 5(b)(iii)(B)(V)(B)][Not Applicable]
- (i) Linear Interpolation: [Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (specify for each short or long interest period)][Not Applicable]
- (j) Accrual Range: [●]
- (k) Accrual Rate: [●] per cent. [Specify Reference Rate and/or Floating Rate Option]
- (l) Gearing Factor: [●][Not Applicable]
- (m) Gearing Factor₁: [●][Not Applicable]
- (n) Gearing Factor₂: [●][Not Applicable]
- (o) Margin: [●][Not Applicable]
- (p) Margin₁: [●][Not Applicable]

- (q) Margin₂: [●][Not Applicable]
- (r) Margin₃: [●][Not Applicable]
- (s) Power: [●][Not Applicable]
- (t) Observation Method: [Not Applicable/Lag/Lock-out]
- (u) Observation Look-back Period (being no less than 5 London Banking Days or U.S. Government Securities Business Days): [*specify number*] [London Banking Days]/[U.S. Government Securities Business Days]
- (v) Minimum Rate of Interest: [●][Not Applicable]
- (w) Minimum Rate of Interest₁: [●][Not Applicable]
- (x) Minimum Rate of Interest₂: [●][Not Applicable]
- (y) Maximum Rate of Interest: [●][Not Applicable]
- (z) Maximum Rate of Interest₁: [●][Not Applicable]
- (aa) Maximum Rate of Interest₂: [●][Not Applicable]
- (bb) Day Count Fraction: [Actual/Actual][Actual/Actual (ISDA)][Actual/365 (Fixed)][Actual/365 (Sterling)][Actual/360][30/360][360/360][Bond Basis][30E/360][Eurobond Basis][30E/360 (ISDA)][Actual/Actual-ICMA]
- (cc) Fixing Day: [As specified in General Condition 1][●]
- (dd) Rate Cut-off Date: [●][Not Applicable]
- (ee) Minimum CMS Rate of Interest: [●][Not Applicable]
- (ff) Global Floor Feature [Applicable][Not Applicable]
(If not applicable, delete the remainder of this sub-paragraph.)
- (i) Global Floor Percentage: [●] per cent.
- 22 **Range Accrual Notes**³¹: [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Interest Period[s]: [As specified in General Condition 1][●]
- (b) Specified Interest Payment Date[s]: [[●] in each year, commencing on [●] up to and including the Scheduled Maturity Date]
[[●] in each year, commencing on [●] (the “**First Interest Payment Date**”) up to and including the Maturity Date
There will be a [short/long] [first/last] fixed interest period (the “[**Short/Long**] [**First/Last**] **Coupon**”) in respect of the period [from (and including) the Interest Commencement Date to (but excluding) the First Interest Payment Date]/[from (and including) [(*insert penultimate Interest Payment Date*)] to (and including) the Scheduled Maturity Date] [See Linear Interpolation below]

³¹ Please note that Range Accrual Notes should only be offered in minimum denominations of €100,000 (or its equivalent in any other currency).

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- (c) Specified Period[s]: [●][Not Applicable]
- (d) Business Day Convention: [Floating Rate Convention][Following Business Day Convention][Modified Following Business Day Convention][Preceding Business Day Convention]
- (e) Applicable formula to be used for calculating the Rate[s] of Interest: [RAN(1)][RAN(2)][RAN(3)][RAN(4)][RAN(5)]
- (f) Range Accrual Condition₁, Range Accrual Condition₂ and/or Range Accrual Condition₃: [●] [*Specify applicable Range Accrual Condition from Condition 5(f)*]
- (g) Party responsible for calculating the Rate[s] of Interest: [Calculation Agent/[●]]
- (h) Applicable Rate[s]: [*Specify absolute value (If applicable, delete sub-paragraphs (i) to (iii) below)*][The mathematical [difference between][sum of] (*specify Reference Rate(s)/Floating Rate Option(s)*) determined in accordance with [ISDA Determination][Screen Rate Determination] as set out below:
- (i) ISDA Determination: [Applicable][Not Applicable] (*If not applicable, delete the sub-paragraphs (A) to (C) below.*)
- (A) Floating Rate Option[s]: [●]
- (B) Designated Maturity[y][ies]: [●]
- (C) Reset Date[s]: [First day of Interest Period][●]
- (ii) Screen Rate Determination: [Applicable][Not Applicable] (*If not applicable, delete the remaining sub-paragraphs (A) to (D) below.*)
- (A) Reference Rate[s]: [●] [month] [year] [LIBOR][LIBID][LIMEAN][GBP-ISDA-Swap Rate][EURIBOR][EONIA] [STIBOR][EUR-ISDA-EURIBOR-Swap Rate][JPY-ISDA-Swap Rate][USD-ISDA-Swap Rate][SONIA][Compounded Daily SOFR][Weighted Average SOFR]
- (B) Interest Determination Date[s]: [As specified in General Condition 1][[●] Business Days prior to [the first day in each Interest Period][each Specified Interest Payment Date][●]/[The day that is the [fourth] U.S. Government Securities Business Day prior to the Interest Payment Date in respect of the Interest Accrual Period/Interest Period]]
- (C) Relevant Screen Page[s]: [●]
- (D) Fallback Provisions: [As specified in General Condition 5(b)(iii)(B)(IV)(A)][As specified in General Condition 5(b)(iii)(B)(V)(A)][As specified in General Condition 5(b)(iii)(B)(V)(B)][Not Applicable]
- (i) Linear Interpolation: [Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)][Not Applicable]
- (j) Accrual Rate: [●]

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- (k) Fixing Day: [As specified in General Condition 1][●]
- (l) Rate Cut-off Date: [As specified in General Condition 1][●]
- (m) Gearing Factor: [●][Not Applicable]
- (n) Margin(s): [+/-] [●] per cent. per annum [Not Applicable]
- (o) Observation Method: [Not Applicable/Lag/Lock-out]
- (p) Observation Look-back Period (being no less than 5 London Banking Days or U.S. Government Securities Business Days): [*specify number*] [London Banking Days]/[U.S. Government Securities Business Days]
- (q) Minimum Rate of Interest: [●][Not Applicable]
- (r) Minimum Rate of Interest₁: [●][Not Applicable]
- (s) Maximum Rate of Interest: [●][Not Applicable]
- (t) Maximum Rate of Interest₁: [●][Not Applicable]
- (u) Day Count Fraction: [Actual/Actual][Actual/Actual (ISDA)][Actual/365 (Fixed)][Actual/365 (Sterling)][Actual/360][30/360][360/360][Bond Basis][30E/360][Eurobond Basis][30E/360 (ISDA)][Actual/Actual-ICMA]
- (v) Global Floor Feature [Applicable][Not Applicable]
(If not applicable, delete the remainder of this sub-paragraph.)
- (i) Global Floor Percentage: [●] per cent.
- 23 **Variable Rate Notes:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Variation Notice: [Applicable][Not Applicable]
- [(i) Minimum notice period if other than 5 Business Days: [●]] (*Delete if inapplicable*)
- (b) Variation Date[s]: [●]
- (c) Initial Rate of Interest: The [Fixed Interest Rate][Floating Interest Rate][Inverse Floating Interest Rate][CMS Linked Interest Rate][Range Accrual Interest Rate][Zero Coupon Interest Rate] specified below:
(Replicate details in paragraph 17, 18, 19, 20, 21 or 22, as applicable.)
- (d) Varied Rate[s] of Interest: The [Fixed Interest Rate][Floating Interest Rate][Inverse Floating Interest Rate][CMS Linked Interest Rate][Range Accrual Interest Rate][Zero Coupon Interest Rate] specified below:
(Replicate details in paragraph 17, 18, 19, 20, 21 or 22, as applicable, specifying which Variation Date to which the Varied Rate of Interest relates.)
- 24 **Ratchet Notes:** [Applicable][Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph.*)

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- (a) Coupon Observation Date[s]: [●]
- (b) Specified Interest Payment Date[s]: [●]
- (c) Floating Interest Rate:
 - (i) Manner in which Rate(s) of Interest is/are to be determined: [Screen Rate Determination][ISDA Determination]
 - (ii) ISDA Determination: [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
 - (A) Floating Rate Option[s]: [●]
 - (B) Designated Maturity[ies]: [●]
 - (C) Reset Date[s]: [First day of Interest Period][●]
 - (iii) Screen Rate Determination: [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
 - (A) Reference Rate[s]: [●] [month] [year] [LIBOR][LIBID][LIMEAN][GBP-ISDA-Swap Rate][EURIBOR][EONIA] [STIBOR]][EUR-ISDA-EURIBOR-Swap Rate][JPY-ISDA-Swap Rate][USD-ISDA-Swap Rate][SONIA][Compounded Daily SOFR][Weighted Average SOFR]
 - (B) Interest Determination Date[s]: [●][TARGET] Business Days for *[specify currency]* prior to [the first day in [each Interest Period][each Specified Interest Payment Date]/[The day that is the [fourth] U.S. Government Securities Business Day prior to the Interest Payment Date in respect of the Interest Accrual Period/Interest Period]]
 - (C) Relevant Screen Page[s]: [●]
- (d) PrevCpn in respect of First Interest Period: [●]
- (e) Gearing Factor₁: [●]
- (f) Gearing Factor₂: [●]
- (g) Margin: [●]
- (h) Margin₁: [●]
- (i) Margin₂: [●]
- (j) Observation Method: [Not Applicable/Lag/Lock-out]
- (k) Observation Look-back Period (being no less than 5 London Banking Days or U.S. Government Securities Business Days): *[specify number]* [London Banking Days]/[U.S. Government Securities Business Days]

Contingent Coupon Notes

(In addition, complete relevant section in the "Provisions relating to the Underlying" section below.)

25 Conditional Coupon with No Memory – Single Underlying:

[Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*

- (a) Coupon Observation Date[s]: [●]
- (b) Specified Interest Payment Date[s]: [●]

- (c) Coupon Trigger: [●] per cent. of Initial Value
- (d) Rate: [●]
- 26 **Conditional Coupon with No Memory and Lock-In Event:** [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (a) Coupon Observation Date[s]: [●]
- (b) Specified Interest Payment Date[s]: [●]
- (c) Lock-In Percentage [●]
- (d) Coupon Trigger: [●] per cent. of Initial Value
- (e) Rate: [●]
- (f) Day Count Fraction in respect of first Interest Period [●][Not Applicable]
- 27 **Conditional Coupon with No Memory – Worst Performer:** [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (a) Coupon Observation Date[s]: [●]
- (b) Specified Interest Payment Date[s]: [●]
- (c) Coupon Trigger: [●] per cent. of Initial Value
- (d) Rate: [●]
- 28 **Conditional Coupon with Memory – Single Underlying:** [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (a) Coupon Observation Date[s]: [●]
- (b) Specified Interest Payment Date[s]: [●]
- (c) Coupon Trigger: [●] per cent. of Initial Value
- (d) Rate: [●]
- 29 **Conditional Coupon with Memory – Worst Performer:** [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (a) Coupon Observation Date[s]: [●]
- (b) Specified Interest Payment Date[s]: [●]
- (c) Coupon Trigger: [●] per cent. of Initial Value
- (d) Rate: [●]
- 30 **Range Accrual – Single Underlying:** [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (a) Coupon Observation Period: [Inc/Inc][Inc/Exc][Exc/Inc][Exc/Exc]
- (i) Coupon Observation Period Start Date[s]: [●]
- (ii) Coupon Observation Period End Date[s]: [●]
- (b) Specified Interest Payment Date[s]: [●]
- (c) Coupon Trigger: [●] per cent. of Initial Value
- (d) Rate: [●]
- 31 **Range Accrual – Worst Performer:** [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*

- (a) Coupon Observation Period: [Inc/Inc][Inc/Exc][Exc/Inc][Exc/Exc]
- (i) Coupon Observation Period Start Date[s]: [●]
- (ii) Coupon Observation Period End Date[s]: [●]
- (b) Specified Interest Payment Date[s]: [●]
- (c) Coupon Trigger: [●] per cent. of Initial Value
- (d) Rate: [●]
- 32 **Bonus Recovery – Single Underlying:** [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (a) Coupon Observation Date[s]: [●]
- (b) Specified Interest Payment Date[s]: [●]
- (c) Coupon Trigger: [●] per cent. of Initial Value
- (d) Rate: [●]
- (e) Coupon Observation Value: [Reference Value][Averaging] *(Delete sub-paragraph below if Averaging is not applicable.)*
- [(i) Coupon Averaging Dates: [●]]
- 33 **Bonus Recovery – Worst Performer:** [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (a) Coupon Observation Date[s]: [●]
- (b) Specified Interest Payment Date[s]: [●]
- (c) Coupon Trigger: [●] per cent. of Initial Value
- (d) Rate: [●]
- (e) Coupon Observation Value: [Reference Value][Averaging] *(Delete sub-paragraphs below if Averaging is not applicable)*
- [(i) Coupon Averaging Dates: [●]]
- 34 **Year-on-Year Inflation Linked Interest:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Applicable Formula: [Cap][Floor][Cap and Floor][Not Applicable]
- (b) Coupon Observation Date[s]: [●]
- (c) Specified Interest Payment Date[s]: [●]
- (d) Gearing Factor: [●]
- (e) Margin: [●]
- (f) Coupon Cap: [●][Not Applicable]
- (g) Coupon Floor: [●][Not Applicable]
- (Specify terms specific to the Inflation Index in the “Provisions relating to the Underlying” section below.)*
- 35 **Other Periodic Inflation Linked Interest:** [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (a) Applicable Formula: [Cap][Floor][Cap and Floor][Not Applicable]
- (b) Coupon Observation Date[s]: [●]

- (c) Specified Interest Payment Date[s]: [●]
- (d) Rate: [●]
- (e) Coupon Cap: [●][Not Applicable]
- (f) Coupon Floor: [●][Not Applicable]

(Specify terms specific to the Inflation Index in the “Provisions relating to the Underlying” section below.)

36 **Digital Interest:** [Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)

- (a) Applicable Formula: [Equal to or less than][Equal to or greater than][Within a range]
- (b) Coupon Observation Date[s]: [●]
- (c) Specified Interest Payment Date[s]: [●]
- (d) Coupon Trigger: [[●] per cent. of Initial Value][Not Applicable]
- (e) Coupon Trigger₁: [[●] per cent. of Initial Value][Not Applicable]
- (f) Coupon Trigger₂: [[●] per cent. of Initial Value][Not Applicable]
- (g) Rate₁: [●][Not Applicable]
- (h) Rate₂: [●][Not Applicable]

37 **FX Linked Interest:** [Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)

- (a) FX Determination Date: [●]
- (b) Specified Interest Payment Date[s]: [●]
- (c) Applicable Formula: [FX₁ – No Cap/Floor][FX₁ – Cap][FX₁ – Floor][FX₁ – Cap and Floor][FX₂ – No Cap/Floor][FX₂ – Cap][FX₂ – Floor][FX₂ – Cap and Floor]
- (d) Rate₁: [●]
- (e) Rate₂: [●][Not Applicable]
- (f) FX₀: [●]
- (g) Relevant Time: [●]
- (h) Relevant Screen Page: [●]

(Specify terms specific to the FX Rate in the “Provisions relating to the Underlying” section below.)

38 **FX Range Interest:** [Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)

- (a) Observation Period: [As specified in General Condition 5(j)(xiii)]
- (b) Maximum Current Rate: [●]
- (c) Minimum Currency Rate: [●]
- (d) Specified Interest Payment Date(s): [●]
- (e) Rate₁: [●]
- (f) Rate₂: [●]

(Specify terms specific to the FX Rate in the “Provisions relating to the Underlying” section below.)

39 **Dual Currency Interest:** [Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)

Details in relation to how Dual Currency [•]
Interest is calculated:

(Specify terms specific to the FX Rate in the "Provisions relating to the Underlying" section below.)

PROVISIONS RELATING TO THE REDEMPTION BASIS

Automatic Early Redemption

40 **Autocall – Single Underlying:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

(a) i **Automatic Early Redemption Observation Date:** **Automatic Early Redemption Trigger:**

1 [•] [•]
2 [•] [•]
3 [•] [•]

(Repeat as necessary for additional dates/triggers.)

(b) Automatic Early Redemption Date[s]: [As specified in General Condition 1][Each Interest Payment Date (except the Maturity Date)][•]

(c) Automatic Early Redemption Value: [•] per cent.

41 **Autocall – Worst Performer:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

(a) i **Automatic Early Redemption Observation Date:** **Automatic Early Redemption Trigger:**

1 [•] [•]
2 [•] [•]
3 [•] [•]

(Repeat as necessary for additional dates/triggers.)

(b) Automatic Early Redemption Date[s]: [As specified in General Condition 1][Each Specified Interest Payment Date (except the Maturity Date)][•]

(c) Automatic Early Redemption Value: [•] per cent

42 **Autocall – (Individual Call) – Single Underlying:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

(a) Equal to or less than: [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

(i) i **Automatic Early Redemption Observation Date:** **Automatic Early Redemption Trigger:**

1 [•] [•]
2 [•] [•]
3 [•] [•]

(Repeat as necessary for additional dates/triggers.)

- (iii) Automatic Early Redemption [As specified in General Condition 1][Each Specified Date[s]: Interest Payment Date (except the Maturity Date)][●]
- (iii) Automatic Early Redemption [●] per cent.
Value:
- (b) Equal to or greater than: [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

- | | | | |
|-----|---|---|--|
| (i) | i | Automatic Early Redemption Observation Date: | Automatic Early Redemption Trigger: |
| | 1 | [●] | [●] |
| | 2 | [●] | [●] |
| | 3 | [●] | [●] |

(Repeat as necessary for additional dates/triggers.)

- (ii) Automatic Early Redemption [As specified in General Condition 1][Each Specified Date[s]: Interest Payment Date (except the Maturity Date)][●]
- (iii) Automatic Early Redemption [●] per cent.
Value:
- (c) Within a range: [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

- | | | | | |
|-----|---|---|--|--|
| (i) | i | Automatic Early Redemption Observation Date: | Automatic Early Redemption Trigger₁: | Automatic Early Redemption Trigger₂: |
| | 1 | [●] | [●] | [●] |
| | 2 | [●] | [●] | [●] |
| | 3 | [●] | [●] | [●] |

(Repeat as necessary for additional dates/triggers.)

- (ii) Automatic Early Redemption [As specified in General Condition 1][Each Specified Date[s]: Interest Payment Date (except the Maturity Date)][●]
- (iii) Automatic Early Redemption [●] per cent.
Value:
- 43 **Autocall – (Individual Call) – Worst Performer:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Equal to or less than: [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

- | | | | |
|-----|---|---|--|
| (i) | i | Automatic Early Redemption Observation Date: | Automatic Early Redemption Trigger: |
| | 1 | [●] | [●] |
| | 2 | [●] | [●] |

3 [●]

[●]

(Repeat as necessary for additional dates/triggers.)

- (ii) Automatic Early Redemption Date[s]: [As specified in General Condition 1][Each Specified Interest Payment Date (except the Maturity Date)][●]
- (iii) Automatic Early Redemption Value: [●] per cent. of the Initial Value
- (b) Equal to or greater than: [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
 - (i) Automatic Early Redemption Observation Date[s]: [●]
 - (ii) Automatic Early Redemption Value: [●] per cent
- (c) Within a range: [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
 - (i) i **Automatic Early Redemption Observation Date:**

	Automatic Early Redemption Trigger₁:	Automatic Early Redemption Trigger₂:
1 [●]	[●]	[●]
2 [●]	[●]	[●]
3 [●]	[●]	[●]

(Repeat as necessary for additional dates/triggers.)
 - (ii) Number of Business Days for Automatic Early Redemption Date: [As specified in General Condition 1][●]
 - (iii) Automatic Early Redemption Value: [●] per cent.

44 Redemption for Taxation Reasons:

- (a) Period of redemption: [On any Interest Payment Date][At any time]
- (b) Notice period: [30 days][●]
- (c) Early Redemption Amount: [●][adjusted to [account for Early Redemption Unwind Costs] [and][be payable in the Converted Redemption Currency specified in paragraph [81(b)] below]
 - (i) Early Redemption Unwind Costs: [Standard Early Redemption Unwind Costs][●]

Other redemption prior to maturity

45 Call Option:

- [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Optional Redemption Date[s]: [●]

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- (b) Optional Redemption Amount[s]: [[●] per Calculation Amount][Early Redemption Amount of [●][adjusted to account for Early Redemption Unwind Costs.
- (i) Early Redemption Unwind Costs: [Standard Early Redemption Unwind Costs][●]]
- (c) If redeemable in part: [●]
- (i) Minimum Redemption Amount: [●]
- (ii) Maximum Redemption Amount: [●]
- (d) Notice period: [The Issuer shall give notice of its intention to redeem the Notes not less than [15] nor more than [30] days prior to the relevant Optional Redemption Date.]
- 46 **Put Option:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Optional Redemption Date[s]: [●]
- (b) Optional Redemption Amount[s]: [[●] per Calculation Amount][Early Redemption Amount of [●][adjusted to account for Early Redemption Unwind Costs.
- (i) Early Redemption Unwind Costs: [Standard Early Redemption Unwind Costs][●]]
- (c) Notice period: [The holder shall give notice of its intention to redeem the Notes not less than [15] nor more than [30] days prior to the relevant Optional Redemption Date.]
- 47 **Redemption for Illegality or due to an Event of Default:**
- (a) Early Redemption Amount: [●][adjusted to account for Early Redemption Unwind Costs [and][be payable in the Converted Redemption Currency specified in paragraph [81(b)] below]
- (i) Early Redemption Unwind Costs: [Standard Early Redemption Unwind Costs][●]]
- Final Redemption**
- 48 **Redemption at Par:** [Applicable][Not Applicable]
- (i) Non-Deliverable Currency Redemption Feature: [Applicable – see further particulars specified in paragraph [82] below][Not Applicable]
- 49 **Redemption at Discount/Premium:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Factor: [●] per cent.
- (Where the Final Redemption Amount is anything other than “Redemption at Par”, “Redemption at Discount/Premium” or “Dual Currency Redemption”, it is also necessary to (a) select Cash Settlement Amount(s) or Asset Amount(s) and (b) complete relevant section in the “Provisions relating to the Underlying” section below.)*
- 50 **Dual Currency Redemption – Single Underlying:** [Applicable][Not Applicable]

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(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

- (a) Applicable Formula: [Equal to or greater than][Equal to or less than][Greater than][Less than][Par]
- (b) Specified Exchange Rate: [●]
- (c) Final Value: [Reference Value][Averaging][Lookback] *(Delete sub-paragraphs below where inapplicable.)*
 - [(i) Final Redemption Observation Date: [●]] *(Include for Reference Value)*
 - [(i) Final Averaging Dates: [●]] *(Include for Averaging)*
 - [(i) Lookback Period Start Date: [●]]
 - [(ii) Lookback Period End Date: [●]] *(Include for Lookback)*
- (d) Second Currency: [●]
- (e) Trigger: [●]

(Specify terms specific to the FX Rate in the “Provisions relating to the Underlying” section below.)

51 Dual Currency Redemption – Underlying Performance:

[Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

- (a) Applicable Formula: [Equal to or greater than][Equal to or less than][Greater than][Less than][Par]
- (b) Specified Exchange Rate: [●]
- (c) Final Value: [Reference Value][Averaging][Lookback] *(Delete sub-paragraphs below where inapplicable.)*
 - [(i) Final Redemption Observation Date: [●]] *(Include for Reference Value)*
 - [(i) Final Averaging Dates: [●]] *(Include for Averaging)*
 - [(i) Lookback Period Start Date: [●]]
 - [(ii) Lookback Period End Date: [●]] *(Include for Lookback)*
- (d) Second Currency: [●]
- (e) Trigger: [●]
- (f) Trigger: [●]

(Specify terms specific to the FX Rate in the “Provisions relating to the Underlying” section below.)

52 Standard Redemption – Single Underlying:

[Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

- (a) Final Value: [Reference Value][Averaging][Lookback] *(Delete sub-paragraphs below where inapplicable.)*
 - [(i) Final Redemption Observation Date: [●]] *(Include for Reference Value)*
 - [(i) Final Averaging Dates: [●]] *(Include for Averaging)*

- [(i) Lookback Period Start Date: [●]
(ii) Lookback Period End Date: [●]] *(Include for Lookback)*
- 53 **Standard Redemption – Lock-In Event and Barrier Condition:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Final Value: [Reference Value][Averaging][Lookback] *(Delete sub-paragraphs below where inapplicable.)*
- [(i) Final Redemption Observation Date: [●]] *(Include for Reference Value)*
- [(i) Final Averaging Dates: [●]] *(Include for Averaging)*
- [(i) Lookback Period Start Date: [●]
(ii) Lookback Period End Date: [●]] *(Include for Lookback)*
- (b) Strike Value: [●]
- 54 **Standard Redemption – Worst Performer:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Final Value: [Reference Value][Averaging][Lookback] *(Delete sub-paragraphs below where inapplicable below.)*
- [(i) Final Redemption Observation Date: [●]] *(Include for Reference Value)*
- [(i) Final Averaging Dates: [●]] *(Include for Averaging)*
- [(i) Lookback Period Start Date: [●]
(ii) Lookback Period End Date: [●]] *(Include for Lookback)*
- (b) Strike Value: [●]
- 55 **Standard Redemption – Basket:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Basket Strike : [●] per cent. of Basket Initial
- (b) Basket Initial : [●]
- (c) Final Valueⁱ: [Reference Value][Averaging][Lookback] *(Delete sub-paragraphs below where inapplicable.)*
- [(i) Final Redemption Observation Date: [●]] *(Include for Reference Value)*
- [(i) Final Averaging Dates: [●]] *(Include for Averaging)*
- [(i) Lookback Period Start Date: [●]
(ii) Lookback Period End Date: [●]] *(Include for Lookback)*
- 56 **Barrier Redemption – Single Underlying:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Final Value: [Reference Value][Averaging][Lookback] *(Delete sub-paragraphs below where inapplicable.)*

- [(i) Final Redemption Observation Date: [●]] (Include for Reference Value)
- [(i) Final Averaging Dates: [●]] (Include for Averaging)
- [(i) Lookback Period Start Date: [●]]
- [(ii) Lookback Period End Date: [●]] (Include for Lookback)
- (b) Strike Value: [●]
- (c) Barrier: [●]
- 57 **Barrier Redemption – Worst Performer:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Final Value: [Reference Value][Averaging][Lookback] (Delete sub-paragraphs below where inapplicable.)
- [(i) Final Redemption Observation Date: [●]] (Include for Reference Value)
- [(i) Final Averaging Dates: [●]] (Include for Averaging)
- [(i) Lookback Period Start Date: [●]]
- [(ii) Lookback Period End Date: [●]] (Include for Lookback)
- (b) Strike Value: [●]
- (c) Barrier: [●]
- 58 **Continuous Barrier Redemption – Single Underlying:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Final Value: [Reference Value][Averaging][Lookback] (Delete sub-paragraphs below where inapplicable.)
- [(i) Final Redemption Observation Date: [●]] (Include for Reference Value)
- [(i) Final Averaging Dates: [●]] (Include for Averaging)
- [(i) Lookback Period Start Date: [●]]
- [(ii) Lookback Period End Date: [●]] (Include for Lookback)
- (b) Strike Value: [●]
- (c) Barrier: [●][Not Applicable]
- (d) Barrier Breach Event: [Barrier Breach Event (Observation Period Intra-Day)][Barrier Breach Event (Observation Period Closing)][Barrier Breach Event (Reference Business Day Closing)]
- (i) Barrier Breach Event (Observation Period Closing): [Less than][Equal to or less than][Equal to or greater than][Greater than]
- (ii) Barrier Breach Event (Observation Period Intraday): [Less than][Equal to or less than][Equal to or greater than][Greater than]
- (iii) Barrier Breach Event (Reference Business Day Closing): [Less than][Equal to or less than][Equal to or greater than][Greater than]

- (e) Barrier Observation Period: [Inc/Inc][Inc/Exc][Exc/Inc][Exc/Exc]
- (i) Barrier Observation Period Start Date: [●]
- (ii) Barrier Observation Period End Date: [●]
- 59 **Continuous Barrier Redemption – Worst Performer:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Final Value: [Reference Value][Averaging][Lookback] *(Delete sub-paragraphs below where inapplicable.)*
- [(i) Final Redemption Observation Date: [●]] *(Include for Reference Value)*
- [(i) Final Averaging Dates: [●]] *(Include for Averaging)*
- [(i) Lookback Period Start Date: [●]]
- [(ii) Lookback Period End Date: [●]] *(Include for Lookback)*
- (b) Strike Value: [●]
- (c) Barrier: [●][Not Applicable]
- (d) Barrier Breach Event: [Barrier Breach Event (Observation Period Intra-Day)][Barrier Breach Event (Observation Period Closing)][Barrier Breach Event (Reference Business Day Closing)]
- (i) Barrier Breach Event (Observation Period Closing): [Less than][Equal to or less than][Equal to or greater than][Greater than]
- (ii) Barrier Breach Event (Observation Period Intraday): [Less than][Equal to or less than][Equal to or greater than][Greater than]
- (iii) Barrier Breach Event (Reference Business Day Closing): [Less than][Equal to or less than][Equal to or greater than][Greater than]
- (e) Barrier Observation Period: [Inc/Inc][Inc/Exc][Exc/Inc][Exc/Exc]
- (i) Barrier Observation Period Start Date: [●][Not Applicable]
- (ii) Barrier Observation Period End Date: [●][Not Applicable]

PROVISIONS RELATING TO THE SETTLEMENT BASIS

- 60 **Settlement Basis:** [Cash Settlement][Physical Delivery]
- 61 **Variation of settlement under General Condition 9(d)(iv):** [Applicable][Not Applicable]
- [First (delete if not applicable)] Cash Settlement Amount**
- 62 **Redemption at Par:** [Applicable][Not Applicable]
- 63 **Redemption at Discount/Premium:** [Applicable][Not Applicable]
- (a) Factor: [●]
- 64 **Performance – Single Underlying:** [Applicable][Not Applicable]

Form of Final Terms in respect of Exempt Notes

(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

- (a) Final Value: [Reference Value][Averaging][Lookback] *(Delete sub-paragraphs below where inapplicable.)*
- [(i) Final Redemption Observation Date: [●]] *(Include for Reference Value)*
- [(i) Final Averaging Dates: [●]] *(Include for Averaging)*
- [(i) Lookback Period Start Date: [●]]
- [(ii) Lookback Period End Date: [●]] *(Include for Lookback)*
- (b) Strike Value: [●]
- 65 **Performance – Worst Performer:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Final Value: [Reference Value][Averaging][Lookback] *(Delete sub-paragraphs below where inapplicable.)*
- [(i) Final Redemption Observation Date: [●]] *(Include for Reference Value)*
- [(i) Final Averaging Dates: [●]] *(Include for Averaging)*
- [(i) Lookback Period Start Date: [●]]
- [(ii) Lookback Period End Date: [●]] *(Include for Lookback)*
- (b) Strike Value: [●]
- 66 **Performance – Basket:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Basket Initial: [●]
- 67 **Gearing– Single Underlying:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Final Value: [Reference Value][Averaging][Lookback] *(Delete sub-paragraphs below where inapplicable.)*
- [(i) Final Redemption Observation Date: [●]] *(Include for Reference Value)*
- [(i) Final Averaging Dates: [●]] *(Include for Averaging)*
- [(i) Lookback Period Start Date: [●]]
- [(ii) Lookback Period End Date: [●]] *(Include for Lookback)*
- (b) Gearing Factor: [●]
- (c) Percentage Rate₁: [●]
- (d) Percentage Rate₂: [●]
- 68 **Gearing– Worst Performer:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

- (a) Final Value: [Reference Value][Averaging][Lookback] *(Delete sub-paragraphs below where inapplicable.)*
- [(i) Final Redemption Observation Date: [●]] *(Include for Reference Value)*
- [(i) Final Averaging Dates: [●]] *(Include for Averaging)*
- [(i) Lookback Period Start Date: [●]]
- [(ii) Lookback Period End Date: [●]] *(Include for Lookback)*
- (b) Gearing Factor: [●]
- (c) Percentage Rate₁: [●]
- (d) Percentage Rate₂: [●]
- 69 **Gearing with Cap – Single Underlying:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Final Value: [Reference Value][Averaging][Lookback] *(Delete sub-paragraphs below where inapplicable.)*
- [(i) Final Redemption Observation Date: [●]] *(Include for Reference Value)*
- [(i) Final Averaging Dates: [●]] *(Include for Averaging)*
- [(i) Lookback Period Start Date: [●]]
- [(ii) Lookback Period End Date: [●]] *(Include for Lookback)*
- (b) Cap: [●]
- (c) Gearing Factor: [●]
- (d) Subtrahend: [●]
- 70 **Gearing with Cap – Worst Performer:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Final Value: [Reference Value][Averaging][Lookback] *(Delete sub-paragraphs below where inapplicable.)*
- [(i) Final Redemption Observation Date: [●]] *(Include for Reference Value)*
- [(i) Final Averaging Dates: [●]] *(Include for Averaging)*
- [(i) Lookback Period Start Date: [●]]
- [(ii) Lookback Period End Date: [●]] *(Include for Lookback)*
- (b) Cap: [●]
- (c) Gearing Factor: [●]
- (d) Subtrahend: [●]
- 71 **Gearing with Cap and/or Floor – Single Underlying:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Final Value: [Reference Value][Averaging][Lookback] *(Delete sub-paragraphs below where inapplicable.)*

- [(i) Final Redemption Observation Date: [●]] (Include for Reference Value)
- [(i) Final Averaging Dates: [●]] (Include for Averaging)
- [(i) Lookback Period Start Date: [●]]
- [(ii) Lookback Period End Date: [●]] (Include for Lookback)
- (b) Cap: [●]
- (c) Floor: [●] per cent.
- (d) Subtrahend: [●]
- 72 **Gearing with Cap and/or Floor – Worst Performer:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Final Value: [Reference Value][Averaging][Lookback] (Delete sub-paragraphs below where inapplicable.)
- [(i) Final Redemption Observation Date: [●]] (Include for Reference Value)
- [(i) Final Averaging Dates: [●]] (Include for Averaging)
- [(i) Lookback Period Start Date: [●]]
- [(ii) Lookback Period End Date: [●]] (Include for Lookback)
- (b) Cap: [●]
- (c) Floor: [●] per cent.
- (d) Subtrahend: [●]
- 73 **Inflation Index Linked Redemption:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Maximum Redemption Amount: [●]
- (b) Minimum Redemption Amount: [●]
- (Specify terms specific to the Inflation Index in the “Provisions relating to the Underlying” section below.)
- 74 **FX Performance Linked Redemption – Single Underlying:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Call: [Applicable][Not Applicable]
- (b) Put: [Applicable][Not Applicable]
- (c) Gearing Factor: [●]
- (d) Strike Rate: [●]
- (Specify terms specific to the FX Rate in the “Provisions relating to the Underlying” section below.)
- 75 **FX Performance Linked Redemption – Basket:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) [Call: [Applicable][Not Applicable]]
- (b) [Put: [Applicable][Not Applicable]]
- (c) Strike Value: [●]

(Specify terms specific to the FX Rate in the “Provisions relating to the Underlying” section below.)

[Second Cash Settlement Amount] (If a Second Cash Settlement Amount is applicable, replicate details in paragraphs 57 to 71, as applicable, below. If a Second Cash Settlement Amount is not applicable, delete this heading.)

Asset Amount

- 76 **Asset Amount:** [Single Underlying][Worst Performer][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) Exchange Rate: [Applicable][Not Applicable]
- (b) Final Value: [Reference Value][Averaging][Lookback] (Delete sub-paragraphs below where inapplicable.)
- [(i) Final Redemption Observation Date: [•]] (Include for Reference Value)
- [(i) Final Averaging Dates: [•]] (Include for Averaging)
- [(i) Lookback Period Start Date: [•]]
- [(ii) Lookback Period End Date: [•]] (Include for Lookback)
- (c) Strike Value: [•]

PROVISIONS RELATING TO THE UNDERLYING

- 77 **Commodity Linked Notes:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) **Single Commodity:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (i) Commodity: [•]
- (ii) Commodity Reference Price: [Specified Price: [The high price][The low price][The average of the high price and the low price][The closing price][The opening price][The bid price][The asked price][The average of the bid price and the asked price][The settlement price][The official settlement price][The official price][The morning fixing][The afternoon fixing][The spot price]
- Commodity Unit: [•]
- Relevant Currency: [•]

Form of Final Terms in respect of Exempt Notes

- Delivery Date: [•][•] Nearby Month][Not Applicable] (Select “Not Applicable” for a spot rate)
- Price Source: [•]]
- [Commodity Reference Dealers
- Bullion Reference Dealers: [As specified in Commodity Condition 2(a)][•]]
- (Only applicable where the Commodity is Bullion and the Commodity Reference Price does not use the Commodity Reference Price Framework.)*
- (iii) Initial Value: [Reference Value][Specified Value][Averaging][Lookback][, being [•].] *(Delete sub-paragraphs below where inapplicable.)*
- [(A) Initial Observation Date: [•]] *(Include for Reference Value)*
- [(A) Initial Averaging Dates: [•]] *(Include for Averaging)*
- [(A) Lookback Period Start Date: [•]
- (B) Lookback Period End Date: [•]] *(Include for Lookback)*
- (b) **Basket of Commodities:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (i) i **Commodity:** **Weighting:** **Initial Value:**
- | | | |
|--|---------------|---|
| 1 [•] <i>(Specify or select from Commodity Condition 2(b))</i> | [•] per cent. | [Reference Value][Specified Value][Averaging][Lookback][, being [•].] |
| 2 [•] <i>(Specify or select from Commodity Condition 2(b))</i> | [•] per cent. | [Reference Value][Specified Value][Averaging][Lookback][, being [•].] |
| 3 [•] <i>(Specify or select from Commodity Condition 2(b))</i> | [•] per cent. | [Reference Value][Specified Value][Averaging][Lookback][, being [•].] |
- (Repeat as necessary for additional Commodities.)*
- [(A) Initial Observation Date: [•]] *(Include for Reference Value)*
- [(A) Initial Averaging Dates: [•]] *(Include for Averaging)*
- [(A) Lookback Period Start Date: [•]
- (B) Lookback Period End Date: [•]] *(Include for Lookback)*

Form of Final Terms in respect of Exempt Notes

- | | | |
|--|---|--|
| (ii) Commodity Reference Price for Commodity ₁ : | [Specified Price: | [The high price][The low price][The average of the high price and the low price][The closing price][The opening price][The bid price][The asked price][The average of the bid price and the asked price][The settlement price][The official settlement price][The official price][The morning fixing][The afternoon fixing][The spot price][•] |
| | Commodity Unit: | [•] |
| | Relevant Currency: | [•] |
| | Delivery Date: | [•][[•] Nearby Month] [Not Applicable] (<i>Select not applicable for a spot rate.</i>) |
| | Price Source: | [•] |
| | [Commodity Reference Dealers | |
| | Bullion Reference Dealers: | [As specified in Commodity Condition 2(a)][•] |
| | <i>(Only applicable where the Commodity is Bullion and the Commodity Reference Price does not use the Commodity Reference Price Framework.)</i> | |
| (iii) Commodity Reference Price for Commodity ₂ : | [Specified Price: | [The high price][The low price][The average of the high price and the low price][The closing price][The opening price][The bid price][the asked price][The average of the bid price and the asked price][The settlement price][The official settlement price][The official price][The morning fixing][The afternoon fixing][The spot price][•] |
| | Commodity Unit: | [•] |
| | Relevant Currency: | [•] |

Form of Final Terms in respect of Exempt Notes

Delivery Date: ☐ ☐ Nearby Month] [Not Applicable] (*Select not applicable for a spot rate*)

[Commodity Reference Dealers

Bullion Reference Dealers: [As specified in Commodity Condition 2(a)] ☐

(Only applicable where the Commodity is Bullion and the Commodity Reference Price does not use the Commodity Reference Price Framework.)

(iv) Commodity Reference Price for Commodity₃: [Specified Price: [The high price][The low price][The average of the high price and the low price][The closing price][The opening price][The bid price][the asked price][The average of the bid price and the asked price][The settlement price][The official settlement price][The official price][The morning fixing][The afternoon fixing][The spot price] ☐

Commodity Unit: ☐

Relevant Currency: ☐

Delivery Date: ☐ ☐ Nearby Month] [Not Applicable] (*Select not applicable for a spot rate*)

Price Source: ☐

[Commodity Reference Dealers

Bullion Reference Dealers: [As specified in Commodity Condition 2(a)] ☐

(Only applicable where the Commodity is Bullion and the Commodity Reference Price does not use the Commodity Reference Price Framework.)

(Repeat as necessary for each additional Commodity.)

(c) **Disrupted Day:** [Applicable][Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph. Note that Disrupted Day should be specified as applicable if averaging applies.*)

- [Adjustments for Averaging Dates:
- (i) Omission: [Applicable][Not Applicable]
 - (ii) Postponement: [Applicable][Not Applicable]
 - (iii) Modified Postponement: [Applicable][Not Applicable] *(Include if averaging applies.)*
- (d) **Additional Disruption Events:** [Change in Law][Hedging Disruption][Increased Cost of Hedging][Not Applicable]
- (e) **Maximum Days of Disruption:** [As specified in Commodity Condition 2(a)][•]
- (f) **Disruption Fallback:**
- 1. [Fallback Reference Dealers]
 - 2.] [Fallback Reference Price]
 - 3.] [Postponement]
 - 4.] [Calculation Agent Determination]
 - 5.] [Delayed Publication or Announcement] *(Delete inapplicable.)*
- (i) Default Disruption Fallback: [Applicable][Not Applicable] *(If not applicable, re-order the Disruption Fallbacks above to indicate order in which they shall apply.)*
- [(ii) Alternative Reference Value for Fallback Reference Price: [•]] *(Delete if Fallback Reference Price is not specified above.)*
- (g) **Price Materiality Percentage** [•][Not Applicable]
- 78 **Commodity Index Linked Notes:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) **Single Commodity Index:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (i) Commodity Index: [•]
 - (ii) Index Sponsor: [•]
 - (iii) Index Exchange: [•]
 - (iv) Related Exchange: [•][All Exchanges]
 - (v) Initial Value: [Reference Value][Specified Value][Averaging][Lookback][, being [•].]
- [(A) Initial Observation Date: [•]] *(Include where Reference Value selected for Initial Value)*
- [(A) Initial Averaging Dates: [•]] *(Include where Averaging selected for Initial Value)*
- [(A) Lookback Period Start Date: [•]
- (B) Lookback Period End Date: [•]] *(Include where Lookback selected for Initial Value)*
- (vii) Observation Time: [Scheduled Closing Time][•]
- (b) **Basket of Commodity Indices:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

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i	Commodity Index_i:	Weighting_i:	Index Sponsor_i:	Observation Time_i:
1	[•]	[•]	[•]	[•][Not Applicable]
2	[•]	[•]	[•]	[•][Not Applicable]
3	[•]	[•]	[•]	[•][Not Applicable]
i	Index Exchange_i:	Related Exchange_i:	Multi-Exchange Index_i:	Initial Value_i:
1	[•]	[•]	[Applicable][Not Applicable]	[Reference Value][Specified Value][Averaging][Lookback][, being [•].]
	[(i) Initial Observation Date:		[•]] (<i>Include for Reference Value</i>)	
	[(i) Initial Averaging Dates:		[•]] (<i>Include for Averaging</i>)	
	[(i) Lookback Period Start Date:		[•]	
	(ii) Lookback Period End Date:		[•]] (<i>Include for Lookback</i>)	
2	[•]	[•]	[Applicable][Not Applicable]	[Reference Value][Specified Value][Averaging][Lookback][, being [•].]
	[(i) Initial Observation Date:		[•]] (<i>Include for Reference Value</i>)	
	[(i) Initial Averaging Dates:		[•]] (<i>Include for Averaging</i>)	
	[(i) Lookback Period Start Date:		[•]	
	(ii) Lookback Period End Date:		[•]] (<i>Include for Lookback</i>)	
3	[•]	[•]	[Applicable][Not Applicable]	[Reference Value][Specified Value][Averaging][Lookback][, being [•].]
	[(i) Initial Observation Date:		[•]] (<i>Include for Reference Value</i>)	
	[(i) Initial Averaging Dates:		[•]] (<i>Include for Averaging</i>)	
	[(i) Lookback Period Start Date:		[•]	
	(ii) Lookback Period End Date:		[•]] (<i>Include for Lookback</i>)	
	(Repeat as necessary for each additional Commodity Index.)			
(c)	Disrupted Day:		[Applicable][Not Applicable] (<i>If not applicable, delete the remaining sub-paragraphs of this paragraph. Note that Disrupted Day should be specified as applicable if averaging applies.</i>)	
	[Adjustments for Averaging Dates:			
	(i) Omission:		[Applicable][Not Applicable]	
	(ii) Postponement:		[Applicable][Not Applicable]	
	(iii) Modified Postponement:		[Applicable][Not Applicable]] (<i>Include if averaging applies.</i>)	
(d)	Additional Disruption Events:		[Change in Law][Hedging Disruption][Increased Cost of Hedging][Not Applicable]	
79	Equity Linked Notes:		[Applicable][Not Applicable] (<i>If not applicable, delete the remaining sub-paragraphs of this paragraph</i>)	

- (a) **Single Equity:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Equity: [•]
- (ii) Exchange: [•]
- (iii) Related Exchange: [•][All Exchanges]
- (iv) Reference Value: [Opening][Closing][Specified Time]
 [(i) Specified Time: [•]]
- (v) Initial Value: [Reference Value][Specified Value][Averaging][Lookback][, being [•].]
 [(A) Initial Observation Date: [•]] *(Include where Reference Value selected for Initial Value)*
 [(A) Initial Averaging Dates: [•]] *(Include where Averaging selected for Initial Value)*
 [(A) Lookback Period Start Date: [•]]
 [(B) Lookback Period End Date: [•]] *(Include where Lookback selected for Initial Value)*
- (vi) Observation Time: [•][Scheduled Closing Time]
- (b) **Basket of Equities:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- | | | | |
|---|----------------|-------------------|--------------------------|
| i | Equity: | Weighting: | Observation Time: |
| 1 | [•] | [•] | [•][Not Applicable] |
| 2 | [•] | [•] | [•][Not Applicable] |
| 3 | [•] | [•] | [•][Not Applicable] |
- | | | | | |
|---|----------------------------------|---|------------------------------------|---|
| i | Index Exchange: | Related Exchange: | Reference Value: | Initial Value: |
| 1 | [•] | [•][All Exchanges] | [Opening][Closing][Specified Time] | [Reference Value][Specified Value][Averaging][Lookback][, being [•].] |
| | [(i) Initial Observation Date: | [•]] <i>(Include where Reference Value is selected for Initial Value)</i> | | |
| | [(i) Initial Averaging Dates: | [•]] <i>(Include where Averaging is selected for Initial Value)</i> | | |
| | [(i) Lookback Period Start Date: | [•] | | |
| | [(ii) Lookback Period End Date: | [•]] <i>(Include where Lookback is selected for Initial Value)</i> | | |
| 2 | [•] | [•][All Exchanges] | [Opening][Closing][Specified Time] | [Reference Value][Specified Value][Averaging][Lookback][, being [•].] |
| | [(i) Initial Observation Date: | [•]] <i>(Include where Reference Value is selected for Initial Value)</i> | | |

- [(i) Initial Averaging Dates: [•]] (Include where Averaging is selected for Initial Value)
- [(i) Lookback Period Start Date: [•]]
- [(ii) Lookback Period End Date: [•]] (Include where Lookback is selected for Initial Value)
- 3 [•] [•][All Exchanges] [Opening][Closing] [Reference Value][Specified Value][Averaging][Lookback][, being [•].]
- [(i) Initial Observation Date: [•]] (Include where Reference Value is selected for Initial Value)
- [(i) Initial Averaging Dates: [•]] (Include where Averaging is selected for Initial Value)
- [(i) Lookback Period Start Date: [•]]
- [(ii) Lookback Period End Date: [•]] (Include where Lookback is selected for Initial Value)
- (Repeat as necessary for each additional Equity.)
- (c) **ADR/GDR:** [Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Underlying Equity: [•]
- (ii) Partial Lookthrough Depositary Receipt Provisions: [Equity][Equity Issuer][successor Equity Issuer] [Not Applicable]
- (iii) Full Lookthrough Depositary Receipt Provisions: [Equity][Equity Issuer][successor Equity Issuer] [Not Applicable]
- (d) **Exchange Traded Notes:** [Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (i) ETN Early Redemption Amount: [Applicable][Not Applicable]
- (ii) ETN Event of Default: [Applicable][Not Applicable]
- (e) **Disrupted Day:** [Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph. Note that Disrupted Day should be specified as applicable if averaging applies.)
- [Adjustments for Averaging Dates:
- (i) Omission: [Applicable][Not Applicable]
- (ii) Postponement: [Applicable][Not Applicable]
- (iii) Modified Postponement: [Applicable][Not Applicable]] (Include if averaging applies.)
- (f) **Additional Disruption Events:** [Change in Law][Hedging Disruption][Increased Cost of Hedging][Insolvency Filing][Not Applicable]
- 80 **Equity Index Linked Notes:** [Applicable][Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (a) **Single Equity Index:** [Applicable][Not Applicable]

Form of Final Terms in respect of Exempt Notes

(If not applicable, delete the remaining sub-paragraphs of this paragraph.)

- (i) Equity Index: [•]
- (ii) Index Sponsor: [•]
- (iii) Exchange: [•][Multi-Exchange Equity Index]
(N.B. Multi-Exchange Equity Index should apply to any Equity Index in respect of which there is more than one Exchange, e.g. a EURO STOXX index.)
- (iv) Related Exchange: [•]
- (v) Reference Value: [Opening][Closing][Specified Time]
[(i) Specified Time: [•]]
- (vi) Initial Value: [Reference Value][Specified Value][Averaging]
[Lookback][, being [•].]
[(A) Initial Observation Date: [•]] *(Include where Reference Value selected for Initial Value)*
[(A) Initial Averaging Dates: [•]] *(Include where Averaging selected for Initial Value)*
[(A) Lookback Period Start Date: [•]]
[(B) Lookback Period End Date: [•]] *(Include where Lookback selected for Initial Value)*
- (vii) Observation Time: [Scheduled Closing Time][•][Not Applicable]
- (b) **Basket of Equity Indices:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- | i | Equity Index: | Weighting: | Equity Index Sponsor: | Observation Time: |
|---|----------------------------------|--------------------------|------------------------------|---|
| 1 | [•] | [•] | [•] | [•][Not Applicable] |
| 2 | [•] | [•] | [•] | [•][Not Applicable] |
| 3 | [•] | [•] | [•] | [•][Not Applicable] |
| i | Index Exchange: | Related Exchange: | Multi-Exchange Index: | Initial Value: |
| 1 | [•] | [•] | [Applicable][Not Applicable] | [Reference Value][Specified Value][Averaging][Lookback][, being [•].] |
| | [(i) Initial Observation Date: | | [•]] | <i>(Include for Reference Value)</i> |
| | [(i) Initial Averaging Dates: | | [•]] | <i>(Include for Averaging)</i> |
| | [(i) Lookback Period Start Date: | | [•] | |
| | [(ii) Lookback Period End Date: | | [•]] | <i>(Include for Lookback)</i> |
| 2 | [•] | [•] | [Applicable][Not Applicable] | [Reference Value][Specified Value][Averaging][Lookback][, being [•].] |
| | [(i) Initial Observation Date: | | [•]] | <i>(Include for Reference Value)</i> |

Form of Final Terms in respect of Exempt Notes

	[(i) Initial Averaging Dates:	[●]] (Include for Averaging)		
	[(i) Lookback Period Start Date:	[●]		
	[(ii) Lookback Period End Date:	[●]] (Include for Lookback)		
3	[●]	[●]	[Applicable][Not Applicable]	[Reference Value][Specified Value][Averaging][Lookback][, being [●].]
	[(i) Initial Observation Date:	[●]] (Include for Reference Value)		
	[(i) Initial Averaging Dates:	[●]] (Include for Averaging)		
	[(i) Lookback Period Start Date:	[●]		
	[(ii) Lookback Period End Date:	[●]] (Include for Lookback)		
	(Repeat as necessary for each additional Equity Index.)			
	(c) Disrupted Day:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph. Note that Disrupted Day should be specified as applicable if averaging applies.)		
	[Adjustments for Averaging Dates:			
	(i) Omission:	[Applicable][Not Applicable]		
	(ii) Postponement:	[Applicable][Not Applicable]		
	(iii) Modified Postponement:	[Applicable][Not Applicable]] (Include if averaging applies.)		
	(d) Additional Disruption Events:	[Change in Law][Hedging Disruption][Increased Cost of Hedging][Insolvency Filing][Not Applicable]		
81	Fund Linked Notes:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)		
	(a) Single Reference Fund:	[●] [Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)		
	(i) Fund Interest:	[●]		
	(ii) Reference Fund:	[●][Not Applicable]		
	(iii) Fund Interest Unit:	[●][Not Applicable]		
	(iv) Fund Administrator:	[As specified in Fund Condition 2][●]		
	(v) Fund Adviser:	[As specified in Fund Condition 2][●]		
	(vi) Fund Manager:	[As specified in Fund Condition 2][●]		
	(vii) Fund Service Provider:	[As specified in Fund Condition 2][●]		
	(viii) Redemption Proceeds:	[●][Not Applicable]		
	(b) Basket of Reference Funds:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)		
i	Reference Fund:	Weighting:	Fund Interest:	Fund Interest Unit:
1	[●]	[●]	[●]	[●][Not Applicable]

Form of Final Terms in respect of Exempt Notes

2	[●]	[●]	[●]	[●][Not Applicable]
3	[●]	[●]	[●]	[●][Not Applicable]
i	Fund Administrator:	Fund Adviser:	Fund Manager:	Fund Service Provider:
1	[As specified in Fund Condition 2][●]	[As specified in Fund Condition 2][●]	[As specified in Fund Condition 2][●]	[As specified in Fund Condition 2][●]
2	[As specified in Fund Condition 2][●]	[As specified in Fund Condition 2][●]	[As specified in Fund Condition 2][●]	[As specified in Fund Condition 2][●]
3	[As specified in Fund Condition 2][●]	[As specified in Fund Condition 2][●]	[As specified in Fund Condition 2][●]	[As specified in Fund Condition 2][●]
i	Redemption Proceeds:		Initial Value:	
1	[●][Not Applicable]		[Reference Value][Specified Value][Averaging][Lookback][, being [●].]	
	[(i) Initial Observation Date:		[●]] <i>(Include where Reference Value is selected for Initial Value)</i>	
	[(i) Initial Averaging Dates:		[●]] <i>(Include where Averaging is selected for Initial Value)</i>	
	[(i) Lookback Period Start Date:		[●]	
	(ii) Lookback Period End Date:		[●]] <i>(Include where Lookback is selected for Initial Value)</i>	
2	[●][Not Applicable]		[Reference Value][Specified Value][Averaging][Lookback][, being [●].]	
	[(i) Initial Observation Date:		[●]] <i>(Include where Reference Value is selected for Initial Value)</i>	
	[(i) Initial Averaging Dates:		[●]] <i>(Include where Averaging is selected for Initial Value)</i>	
	[(i) Lookback Period Start Date:		[●]	
	(ii) Lookback Period End Date:		[●]] <i>(Include where Lookback is selected for Initial Value)</i>	
3	[●][Not Applicable]		[Reference Value][Specified Value][Averaging][Lookback][, being [●].]	
	[(i) Initial Observation Date:		[●]] <i>(Include where Reference Value is selected for Initial Value)</i>	
	[(i) Initial Averaging Dates:		[●]] <i>(Include where Averaging is selected for Initial Value)</i>	
	[(i) Lookback Period Start Date:		[●]	
	(ii) Lookback Period End Date:		[●]] <i>(Include where Lookback is selected for Initial Value)</i>	
(Repeat as necessary for each additional Reference Fund.)				
(c)	Additional Fund Documents:		[●][Not Applicable]	

- (d) **Hedging Party:** [●][Not Applicable]
 - (e) **Cut-Off Period:** [●][Not Applicable]
 - (i) Final Cut-Off Date: [●][Not Applicable]
 - (f) **Fund Business Day:** [As specified in Fund Condition 2] [●]
 - (g) **Redemption Proceeds:**
 - (i) Election of alternative payment: [●][Not Applicable]
 - (h) **Redemption Fees:** [●][Not Applicable]
 - (i) **Key person for the purpose of a Key Person Event:** [●][Not Applicable]
 - (j) **Reporting Disruption:**
 - (i) Time period of event affecting Fund Interest making it impossible/impracticable for Calculation Agent to determine value: [●][Not Applicable]
 - (k) **Number of Days for the purpose of a NAV Disruption Event:** [●] days
 - (l) **NAV Trigger Event:** [●] per cent. over [specify period of time]
 - (m) **Minimum Outstanding Amount of Notes:** [As specified in Fund Condition 3(u)][●]
 - (n) **Benchmark for the purpose of a Benchmark Change:** [●]
 - (o) **Assets Under Management Trigger:** [As specified in Fund Condition 3(x)][Net asset value below [●]]
 - (p) **Disrupted Day:** [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph. Note that Disrupted Day should be specified as applicable if averaging applies.)*
- [Adjustments for Averaging Dates:
- (i) Omission: [Applicable][Not Applicable]
 - (ii) Postponement: [Applicable][Not Applicable]
 - (iii) Modified Postponement: [Applicable][Not Applicable]] *(Include if averaging applies.)*
- 82 **FX Linked Notes:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs below.)
- (a) **Single FX Rate:** [Applicable][Not Applicable]
(If not applicable, delete the remaining sub-paragraphs below.)
 - (i) Base Currency: [●]
 - (ii) Reference Currency: [●]
 - (iii) FX Price Source: [●]

(iv) FX Financial Centre(s): [•]

(v) FX Rate Sponsor: [•]

(b) **Basket of FX Rates:** [Applicable][Not Applicable]

(If not applicable, delete the remaining sub-paragraphs below.)

i	FX Rate:	Base Currency:	Reference Currency:	Weighting:
1	[•]	[•]	[•]	[•] per cent.
2	[•]	[•]	[•]	[•] per cent.
3	[•]	[•]	[•]	[•] per cent.
i	FX Rate Sponsor:	FX Price Source:	Observation Time:	FX Financial Centre:
1	[•]	[•]	[•]	[•]
2	[•]	[•]	[•]	[•]
3	[•]	[•]	[•]	[•]

i **Initial Value:**

1 [Reference Value][Specified Value][Averaging][Lookback][, being [•].]

[(i) Initial Observation Date: [•]] *(Include for Reference Value)*

[(i) Initial Averaging Dates: [•]] *(Include for Averaging)*

[(i) Lookback Period Start Date: [•]]

[(ii) Lookback Period End Date: [•]] *(Include for Lookback)*

2 [Reference Value][Specified Value][Averaging][Lookback][, being [•].]

[(i) Initial Observation Date: [•]] *(Include for Reference Value)*

[(i) Initial Averaging Dates: [•]] *(Include for Averaging)*

[(i) Lookback Period Start Date: [•]]

[(ii) Lookback Period End Date: [•]] *(Include for Lookback)*

3 [Reference Value][Specified Value][Averaging][Lookback][, being [•].]

[(i) Initial Observation Date: [•]] *(Include for Reference Value)*

[(i) Initial Averaging Dates: [•]] *(Include for Averaging)*

[(i) Lookback Period Start Date: [•]]

[(ii) Lookback Period End Date: [•]] *(Include for Lookback)*

(Repeat as necessary for each additional FX Rate.)

(c) **Number of FX Settlement Days:** [•]

(d) **Disrupted Day:** [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph. Note that Disrupted Day should be specified as applicable if averaging applies.)*

[Adjustments for Averaging Dates:

(i) Omission: [Applicable][Not Applicable]

(ii) Postponement: [Applicable][Not Applicable]

	(iii) Modified Postponement:	[Applicable][Not Applicable] <i>(Include if averaging applies.)</i>
	(e) Additional Disruption Events:	[Change in Law][Hedging Disruption][Increased Cost of Hedging][Not Applicable]
	(f) Disruption Fallback:	[1. [Calculation Agent FX Determination] [2.] [Currency-Reference Dealers] [3.] [Fallback Reference Price]] <i>(Delete inapplicable and re-order to indicate order in which they shall apply.)</i> [Not Applicable] <i>(To be specified if "Disrupted Day" is stated to be Not Applicable.)</i>
	[(i) Alternative FX Price Source for Fallback Reference Price:	[●] <i>(If Disruption Fallbacks stated to be Not Applicable, delete this paragraph.)</i>
	(g) Fallback Reference Date:	[As specified in FX Condition 2][●][Not Applicable]
	(h) FX Reference Dealers:	[Standard][Modified][●] in respect of <i>(specify FX Rate(s))</i> [Not Applicable]
	(i) Settlement Currency:	[Standard][Modified][●] in respect of <i>(specify FX Rate(s))</i> [Not Applicable]
	(j) Rebasing:	[Applicable][Not Applicable]
83	Inflation Index Linked Notes:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(a) Inflation Index:	[●]
	(b) Index Sponsor:	[●]
	(c) Related Bond:	[Applicable][Not Applicable]
	(i) Bond for purpose of Related Bond:	[●][Fallback Bond]
	(d) Determination Date:	[Specify any payment date other than Interest Payment Dates Maturity Date or Automatic Early Redemption Dates.]
	(e) Additional Disruption Events:	[Change in Law][Hedging Disruption][Increased Cost of Hedging][Not Applicable]
84	Non-Deliverable Currency Feature Conditions:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(a) Converted Interest Currency:	[Applicable – <i>(specify currency)</i>][Not Applicable]
	(b) Converted Redemption Currency:	[Applicable – <i>(specify currency)</i>][Not Applicable]
	(c) Base Currency:	[●]
	(d) Reference Currency:	[●]
	(e) FX Price Source:	[●]
	(f) Observation Time:	[●]
	(g) Observation Date:	[●][The initial Observation Date shall be [5][<i>(specify other)</i>] Business Days following the Issue Date]
	(h) FX Financial Centres:	[●]
	(i) Disruption Fallbacks	[1. Calculation Agent FX Determination]

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2. Fallback Reference Price] *(delete inapplicable and re-order to indicate in which order they shall apply, if necessary)* [Not Applicable] *(To be specified if “Disrupted Day” is stated to be Not Applicable.)*

(i) [Alternative FX Price Source for Fallback Reference Price] [●] *(If Disruption Fallbacks stated to be Not Applicable, delete this sub-paragraph.)*

(j) Rebasing: [Applicable][Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

85 Form of Notes:

[Bearer Notes][Registered Notes]

[Temporary Global Note exchangeable for a permanent Global Note not earlier than 40 days after the completion of the distribution of the Tranche of which such Note is a part nor later than 40 days prior to the first anniversary of the Issue Date (i.e. [●]) which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note [and/or by the holder giving [60] days’ notice to the Fiscal Agent of its election for exchange]]

[Temporary Global Note exchangeable for Definitive Notes not earlier than 40 days after the completion of the distribution of the Tranche of which such Note is a part nor later than 40 days prior to the first anniversary of the Issue Date (i.e. [●])] ³²

[Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date] ³³

[Permanent Global Note exchangeable for Definitive Notes [on 60 days’ notice given at any time][only upon an Exchange Event]]

[Global Certificate exchangeable for Definitive Certificates in the limited circumstances specified in the Global Certificate]

86 (a) Financial Centre(s) or other special provisions relating to Payment Day in General Condition 8(f):

[[●] *(Give details)*]

General Condition 8(f)[(i)][(ii)] applies.

(Delete inapplicable)

(Note that this paragraph relates to the place of payment and not to Payment Day/Interest Period End Dates)

(N.B. Provision 23(a) Financial Centre(s))

³² The exchange at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: “[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000].” Furthermore such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note/Certificate exchangeable for Definitive Notes, other than in the limited circumstances specified in the permanent Global Note/Certificate.

³³ Ensure that this is consistent with the wording in the “Form of the Notes” section in the Base Prospectus and the Notes themselves. N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 above includes language substantially to the following effect: “[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€99,000]”. Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Note.

(b) **Financial Centre(s) or other special provisions relating to Business Day:** ☐ (Give details) ☐ [Not Applicable]

87 **Partly Paid Notes:** ☐ [Applicable] ☐ [Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

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: ☐

88 **Instalment Notes:** ☐ [Applicable] ☐ [Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

Amount of each instalment, date on which each payment is to be made: ☐

89 **Prohibition of Sales to EEA Retail Investors:** ☐ [Applicable/Not Applicable]

[LISTING AND ADMISSION TO TRADING APPLICATION]

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the EUR 15,000,000,000 Structured Medium-Term Note Programme of Structured Products.]

[THIRD PARTY INFORMATION]

Information on the underlying has been extracted from ☐. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by ☐, no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: _____
Duly authorised

PART B – OTHER INFORMATION

1 LISTING AND ADMISSION TO TRADING³⁴

- (a) Listing: [Euronext Amsterdam][Luxembourg Stock Exchange][Other (specify)][None]
- (b) Admission to trading: [Application has been made for the Notes to be admitted to trading on [●] with effect from [●]][No application for admission to trading has been made].³⁵
- (c) Estimate of total expenses related to admission to trading: [●]
- (d) In the case of Notes listed on Euronext Amsterdam: [Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (i) Amsterdam Listing Agent: Coöperatieve Rabobank U.A.
- (ii) Amsterdam Paying Agent: Coöperatieve Rabobank U.A.

2 RATINGS

- Ratings: [The Notes to be issued have not been rated.
- Credit ratings in relation to the Issuer included or referred to in these Final Terms and the Base Prospectus[, as so supplemented,] have been issued by S&P, Moody's and Fitch Ratings Ltd, each of Fitch, Moody's and S&P is established in the European Union and is registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.
- [The Notes to be issued [have been][are expected to be] rated:
- [Fitch: [●]]
- [Moody's: [●]]
- [S&P: [●]]
- [Other: [●]]
- (The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*
- Insert one (or more) of the following options, as applicable:*
- Option 1: CRA is (i) established in the EU and (ii) registered under the CRA Regulation:**
- [Insert legal name of particular credit rating agency entity providing rating]* is established in the EU and registered under Regulation (EC) No 1060/2009.
- Option 2: CRA is (i) established in the EU, (ii) not registered under the CRA Regulation; but (iii) has applied for registration:**

³⁴ Listing of Exempt Notes may only be on an exchange-regulated market or on a stock exchange outside the EEA.

³⁵ Where documenting a fungible issue, indicate that original securities are already admitted to trading.

[Insert legal name of particular credit rating agency entity providing rating] is established in the EU and has applied for registration under Regulation (EC) No 1060/2009, although notification of the registration decision has not yet been provided.

Option 3: CRA is (i) established in the EU; and (ii) has not applied for registration is not registered under the CRA Regulation:

[Insert legal name of particular credit rating agency entity providing rating] is established in the EU and is neither registered nor has it applied for registration under Regulation (EC) No 1060/ 2009.

Option 4: CRA is not established in the EU but the relevant rating is endorsed by a CRA which is established and registered under the CRA Regulation:

[Insert legal name of particular credit rating agency entity providing rating] is not established in the EU but the rating it has given to the Notes is endorsed by *[insert legal name of credit rating agency]*, which is established in the EU and registered under Regulation (EC) No 1060/2009.

Option 5: CRA is not established in the EU and the relevant rating is not endorsed under the CRA Regulation, but the CRA is certified under the CRA Regulation:

[Insert legal name of particular credit rating agency entity providing rating] is not established in the EU but is certified under Regulation (EC) No 1060/2009.

Option 6: CRA is neither established in the EU nor certified under the CRA Regulation and the relevant rating is not endorsed under the CRA Regulation:

[Insert legal name of particular credit rating agency entity providing rating] is not established in the EU and is not certified under Regulation (EC) No 1060/2009 and the rating it has given to the Notes is not endorsed by a credit rating agency established in the EU and registered under the CRA Regulation.

3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE 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 for any fees payable to the Dealer[s], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Dealer[s] and [its/their] affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business. (Amend as appropriate if there are other interests)] (When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)

- 4 **REASONS FOR THE OFFER** [See “Use of Proceeds” wording in Base Prospectus]/[●]
(If reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)
- 5 **YIELD** (*Fixed Rate Notes only*)
Indication of yield: [●]
[Calculated as (*include details of the method of calculation in brief form*) on the Issue Date.]
The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.
- 6 **OPERATIONAL INFORMATION**
- (a) ISIN: [●]
(*If fungible with an existing Series insert:*)
[Pending consolidation with the Tranche 1 Notes: [●]
Following consolidation with the Tranche 1 Notes: [●]]
- (b) Common Code: [●]
(*If fungible with an existing Series insert:*)
[Pending consolidation with the Tranche 1 Notes: [●]
Following consolidation with the Tranche 1 Notes: [●]]
- (c) CFI: [See 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/Not Available]
(*If fungible with an existing Series insert:*)
[Pending consolidation with the Existing Notes: [●]
Following consolidation with the Existing Notes: [●]]
- (d) FISN: [See the website of ANNA or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
(*If fungible with an existing Series insert:*)
[Pending consolidation with the Existing Notes: [●]
Following consolidation with the Existing Notes: [●]]
- (e) German WKN-code: [●][Not Applicable]
- (f) Private Placement number: [●][Not Applicable]
- (g) CUSIP Number: [●] [Not Applicable]
- (h) Any clearing system(s) other than DTC, Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme* and the relevant identification number(s): [Not Applicable][*Give name(s) and number(s)*]
- (i) Delivery: Delivery [against][free of] payment
- (j) Names (and addresses) of additional (Paying/Delivery) Agent(s) (if any): [Not Applicable][●]

- (k) Names (and addresses) of Calculation Agent(s) ³⁶: [Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom][Coöperatieve Rabobank U.A., Croeselaan 18, 3521 CB Utrecht, The Netherlands]
 [(Insert name and address if another entity)]

7 DISTRIBUTION

- (a) Method of Distribution: [Syndicated][Non-syndicated]
- (b) If syndicated, names and addresses of Dealer[s] and underwriting commitments: [Applicable][Not Applicable]
(If applicable, include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis 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 Dealer[s])
- (c) Date of Subscription Agreement: [[•] (Give details)][Not Applicable]
- (d) Stabilising Manager(s): [[•] (Give name)][Not Applicable]
- (e) Total commission and concession/Dealer's Commission: [[•] per cent. of the aggregate nominal amount][Certain fees or commissions will be payable to third party distributors and/or the Notes will be sold at a discount to the Issue Price on the primary sale of the Notes][Not Applicable][[•] (Specify other)]
- (f) If non-syndicated, name and address of relevant Dealer: [[•] (Insert name and address)][Not Applicable]
- (g) Applicable TEFRA exemption: [TEFRA C][TEFRA D][Not Applicable]
- (h) Additional selling restrictions: [•]
- (i) Prohibition of Sales to Belgian Consumers: [Applicable/Not Applicable]
(Advice should be taken from Belgian counsel before disapplying this selling restriction)
- (j) Additional United States Tax Considerations: The Notes are [not] Specified ELIs for purposes of Section 871(m) of the U.S. Internal Revenue Code of 1986, as amended. [Additional information regarding the application of Section 871(m) to the Notes will be available from [give name(s) and address(es) of Issuer contact.]
 [Applicable][Not Applicable]
(If applicable, specify) (N.B. Obtain U.S. tax advice in case of non-principal protected notes, notes that are treated as non-functional currency contingent payment debt instruments under Treasury Regulation 1.988-6, or notes that provide for physical settlement or Partly Paid Notes.)

[Insert any additional information relating to the Underlying pursuant to the Prospectus Directive]

³⁶ Separate Calculation Agency Agreement needed if the Calculation Agent is not a Dealer or one of its affiliates.

GENERAL INFORMATION

1. The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes. The update and amendment to the Programme was authorised by Rabobank by a resolution of the Managing Board of Rabobank passed on 12 November 2018, by a resolution of the Supervisory Board passed on 23 November 2018 and by a secretary's certificate dated 11 June 2019.
2. There has been no significant change in the financial or trading position of the Issuer or of Rabobank Group, and there has been no material adverse change in the financial position or prospects of the Issuer or of Rabobank Group, since 31 December 2018.
3. Save as disclosed in the section titled "*Legal and Arbitration Proceedings*" on pages 299 to 300 of this Base Prospectus, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the period covering the 12 months preceding the date of this Base Prospectus which may have, or have had in the recent past, significant effects on the Issuer's and/or Rabobank Group's financial position or profitability.
4. Each Bearer Note, Receipt, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code".
5. The Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems. In addition, Rabobank will make an application with respect to any Restricted Notes of a Registered Series to be accepted for trading in book-entry form by DTC. Acceptance by DTC of Restricted Notes of each Tranche of a Registered Series issued by Rabobank will be confirmed in the relevant Final Terms. The Common Code, the International Securities Identification Number (ISIN), the Committee on Uniform Security Identification Procedure (CUSIP) number and (where applicable) the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium, the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy L-1855 Luxembourg, Luxembourg and the address of DTC is 55 Water Street, New York, New York 10041 USA. The address of any Alternative Clearing System will be specified in the relevant Final Terms.
6. The issue price and the amount of the relevant Notes will be determined based on the prevailing market conditions. The Issuer does not intend to provide any post-issuance information in relation to any issues of Notes.
7. So long as any of the Notes are outstanding the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the office of the Paying Agent in Luxembourg:
 - (i) the Agency Agreement (as amended and supplemented from time to time) relating to Notes issued under the Programme (which includes the form of the Global Notes, the Definitive Notes, the Certificates and the Coupons, Talons and Receipts relating to Bearer Notes);
 - (ii) each set of Final Terms for Notes that are listed on Euronext Amsterdam or the Luxembourg Stock Exchange; and
 - (iii) the articles of association of Rabobank.

8. For the period of 12 months following the date of this Base Prospectus, copies of the following documents will be available, free of charge during usual business hours on any weekday (Saturdays and public holidays excepted), at the office of the Fiscal Agent and the Paying Agents in Luxembourg and the Netherlands:
 - (i) the Agency Agreement (as amended and supplemented from time to time) (which includes the form of the Global Notes, the Registered Notes, the Definitive Notes, and the Coupons, Talons and Receipts relating to Definitive Notes) and the Covenant (as amended and supplemented from time to time);
 - (ii) the articles of association of Rabobank;
 - (iii) the audited and consolidated financial statements of Rabobank and Rabobank Group for the years ended 31 December 2018, 31 December 2017 and 31 December 2016 (together with the explanatory notes and the independent auditor's reports in respect thereof);
 - (iv) the audited financial statements of Coöperatieve Rabobank U.A. for the years ended 31 December 2018, 2017 and 2016 (in each case, together with the explanatory notes and the independent auditor's reports in respect thereof);
 - (v) a copy of this Base Prospectus (together with any supplement to this Base Prospectus or further Base Prospectus and any documents incorporated by reference into this Base Prospectus and any such supplement); and
 - (vi) a copy of the ISDA Definitions and the 1998 FX and Currency Option Definitions.
9. The consolidated financial statements of Coöperatieve Rabobank U.A. and its subsidiaries and the company financial statements of Coöperatieve Rabobank U.A. as of and for the years ended 31 December 2018, 31 December 2017 and 31 December 2016, incorporated by reference in this Base Prospectus, have been audited by PricewaterhouseCoopers Accountants N.V., an independent registered public accounting firm, as stated in their auditor's reports incorporated by reference herein. The auditor signing the auditor's report on behalf of PricewaterhouseCoopers is a member of the Royal Netherlands Institute of Chartered Accountants (Koninklijke Nederlandse Beroepsorganisatie van Accountants).
10. The latest published financial information was for the year ended 31 December 2018.
11. As at the date of this Base Prospectus, no interim financial information in respect of the Issuer has been published subsequent to 31 December 2018.
12. As of the date of this Base Prospectus, Rabobank Group is not party to any contracts (not entered into in the ordinary course of business) that are considered material to its results, financial condition or operations.
13. The Legal Entity Identifier (LEI) of Coöperatieve Rabobank U.A. is DG3RU1DBUFHT4ZF9WN62.
14. Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and their affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions

which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

15. The yield for any particular Series of Fixed Rate Notes will be specified in the relevant Final Terms and will be calculated on the basis of the compound annual rate of return if the relevant Notes were to be purchased at the Issue Price on the Issue Date and held to maturity. Set out below is the formula for the purposes of calculating the yield of Fixed Rate Notes.

$$\text{Issue Price} = \text{Rate of Interest} \times \frac{1 - \left(\frac{1}{(1 + \text{Yield})^n} \right)}{\text{Yield}} + \left[\text{Final Redemption Amount} \times \frac{1}{(1 + \text{Yield})^n} \right]$$

Where:

“Rate of Interest” means the Rate of Interest expressed as a percentage as specified in the relevant Final Terms and adjusted according to the frequency i.e. for a semi-annual paying Note, the Rate of Interest is half the stated annualised Rate of Interest in the Final Terms;

“Yield” means the yield to maturity calculated on a frequency commensurate with the frequency of interest payments as specified in the relevant Final Terms; and

“n” means the number of interest payments to maturity.

Set out below is a worked example illustrating how the yield on a Series of Fixed Rate Notes could be calculated on the basis of the above formula. It is provided for purposes of illustration only and should not be taken as an indication or prediction of the yield for any Series of Notes; it is intended merely to illustrate the way which the above formula could be applied.

Where:

n = 6

Rate of interest = 3.875 per cent.

Issue Price = 99.392 per cent.

Final Redemption Amount = 100 per cent.

$$99.392 = 3.875 \times \frac{1 - \left[\frac{1}{(1 + \text{Yield})^6} \right]}{\text{Yield}} + \left[100 \times \frac{1}{(1 + \text{Yield})^6} \right]$$

Yield = 3.99 per cent. (calculated by iteration)

The yield specified in the relevant Final Terms in respect of a Series of Fixed Rate Notes will not be indication of future yield.

16. The following table sets forth the payments made by Rabobank to Stichting AK Rabobank Certificaten with respect to Rabobank's participations (**“Rabobank Participations”**) relating to the financial years indicated. Stichting AK Rabobank Certificaten paid the payments it received in respect of the Rabobank Participations to the holders of the Rabobank certificates.

Financial year	Number of Rabobank Participants for calculation of the payment	Payment in cash (in euro per Rabobank Participation)			
		Q1	Q2	Q3	Q4
2018	297,961,365	€0.40625	€0.40625	€0.40625	€0.40625
2017	297,961,365	€0.40625	€0.40625	€0.40625	€0.40625
2016	237,961,365	€0.40625	€0.40625	€0.40625	€0.40625
2015	237,961,365	€0.40625	€0.40625	€0.40625	€0.40625
2014	237,961,365	€0.40625	€0.40625	€0.40625	€0.40625
2013	277,961,365	€0.3125	€0.3125	€0.3250	€0.3250
2012	277,961,365	€0.3125	€0.3125	€0.3125	€0.3125

The payment history is no indication of future payments by the Issuer on the Rabobank Participations.

Up until 2015, a dividend could be paid from the profits of Rabobank, the amount of which was determined by the General Meeting on the proposal of the Managing Board. In 2015 a dividend of €264 million was distributed to the local Rabobanks. In previous years, such distributed dividends to the local Rabobanks amounted to €218 million in 2014, €0 million in 2013 and €493 million in 2012. At Rabobank Group level, these dividend distributions did not have any impact on equity. As a result of the legal merger on 1 January 2016 between the local cooperative Rabobanks and Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., the surviving company (the Issuer) no longer has any shareholders nor a distribution policy.

PRINCIPAL OFFICE OF THE ISSUER

**Coöperatieve Rabobank U.A.
(Rabobank Structured Products)**

Croeselaan 18
3521 CB Utrecht
The Netherlands

DEALER

Coöperatieve Rabobank U.A.

Thames Court, One Queenhithe
London EC4V 3RL
United Kingdom

Coöperatieve Rabobank U.A.

Croeselaan 18
3521 CB Utrecht
The Netherlands

ISSUING AND PAYING AGENT

Deutsche Bank AG, London Branch

Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

EUROCLEAR NETHERLANDS FISCAL AGENT

Coöperatieve Rabobank U.A.

Croeselaan 18
3521 CB Utrecht
The Netherlands

PAYING AGENTS

Deutsche Bank Luxembourg S.A.

2 Boulevard Konrad Adenauer
L-1115 Luxembourg
Luxembourg

Coöperatieve Rabobank U.A.

Croeselaan 18
3521 CB Utrecht
The Netherlands

**REGISTRAR, TRANSFER AGENT AND EXCHANGE
AGENT**

Deutsche Bank Trust Company Americas

60 Wall Street
27th Floor – MS NYC60-2710 New York
New York 10005
United States

EURONEXT AMSTERDAM LISTING AGENT

Coöperatieve Rabobank U.A.

Croeselaan 18
3521 CB Utrecht
The Netherlands

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LUXEMBOURG STOCK EXCHANGE LISTING AGENT

**Deutsche Bank Luxembourg S.A.
Corporate Trust and Agency Services**

2 Boulevard Konrad Adenauer
L-1115 Luxembourg
Luxembourg

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INDEPENDENT AUDITOR TO THE ISSUER

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